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INTRODUCTION

The purpose of this report is to present the South America regional group's assessment of the drug problem in part of 2012, to highlight the main foreign aid requirements identified by national authorities in the region and to put to the Central Dublin Group the recommendations made in the relevant mini Dublin groups.

Information from the mini Dublin groups for Argentina, Bolivia, Brazil, Colombia, Chile, Ecuador, Paraguay, Peru, Uruguay and Venezuela is set out below.

1. ARGENTINA

1.1. General situation

The upward trend of drug trafficking, consumption, local production and diversification of supply, identified in 2011, has been confirmed. The idea of Argentina being a mere transit country for drugs bound for Europe and Africa is definitely a thing of the past.

Trafficking involves "traditional" drugs such as cocaine, heroin, marijuana and synthetic drugs, with a clear predominance of cocaine (73 tonnes per year according to official figures) and marijuana (108 tonnes per year according to official figures). Although, strictly speaking, Argentina cannot be described as a cocaine-producing country that stands comparison with Colombia, Bolivia or Peru, given that there are no cocaine plantations in Argentina, it is increasingly becoming a cocaine processing country, with more and more "kitchens" (laboratories manufacturing cocaine and cocaine derivatives) being dismantled and cocaine seizures in Argentina increasing eight-fold, according to official figures, from 2002 to 2009.

In spite of the national and local authorities' efforts, there has been an increase in contraband trade from Brazil, Bolivia and Peru, across the northern border. Drug traffickers continue to circumvent air and sea controls.

Drugs use in Argentina continues to show the following pattern (2012 UNODC World Drug Report data):

- a) Cocaine: cocaine use is moderate compared with use in North America, Western and Central Europe and Oceania but is significant for South America, with 0.8 % of people aged 15 to 65 using the drug in 2010; it is estimated that there has been an increase of 117 % over the last ten years. The use of the adulterated cocaine base paste known as "paco", particularly by marginalised children and teenagers, is still a cause for concern, with approximately 2.9 % of young people using cocaine in 2009.

- b) Ecstasy and amphetamines: These stimulants are increasingly being used by young people, with approximately 2 % of young people aged 15 to 16 using these drugs in 2009.
- c) Marijuana: From 2008 to 2010, marijuana use would appear to have declined and stabilised with 3.2 % of people aged 15 to 65 using the drug. It is estimated that there has been an increase of 213 % in total over the last ten years. Argentina is one of the region's largest consumers.
- d) Heroin: *Data not available*.
- e) Tranquillizers: Slightly upward trend, with 1.4 % of people aged 15 to 65 using the drug.
- f) Prescription drugs: The use of prescription drugs in Argentina is well above the global average, in second place (weight loss stimulants).
- g) Alcohol and tobacco: These drugs being legal, their use is not included in the statistics.
- h) Overall drug use: The UN estimates the rate to be as high as 2.6 %. Government figures put it at around 1 %. Either way, it is above the regional average of 0.7 %. Both sources agree that the drug use rate for women is one third of the rate for men.

Monitoring of institutional developments

New policies are needed to deal with new problems. Though the Government claims to be aware of this, it could be necessary to make progress on the coordination between the many players involved and on national, provincial and local synergy mechanisms:

- This semester, the Ministry of Security, to which the Federal Police, the National Gendarmerie, the Naval Prefecture and the Airport Police are attached, has assigned responsibility for drugs to Sergio Berni, State Secretary for Security.
- The Federal Administration of Public Revenue (AFIP) and the Federal and Provincial Security Forces engage effectively with one another.
- Their cooperation is independent of the specific functions that continue to be carried out by the National Secretariat for the Prevention of Drug Addiction and Narcotics Trafficking (SEDRONAR), which is headed by former Minister for Foreign Affairs Rafael Bielsa and which answers directly to the Presidency. It incorporates the National Drugs Observatory.
- In the area of combating supply, the specific anti-drug trafficking plans (South Belt and North Shield) are still up and running.
- As regards combating demand, the Ministry of Social Development and the Ministry of Health are building on existing actions.

- At regional level, each of the provinces implements its own policy on combating supply and demand, through the work of the local police.
- At local level, the most affected municipalities also have specific drugs departments.
- There are still delays in court proceedings, which are more than likely attributable, not to the criminal justice on drugs, but to the demands on the judicial system overall.

This situation gives rise to a whole series of knock-on effects, ranging from a lack of public safety as a result of drug trafficking to social exclusion.

- There has been an increase in the settling of scores between feuding drug traffickers.
- There has been an increase in drug-trafficking-related and organised crime such as trafficking in human beings, arms trafficking and money laundering.
- Increasing public insecurity: The government contends that insecurity is perceived to be greater than it actually is, while surveys show it is the Argentinian population's primary concern. What cannot be disputed is that the most recent OAS survey on the subject shows that the robbery rate in Argentina is the highest in South America (973 per 100 000 inhabitants, as against a continental average of 456), while the homicide rate is low (5.5 per 100 000 inhabitants, against a South American average of 15.6) The high proportion of arrests and imprisonments for drug-related crimes suggests that drug trafficking and drug use have a major impact on these crime figures. The city and province of Buenos Aires, which are the most densely populated areas of Argentina (where approx. 16 million of the country's total population of 40 million people live) are also the problem spots in which public insecurity is most keenly felt.
- The social exclusion problems associated with shanty towns on the outskirts of affluent areas throughout the country persist. In 2012, the police started patrolling the most troubled areas of the city of Buenos Aires for the first time. Some 54 % of the drug-traffickers arrested in 2009 were registered as unemployed.

Combating money laundering

Argentina is subject to periodic review by the Financial Action Task Force (FATF). The most recent assessment takes note of the progress made (with the passing of the anti-money-laundering Law), but has kept Argentina on the "grey list", until the new law proves to be effective.

On the international front, and in its capacity as temporary Chair of the Inter-American Drug Abuse Control Commission (CICAD) of the Organisation of American States (OAS) for 2012, Argentina hosted a meeting of the Group of Experts for the Control of Money Laundering in Buenos Aires on 17 and 18 September, as a follow-up to the mandate issued by the Heads of State and Government at the Summit of the Americas last April. The discussion on the use of confiscated property for drug combating policies was especially relevant.

Parliamentary debate on decriminalising drugs

The parliamentary debate on possible amendments to Law 23.737 on Narcotic Drugs is ongoing. It must be remembered that in Argentina, until now, the possession of drugs for personal use has been an offence, which has led to a problem of prison overcrowding. The political debate has centred mainly on this question (there being consensus on the idea of not punishing addicts, provided this does not lead to drugs use by minors).

In June, the Chamber of Deputies decided to suspend temporarily discussions on the decriminalisation bill agreed in the Senate, in order to make progress first with a comprehensive national plan to combat addiction, which would allow the implementation of the Mental Health Act. Discussions will resume before the year is out.

Chemical precursors

Given the relative importance of the chemical and pharmaceutical industry in the Argentinian production model and given the fact that chemical products account for one third of annual imports, it is especially important that Argentina should meet its international obligations in relation to controlled licit substances that can be used in illicit trafficking (UN International Narcotics Control Board (INCB)). SEDRONAR takes charge of the coordination and control of permits.

Reducing the demand for drugs

This is achieved by means of health policies, social policies and educational policies. The Argentinian authorities themselves recognise that the problem is not so much a question of funding (with a total of almost USD 90 million available across the various administrations) but rather of a lack of a comprehensive plan to focus actions and avoid overlapping.

1.2. International cooperation

In general, the level of cooperation with the Argentinian authorities continues to be satisfactory.

In particular, regarding cooperation with the EU, Argentina is part of the consortium that heads the Cooperation Programme on Drug Policies between Latin America and the European Union (COPOLAD), which is funded by the EU to the tune of EUR 6 million, and which was launched in January 2011 for a duration of four years. The main purpose of the programme is to boost bi-regional dialogue between Latin America and the EU, to strengthen Latin American policies on drugs and to foster cooperation between national agencies responsible for both regions, as all Latin American countries, and not just those that are members of the Consortium, stand to benefit from the programme.

Still in the area of international cooperation, the first Regional Conference on prevention, control and police investigation in the diversion of drug precursors was held recently in Mar del Plata, Argentina.

1.3. Recommendations

The recommendations made in the 2011-2012 reports still stand, as follows:

- There is room for improvement on police and interterritorial cooperation.
- International cooperation, particularly information exchange, could be improved.
- It is important to keep combating corruption, including the tightening of internal controls, employment status and remuneration of the forces leading the combat against drug trafficking.

- Sufficient means need to be provided to counteract the problem of the porosity of air, land and sea borders and for security checks on containers.
- Anti-laundering legislation needs to be applied effectively with a view to the FATF periodic assessment.
- Statistical information needs to be improved.
- Prevention: social inclusion and the fight against poverty.
- There is a need to raise awareness among children and young people of the harmful effects of drugs (especially the neurological damage caused by the cocaine paste known as "paco").
- Healthcare and socio-occupational care should be used to deal with drug addiction.
- There is currently no comprehensive national plan to combat addiction, which would allow the implementation of the Mental Health Act.

2. BOLIVIA

2.1. General situation

Socio-political and regulatory background

The Bolivian government's policy on coca leaf growing is based on respect for traditional uses, voluntary rationalisation of crops and self-regulation by producers, focusing on the difference between traditional uses and illegal crops and products (saying yes to coca, but no to cocaine).

The government strategy rules out the use of force to eradicate crops (except in specific locations, such as national parks), aims at both national and regional action to combat drug trafficking and highlights the idea of sharing responsibility between producing and consuming countries.

On the basis of a thousand-year-old tradition of coca leaf consumption for medicinal reasons in the Andes, Bolivia is in favour of decriminalising traditional coca leaf consumption within its territory.

On 29 June 2011, having failed in its efforts to delete two subparagraphs of Article 47 of the United Nations Convention on Narcotic Drugs (1961), requiring coca leaf chewing to be banned within 25 years of ratification of that Convention, Bolivia withdrew from the Convention with effect from 1 January 2012, by means of a letter sent by President Evo Morales to UN Secretary-General Ban Ki-moon on 28 December 2011. At the same time, Bolivia applied to immediately re-accede to the Convention with a reservation on the acceptance of coca leaf chewing and on legal coca leaf use in Bolivia. The readmission procedure is not immediate and is subject to more than one-third of the States parties not opposing the reservation, in which case reaccession will take effect during the first quarter of 2013. In any event, Bolivia has adopted a national law under which it undertakes to unilaterally fulfil its obligations under that Convention (with the obvious exception of the obligation to which its reservation relates).

National law (Law 1008 of 1988) allows cultivation of 12 000 hectares in the Yungas region for traditional purposes, a limit which has been increased on two occasions, once in 2004 and again in 2008, to 20 000 hectares, by means of agreements, which do not have the force of law, between the government and the six coca-growers' federations in the Chapare region and coca-growers' federations in other regions. In the Chapare region, cultivation of a "cato" (0.16 hectares) by each member of the region's six farmers' federations is tolerated. It is currently estimated that, in this region alone, 40 000 coca producers are members of one of the coca-growers' unions (there are some 85 000 countrywide). Under Bolivian law, coca plantations in national parks are illegal (though there are legal or authorised plantations in Carrasco and Isiboro-Sécure national parks, which existed before these areas were turned into national parks) and face eradication. Lawful production should be marketed via two outlets controlled by the National Directorate of Coca Leaf Control and Industrialisation (DIGCOIN) in Villa Fátima (La Paz) and Sacaba (Cochabamba).

In August 2010, Bolivia completed a national survey of household coca leaf consumption, carried out by the National Statistical Institute (INE) under the EU-sponsored Comprehensive Study of the Coca Leaf, to ascertain the level of lawful demand for coca. In April 2011, it also completed a study on the average productivity per cultivated hectare. However, the findings of those studies, which should help the Bolivian government to construct new policy on coca and ascertain the volume of traditional consumption of coca, have yet to be published.

The government claims that those reports should and will be supplemented by two additional studies, but not publishing their results creates an atmosphere of uncertainty and causes speculation.

In September 2011 the USA, for the third year running, issued a Presidential Determination in which it named Bolivia as a country that had "failed demonstrably" to meet its obligations under international counternarcotics agreements. However, the US State Department's Narcotics Affairs Section is continuing to support action to combat drug trafficking in Bolivia. Moreover, on 20 January 2012, Bolivia, Brazil and the USA signed up to a three-party agreement under which a pilot project is to be set up to monitor excess coca production using advanced technology, which will allow greater control of excessive coca cultivation in Bolivia. On the other hand, the Bolivian government has started lobbying for the support of third countries, especially EU Member States, neighbouring countries and Russia, and has signed police and border cooperation agreements with Argentina, Brazil, Peru and Paraguay.

UNODC report on the Plurinational State of Bolivia Coca Cultivation Survey for 2011

The most recent report was delivered in September 2012. Its most salient points can be summarised as follows:

Coca crops: In 2011, coca crops covered an area of 27 200 hectares in Bolivia, which represents a decrease of 12 % on the 2010 figure of 31 000 hectares.

By region: Coca crops in the Yungas of La Paz amounted to 18 200 hectares (-11 %) while in the provinces in the North of La Paz, cultivation fell by some 370 hectares (-7 %) while in the Cochabamba Tropics it fell to 8 600 hectares (-15 %).

Prices: The average price for coca leaf on the legal market increased by 31 %; in most cities, cocaine base paste and cocaine hydrochloride prices also increased significantly.

Seizures: Coca leaf seizures were down from 1 015 tonnes in 2010 to 603 tonnes in 2011. Seizures of cocaine hydrochloride were up 65 %, from 3 390 kg in 2010 to 5 614 kg in 2011, which also suggests that Bolivia is a transit country for these substances.

Production and yield: A total of 55 500 tonnes of sun-dried coca leaf was produced in 2010, compared with 48 100 tonnes in 2011, which suggests that production fell by 13 %. Coca leaf production was estimated to be worth a total of around USD 353 million in 2011, coca leaf prices on the legal and unofficial markets having shot up. The total value of the coca leaf produced amounts to 1.5 % of the country's GDP for 2011, or 15.3 % of the agricultural sector.

Figures provided by the Bolivian authorities on eradication and seizures

According to figures presented by the Special Anti-Drug-Trafficking Force (FELCN), which forms part of the Bolivian national police, 28.4 tonnes of cocaine base paste were seized from 1 January to 31 December 2011 (compared to 25.7 tonnes in 2010) and 5.6 tonnes of cocaine hydrochloride were seized (compared to 3.4 tonnes in 2010), representing a total of 34 tonnes (and an increase of 17 % on 2010). There were also 382 tonnes of marijuana and 1 328 896 pounds of coca leaf seized (as against 1 073 tonnes of marijuana and 2 240 694 pounds of coca leaf seized in 2010). Therefore according to the official Bolivian figures, 2011 saw an increase in seizures of cocaine base paste and cocaine hydrochloride but a decrease in seizures of marijuana and coca leaf. Also, according to the Bolivian government, 10 500 hectares of excess coca crops were eradicated in 2011.

The most recent figures presented by FELCN indicate that, from 1 January to 18 July 2012, 5 742 hectares of excess coca were eradicated and 21.37 tonnes of cocaine base paste, 2.94 tonnes of cocaine hydrochloride and 387.25 tonnes of marijuana were seized, which suggests that eradication and seizures were up on 2011.

2009, 2010 and 2011 saw increases in crime connected with organised drug trafficking, associated with an increase in drugs transiting through the country, particularly cocaine from Peru. There were significant seizures of precursors, apparently from Argentina, Chile and Brazil, and of cannabis, apparently from Paraguay.

Another worrying trend is the increasing presence of non-nationals involved in organised crime. In this context, it is significant that the Bolivian and Colombian authorities announced on 15 March 2012 that they intended establishing a bilateral cooperation mechanism to combat drug trafficking, the exact nature of which is yet to be defined.

2.2. International cooperation

In cooperation with the Bolivian government, in 2009 **UNODC** prepared a country programme covering various aspects of the fight against drug trafficking in Bolivia. The five-year programme, which UNODC unveiled in Brussels on 13 October 2010, has been allocated funding of USD 47 million and aims to get funding from the international community. To date, no major financial commitments have been made under this programme, which puts a question mark over UNODC's continued presence in Bolivia. However, the Bolivian government has committed itself to providing USD 50 000 in direct support to the UNODC office in Bolivia for 2012.

Bilateral and multilateral programmes

Germany: Situation assessment of the institutions responsible for combating drugs and of strategies for strengthening their position (2011-2012, EUR 171 700), in cooperation with UNODC.

For the integrated management of natural resources in the Yungas of La Paz (Municipality of La Asunta) for 2010-2012, Germany is funding the UNODC to the tune of USD 782 700, USD 255 900 of which have been disbursed.

The BundeskriminalAmt (BKA) plans to run a training course in the city of Puno in 2012 for Bolivian and Peruvian officers, on border cooperation.

Belgium: Project for integrated, sustainable exploitation of forestry resources in the Cochabamba Tropics: Consolidation phase - EUR 2 400 000 (15.11.2010-14.11.2014) in cooperation with the Vice Ministry of Coca and Integrated Development.

European Commission:

National integrated development plan involving coca: 2008-2012: EUR 26 million (closure)

Devising social control mechanisms: 2008-2013: EUR 10 million (closure)

Support for UNODC - 2010-2011: EUR 500 000 (closure).

Programme to support the establishment of the National Council to Combat Drug Trafficking (CONALTID): 2011-2014: EUR 9 million.

Support for the National integrated development plan involving coca (SPSP-II) - 2013-2016 - EUR 30 million (identification phase).

At regional and sub-regional level (via Andean Community), the EU is funding four projects that also benefit Bolivia (total funding EUR 14 million).

Denmark: Has provided USD 360 000 for 2011 and 2012 in support of the UNODC coca crop survey, and recently increased the sum by USD 160 000, to be spent by 2013.

Has provided EUR 1 million for 2007-2013 in support of the fight against corruption, specifically to the Financial Investigations Unit in relation to money laundering, financing of terrorism, drug trafficking and corruption.

Spain: Technical assistance and courses on organised crime, preventing corruption, youth crime and synthetic drugs.

Is providing USD 141 000 in 2012 in support for UNODC action.

USA: On 30 September 2012, the USA will cease to provide direct operational support for Bolivia's efforts on eradication and prohibition. This support included uniforms, food, medical evacuations and treatment, troop transport, field and office equipment; maintenance of facilities, vehicles, computer equipment and telephones; mobile phone services, Internet and postal services. The field and office equipment, originally worth approximately USD 20 million, which was used as part of the support provided, will all be transferred to Bolivia at that time in order to continue supporting the fight against drug trafficking.

The USA will maintain its support, contributing USD 10.8 million this year, for the following areas: air logistics, including maintenance and training of crews; training of police, prosecutors and judges; the Garras de Valor and Canine training centres including some logistical aspects of the dog-training programme; equipment for the Special Anti-Drug-Trafficking Force (FELCN), including two body scanners for Viru Viru and El Alto airports, a vehicle cargo inspection system; as well as several demand reduction projects.

The USA has provided equipment, training and personnel for the trilateral project between Bolivia, Brazil and the USA on monitoring excess coca cultivation. The USA will also contribute funds, subject to other donors providing matching funds, to the UNODC for its validation programme on the destruction of drugs and chemical precursors.

France: In 2010 and 2011, France provided a total budget of USD 249 000 for monitoring the cultivation of coca and drug prevention and treatment, and for FELCN equipment, through UNODC-run projects. France is not planning to provide bilateral funding to the UNODC during 2012 and the Permanent Mission of France to the United Nations Office and International Organisations in Vienna is currently examining the possibility of providing support for 2013.

As regards training, the internal security service at the French Embassy, in cooperation with the Interministerial Anti-drug Training Centre (CIFAD), is running four courses for FELCN police officers and counternarcotics prosecutors during 2012, on the following topics: investigative techniques using mobile phones and the Internet; monitoring and surveillance techniques; money laundering; and interrogation and investigation techniques. For 2013 four new training courses are to be provided, in the following areas: electronic monitoring techniques; money laundering (level 2); scientific drug seizure techniques; and laboratory response.

Italy: Italy has disbursed **USD** 300 000 towards the UNODC country programme and has organised a course for 60 FELCN police officers on special anti-drug investigation techniques and methods for recycling illegal capital. Italy is also negotiating a bilateral cooperation agreement with Bolivia, to include means of combating drug trafficking and organised crime.

United Kingdom: In January 2011, the UK and Bolivia signed a bilateral agreement for cooperation in the fight against drug trafficking. Under this agreement, the United Kingdom is contributing **USD 160 000** in 2012 towards training for the FELCN, to include assistance in relation to controls at major airports and investigation techniques and strengthening of ties with countries in the region.

2.3. Recommendations

- Put the fight against drug trafficking at the top of the agenda in bilateral relations between Bolivia and Dublin Group member countries. Under present circumstances, there is a need to step up national and international efforts to tackle drug trafficking in Bolivia.
- By way of acknowledgement of the fact that the reports and recommendations of the mini Dublin group have made no great impact in terms of financial or technical cooperation with Bolivia, it needs to be assessed whether a formal and regular dialogue should be established with the Bolivian authorities, especially at technical and institutional level, in order to advance the development and implementation of a joint work programme. A coordinating committee could also be set up to avoid duplication of efforts and promote cooperation, membership of which would include some countries that are active in the field though outside the mini Dublin group.
- Encourage the authorities in the Plurinational State of Bolivia to step up efforts to make substantial progress in significantly reducing coca growing, in prohibiting and destroying excess coca leaf, as well as prevention schemes designed to cut domestic drug use.
- Bear in mind the many regional, bilateral and multilateral initiatives in taking a regional view of the problem, to address issues such as cross-border trafficking in illegal substances and cross-border criminal organisations, while actively seeking to involve neighbouring countries so as to arrive at greater cooperation and coordination.
- Urge the Bolivian government to publish the results of the Comprehensive Study of the Coca Leaf in Bolivia.

- Impress upon the Bolivian government the need to identify current bottlenecks in public institutions and to submit an action plan identifying specific areas of cooperation. This action plan, coordinated through the National Council to Combat Drug Trafficking (CONALTID), should focus on achieving better coordination between the Bolivian institutions with a specialist role in combating drug trafficking, particularly the FELCN, with the strengthening of their practical and technical facilities, especially in areas such as intelligence, investigation and evidence gathering, and support for border control systems, coordinated support for the Bolivian administration to step up anti-corruption action, gathering of evidence usable in court, money laundering, improving the legal framework and means available to police for asset recovery, witness protection and undercover agents.
- Strengthen the Bolivian justice administration, focusing on issues such as serious crimes and the fight against organised crime.
- Continue with the Bolivian government's integrated development programmes so as to change the economic structure of coca-growing areas, create economic alternatives and employment for their inhabitants, and create incentives for sustainable trade in those areas.
- Suggest that the UNODC, in coordination with the Bolivian government and with international support, should ensure its presence in Bolivia and update its 2010-2015 country programme, and adapt its programmes to the funds provided by the donor community.

3. BRAZIL

3.1. General situation

Demand

No new data have been published by Brazilian authorities in recent months. The most recent official statistics on the prevalence of consumption are for 2005, and there is a feeling that the situation has changed considerably since then.

The official prevalence data for the various drugs are the same as in the last report from April 2012, namely 0.50 % of the population aged 12-65 for opiates, 2.60 % for cannabis, 0.70 % for cocaine and 0.70 % for amphetamine-type stimulants. There are no official data for ecstasy consumption, although UNODC estimates that prevalence is 0.20 %. These figures probably do not accurately reflect the reality, especially as regards cocaine, crack cocaine in particular.

A study by the Federal University of São Paulo estimates that the percentage of adults who have tried cocaine at some point in their lives in Brazil is 4 %, while 2 % have used it in the past year and 1 % have smoked it (crack, merla or oxi). If these figures are accepted, Brazil is the second biggest cocaine market in the world in absolute terms, second only to the USA, and would represent 20 % of the world market. Brazil would also be the world's biggest crack consumer.

Another good indicator of the situation is the fact that there has in recent years been a dramatic rise in cocaine seizures in Brazil, amounting to 40 **tonnes** in 2010. Although this means that Brazil is a sizeable transit country, there is no doubt that some of the cocaine that crosses the country remains there for domestic consumption.

Consumption of other drugs appears not to have changed much in recent years but is relatively stable. There has been media discussion of legislative changes regarding cannabis in neighbouring countries (Uruguay). However, there seems not to have been any official government initiative. In the study mentioned above, it is shown that 75 % of the Brazilian population opposes the decriminalisation of cannabis.

As to other controlled substances and non-medical use of prescription drugs, it seems there is rising concern about the use of anorexigens, three of which have been banned. There is also anxiety about methylphenidate, a substance which is used for attention deficit and is also being used unlawfully.

The national drugs secretariat, SENAD, has announced that in October 2012 it will publish the results of the three large-scale studies it carried out in 2010 and 2011 on the use of drugs in Brazil:

- a study to map "cracolândias" (places where crack is sold);
- a study on the profile of crack users;
- a study on intensive drug use (more than 25 days in the past six months).

Publication of these data will enable the international community to analyse the actual situation in Brazil.

Trafficking

Most cocaine consumed in Brazil comes from Bolivia, Peru and Colombia. In general, cocaine enters Brazil directly across the borders with those three countries, by river and sometimes by air. It also enters from third countries, in particular from Paraguay and to a lesser degree from Argentina and Uruguay. The tri-border area between Brazil, Paraguay and Argentina has been identified for some time as one of the main ports for drug trafficking.

It must be said that the lack of human resources to monitor the 16 886 km of land borders is a concern in Brazil, and one which is also linked to the lack of supervision of the coast and ports, from which a considerable quantity of drugs goes to Europe, directly or via West Africa. There are only 600 police officers specifically assigned to combating drug trafficking; moreover, there is a lack of coordination between the federal police and the other state security bodies, namely the municipal police, army and traffic police.

Position of the national authorities

In general terms, there is no doubt that the Brazilian authorities are increasingly concerned by the state of illicit drug consumption and trafficking in Brazil. Since Dilma Rousseff came to power at the beginning of 2011, two plans have been launched to cut crack use. At the same time, the federal police have been seizing more illegal drugs.

The Brazilian authorities have noted the regional dimension of the problem and have begun to promote a regional focus, taking shape in specific agreements with neighbouring countries, especially Bolivia and Paraguay. They have also encouraged discussion in regional organisations such as UNASUR and MERCOSUR. MERCOSUR has a psychotropic substances subcommittee, which meets every six months to exchange information, statistics and best practices in this field. However, recent general funding cuts have affected these initiatives. The recent political events at the end of June 2012 in Paraguay have put a halt to its cooperation with Brazil.

On the other hand, although it is unanimously believed that the Brazilian authorities now give more importance to the drugs problem, they are not publishing the new statistics on drug use in Brazil, which makes it difficult for the international community to assess the situation accurately.

3.2. International cooperation

At the same time, negotiations continue between the Brazilian authorities and UNODC for the latter to establish a bigger office in the country. Brazil has undertaken to fund a new office with EUR 2.5 million per year, and is currently putting the finishing touches to the agreement.

Brazil has also agreed for the first time to conduct a dialogue on drugs with the European Union. The first such dialogue is set for November 2012 in Brussels, and will include a visit to the EMCDDA in Lisbon. The dialogue will focus on drug policies and approaches to cooperation and exchange. Brazil's government is particularly keen on exchanges of experience between the EMCDDA and the Brazilian Observatory of Drug Information.

3.3. Recommendations

Taking account of current trends, numbers of drug users in Brazil are expected to increase at a constant rate.

This rise will affect not just cocaine but also synthetic drugs – the latest studies show that young people prefer them – especially if the country's economy continues to grow at the same rate.

In this context, the members of the Mini Dublin Group should:

- be attentive to the publication of the results of the national studies carried out in 2010 and 2011, scheduled for October;
- encourage the Brazilian authorities to carry out studies periodically and publish their results, as a useful tool for analysing the overall situation;
- maintain and, as necessary, open up channels of communication with Brazilian institutions linked to drugs, the National Health Survey Agency (ANVISA), SENAD and the federal police, so as to gain access to up-to-date information on drug consumption and trafficking in Brazil;
- encourage Brazil to continue entering bilateral agreements with its neighbours. Where appropriate, the Mini Dublin Group's member states could associate themselves with these agreements, to strengthen three-way cooperation;
- three-way cooperation could also be suggested to deal with trafficking in West Africa, mainly in the Portuguese-speaking countries with which Brazil has special links and interests;
- where appropriate, step up intelligence cooperation with the federal police in order to continue controlled deliveries.

4. CHILE

4.1. General situation

In the first quarter of 2012, the latest for which official data are available, the police supervisory bodies reported a total of 15 721 operations relating to infringements of Drugs Act No 20,000, which amounts to an increase of 18.8 % compared to the fourth quarter of 2011 (from 13 321 to 15 721). As compared to the same quarter of the previous year, the first of 2011, there has been a rise of 24.4 %, from 12 639 to 15 721.

Some 22 708 arrests were reported (up 13.9 % as compared to the same quarter of the preceding year), of which 60.4 % were for possession 18.9 % for trafficking; and 15.0 % for consumption. In absolute terms this amounts to 2 771 more arrests, up from 19 937 to 22 708.

By type of drug, the statistics give the following result (the comparison is in each case with the first quarter of 2011):

- basic cocaine paste: 1 287.14 kg (+5.0 %)
- cocaine hydrochloride: 381.44 kg (-49.3 %)
- processed marijuana: 3 333.40 kg (+1.6 %)
- marijuana plants: 182 709 units (+5.0 %).
- pharmaceutical products: 77 793 units (-18.2 %).

No seizures of heroin were reported.

As a result of the above operations, 208 firearms (+25.3 %) and 100 bladed weapons (+40.8 %) were also seized.

In geographical terms, the main increases in police operations involving drugs offences occurred in the regions of Tarapacá (158.2 %) , Libertador Bernardo O'Higgins (99.7 %), and Antofagasta (61.4 %). The region of Magallanes saw a drop of 14.0 %.

The statistics for the last few years make it possible to analyse in detail the rise in drug seizures, the figures for 2011 being 1 941 kg of cocaine, 7 059 kg of basic cocaine paste, 14 508 kg of marijuana and 168 000 cannabis plants.

Cocaine production is shifting from laboratories in Colombia to others in Peru and Bolivia, both countries with long, hard-to-control borders with Chile (over 1 000 km). By sea, their final destination is Europe, via Africa and the USA, facilitated by the free transit Bolivian goods enjoy when leaving via the Pacific through the Chilean ports of Arica and Antofagasta, a consequence of the 1904 peace treaty.

Against this background, on 4 July 2012 four large granite rocks in a metal container headed for Spain were seized in the Arica port terminal, one of them having been tampered with to allow drugs to be transported inside it: 96 kg of cocaine were found. The drug, which was very pure, was being transported from Bolivia to a Spanish granite-importing company.

The container had arrived in Chile 15 days earlier, when customs officers alerted police staff because of the size of the cargo. The drug was detected when the truck went through a Back Scatter, a scanner system to detect load density, and the cocaine was discovered. In the following days, in La Paz and Santa Cruz de la Sierra (Bolivia), several other stones with similar characteristics were found, some prepared for concealing drugs and others not.

No cocaine production laboratories have been found in Chile (other than a home cocaine hydrochloride lab found in April 2010 in the Metropolitana region), and seizures of cocaine hydrochloride and basic cocaine paste have remained more or less stable in recent years, unlike marijuana, which has seen a significant rise in production of more than 200 % since 2007.

Some increase has been detected in the diversion of psychotropic medicines for consumption as drugs outside of the context of persons diagnosed as mentally ill. However, the lack of computerised supervision of the dispatch of prescription drugs in the Chilean health system makes it difficult for Chile's police to investigate the volume of consumption of such drugs.

The Chilean government has presented a bill on preventing drug consumption, which would involve incorporating drug and alcohol consumption prevention programmes in all educational institutions in Chile.

4.2. International cooperation

In the region. With the aim of taking measures in advance ahead of the possible southward displacement of drug routes motivated by the implementation of the "north border plan" in Chile and the "shield" operation in Argentina, the Ministers of the Interior of the two countries have signed an agreement, in Buenos Aires, on technical and operational cooperation, to generate coordinated monitoring tools against organised crime. Among other things, under the agreement it will be possible for the patrol services on the borders shared by Chile and Argentina to be coordinated by the police bodies responsible for that function.

Besides combating drug trafficking, the agreement also addresses other aspects of organised crime, such as human trafficking, illegal emigration, money laundering and arms trafficking. Under the agreement, there will be both technical and operational cooperation, with provision for exchanging professional personnel to strengthen, study and research programmes.

Outside the region. The first meeting on drug precursors in the context of the EU-Chile Association Agreement took place in Lima on 19 and 20 April, as a multilateral meeting between Bolivia, Colombia, Chile, Ecuador and Peru. The meeting re-established contacts between the authorities for the purpose of sharing up-to-date information and agreeing on a plan of activities for the future.

Chile is a participant in the two regional anti-drug programmes funded by the EU: the PRELAC programme (Prevention of the diversion of drug precursors in the Latin American and Caribbean region), which seeks to extend the scope of the project that preceded it (PRECAN), conducted in the Andean countries. The programme is being implemented by UNODC, with financial support from the EU. Chile is also taking part in COPOLAD (Cooperation Programme on Drug Policies between Latin America and the European Union).

Following a request from the Chilean government, the process of opening a UNODC office in Chile has begun.

Spain, through the Spanish Agency for International Development Cooperation (AECID), has in recent years organised seminars at the Latin American training centres in Cartagena de Indias (Colombia), Santa Cruz de la Sierra (Bolivia), La Antigua (Guatemala) and Montevideo (Uruguay), for public prosecutor's office personnel, police and criminal investigation officers, on topics including cooperation in addressing the threat posed by drug trafficking and organised crime; such seminars have not been held in the last few months.

4.3. Recommendations

The same conclusions and recommendations apply as were given in the Dublin Report for April 2012, apart from the fifth point, on which progress has been made as described:

- Chile was a country of moderate drug consumption which has been growing significantly in recent years, as a result of the country's strong economic development. Apart from some small marijuana plantations, Chile is not a drug-producing country.
- Chile's weak point as regards the fight against drugs is the porousness nature of its borders with cocaine-producing countries such as Peru and Bolivia, aggravated by the fact that merchandise from Bolivia enjoys the right of access to Chilean ports under the 1904 treaty referred to above.
- Cooperation needs to be strengthened between the Bolivian and Chilean authorities in order to resolve the problem posed by the lax controls at Chilean ports on containers intended for export. It is of prime importance for the two countries to negotiate a joint strategy to ensure that application of the 1904 treaty does not facilitate drug trafficking.
- The police forces of Peru, Bolivia and Chile should cooperate effectively in joint operations in the fight against drugs and in gathering intelligence.
- Regarding the northern border project, attention must be drawn to recent testing by the Chilean carabineros of optical electronics systems made up of long-range optical lenses and a system of infra-red and distance-measuring equipment, which make it possible to detect and identify people and vehicles at distances of 20 to 30 km, both for installation in vehicles and in static towers at border-crossing points; this equipment has been acquired recently.

- It is important to underline the genuine determination with which the Chilean presidency, the Ministry of the Interior and the forces of law and order are tackling the fight against drugs, a task to which ever-increasing human and material resources are being assigned.
- In recent months, proposals have been made individually by certain members of parliament to decriminalise soft drugs. However, neither the government nor any parliamentary party has shown any intention of changing the existing legal situation as regards the possession, use or trafficking of drugs.

5. COLOMBIA

5.1. Current situation

Since April 2012, when the Group's last meeting was held in Bogotá, the debate on the new approach on combating drugs in the continent has become less intense, to a great extent because President Santos has not made any more statements on the subject. In addition, the results of the work being carried out by the OAS to fulfil the mandate of the sixth Summit of the Americas (namely, to analyse the fruits of existing policy and to explore new approaches that could improve it and make it more effective) are not known, or at least not published.

The only notable discussion locally has been the debate on the proposal from the mayor of Bogotá, Gustavo Petro, to create medical centres for drug addicts (CAMADs). The idea was launched by the mayor in August 2012 and its aim would be to create centres with three purposes: helping to prevent consumption, helping to rehabilitate users who want to receive treatment voluntarily, and avoiding the harm caused by consumption in terms of crime.

The most controversial part of the mayor's initiative is the idea that the CAMADs should supply psychotropic substances or replacement drugs on a controlled basis to remove addicts' anxiety and thus stop them committing crimes to make money to obtain drugs.

That idea was criticised by Colombian political figures, including the public prosecutor and the former minister for health, on the basis that it is neither legally possible nor desirable for state bodies to provide drugs or replacement substances, even for controlled purposes, to citizens.

Nevertheless, there has also been support for the Petro initiative, such as that of former President César Gaviria, who is part of the group which has most actively promoted discussion on policy change at the continental level. Gaviria defended the idea, saying that in Europe there are centres that provide substitutes to addicts for similar reasons to those of the mayor, and that there is a need for pilot projects such as the mayor's to test new regulations and control mechanisms so as to help change the current model in fighting drugs in Colombia.

The criticisms that the initiative has evoked and the acknowledgement that it cannot put the CAMADs into operation without the support of the government and congress, which would have to change the current regulatory framework, have led the mayor's office to change its initial proposal and to announce the creation of units to provide care for drug addicts at which no narcotics will be provided but comprehensive support will be offered to treat their addiction and attempt to rehabilitate them.

It should also be noted that May 2012 saw the opening of a research centre on safety and drugs at the University of the Andes, in Bogotá, the main aim of which is to generate knowledge, analyses and statistical information on anti-drug policies in Colombia from an academic perspective. One of the centre's main sponsors is former president Cesar Gaviria, and it has also had an initial financial contribution from magnate George Soros's Open Society Foundation.

The subject of drug trafficking will also specifically be discussed in the peace talks soon to begin formally between the government of Colombia and FARC-EP (Revolutionary Armed Forces of Colombia - People's Army).

Point 4 of the agenda of the "general agreement for the termination of the conflict and the creation of a stable and lasting peace" states that "a solution will be sought for the problem of illegal drugs", by means of "1. - illegal-crop substitution programmes and full development plans [...]; 2. - programmes on preventing consumption and on public health; 3. - solving the problem of the production and sale of narcotics".

Supply

As is known, the real problem in Colombia lies in the cultivation and production of cocaine, giving the highest production figures worldwide, along with Peru and Bolivia. The following data come from the 2011 **UNODC** Illicit Crop Monitoring Programme. The UNODC Illicit Crop Monitoring Programme has helped the Colombian government to implement and improve its coca crop monitoring system since 1999. Annual counts have been produced since 2001, covering the whole territory of Colombia and, besides facilitating trend analysis, they are used in developing policies and programmes.

The potential production of fresh coca leaves in Colombia in 2011 was calculated by multiplying the average area cultivated in each region by the latest annual coca leaf yield figures, following the relevant processing operations and applying conversion rates.

Since 2000, the areas under coca cultivation in Colombia have been getting smaller. However, this downward trend was broken, albeit not by a large rise, in 2011. In 2011, some 63 762 hectares of land devoted to coca production were observed, as compared to 61 813 hectares in 2010, a rise of 3.05 %. This small increase may be simply a product of the margins of error intrinsic to the monitoring system and therefore need not be a cause for concern in itself but may reflect a stable situation.

What is clear is that the marked downward trend of recent years has been broken. Take into account that in 2010 there was a 10 % drop by comparison with 2009 and in 2009 a 19 % drop compared to 2008, which in turn shows a similar drop compared to 2007.

But this stasis need not be worrying either, unless it is consolidated in subsequent years, because the downward trend was also broken in 2007, which saw a very large rise over the previous year, after which the figures started to fall again.

On the other hand, of the 23 departments with coca crops, 14 saw a reduction, while there was a rise against the general trend in only four. Those departments are Nariño, Putumayo, Guaviare and Cauca, and they contain 63 % of the total area sown with coca.

Despite the increase in the area in which coca is grown, cocaine production in 2011 has dropped to 345 tonnes, compared with 350 tonnes in 2010, which amounts to a reduction of almost 1.5 % in output. That apparent contradiction may be due to a fall in the level of the active substance in the coca leaf, or to a similar drop in the production of usable leaves per plant, possibly due to the action of the substances used in crop-spraying in the eradication operations. The reduced use of agrochemicals as a result of government restrictions also led to a reduction in the level of the active substance.

The trend of a reduction of capacity of coca fields to produce coca leaf, already observed in the preceding years, is therefore confirmed, although the northern departments of Colombia saw more efficient production of paste and cocaine base.

In the Community Councils of the Afro-Colombian Communities, 15 883 hectares of coca crop production were detected in monitoring. In other words, a rise of 9 % was observed. It must be said that this increase has been in progress since 2001, going against the overall trend.

The indigenous territories have an area of 6 004 hectares growing coca, i.e. 9 % of the total, and representing a rise of 3.5 % compared to 2010.

During 2011, coca crops were found in 18 of Colombia's 56 natural parks, one less than in 2010, covering an area of 3 048 hectares, representing 4.8 % of the total area of coca crops and thus a reduction of 17 % compared to the preceding year.

In keeping with the general increase in Putumayo-Caquetá, La Paya park also had a significant increase of 61 %.

As pointed out to a large extent already in previous reports, the trend in large-scale trafficking in narcotics is as follows:

- The biggest demand for cocaine continues to be from US and European consumers.
- Almost all the cocaine arriving in Australia is from Colombia.
- There is also the big cocaine "stash" or "larder" established in various African countries, such as Guinea Bissau, Guinea-Conakry, Senegal, Mauritania and Cape Verde, which are used as a stockpile for delivery to the final destination: European countries. The extent of trafficking on this route is not known.
- The corridors to Europe go mainly via Argentina, Paraguay, Peru, Venezuela, Brazil, Ecuador, Central America and the Caribbean.
- Drugs are smuggled into the United States either via the Caribbean and along the Central American corridor, or via the Pacific.
- Because of the increasing use of submersibles to transport drugs, Colombia has approved a law on controlling the manufacture of such vehicles.
- The purity of the cocaine upon reaching its destination provides an important indicator of the effectiveness of the measures adopted by Colombia and other countries to combat production and trafficking. Thus the purity of the cocaine seized in the US fell from 85 % in 2006 to 73 % in 2011. Furthermore, in 2000 only 20 or 30 % of the cocaine reaching the US was cut (mixed with adulterating substances), whereas over 80 % of cocaine is cut from the outset.

Small-scale narcotic drug trafficking relies on couriers and postal service companies and its particular features are as follows:

- Most of the cocaine seized at Colombia's airports is bound for Europe, which may be due to the increased controls carried out by the North American authorities both in the countries of origin and at the point of entry.
- The modus operandi has changed in recent years, as regards not only ways of concealing the drugs but also the nationalities of the couriers, most of whom are Colombian.

The use of synthetic drugs has not yet reached the levels seen in the European Union or the United States, although in recent years there has been an increase in the trafficking of these substances, mainly from Europe, according to the Colombian national police.

Trafficking of precursor chemicals used in the clandestine manufacture of drugs is another problem that must be examined with greater attention and scientific analysis in order to obtain a better understanding of the origin and final use of these precursors.

With respect to the fight against money laundering and the termination of ownership, it is worth pointing out the major step forward taken with Law 793 of 2002, which governs the seizure of assets of drug traffickers and their administration by the Colombian State.

In the fight against drugs, 155 832 kg of cocaine were seized in 2011 either in Colombia itself or originating from Colombia, which represents a drop of 5 % compared with 2010. 4 401 laboratories were destroyed, which means a drop of 9 % compared with 2010. 137 432 hectares of crops were eradicated (34 170 manually and 103 302 by spraying), i.e. 6 % less than the previous year. The precursors seized in 2011 amounted to 22 261.6 **tonnes**.

With regard to the eradication figures above (showing a drop of 6 % compared with the previous year), the following aspects should be mentioned:

- The manual eradication strategy is under the responsibility of the Illegal Crops Programme of the Presidential Department for Social Action and is carried out by Mobile Eradication Groups (GMEs) with the support of the anti-narcotics police and the armed forces.
- For the reasons given above, it is not possible to spray crops in the border areas in the north or south of the country, nor in Colombia's national parks.
- Crop eradication operations on indigenous territories require the prior consultation of the communities there.
- The presence of armed guerrilla groups defending the crops makes it much more difficult to carry out eradication operations.

Assessment of the Colombian authorities' anti-drugs strategy within the institutional, production, demand and trafficking framework, including money laundering and chemical precursors

The attitude of the Colombian authorities remains clear and decisive in the fight against drug trafficking, all aspects of which are present in Colombia: production, consumption, trafficking and money laundering. In particular, it should be pointed out that:

- the policies aimed at eradicating illicit crops, destroying laboratories, controlling ports and airports and dismantling criminal organisations involved in drug trafficking have continued, albeit with fewer results in 2011.
- A major step forward in the fight against all aspects of drug trafficking would require closer cooperation with the border countries, because it is precisely in the border zones that coca cultivation has expanded as a result of two basic factors: the increased difficulty of control and manual eradication due to the guerrilla presence, and the impossibility of eradication by spraying.
- In this regard, the establishment and development of AMERIPOL could greatly facilitate cooperation between police forces in the countries of the region, through the creation of central offices for analysis in Colombia, Ecuador, Peru, Bolivia, Panama and Brazil, in a project launched by the European Union.
- In any case, a major international effort is needed to continue the downward trend of recent years.
- It is particularly worth mentioning the Alternative Development Programme, which invested 25 496 million pesos in 2011 in the Forest Warden Families Programme, benefiting 14 918 families, and the National Territorial Consolidation Plan which allocated 125 095 million pesos to economic and social development to improve conditions in the least developed territories. The contributions made by "Plan Colombia", essentially to crop eradication, should also be mentioned.
- A peace agreement with the guerrillas would make it considerably easier for the Colombian authorities to combat drug trafficking.
- To complete the description of the institutional framework, we should mention that the Colombian government has efficient legal instruments at its disposal for tackling the problem. These include:

- Law 793 of 2002 on terminating ownership, which was amended in 2011 to meet the needs which arose in the wake of its adoption, and is applied to assets derived from drug trafficking.
- Law 1453 on Citizen Security adopted on 24 June 2011, which reforms the previous law and substantially increases the penalties for possessing or trafficking in narcotics (up to 30 years), re-criminalises personal use, criminalises illegal trafficking in chemical precursors for the manufacture of synthetic drugs and regulates the control of a number of chemicals which are not covered by international agreements.

Demand

The control of demand is undoubtedly the most overlooked aspect of Colombia's anti-drug strategy. In February 2009 the Colombian administration published the "National Study on Drug Consumption". It was the first comprehensive and objective national study on drug use to be carried out in the last 12 years, and was conducted with technical assistance from the United Nations Office on Drugs and Crime and the Inter-American Drug Abuse Control Commission (CICAD) of the Organisation of American States (OAS). The survey is similar to those carried out in other Latin American countries. It brought to light a marked rise in domestic consumption of cocaine, as mentioned above. Some progress can also be noted in decentralising drug prevention policies from the central government to the provincial drug control committees.

A law was adopted in 2009 banning drug users from carrying drug doses for their own use and including measures to be developed in connection with drug prevention and the treatment of drug addicts.

In addition to the 2009 studies which showed that cocaine consumption in Colombia had risen, reaching 130 % of average global consumption, the latest study (2011) showed that the consumption of drugs by Colombian schoolchildren was turning into a serious problem which would require considerable attention from the authorities in the coming years, given the young age at which schoolchildren were beginning to consume narcotics.

5.2. International cooperation

Since 31 January 2011 the "Cooperation Programme between Latin America and the European Union on Drugs Policies" (COPOLAD) has been in existence, funded by the European Commission.

The United Nations Office on Drugs and Crime (**UNODC**) has set up an Integrated Illicit Crop Monitoring System (SIMCI), which is mapping illicit crops for its annual reports with sufficient rigour and accuracy for follow-up purposes despite the difficulties presented by the Colombian topography and weather.

The Dublin Group in Bogota has drawn attention to a series of urgent requirements in Colombia in the sphere of drug trafficking that should be dealt with by international cooperation. These requirements are as follows:

- Colombia needs to increase its regional cooperation capacity with regard to precursors.
- Although Colombian public prosecutors and police forces cooperate very well with the Dublin Group, cooperation between the various Colombian anti-drug agencies should be improved. Joint training programmes could contribute to this.
- The structure of the judicial system needs to be strengthened given the evident shortcomings, in order to incorporate the changes brought in by the adversarial criminal justice system.
- The US and the United Kingdom are financing the operating costs of police groups belonging to the Colombian anti-drug agencies. Other European Union countries could adopt similar measures.
- There are significant shortcomings as regards phone tapping; this clearly undermines the large number of investigations started by the various State entities responsible for combating criminal drug-trafficking organisations.
- Colombia is carrying out the most extensive and costly alternative development programme in the Andean region. Activities nevertheless need to be intensified, working directly with an even larger number of communities and offering integrated and sustainable solutions to the problem of illegal crops.
- Colombia needs to improve the quantitative and qualitative analysis of drugs seized in the country, the chemical inputs used in them and their relationship with other seizures.

5.3. Recommendations

- Encourage the Colombian government to keep up voluntary eradication programmes and increase the State's presence in the most affected areas through the implementation of social programmes to promote development in these areas.
- Step up controls along the land and river corridors used for illicit trade. There is a particular and pressing need for increased security and controls in land border areas.
- Increase passenger and cargo controls at airports, devoting particular attention to postal service companies. The USA's experience and operations are yielding very good results in Colombia.
- Step up coordination between the various Colombian State agencies responsible for combating drug trafficking and continue efforts to combat corruption.
- Increase monitoring of the end use and final destination of the most commonly used chemical precursors, targeting activities and boosting the capacity for intraregional cooperation and knowledge transfer.
- Strengthen alternative development action via a broad strategy involving rural development, governance, the protection and promotion of human rights and the promotion of sustainable development in communities settled in illegal cultivation areas.
- Greater European Union involvement in Colombian at bilateral and Community level, in a policy which also embraces the operational approach. It is suggested, for example, that Colombian law enforcement groups responsible for the investigation of offences involving European countries be established and funded, in a similar way to the programmes implemented by the USA and the United Kingdom. In this connection, the European Union delegation would point out that this is not currently the priority of the current approach of the cooperation funded and implemented by the European Commission, but takes note of the Dublin Group's recommendation.

- Facilitate access of legal products to international markets through generalised systems of preferences and similar measures. To that end, the commercial or free trade agreements being concluded by Colombia entail an important contribution to increasing exports of legal products, thus helping to increase GDP, improve wealth distribution and create greater social cohesion.
- Continue to strengthen the Colombian judicial system through international cooperation measures concerning its role in combating drug trafficking.
- Encourage and support the Colombian government's efforts, through three-way cooperation and South-South cooperation, to combat drug trafficking regionally and internationally.
- Complete the development of, and in particular improve the effective implementation by the Colombian judiciary of anti-money-laundering legislation and legislation on termination of ownership.
- The Member States of the Dublin Group in the European Union should establish or improve their procedures for analysing and monitoring the origins of the cocaine seized on their territories in order to indicate where the threat is coming from and to plan the fight in accordance with the results.

6. ECUADOR

6.1. General situation

It is a well-known fact that Ecuador is located in an area with potential for cultivating, producing and dealing in narcotic and psychotropic substances. Located between the two largest producers of cocaine in the region, Colombia and Peru, drug-trafficking organisations are seeking to expand their markets and related activities in Ecuador. It has become a transit country for drugs to the markets in the USA and in Europe. This is not only due to its geographical location, but also to the fact that its control bodies are poorly coordinated and it lacks a properly institutionalised judiciary.

The analysis of the general drugs situation in the country for 2012 (January to September) confirms that not only is Ecuador used by transnational crime organisations as a repository and delivery platform for drugs through airports and seaports to the big consumer centres in North America and Europe, directly or via Africa, but different international organised crime networks are settling in the country, especially those related to drug trafficking, as can be deduced from the setting up of increasingly sophisticated laboratories for processing drugs, kitted out with weapons to repel security forces and connected to escape tunnels. Violent crimes linked with "*sicariato*" (contract killings) continue to be committed in conjunction with the land and the markets belonging to drug-trafficking groups.

As regards cultivation, Ecuador remains at a statistically insignificant level. Small plantations of coca have been detected in the provinces of Esmeraldas and Pastaza, marijuana in Imbabura and poppies in Chimborazo, Imbabura and Bolívar.

27 tonnes and 295 kg of drugs were seized in the period from January to September 2012. This represents an increase in the total number of seizures compared with the previous year (26 tonnes and 96 kg). The seizures consisted of 17.541 tonnes of cocaine, 0.164 tonnes of heroin and 9.589 tonnes of marijuana.

Attention can also be drawn to positive aspects: the continued exchange of intelligence between the USA and Ecuador and the presence of Colombian police and military attachés in Quito and of Ecuadorian ones in Bogotá. A new development is the presence of a Peruvian police attaché on Ecuadorian territory, which will certainly contribute to greater and better border control with that country. This fact becomes more relevant owing to the increase in cultivated acreage detected in Peru and the porous nature of the border between Ecuador and Peru, where fewer human and material resources are deployed for its control than along the northern border where there are no armed guerrilla groups.

Regarding the supply of drugs, the following aspects should be pointed out:

(a) Maritime trafficking. Continues to be the most common means of transferring large quantities of drugs, using container ships (8.380 tonnes of drugs seized between January and September 2012 in 24 cases, with 51 persons arrested; this percentage remains the highest of all and is continuing to rise compared with the previous year), barges, speedboats and fishing vessels for transport and logistical supplies of fuel and food (11.635 kg of drugs seized, 2 cases and 8 arrests). The drug shipments originate from the coasts of southern Colombia, northern Peru and Ecuador. The routes followed begin off the Ecuadorian coast and cross various continental, island and international waters, covering approximately 2 200 nautical miles up to the Mexican and United States coasts. Container ships also sail through the Panama Canal, directly to Europe or stopping off in Sub-Saharan Africa. In this section, we should highlight the use, or at least the attempted use, of increasingly sophisticated, larger and higher-capacity submarines.

(b) Human courier and postal trafficking. Drug traffickers or organised crime networks are using these methods to transfer drugs with the help of drug concealment systems. The main destinations are the USA and Europe (via Spain and the Netherlands), using postal agencies (785 cases, 1 343 kg of drugs seized and 51 arrests) and human couriers (165 cases, 1.525 tonnes of drugs seized and 203 arrests).

(c) Trafficking of chemical precursors. The porous nature of the northern and southern borders continues to allow such substances to be smuggled out of the country for laboratories, mainly along the northern border with Colombia (Esmeraldas province by sea and Sucumbíos province by river), but also - albeit to a lesser extent - along the southern border with Peru (El Oro province). The seizure of 3 066 kg and 14 948 litres of these substances in 2012 (January to September) constitutes an increase compared with the previous year.

(d) Illicit crops. The detection and eradication of illicit crops increased during this period (45 cases: 60 806 coca plants, 1 794 900 poppy plants and 60 148 marijuana plants).

(e) Illicit drug laboratories. In this section, we should refer to the dismantlement of 3 laboratories with a high processing capacity, resulting in the seizure of 425.343 kg of cocaine and 12 arrests. It is worth mentioning that the destruction of these laboratories shows, as already mentioned, the increased number of organised criminal structures that have become established in the country.

(f) Money laundering. While there is no detailed, reliable information on money laundering, there is a perception that, because of the advantages of the dollarisation of the country's economy, many money-laundering operations take place in Ecuador on the proceeds of organised crime, particularly drug trafficking, in the form of trading operations with fictitious capital movements, purporting to be emigrant remittances, property development, etc. The Financial Intelligence Unit (linked to the Attorney General's Office) is combating this phenomenon by providing the public prosecutor's office with reports of unusual or unjustified financial operations and/or transactions (15 cases, USD 1 611 182 (and 480 counterfeit dollars), EUR 206 565, COP 2 000 000 and 22 arrests).

With regard to the institutional framework, it should be pointed out that the expectations raised by the enactment of the new Ecuadorian constitution which entered into force in October 2008 have still not yet been fulfilled as the new legislation intended to improve tools for combating organised crime, especially drug trafficking and related crimes, has not yet been enacted.

When approved and implemented, the Organic Code on Citizen Security Entities Bill currently before the National Assembly will bring about an organisational change with regard to the national police force and police careers, in order to turn the force into a more efficient and coordinated institution and bring it into line with the current requirements of a modern, citizen-friendly police. The draft Code also establishes the Civil Crime Investigation Service, with the aim of increasing technical and scientific investigative capacity, which will help put an end to the prevailing culture of impunity.

The new Integral Organic Penal Code, which will comprise the Penal Code, the Law on Criminal Procedure and a series of specific rules of law including the Law on Narcotic and Psychotropic Substances, is currently before the National Assembly. In the context of the drafting of this law, thought is being given to depenalising the possession of certain quantities of drugs for personal consumption - quantities which are however relatively high in comparison with other countries' legislation (e.g. 5 g of cocaine).

Finally, the ongoing reform of the judicial service should also lead to major improvements and increased efficiency which should reduce the alarming levels of impunity of those committing crimes, with low ratios of crimes investigated to crimes committed and even lower conviction rates. The numerous cases of remand prisoners released because they have not been sentenced before the time limit laid down by law for this type of detention has passed are also a cause of great concern.

The government of Ecuador seems determined to maintain a policy of zero tolerance towards the cultivation, processing and trafficking of narcotics, encouraging concerted action by all the State bodies involved in the problems of combating drug trafficking.

In the field of money laundering, although there is still a long way to go in terms of legislation and control procedures, it can be said that significant progress has been made, and in particular that there is a political commitment on the part of the Ecuadorian authorities following the inclusion and subsequent removal of their country from the list of jurisdictions with serious weaknesses in their fight against money laundering and terrorist financing, published by the FATF (Financial Action Task Force). Thus, there is already a law reforming the Law on the Suppression of Money Laundering and an Action Plan which has already been approved by the National Money Laundering Council (CONCLA) that seeks to address some of the strategic deficiencies identified.

Coordination among judges, prosecutors, the CONSEP (National Council for Control of Narcotic Drugs and Psychotropic Substances) and the national police remains inadequate.

After some improvement in preventing drugs leaving Ecuadorian territory, a similar trend has not been observed in relation to incoming trafficking.

With regard to the domestic consumption of illicit drugs, in general terms Ecuador is, together with Peru, one of the countries in the subregion with the lowest rates of consumption but some worrying signs are continuing to appear, such as the seizure of over nine tonnes of marijuana, a drug which is intended for domestic use rather than export.

In general, drug consumption is on the rise in spite of projects such as "Integrated prevention of drug use in urban communities" or demand prevention campaigns carried out by the national police themselves ("There are 14 million of us against drugs and in favour of public security" or "Friends of the police against drugs" involving 51 724 participants in different spheres: enterprises, universities, neighbourhoods).

6.2. International cooperation

The cooperation being carried out by Member States of the Dublin Group in the Republic of Ecuador can be considered significant, especially with regard to training. The activities of the UNODC and the European Commission can be singled out, as can those of the United States (such as the pilot project for courts specialised in offences relating to drug trafficking in the town of Cuenca), Canada, France, Spain, the United Kingdom, Italy, Germany and the Netherlands in the bilateral sphere.

In addition, numerous courses and seminars were held throughout 2011, on subjects such as: monitoring and surveillance techniques; maritime profiles (containers) and airport passenger profiling; synthetic drugs, precursors, narcoterrorism, money laundering, intelligence, corruption, special operating units, organised crime dog handlers, contract killings, etc. The Ecuadorian authorities should perhaps be urged to ensure that the people they send on courses, seminars and placements match the profiles sought by course organisers and to commit themselves to making the teaching investment worthwhile by keeping those people in posts for which what they have learned is relevant.

In the operational sphere, the collaborative processes conducted can be considered satisfactory, with exchanges of intelligence and joint operations successfully completed. Nevertheless, training in good governance and operational matters should be stepped up, satisfying current needs and supporting the development of specific anti-drug groups. The positive fact should not be overlooked that Ecuador has placed at AMERIPOL'S disposal the first national office, which has already begun its technical activities and is due to open shortly.

6.3. Recommendations

The conclusions and recommendations made in April's report remain valid.

- Continue to support Ecuador's efforts in its policy of maintaining zero tolerance towards the drugs problem, contributing both by financing the acquisition of technological control systems and by more specialised training for the armed forces and police tasked with combating drug trafficking. Above all, increase the contribution towards training in the control and prosecution of money laundering.
- Stress the benefits of improved coordination between the member countries of the Dublin Group in their contributions and cooperation with the State of Ecuador, to avoid duplication that would render them less effective. In the specific case of the EU, ways of cooperation and coordination should be sought for the organisation of seminars and courses, etc., with such activities being conducted by specialists from Member States wishing to participate.
- Offer advice on pending and future organisational and legislative reforms (Integral Criminal Code, legislation on money laundering).
- Urge Ecuador to exercise greater control over the country's port infrastructure, especially in the port of Guayaquil, and over other institutions with competence in this area, in order to minimise the cases of corruption that currently occur.
- Remind the Ecuadorian authorities of the desirability of intensifying and improving public awareness campaigns against drugs to try to reduce demand, including through actions aimed at parents' and neighbourhood associations, schools and other educational establishments, through the CONSEP (National Council for the Control of Narcotic Drugs and Psychotropic Substances) and in coordination with the ministries concerned.

7. PARAGUAY

7.1. General situation

Despite its recent efforts, Paraguay still poses various challenges in the fight against drug trafficking. Firstly, it is a producing country. Paraguay is the second largest marijuana producer in South America. The main market for Paraguayan cannabis is Brazil, to which 80 % of production is sent.

The Paraguayan marijuana entering Europe and the USA is also predominantly redistributed from Brazil, although it occasionally travels to Europe via South Africa. In recent months, the authorities have also detected several small-scale consignments, disguised as gifts and handicraft products and sent using express delivery companies.

Secondly, and above all, it is a key transit country. Especially so for cocaine from Bolivia, Peru and Colombia destined for Brazil and other Southern Cone markets as well as for Europe, Africa, the Middle East and, to a lesser extent, the USA. All of this is facilitated by the porosity of its extensive borders, the lack of State control at many points and the absence of any State presence in a large proportion of the territory.

A new development in recent months is that the Paraguayan authorities have noted the emergence of a growing small-scale trade in "basic paste" (crack coming mainly from Peru and Bolivia) in urban centres. It has become a real family business in marginal areas, which makes it extremely difficult to combat.

With regard to the institutional framework, action against drug trafficking is principally managed and conducted by the National Anti-Drugs Secretariat (SENAD), which is at ministerial level and reports directly to the President of the Republic. However, SEPRELAD (the Anti-Money Laundering Secretariat), the national police, the armed forces and/or the prosecution service are also involved.

In any case, the institutional framework engaged in combating drug trafficking in Paraguay suffers the same problems that affect the rest of the public authorities: a lack of both human and material resources, inadequately prepared staff, no culture of planning and very poor coordination. Despite all this, notable efforts are being made.

Finally, it is worth mentioning that Paraguay is part of the Egmont Group, to which it was readmitted in 2005 in recognition of the designation of SEPRELAD as its sole FIU (Financial Intelligence Unit) and its efforts to consolidate the Unit's capacity to carry out financial investigations. The adoption of the "anti-terrorism act" (Law No 4005) has helped consolidate Paraguay's membership of both the Egmont Group and the FATF.

The SENAD authorities have a dual responsibility: firstly, prevention, and secondly, enforcement, although they insist that poverty is the root cause of drug production and trafficking in Paraguay as the producers, dealers and "mules" recruited by drug traffickers are from marginal sectors of the population, which means that the problem is difficult to solve without integrated action.

In terms of enforcement, in the first half of 2012 the low budget resulted in a drop in the volume of seizures (only 340 kg of cocaine, although almost 700 kg was seized in July and August) and in the amount of marijuana crops destroyed.

In an effort to reduce demand during the first half of 2012, information talks and training days were held and a range of educational material was distributed in schools and other social centres. In addition, the Paraguayan authorities believe development cooperation is fundamental in order to be able to provide professional training and development, as well as rural development, with a view to offering alternative ways of earning a living to the people who fall into drug production and trafficking.

7.2. International cooperation

International cooperation is essential to the Paraguayan authorities' efforts to combat drug trafficking, and is required on several fronts.

At this time it is worth noting the following:

US cooperation with Paraguay on tackling drug trafficking is based on an agreement in force since 1987, updated annually since then. The USA supports SENAD operations via the DEA and the State Department and cooperates with the national police drug squad. In addition to close cooperation between the DEA and the SENAD for anti-drugs operations, the programme also purchases equipment, provides training, and supports specific projects such as the SENAD dog unit and infrastructure work.

It also finances some parts of the demand-reduction programme being conducted by the SENAD (a new development in this area is the planned launch of a project which would set up a rural police force in Concepción with a view to fostering links between the population and the police, and which would include an element of demand reduction by means of talks for young people in schools, prevention measures, etc.). While supporting the SENAD drugs laboratory, it was discovered that there was a serious issue of confiscated drugs being stored for too long (the law states that consignments must be destroyed within 48 hours of seizure and analysis, yet some drugs are still being stored after three or four years). This is because of the delay in issuing the court orders required in order to destroy the drugs.

Spain. There is regular cooperation between authorities in the Interior Ministries on various activities (training courses, operations, etc.). In September 2010 the bilateral joint committee on the subject was relaunched.

Italy signed in 2002 a Cooperation Agreement with Paraguay on combating organised crime, which was ratified on 23 August 2010. The drugs expert in the Italian embassy, who works from La Paz, is cooperating with the SENAD on a joint investigation.

France played its part in the first half of 2012 by holding seminars for national police and SENAD experts: a training session was given by French experts in Buenos Aires from 26 to 30 March; specialists from the Interministerial Anti-drug Training Centre (CIFAD) in Martinique held a course on containers in Asunción from 7 to 11 May; and a selected Paraguayan police officer went to France in July to complete his anti-drug training. A new CIFAD training course on telephone-based anti-drug operations is planned for 2013.

Although the Japanese government invited the SENAD to Japan in the 1990s in order to attend a seminar on drug-trafficking control, Japan has not entered into any anti-drug cooperation agreements to date and the objective of its cooperation projects is to tackle poverty and support socio-economic development with no reference to preventing or combating drug trafficking.

However, in March 2009 the Japan Financial Intelligence Center (JAFIC) and SEPRELAD signed a memorandum of understanding, which is still in force, to facilitate exchanges of information as part of investigations relating to money laundering, terrorist financing and related crimes.

Germany's main contribution on the subject is its financial support for UNODC's NIP under subprogramme 2 – anti-corruption and reform of the criminal justice system – which includes a cross-cutting component for combating drug trafficking. Germany is offering to send experts through the SES (Senior Experten Service) to provide services within the SENAD and to give training and development courses to civil servants and SENAD officials.

The European Commission carries out and finances a number of related anti-drugs programmes. Specifically, Paraguay currently participates in the COPOLAD and Cocaine Route II programmes. The EU delegation in Paraguay is exploring with the relevant departments in Brussels the possibility of including Paraguay as a focus country for both programmes. In May 2011, the EU and the USA co-hosted an international symposium on Dismantling Transnational Illicit Networks.

On 20 October 2011 the UNODC and the Paraguayan government signed the National Integrated Plan (NIP) with the aim of taking action in three key spheres: fighting organised crime; justice and the fight against corruption; reduction of drug demand and treatment. The UNODC has seconded an expert to Asunción to carry out this project. Germany (second sphere) and the USA and Spain (third sphere) are participating in the project. A project under the umbrella of drug dependency treatment is currently being carried out with US funding; the first stage has just been completed, consisting of a census of Paraguay's existing help and assistance centres (85 in total); the second stage will consist of a study of the main problems and deficiencies faced by these centres, as well as the different types of drug users who visit them.

7.3. Recommendations

The recommendations made in previous reports are still valid:

- Improve institutional coordination and support for SENAD's policing and prosecution activities, and increase the financial and technical resources available to it.
- Encourage alternative crops through international cooperation projects.
- Provide more extensive graduate and postgraduate specialised training for those involved in reducing drug demand in the country.
- Extend the coverage of school prevention programmes based on scientific evidence, with increased involvement of civil society within the framework of shared responsibility.
- Carry out periodic surveys of key population sectors (schoolchildren, households, emergency centres, prisons and treatment centres) on the prevalence of drug use, the trends and the risk factors involved.
- Increase the staffing of the narcotics prosecution service in order to reinforce judicial investigation of drug trafficking.

In addition, at the last meeting the need for judicial reform was discussed in detail, including elements such as the system of electing judges, limiting the mandate of members of the Supreme Court of Justice and creating a separate Constitutional Court, with the aim of combating the corruption and culture of impunity that prevail in many cases, and thereby helping to improve the inadequate functioning of the justice system.

8. PERU

8.1. General situation

On 16 February 2012, the Council of Ministers approved the new national anti-drug strategy 2012-2016 (ENLD). This is a key document, in that it sets out the guidelines for the Peruvian State's action to combat all aspects of the problem of drug production, trafficking and consumption.

Starting from the view that combating drugs is a high priority on the government's agenda, the strategy seeks to improve substantially on the results by means of an integrated approach that addresses all aspects of the problem (eradication, alternative crops, controls, rehabilitation and prevention), setting precise targets and indicators for the first time and taking a novel approach to major issues such as money laundering. The ENLD signals a positive trend, since it shows a stronger State commitment and political will to address the problem and also to accept responsibility for doing so. Indeed, some distinctly positive changes have started to emerge since it entered into force, such as the introduction of new decrees on money laundering and asset forfeiture, and the recent announcement that SUNAT (national tax administration) will be responsible for controlling chemical inputs destined for drug trafficking. However, it is too soon for an assessment of the ENLD as it is still in the process of being consolidated.

A clear indication of the greater political commitment was the International Conference on the global drugs problem in Lima on 25 and 26 June 2012, which was organised by the Peruvian government and culminated in the adoption of the "Lima Declaration". An International Summit on the Development of Alternative Crops will also be held in Lima on 15 and 16 November, dealing with subjects including the possible introduction of international certification that would facilitate the marketing of products resulting from these crops. Improving the exchange of information and intelligence between the different countries is also a constant concern for the Peruvian authorities.

The new strategy for 2012-2016, adopted on 16 February 2012, differs significantly from the previous strategy in a number of ways. The main difference is the establishment of monitoring, targets and indicators, which are covered by four main strategic objectives, with quantification of the intended achievements.

The general strategic objective is a drastic and lasting reduction in illegal trafficking and consumption of drugs and their negative social, political, economic, cultural and environmental effects, while integrating those who produce illegal crops into the lawful economy.

To that end it establishes four major strategic aims:

- 1.- Strategic objective of integrated and sustainable alternative development (DAIS);
- 2.- Strategic objective of prohibition and punishment;
- 3.- Strategic objective of prevention and rehabilitation;
- 4.- Strategic objective of overall commitment under the principle of shared responsibility, in accordance with which it estimates that the yearly amount committed to international anti-drug cooperation will rise from USD 52.6 million in 2011 to USD 60 million in 2016.

Implementation of the national anti-drugs strategy is carried out by DEVIDA, the National Commission for Development and Life without Drugs. DEVIDA is designed to operate as the lead agency responsible for combating drugs in Peru and reports to the Prime Minister's Office. It is headed by an Executive President, who presides over an Advisory Committee made up of the main Ministries and Regional Presidents.

There is a wide range of people directly or indirectly involved in combating drugs in Peru. DEVIDA is intended to be the agency that coordinates their actions.

By way of example only, some of those involved include the Ministry of the Interior (three units specifically focusing on combating drugs: the national police of Peru, through DIRANDRO (anti-drugs directorate); CONABI (national commission on seized assets, reporting to the Prime Minister's Office); and the public prosecutor's office specialising in illegal drug-trafficking crimes); the Ministry of Defence; the National Authority for Customs and Tax Administration (SUNAT), which will be responsible for controlling chemical inputs destined for drug trafficking; the Prime Minister's Office, which is responsible for implementing the VRAEM Plan, the Ministries of Agriculture, Justice, External Relations, Health and Tourism; and ENACO S.A., the public sector company responsible for marketing and industrialising coca leaf.

With regard to supply, the 2011 annual report on coca crop monitoring in Peru was released by the UNODC on 26 September 2012, and has provided up-to-date figures for this report.

1) Coca leaf, basic cocaine paste and cocaine hydrochloride

Dried coca leaf production in Peru was slightly higher in terms of net area in 2011 (62 500 hectares) than in 2010 (61 200 hectares). This figure includes areas where coca leaf production is entirely linked to drug trafficking as well as those areas where coca leaf production is destined for traditional purposes. According to UNODC data, potential production of dried coca leaf had reached as much as 131 295 **tonnes** by 31 December 2011 (1.4 % higher than 2010). Potential cocaine production has not been determined, as the conversion factors are being reviewed. It should be noted that 9 000 **tonnes** of dried coca leaf are chewed in the traditional way.

The main coca growing areas in Peru are still in the Apurímac-Ene-Mantaro river valley or VRAEM (19 925 hectares), and the La Convención-Lares (13 090 hectares) and Alto Huallaga (12 421 hectares) river valleys. Eradication campaigns carried out by CORAH (special project for controlling and reducing coca crops in Alto Huallaga) in Alto Huallaga and Aguaytía, the main areas in which it has taken action, have made it possible to mitigate the increases recorded in other regions of Peru in which there has been no eradication, the most significant of which include Caballococha (Bajo Amazonas), Kcosñipata (Cusco) and Palcazú-Pichis-Pachitea (Selva Central). Specifically, there was a 40.4 % increase in Marañón-Putumayo-Bajo Amazonas (from 1 281 to 4 450 hectares) and a 74.9 % increase in Kcosñipata (to 670 hectares).

In comparison with 2010, in 2011 there was a slight increase in the net cultivated area in Alto Huallaga (+0.7 %) and in VRAEM (+1.1 %), while there was a slight decrease in La Convención-Lares (-1.8 %).

Average efficiency in cocaine alkaloid extraction will be assessed this year by DEVIDA with the technical and logistical assistance of the UNODC and the financial support of the French government.

The average price established for 2011 was USD 3.3/kg dried leaf (up 6.5 % on 2010), as a result of reduced availability of coca leaf on the illegal market. The average price of cocaine hydrochloride in Peru in 2011 was up 8.2 % on 2010, reaching USD 1.025/kg.

The gross value of coca leaf production in relation to the Peruvian GDP is estimated at 0.25 %. A reported 10 290 hectares of coca crops were eradicated in 2011 (14.5 % down on 2010). Seizures amounted to 13 975 kg (up 5.6 %), and seizures of cocaine hydrochloride amounted to 10 758 kg (38.7 % down on 2010).

In the last 10 years international drug trafficking has changed its modus operandi. Until the mid-1990s, Colombian cartels ruled the Peruvian drug-trafficking enterprise. They maintained a presence in the river valleys and coca-growing areas and were involved at all stages of the production and sale of the drugs and in transport from the exit points to external markets. From 2000 to the present, the transportation of the drug from the point of production has been organised and supervised by domestic traffickers and carried out by groups known as backpackers ("cargachos" or "mochileros"). To that end they use the entire existing road network and their destinations include intermediate towns, generally in the sierra. Then they go to the coastal towns or border towns, where the loads contracted for by the international cartels are made up.

Currently drug traffickers use various ways to get the drugs out. One way is by sea (involving the setting up and use of front export companies, hiding the "goods" in the innumerable containers that leave the country's various ports every day). However, it is believed that much of the drug is moved out by land, through neighbouring countries.

2) Poppy and other opiates

No official statistics exist. The scant data available are not sufficient for a precise analysis of the situation, though crop growth seems to be increasing in the north of Peru.

3) Marijuana

Existing studies indicate that marijuana consumption is concentrated in the bigger towns and in the population segment aged 16-30, with most beginning to consume as teenagers. Survey-based data suggest that many users try the drug out of curiosity, since it is easily available, but do not continue using it.

4) Synthetic drugs

Ecstasy (methylenedioxymethamphetamine) is the main substance present on the market and in recreational areas, especially at festivals attracting large crowds. Although in the past it was mainly used by relatively affluent young people aged 18-22, its use has gradually become extended to other social groups. It is the illegal drug with the highest level of attraction (4 out of 10 people offered it agreed to take it).

As for Peru's drug consumption, a 2012 study from CEDRO, using 2010 data, indicates that the most widely used drugs in Peru are marijuana (5.62 %), basic cocaine paste (2.09 %), ecstasy (1.53 %) and cocaine (1.43 %). A significantly higher percentage of men than women use drugs. Lifetime prevalence of marijuana, basic cocaine paste, and cocaine is higher in Lima than elsewhere (outside the capital, use is more widespread in the rainforest area, followed by the sierra and the coastal towns).

According to CEDRO, 26.4 % of the surveyed population had been offered marijuana at least once in 2010 (and 11 % basic cocaine paste, 4.4 % cocaine and 4 % ecstasy), which shows the seriousness of the situation, since drugs can be obtained cheaply and from numerous sources. The average age at the time of first use of illegal drugs is 18. DEVIDA says that 30 000 Peruvians start taking cocaine every year.

There are two main means of combating drug trafficking:

- Eradication: voluntary (substitution of legal crops, such as coffee, cocoa and dwarf palm) and compulsory eradication (also with substitution of alternative crops). In 2011 a total area of 10 290 hectares was eradicated, compared to 12 033 hectares in 2010 and 10 025 hectares in 2009.
- Prohibition and seizures:

The figures for 2009 to 2011 are as follows:

Seizures:

Type of seizure	2009 (kg)	2010 (kg)	2011 (kg)
Basic cocaine paste	9 914	13 328	12 914
Cocaine hydrochloride	10 744	17 544	9 488
Opium poppy latex	75.25	21.06	4.21

Chemical inputs:

Chemical inputs	2009 (kg)	2010 (kg)	2011 (kg)
Kerosene	248 967	238 276	246 819
Sulphuric acid	77 229	31 367	27 805
Hydrochloric acid	72 629	172 803	144 199
Calcium oxide	60 800	106 336	142 612
Acetone	18 580	31 133	30 896
Ammonia	4 955	8 436	6 727

Plants shut down: In 2011, 2 956 maceration pits for basic cocaine paste and 19 cocaine hydrochloride processing laboratories were dismantled.

There have been few results in the courts these past years, especially as regards money laundering.

It should be highlighted that in 2011 and 2012 there was an increase in the number of drug mules ("burriers") arrested while attempting to take drugs out of Peru, particularly via the country's international airports. In general the arrests led to prison sentences.

In terms of legislation, a relatively new law considered to be a breakthrough in the fight against drug trafficking is the law on asset forfeiture (Law No 29212), which simplifies and facilitates forfeiture to the State of assets acquired with the proceeds of illicit activities. As a complementary measure, Legislative Decree No 1104 amending the legislation on asset forfeiture was issued on 19 April 2012. The Regulation amending the legislation on asset forfeiture was adopted on 8 September 2012.

On 11 May 2012, the pre-publication of the draft Regulation on Law No 29765 was made available. This law regulates the establishment and functioning of drug treatment centres, which operate as therapeutic communities. Law No 29765 was published on 27 July 2011.

On 19 September a ministerial decision was issued setting up a working group tasked with drawing up the regulatory framework that would enable a study to be carried out to update conversion factors reliably and legally, and determine how to implement the standard protocol for studying conversion factors from cocaine leaf to cocaine hydrochloride.

The new national plan to combat money laundering and the financing of terrorism was approved in May 2011 and is currently awaiting implementation. Legislative Decree No 1106, on effectively combating money laundering and other offences related to illegal mining and organised crime, was published on 19 April 2012.

8.2. International cooperation

International cooperation has continued to support the Peruvian government in various programmes, particularly in terms of alternative development, environmental conservation and restoration of damaged ecosystems.

Examples include the work of the UNODC, as well as financing from the US government (totalling an average of USD 60 million a year over the last five years), the European Commission (which is designing a project for sector budget support amounting to EUR 34 million for the period 2012-2016), and various Member States. The Organisation of American States (OAS) also provides support through the Inter-American Drug Abuse Control Commission (CICAD) for the programme to strengthen national drug commissions in Latin America, which receives financial support from Spain.

At the regional level, Peru is stepping up cooperation with its neighbours. There has been an increase in the willingness to seek and share solutions with neighbouring countries, as demonstrated by the operation carried out in Loreto in conjunction with the Brazilian police, or the third meeting of the Peru-Bolivia Joint Committee held in Santa Cruz (Bolivia) on 29 August 2012.

The USA informed the members of the Group that it funds all eradication efforts, but that Congress will not approve the same funding for next year and that the Peruvian government will also have to finance eradication-related programmes with its own resources.

8.3. Recommendations

The mini Dublin group makes the following recommendations:

- The Group urges the Peruvian government – which, with the approval of the new Strategy, has shown its political will to take on the struggle against drug trafficking in a determined fashion – to take all possible steps to ensure that DEVIDA, as leading body in this field, has sufficient authority, budget and rallying power in order to carry out its mission in a coordinated way, gaining the commitment of all the ministries and institutions involved.

If possible, and if the Peruvian government thought it appropriate, it would be desirable for DEVIDA to answer directly to the President of the Republic. This would make the priority the government wants to give to combating drug trafficking more visible, in line with President Humala's indications when setting out his government's objectives during his investiture speech in July 2011. The Group further believes that ideally the Peruvian government should consider making DEVIDA an administrative unit at a level not lower than ministerial.

- **The Group congratulates the Peruvian government on its approval of the new national strategy for combating drugs 2012-2016 and the successful Lima Summit on the world drug problem that took place on 25 and 26 June**, and urges it to fulfil the ambitious goals it has set itself in numerous areas, such as eradication of illegal crops, seizing of chemical precursors and money laundering. The Group also urges Peru's government to rigorously monitor the implementation plans for the programmes it creates to achieve the goals it has set out, in accordance with the established indicators, so that it can assess whether it is progressing fast enough. The Group believes that the government has shown political will and, if it is successful, it will be able to see a real and positive impact in the fight against drug trafficking in Peru in the coming years.
- **The countries and institutions that form the Dublin Group ask DEVIDA to supply it with the most continuous and exact information possible on the results being achieved in the execution of the new national strategy**, particularly as regards the fulfilment of the goals set out and the development of the monitoring indicators, in accordance with the general continuous assessment outline set out in the ENLD.

- Since the effective capacity of DEVIDA as leading body is closely tied to an increase in its budget, the Group urges Peru's government to increase its funding so as to significantly improve its ability to carry out its programmes.
- On the diplomatic line of action undertaken by Peru on the notion of "shared responsibility", the countries support the need for international cooperation, while recalling the Peruvian State's own share of responsibility. They therefore welcome the government's intention to make fighting drug trafficking an essential part of its political activity. It is important that, while pursuing international cooperation, Peru achieves its stated goals, strengthening internal coordination mechanisms and strictly applying its own laws.
- The Group considers that in the **VRAEM**, where terrorism linked to drug trafficking is still very active, the Peruvian State must devise a specific strategy, taking a multisectorial approach covering economic, social, police and military aspects of the problem together. The Group believes that this would increase effectiveness, avoiding the communication gaps and clashes over competence between the various ministries involved and between the State and the regional governments in the area.
- The Group repeats its recommendation that national and international technical support should be increased for all authorities involved in combating drug trafficking, albeit with specific effectiveness criteria. One of the main problems is excessive rotation in the police chain of command, which in turn results in replacements at the lower levels. Technical assistance should also be increased in other sectors, such as the procurement of equipment, in which established procedures hamper the State's action. It is also necessary to evaluate training plans in order to show local authorities that excessive staff rotation makes staff training pointless in practice.
- The training of judges, prosecutors, public defence lawyers and lawyers in the criminal justice system in general should be stepped up. In trials against drug traffickers, they have to face teams of well-paid, well-prepared and well-equipped lawyers. In this case staff rotation is less frequent than in the police sector, but appropriate measures for improving the effectiveness of these proceedings are also recommended.
- In addition, it is necessary to accentuate the message that efforts to combat corruption, which is closely linked to the problem of drug trafficking, must also be increased to the utmost.

- The possibility of setting up a single special narcotics court (in Lima) for complex trials should be considered, preserving the jurisdiction of provincial judges and prosecutors but adopting the measures needed to ensure that they are not subjected to local pressure through extortion or bribery.
- The Group also strongly recommends closer cooperation between the governments of the member countries of the Dublin Group (especially within the EU) in the area of police controls and prohibition, in order to mitigate the impact of drug trafficking in our societies.
- We think it is appropriate to hold extraordinary meetings of the Group with guests who can provide information, in particular with the neighbouring countries through which a large part of the drugs leaving Peru reportedly transits. A meeting of Group members, with representatives of these countries in Lima and representatives of DEVIDA, is scheduled for November 2012.
- The Group congratulates Peru for hosting the international summit on alternative crop development this coming 15 and 16 November.
- The Group considers that, given the new strategy and the fact that Peru has become an important factor in the world drugs trade, member countries should increase their international cooperation with Peru on this subject, increasing its resources.

9. URUGUAY

9.1. General situation

The trends in Latin American cartel movements in recent years persist: the campaign against drug trafficking in Mexico and Colombia has resulted in the creation of new routes to the United States and Europe, such as through Africa, which affects the Southern Cone in particular.

The Uruguayan authorities believe that what can be seen in the country is not "cartelisation" but rather cells or "facilitators" of illicit drug trafficking operations, which may try to benefit from Uruguay's logistical advantages, especially the port of Montevideo.

With regard to controlling supply, it is worth noting that data based on the statistics produced by the Uruguayan drugs observatory indicate a steady increase in the number of cases completed (substance seizures and arrests). The average number of cases has increased from 23 per month in 2003 to 49 per month in 2011.

The operational results of the Directorate-General for the Suppression of Illicit Drug Trafficking (Ministry of the Interior) indicate that as of 1 September 2012 more than 350 kg of cocaine, 69 kg of basic cocaine paste and 1 kg of hashish had been seized. More than a tonne of marijuana had also been seized by this date. The national authorities estimate that seizures amount to approximately 10 % of the marijuana available on the national market, almost all of which comes from Paraguay. This is much higher than the global average of between 3 % and 5 %.

The data produced by the Ministry of the Interior also reveal that, as of 1 September 2012, 662 people had been arrested and 323 had been prosecuted for drug-trafficking crimes. The number of prosecutions has risen steadily every year since 2003, which is partly because the number of operations has also risen, but mainly because of greater efficiency that has enabled the ratio of arrests to prosecutions to increase significantly in the last three years (in 2003 the ratio was less than two prosecutions for every 10 arrests, while in the last three years this ratio has increased to four in 10).

It is worth repeating the point made in the previous report that public opinion continues to identify insecurity as a major concern and considers it closely linked with the trafficking and consumption of illegal substances. The National Drugs Board (JND) has confirmed the emergence of previously unknown types of violence in the country, such as contract killings and settling of scores. This perception has led the Executive to draw up a "Strategy for Life and Coexistence", which is explained below.

The national strategy for addressing the drugs problem, approved by the JND in 2011, has been supplemented by the Strategy For Life and Coexistence, issued by the Executive's security office in June 2012. The latter strategy aims to set out a comprehensive scheme to prevent the emergence of new forms of violence.

In this context, the strategy includes a series of draft laws that address the drugs problem, including higher penalties for trafficking basic cocaine paste, the introduction of special judicial measures governing the retail trade in drugs, and an integrated, interinstitutional approach to tackling the major consequences of drug use.

It is worth noting here that the JND is currently working on draft legislation to reduce problematic alcohol use. Alcohol is considered a "gateway drug" and is also the substance that has the biggest impact on the national healthcare system. The JND estimates that there are around 260 000 problem alcohol users in the country.

With regard to money laundering, the national anti-money laundering secretariat claims that the strategic plan to strengthen and adapt the recommendations of the Financial Action Task Force (FATF) has been extended over the last year. As a result of the recommendations approved by the FATF in February 2012, the coordinating committee on anti-money laundering and combating the financing of terrorism submitted the 2012 National Strategy and its Action Plan to the Executive. These were both approved by the President of the Republic on 30 August 2012.

In line with the intense debate in the country, the meeting of the Montevideo mini Dublin Group focused a significant part of its analysis on the Executive's proposed regulatory model for the marijuana market. This proposal is also included in the Strategy for Life and Coexistence. The JND believes the proposal is part of the current challenge concerning the alleged failure of the international effort to combat drugs. The bill coincides with previous proposals submitted by the various political parties concerning the legalisation of cannabis or the legalisation of cultivation for personal use. The parliamentary procedure will dictate in what way those proposals relate to the new bill.

The bill submitted to parliament came out of the above mentioned Strategy for Life and Coexistence and, according to the JND, it acknowledges the debate going on in society without undervaluing the risks associated with cannabis consumption. It is estimated that cannabis consumption in Uruguay rose by 53 % from 2006 to 2011.

With regard to the concern that this legislation may cause in other countries, the JND believes that it is not possible to export the Uruguayan model because it is rooted in its own particular circumstances. That is to say, it believes that State regulation of the market is a response to concerns over the impact of the new legislation in the region (for example, an assessment of the best means to ensure substances can be traced), and that there is no risk of "drug tourism" as substances would only be distributed to Uruguayan nationals.

The JND also responded to the concerns expressed by the United Nations Office on Drugs and Crime (UNODC), whose director said the implementation of this bill would be "disappointing" and a violation of the 1961 Single Convention. The JND advocates a flexible interpretation of the international conventions and argues that efforts to combat drug trafficking can take many different forms other than traditional ones.

Among the new institutional developments, it is also worth mentioning the bill to permit compulsory treatment for "problem addicts", under the supervision of a judge. This bill is currently being examined by parliament, and has been criticised for possibly being unconstitutional.

9.2. International cooperation

The JND's international cooperation objectives include strengthening national capacities in order to take an integral approach to a "global and transnational issue", managing offers of technical and financial cooperation which support the national strategy, and ensuring it is represented in scientific and institutional exchanges.

Examples of international cooperation projects include the SAVIA project by CICAD/OAS (with support from Spain via the National Plan on Drugs and AECID) to develop regional cooperation and local initiatives for drug demand reduction, the EU-funded COPOLAD and PRELAC programmes, the UNODC and CICAD/OAS subregional drug information and research project, and the UNODC's Global SMART programme (with support from Canada).

9.3. Recommendations

As in the previous report:

- Maintain lines of cooperation on strengthening institutions, especially with the Ministry of the Interior and the JND, which is particularly receptive as regards technical capacity building.
- While Uruguay's work to ensure greater transparency in the banking system is appreciated, it is suggested that vigilance be maintained in that area.

10. VENEZUELA

10.1. General situation

An internal audit was carried out by the ONA (National Anti-Drugs Office) because certain police forces were not providing the required data correctly, and as a result comprehensive drug-trafficking statistics are not available for 2012.

However, the Bolivarian National Guard (GNB) seized more than 21 tonnes of narcotics and psychotropic substances between January and June 2012. This amount may greatly surpass the quantity seized in 2011, which was somewhere in excess of 27 tonnes.

On an institutional level it is worth noting that the Law on Organised Crime and the Funding of Terrorism was approved and sanctioned on 31 January, and published on 30 April.

The purpose of this law is to comply with the recommendations made to Venezuela by various international organisations such as the UN, EU and OAS so that Venezuela can address the increasing links between drug trafficking and crime in general. It deals with international cooperation, the use of special investigation techniques (such as monitored deliveries or undercover agents, which are regulated by the law), and money laundering (creation of an Office on Anti-Money Laundering and Economic and Financial Crime within the Prosecution Service).

A National Office on Organised Crime (ONDO) has been created, but is not yet operational.

From 18 to 22 June on Isla Margarita, France held a seminar on cocaine routes to Europe via West Africa, at which the Venezuelan authorities proposed the creation of CIMAAS (South American Anti-Drugs Air and Sea Information Centre) within the framework of UNASUR. This would establish a regional drug-trafficking alert system with the aim of providing real-time information on the structure of the new criminal organisations, and thereby fulfil the recommendations made by this mini Dublin Group, such as *"to participate more and to be represented more actively in international fora and bodies concerned with combating drug trafficking"* and to adopt *"a regional focus ... in order to develop a plan covering the entire region, including Venezuela"*.

The creation of a vice-ministry for the Integrated Criminal Investigation System was published in the Official Gazette on 3 July.

10.2. International cooperation

It is very difficult for Venezuelan representatives to attend courses in some countries belonging to the Dublin Group, to which they are invited.

Spain: As to technical cooperation in 2012, Spain has yet to announce or carry out any activity related to drug trafficking this year.

Portugal: There are no cooperation projects. The possibility of setting up a project before the end of the year is being looked into.

Italy: There are no cooperation projects. The possibility has arisen for two Venezuelans to attend an anti-drugs course in Italy, but as yet there has been no response from Venezuela.

CANADA: There are no cooperation projects. There is cooperation on a case-by-case basis.

Japan: There are no cooperation projects.

USA: On 14 September the United States government issued a report criticising Venezuela for failing to fulfil its international commitments. There has been cooperation at sea.

Norway: There are no cooperation projects.

France: In June, a seminar on cocaine routes to Europe via West Africa was held on Isla Margarita in conjunction with ONA.

The French customs authorities have offered two courses but have not received a response or any indication of interest one way or another. However, in November a course on analysing phone taps is planned with the Bolivarian national police force.

Germany: An ONA official will undertake an internship in Germany in 2013.

Austria: There are no cooperation projects.

Netherlands: A member of the Bolivarian National Guard will be attending a drugs training course.

Belgium: There are no cooperation projects.

European Union: The DROGASTOP programme is now in its final stage. A new project is possible but it is being implemented very slowly, and the deadline for tenders is December. Scanners have been acquired for the airports and sniffer dogs have been trained. The EU plans to reduce its cooperation staff in 2013, so no new cooperation projects will be launched.

10.3. Recommendations

- Once legislation is in place to regulate the use of the special investigation techniques cited in the 1988 Vienna Convention, including controlled deliveries and undercover agents, there should be an effort to promote international cooperation, which should be regulated by the same legislation and achieved by means of support for the police and prosecutors in order to improve their capacity to investigate and intercept drug consignments.
 - Set up the South American Anti-Drugs Air and Sea Information Centre as proposed by Venezuela.
 - Review the policy for prevention of drug consumption, especially among the most socially and financially deprived sectors of the population and those drugs which generate a high rate of violence and crime in those sectors of the population.
 - Continue to combat money laundering, extending the Prosecution Service's Office on Anti-Money Laundering and Economic and Financial Crime. To combat drug trafficking effectively, its funding must be attacked by stepping up the fight against money laundering and corruption.
 - Address the increasing links between drug trafficking and crime in general.
 - Visits by senior officials from member countries of the Dublin Group with responsibility for combating drug trafficking should be encouraged.
 - The Bolivarian Republic of Venezuela should be encouraged to participate more and to be represented more actively in international fora and bodies concerned with combating drug trafficking.
 - The Bolivarian Republic of Venezuela should be encouraged to sign and/or ratify the legal instruments designed to combat drug trafficking as soon as possible.
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