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ARGENTINA

May 2016

Introduction: The mini Dublin Group in Argentina considers that the inclusion of the fight against drug trafficking as one of the three main political priorities of the new government represents a decision of great importance in combating this problem. This commitment signals an increase in the measures and resources available for this purpose, as well as a deepening of international cooperation.

1. General situation

The national government performed a U-turn in relation to the extent of the problem of drug trafficking in Argentina. The Argentinian authorities have recognised that Argentina is now one of the world's main cocaine exporters/transit countries. This about-turn is reflected in the statistics published: it should be noted that in April 2016 the Ministry of Security made public the criminal statistics for the Argentine Republic for 2015 and before, including data relating to seizures of illegal drugs.

a) Legislative and institutional framework: Argentina is a party to the New York Single Convention on Narcotic Drugs (1961), the Vienna Convention on Psychotropic Substances (1971) and the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988). In this framework, Argentina works with the United Nations Office on Drugs and Crime (UNODC), follows the proceedings of the Commission on Narcotic Drugs of the United Nations Economic and Social Council (ECOSOC) and is subject to the jurisdiction of the International Narcotics Control Board (INCB). At regional level, it participates in the Inter-American Drug Abuse Control Commission (CICAD), the OAS, and in the Multilateral Evaluation Mechanism (MEM). It is also part of the South American World Drug Problem Council (UNASUR), the Specialised Enforcement Authorities Meeting on drugs, drug abuse and the rehabilitation of drug addicts (MERCOSUR) and the Coordination and Cooperation Mechanism on Drugs between Latin America, the Caribbean and the EU (EU-LAC). At national and provincial level, Argentina has specific laws on combating drug trafficking and preventing drug addiction. The main institutions responsible for implementing this legislation are the Ministry of Security and the Planning Secretariat for the Prevention of Drug Addiction and Drug Trafficking (SEDRONAR).

b) Consumption: The Argentinian Drug Observatory provides data from studies carried out up to 2011. The new authorities have shown their intention to update these data. According to information published by the Drug Observatory and reported in the 2014 World Drug Report, the annual prevalence rate for marijuana among those aged between 12 and 65 was 3.2 %, and the annual prevalence rate for cocaine in that age group was 0.8 % (2010 figures). According to estimates by the UNODC, published in the 2014 report, annual prevalence rates for those substances in South America were 5.7 % and 1.2 % respectively. Argentina is one of the countries in which synthetic drugs are consumed by secondary school students (the prevalence rate for ecstasy in this age group is 2.3 % according to UNODC estimates based on 2011 data provided by Argentina). Legal purchases of psychotropic drugs remain at a high level (1.5 million boxes/month in the Province of Buenos Aires, an increase of 75 % in the past 10 years, according to the Ministry of Health).

c) Combating supply: In April 2016 the Ministry of Security made public the 2015 criminal statistics for the Argentine Republic, which included seizures of illegal drugs. In 2015 seizures of marijuana rose to 197 885 kg, an increase of 33 % compared with the previous year; marijuana plants: 12 121 units, a decrease of 7 % compared with 2014; cannabis seeds: 48 426 units, a decrease of 11 % compared with 2014; cocaine (base, salt and paste): 6 038 kg, a decrease of 42 % compared with 2014; 'paco': 76 081 doses, an increase of 21 % compared with 2014; LSD: 135 207 tabs, an increase of 1 245 % compared with 2014. Finally, seizures of amphetamine-type stimulants have also decreased: ecstasy: 21 749 pills compared with 634 158 in 2014, amphetamines: 1 234 pills compared with 5 052 in 2014 and methamphetamines: 6 pills compared with 6 065 in 2014. The fall in some of these figures on drug seizures, due to circumstantial factors, neither diminishes the relevance of the problem nor changes the fact that it constitutes one of the main priorities of the current government, as mentioned above.

Cocaine is the drug most frequently trafficked in transit to third States. Argentina is not a coca leaf producer, although it is a transit country for cocaine and a producer of cocaine hydrochloride for local consumption. The main entry route for cocaine continues to be the northern border with Bolivia and Paraguay. The exit routes for cocaine are primarily the ports (containers: 75-80 % of traffic according to the Ministry of Security) and Ezeiza international airport in Buenos Aires ('mules'). There is also evidence of local production and importation from Europe of LSD and hallucinogenics. The Argentinian law enforcement authorities consider that synthetic drugs are the market with the highest growth potential in Argentina.

2. Follow-up to policies to combat drug trafficking

a) Emergency Decree on public safety: The new government, in line with its aim of combating complex crime and drug trafficking in particular, published in the Official Gazette of the Argentine Republic of 22 January 2016 Decree 228/2016, Article 1 of which declares a 'national public safety emergency' across the whole of Argentina with the objective of reversing the situation of collective danger created by complex crime and organised crime. The measures provided for in the Presidential Decree, which must be adopted by Congress, include more effective control of the northern border as well as the national ports and inland waterways through the acquisition and use of technology, particularly radars; the creation of 'Operation Borders' to replace 'Operation North Shield', established in 2011; an enlarged police force and better cooperation between security forces at local and federal level. Annexes I and II to this Decree contain security rules on identification and alerts in respect of, and the use of intimidation and (as a last resort) force against, incursions into Argentinian air space. The armed forces will be in charge of implementing these measures.

b) Division of competences in combating supply and demand: Decree 481/2014 abolished SEDRONAR's powers of overall coordination with regard to drugs. It transferred to the Ministry of Security full responsibility for coordinating and implementing measures to combat drug trafficking. SEDRONAR retains the role of drawing up public policies to mitigate demand (rehabilitation, education, combating social exclusion, and respect for human rights) and responsibility for control of chemical precursors (Laws No 23.737 and No 26.045) although it has been announced that responsibility for the latter will be transferred to the Ministry of Security.

c) Money laundering: In 2014 the FATF (Financial Action Task Force for the prevention of money laundering) removed Argentina from the grey list of countries with shortcomings in their regulatory standards for combating money laundering and the financing of terrorism. The application of Laws No 25.246 and No 26.863, which independently define the offence of money laundering and facilitate the seizure of the proceeds of illegal activity, was considered. The FATF took note of the sanction procedures under way at the FIU (Financial Intelligence Unit) and in the Argentinian courts.

d) Chemical precursors: Decree 2064/91 regulates the control of precursors used in the preparation of drugs. It is complemented by specific legislation on chemicals and pharmaceuticals, both of which are important industries in Argentina. In April 2014 the online National Register of Chemical Precursors came into operation. The objective is to reduce the risk of diversion of precursors for use in the illicit manufacture of drugs. The trial relating to the ephedrine trafficking scandal which occurred between 2005 and 2008 is ongoing. Decree 772/15 (6 May 2015) extended by executive action the list of prohibited narcotic drugs in Argentina, adding 49 substances to the Register.

e) Political debate on the decriminalisation of drugs: The case law of the Supreme Court ('Arriola' case, 2009) qualified Law 23.737, declaring punishment for the private possession of marijuana for personal adult use to be unconstitutional, provided third parties are not affected. In Argentina, there are arguments for and against decriminalisation amongst those who consider that drug use is a problem of social welfare rather than of public insecurity. Groups working on the ground (priests, amongst others) have condemned the lack of any efficient system of prevention and rehabilitation, which is essential before taking any decriminalisation measure in order to avoid encouraging use. The government has announced that it will present a bill reforming Law 23.737, that will establish the quantity of drugs in an individual's possession considered as being for personal consumption.

f) Corruption: According to journalistic sources, there have been strong links between the security forces and drug trafficking in recent years. High-ranking political figures may also be involved at federal and local level.

3. International cooperation

The new authorities have shown their intention to deepen the good cooperation with police forces, judges and prosecutors in joint international operations to intercept drug consignments.

Additionally, they set great store by international cooperation in multilateral fora. In this context, and with the objective of coordinating the Argentinian position ahead of the Special Session of the United Nations General Assembly on the World Drug Problem (UNGASS 2016), a day of discussions was held in the Argentinian Congress with the participation of the leading authorities, national and provincial legislative bodies, civil and trade union associations and representatives of the Church and civil society.

Specific programmes:

European Union: the new government has decided to increase Argentina's participation in all cooperation programmes between the EU and Latin America on drugs policy. Its objectives are to improve the coherence, balance and impact of drugs policies, through the exchange of experience, bi-regional coordination and multisectoral capacity-building.

France: Training courses run by French experts for their Argentinian counterparts, on techniques for identifying and checking suspect containers, techniques for using container scanners and image analysis, training sniffer dogs, and money-laundering and economic offences. In the context of President Hollande's state visit in February this year, the governments of France and Argentina signed a Statement of Intent for the strengthening of bilateral security cooperation in the fight against drug trafficking for the period 2016-2018. As a result of this agreement, the French Embassy in Buenos Aires has tripled the number of training courses it offers to the federal forces.

Slovakia: A bilateral agreement for cooperation on drugs is being negotiated with the Ministry of Security.

Spain: Leads the EU's COPOLAD programme.

Australia: Two Australian Federal Police officers are based in Colombia. They are tasked with facilitating multinational investigations into illegal drug trafficking. They visit Argentina twice a year to expedite investigations involving Australia and Argentina, meeting regularly with the Argentinian Federal Police, Gendarmerie, Airport Police and the State Secretariat for Security.

Italy: Close cooperation in the area of security is maintained by two experts posted in the country, specialising respectively in police matters and in combating economic and financial offences. Scheduled meetings also continue to be held to exchange experience gained in the fight against drug trafficking and money laundering. Lastly, negotiations are in progress with the Ministry of Security with a view to a new bilateral security cooperation agreement, with a particular focus on the fight against organised crime and drug trafficking.

UNODC: For UNODC, Argentina is a high-priority country in terms of curbing the HIV epidemic among drug users: UNODC is carrying out activities in cooperation with the STD and AIDS Directorate of the national Ministry of Health to increase drug users' access to the healthcare system.

4. Recommendations

As assessed by the Executive Secretariat of the Inter-American Drug Abuse Control Commission (CICAD), in Argentina, as in other countries in the region, there are problems of drug consumption and trafficking, and of social integration and development. In CICAD's opinion, combating all these problems, by developing the institutions, will take time. The main challenges continue to be:

- **Internal coordination** of the fight against drug trafficking.
- The need for reliable updating of **statistics**, coordination of aggregated national data and regular publication.

- Strengthening **international cooperation**: 1) by enhancing joint operations and the exchange of information and knowledge; 2) by improving capacity-building by sharing best practice through training courses; 3) by using existing models of information analysis, which offer advantages in terms of the centralisation of information and the avoidance of overlap in investigations; 4) by increasing contact between units specialising in the fight against drug trafficking and units of other countries; visits to transport hubs (airports, ports, etc.) are recommended.
- Enhancing **police and judicial capacity-building**. Improving the material resources allocated to the judiciary and the police for combating drug trafficking.
- Using instruments to **attack the economic power of the organisations engaged in drug trafficking and related offences**, focusing police and judicial resources on larger-scale investigations and making use of international cooperation.
- Developing an **early-warning system on new forms of crime** in drug trafficking.
- **Increasing internal checks and combating corruption** in all areas of the fight against drug trafficking. Preventing police officers from being co-opted.
- **Controlling imports** of chemical precursors.
- **Prevention and rehabilitation of drug addicts**: i) greater awareness-raising concerning the harmful effects of drugs, ii) presenting genuine alternatives to the social mobility which drug trafficking offers and iii) monitoring new synthetic drugs, to which the young urban market is especially receptive.
- Monitoring **efficiency in budgetary implementation** in combating supply and demand.

BOLIVIA

May 2016

1. General situation

Since the group's last report was submitted in November 2015 there have been no changes either in the Bolivian legal framework or in the specific national administrative structure for combating drug trafficking.

- i) The group's members agree that **without legal reforms and reform of the judiciary** the overall fight against drug trafficking will come up against major hurdles when trying to secure results.
- ii) 12.2 tonnes of cocaine and 73.6 tonnes of marijuana were seized in the first few months of 2016, with one particularly successful operation ending in the seizure of 8 tonnes, representing a substantial increase in seizures compared to the previous year. These seizures may be assessed in two different ways, both positively, owing to the fact that such a large seizure was made by the anti-drug forces, and more negatively, since it shows that a large quantity of drugs is being produced in the country. It must be stressed that the operations have not led to the arrest of the leaders of the organisations, have not included associated asset investigations and have not resulted in effective prosecutions.
- iii) Bolivia attended the UNGASS meeting on the world drug problem in April 2016. Speaking at the meeting, President Evo Morales stressed, *inter alia*, the importance of a policy combining prevention and treatment of the problem.

- iv) The EU budgetary support programme, earmarking EUR 60 million for the implementation of the national anti-drug-trafficking strategy and the reduction of excess coca cultivation, has been launched (with an initial disbursement of EUR 15 million in February 2016) and will be fully operational in the next few months. The programme includes direct support to UNODC for producing the annual Coca Crop Monitoring report as well as an initiative entailing the provision of technical support by European police bodies for training the Bolivian institutions responsible for combating drug trafficking.
- v) The Church has made a recent, unprecedented statement on the drug-trafficking situation in Bolivia, containing warnings about government inaction and the risks for the country. The statements were met by a strongly-worded government reaction against the church.
- vi) The studies on coca leaf production and on the conversion factors from coca leaf to cocaine have still not been completed. The EU delegation assured the government that it was prepared to finance both studies.

2. Institutional framework

- i) Legal framework: although the government has reiterated its intention to make progress in this regard, three fundamental laws in this area have yet to be adopted:
 - 1) A general law on coca, including its use, consumption, transportation, specific cultivation areas and marketing.
 - 2) A law on controlled substances, including a distinction in terms of offences and penalties between the trafficking and micro-trafficking of drugs, updates to lists of controlled substances, the control of chemical precursors, and investigation into illicit profits.

3) The government has also stated that it intends to push forward the law on forfeiture of assets so that it can use the seized assets to combat drug trafficking. Although the law is urgently needed in Bolivia, it is encountering serious difficulties which are delaying its adoption and implementation.

- ii) EU financial support has improved equipment standards at the two training centres, for anti-drugs police ('Garras del Valor') and drug-detection dogs, and this is expected to enhance the effectiveness of both centres. Nevertheless, there are still some shortcomings in terms of organisation of courses and training and rotation of officers.

3. International cooperation

- i) Under regional cooperation we would highlight the joint programme between UNODC, the EU and Denmark, which includes training for public servants. In recent months the programme has boosted Bolivia's contribution by strengthening the State's capacities and identifying priorities shared with neighbouring countries in the combating of drug trafficking.
- ii) The respective national authorities have not yet agreed to the setting up of an information exchange centre ('Centro de Intercambio de Información') in Santa Cruz to enhance information-sharing between the neighbouring countries, thereby making a substantial contribution to regional cooperation in the fight against drug trafficking.
- iii) Bilateral cooperation is continuing in the form of training programmes delivered by European police bodies under the auspices of the Bolivian anti-drug agency, the FELCN ('Fuerza Especial de Lucha contra el Narcotráfico').
- iv) The United States organised a presentation to the Bolivian government on divergent calculation of the areas in which coca is cultivated in the Yungas and Chapare regions compared to the 2014 UNODC reports.

4. Recommendations

As regards possible new recommendations to the Bolivian government on combating drug trafficking we would make the following points:

- i) We recommend **expediting the reforms to the legal framework** to equip the various bodies and public authorities with the appropriate tools for combating drug trafficking (telephone tapping, judicial supervision for investigations into drug trafficking, control of precursors and related offences such as money laundering). All the reforms are still being examined by the government and have not yet been approved.
- ii) We would stress the importance of introducing **judicial reforms** that will help create an effective system for combating drug trafficking through the enforcement of laws and the speeding up of legal proceedings.
- iii) We reiterate our recommendation to **strengthen regional cooperation** by bolstering the thematic working group on drugs ('grupo temático de drogas') and making practical progress with neighbouring countries through the joint committees and bilateral agreements.
- iv) We recommend that the Bolivian government improve the **supervision of legal markets** for the sale of coca leaf at all stages, including the final destination and use of the product.
- v) The drafting and publication of the two pending studies should be promoted and the possibilities of working with Brazil on the study on production should be explored, in particular as regards the scope of laboratories, which is currently limited by (national) Law 1008.

- vi) It is important that the **alternative production projects** and the integrated development of those areas most affected by coca cultivation take into account the social dimension and the needs of young people, who are the most vulnerable section of the population.

- vii) There should be a stronger **focus on prevention and treatment** of drug problems in Bolivia, in line with the country's involvement in UNGASS and with the latter's conclusions.

- viii) There is a need to change the variables for assessing key elements in the fight against drug trafficking, by evaluating coca leaf cultivation in terms of volume (tonnes) rather than surface areas (hectares).

1. Background situation

Given its **territorial dimension and geographical location**, Brazil is one of the countries in the world most affected by drug trafficking. It has borders with countries that have cocaine (Bolivia, Peru and Colombia) and cannabis (Paraguay) production markets.

The proliferation of Brazilian and non-Brazilian drug trafficking criminal organisations, the consolidation and expansion of gangs in prisons, the increased violence associated with trafficking, the rise of the consumer market, the increase in money laundering operations, the use of chemical precursors in cocaine production and/or adulteration are all **consequences of drug trafficking in Brazil**.

Despite the decrease in seizures of **cocaine**, there has been a significant increase in cocaine trafficking within the country, and an increase in the consumer market. The country currently faces a major challenge from 'crack', which is mainly consumed by people in marginalised communities and on low incomes in the large cities.

Synthetic drugs are being imported from Europe and are often being exchanged for cocaine, as the consumers are young people from the middle and upper classes. We would draw attention to the discovery of laboratories for production of MDMA (ecstasy) in the southern part of Brazil.

One national feature worth highlighting is **the link between arms trafficking and drug trafficking**, as shown by the increase in seizures of large calibre weapons held by criminal organisations involved in drug trafficking.

2. Report

There have been no major changes in the overall situation in Brazil with regard to illegal drug trafficking since the report given at the mini Dublin Group meeting, which served as the basis for drawing up ST 7866/1/15 REV 1 (CORDROGUE 23, COLAC 42) of 28 April 2015.

The national law enforcement authorities responsible for combating illegal drug trafficking in Brazil believe that **national cocaine consumption has continued to rise compared to previous years**. There is not necessarily any link between this trend and the absolute figures for seizures, based on the latest statistics drawn up by the federal police department ('Departamento de Polícia Federal', DPF) for 2015, which show a **decrease** in the last few years **in the total number of tonnes of cocaine seized** at national level.

However, bearing in mind that **consumption of cannabis is continuing to rise**, and unlike the situation with regard to cocaine, there has clearly been a **substantial increase in the trafficking of cannabis, which has also been borne out by the number of seizures**, with 2015 seeing the largest number of tonnes of cannabis seized over the last few years.

According to the figures provided by the DPF, it seems that **seizures of cocaine have maintained a downward trend based on the figures** for 2015, representing a total of 27 209 tonnes in 2015, compared to 31 869 tonnes in 2014 and 41 789 tonnes in 2013.

A different trend can be extrapolated for cannabis trafficking, since the **number of tonnes of cannabis seized in 2015 represented a significant increase**, rising to 269 899 tonnes in 2015, compared to 193 885 tonnes in 2014 and 222 225 tonnes in 2013.

Based on the current results and indicators, the federal police department concludes that **Brazil's growing domestic demand, either for internal consumption or for transit to third countries**, has only been reflected in the high increase in the figures for cannabis seizures, and not in the figures for cocaine seizures.

Apart from that, **seizures of synthetic drugs (MDA, MDMA, amphetamines and caffeine) are continuing to rise compared to previous years, whilst the consumption of synthetic drugs is also increasing in Brazil**. According to the federal police, consumption of synthetic drugs in Brazil may be increasing significantly, **and the products** consumed and seized in Brazil **originate in the European Union**.

In recent years the DPF has been increasing the number of **projects and strategies aimed at increasing the number of seizures and combating drug trafficking at national level**.

There are currently a number of overlapping initiatives, in particular: the GISE, PROAR, PROMAR and Intercops programmes, the PeQui project (on chemical precursors) and measures on strengthening asset investigation linked to drug trafficking, etc.

Along the same lines, and directly linked to the drug seizures, there has been an increase in **seizures of 'assets related to drug trafficking'** (real estate, transport vehicles, boats, planes, helicopters, etc.). In this respect, the **establishment of offices to freeze assets from drug trafficking** continues to be one of the greatest successes, not only in terms of the seizures of immovable property but also the amounts of money seized, which are directly or indirectly linked to the dismantling of the criminal structures that support drug trafficking in Brazil.

In addition to the initiatives mentioned above, the DPF enjoys **smooth international police cooperation with the neighbouring, cocaine- and cannabis-producing countries**, which enables joint police operations to be carried out in those countries and has led to the eradication of cannabis crops in Paraguay and the removal of cocaine paste refinement laboratories in Peru.

It should be borne in mind that these figures have been supplied by the federal police alone and do not include those held by the civil police in Brazil's states. We should therefore assume that the total figures for the country will be higher.

CHILE

May 2016

1. General situation

This report is based on figures for police operations relating to infringements of Drug Law No 20.000, published by the Sub-Secretariat for Crime Prevention within the Chilean Ministry of the Interior and Public Security, which represent all data for the **year 2015**.

In 2015, a total of **37 228 operations** involving infringements of Drug Law No 20.000 were carried out. This figure represents a reduction of 0.7 % compared with the number of operations carried out over the same period in 2014 (37 475) - which, though the decrease is minimal, continues the downward trend that has been seen recently¹.

The distribution of operations involving infringements of Drug Law No 20.000 shows the greatest concentrations, per 100 000 inhabitants, in the northern regions of the country: Arica and Parinacota with 967.8, followed by Tarapacá with 639.9 and Antofagasta with 575.7.

The following table sets out the types of drug seized by volume and shows the variation compared with 2014:

TYPE OF DRUG	YEAR		% VARIATION
	2014	2015	2015/2014
Cocaine hydrochloride (kg)	4 073.5	4 620.8	13.4
Cocaine base paste (kg)	13 870	9 650	-30.4
Processed marijuana (kg)	24 386	21,104	-13.5
Marijuana plants (units)	256 816	296 586	15.5
Pharmaceutical products (units)	56 116	108 533	93.4 ²
Heroin	0	0	0

¹ Between 2013 and 2014, the total number of operations fell by 16.6 %.

² The increase is mainly accounted for by two operations each involving more than 20 000 units.

As regards **arrests**, 51 089 arrests were made in 2015, a reduction of 0.5 % compared with the number made in 2014 (51 357). The greatest number of arrests were made for possession, followed by trafficking and, lastly, consumption.

In April 2016 the first 6 500 cannabis plants were harvested by the Chilean foundation Daya. Under Supreme Decrees 404 and 405 of October 2015 legalising the use of cannabis and its derivatives for scientific and clinical research and for medicinal applications, a Chilean laboratory has been designated for the manufacture of pharmaceutical products to be used in a series of clinical experiments next year.

2. Institutional framework

In Chile, the prosecution of all criminal behaviour connected in one way or another to drugs comes under the scope of Drug Law No 20.000. The Law, enacted in 2005, has since been developed via a number of Regulations and Decrees, in particular Regulation 1.215 of 2006, which lays down provisions on measures for the prevention of drug consumption in Government bodies; Decree 1.358 of 2006 on measures for the control of precursors and essential chemical substances; Regulation 967 of 2008 listing narcotic or psychotropic substances or drugs that induce physical or psychological dependency; and Decree 820 of 2011 approving the Special Fund for the National Service for the Prevention and Rehabilitation of Drug and Alcohol Use (SENDA).

The Criminal Investigation Police Department (CIPD) continues to implement the 'Zero Micro-trafficking' scheme under which it monitors those with a record of drug-related offences. It is hoped to reduce the number of points of sale for drugs.

3. International cooperation

The Chilean government, through the National Service for the Prevention and Rehabilitation of Drug and Alcohol Use, participates actively in multilateral specialist bodies. Amongst these are the United Nations (UN), the Organisation of American States (OAS), the Southern Common Market (MERCOSUR), and the Financial Action Task Force of South America (GAFILAT). In April, the Minister for Foreign Affairs, Hernando Muñoz, participated in UNGASS, reiterating the importance which Chile attaches to multilateral efforts to combat drugs.

Chile is also part of the Coordination and Cooperation Mechanism on Drugs between the European Union and the Community of Latin American and Caribbean States (CELAC), and attends all the annual high-level meetings of the Mechanism. In 1998 Chile signed an agreement with the EU on the control of precursors used in the illegal manufacture of drugs, and consequently participates actively in the annual meetings of the joint Group (comprising the EU and the six signatory States to these agreements in South America): the last meeting took place on 9 February 2015 in Montevideo.

Finally, Chile also participates in various EU regional cooperation programmes in the area of drugs, particularly the Cooperation Programme between Latin America and the EU on Drugs (COPOLAD), as well as in two of the components of the Cocaine Route Programme: Prevention of the diversion of drug precursors in the Latin American and Caribbean region (PRELAC) and the Financial Action Task Force of Latin America (GAFILAT).

4. Recommendations

a) Do more to develop comprehensive plans to combat drug addiction that include children and young people in order to reverse the current trend with regard to the age at which consumption begins, ensuring that the most vulnerable groups receive accurate information as to the risks associated with the consumption of different drugs.

b) Strengthen existing bilateral police relations with bordering countries with the aim of providing real-time access to information on activities connected with the influx of drugs, allowing effective mechanisms to be established that would, at the very least, make bringing drugs into Chile more difficult.

c) Strengthen the existing mechanism for registering the bodies which import chemical precursors.

d) Suggest that the Chilean authorities set up a central office for combating drug trafficking; provide support where necessary. Such an operational structure could involve the CIPD, the police and the prosecution service in order to encourage an overall approach to the issue and - under the control of the judicial authority - exchanges of information and investigations between the various departments.

1. Introduction. Political context.

Colombia is one of the main drivers of the discussion on the need to adopt a new approach to combating drugs in South America. Between 2012 and 2014, discussion of this issue took off in political and social media. Colombia and other countries in the region are advocating a new approach to drug-related issues which, as anticipated in the previous report in November 2015, materialised as a common position of many of the Latin American countries at the United Nations General Assembly Special Session (UNGASS) on drugs in April 2016.

In Colombia illegal armed groups have also financed their activities primarily from drug trafficking which, although not the cause of the armed conflict, has contributed to prolonging it. It is for this reason that solving the problem of illegal drugs was one of the points for discussion on the agenda in Havana and that the Colombian Government is particularly sensitive to the issue of combating drug trafficking.

Arguing that now is the time to re-think the fight against drugs, the President of Colombia, Juan Manuel Santos, called on the 193 countries meeting at UNGASS to agree to turn the problem round and approach it from the points of view of human rights and public health. As the President stressed, it is not a question of legalising markets without a serious debate, but of considering alternative ways of tackling a phenomenon which is one of the main sources of violence worldwide, and especially in Latin America. In accordance with this approach, the Colombian legislature has already legalised the use of marijuana for medicinal purposes.

In any case, and although a number of Latin American countries, among them Colombia, advocated a new approach to the drug problem at the last UNGASS session, there are many points of convergence with the countries of the EU: essentially in the idea that there is a balance between health, human rights and security as the three factors to be taken into account in the fight against drug trafficking. The main point of divergence is whether the UN Conventions should be interpreted literally or flexibly.

On the other hand, there is increased concern about drug trafficking owing to the recent increase in coca cultivation. According to data from UNODC, the area under cultivation rose from 48 000 hectares in 2013 to 69 000 in 2014; the figures for 2015 are not yet available, but there is concern that the area has probably increased.

A number of reasons have been given for this disproportionate growth in the area devoted to coca-growing:

- The complete cessation of aerial spraying with glyphosate, which was discontinued in October 2015. The Colombian Drugs Observatory gave the figures for aerial coca spraying as 55 532 ha in 2014 and 37 199 ha in 2015; in the case of poppy cultivation, no spraying was recorded.
- The devaluation of the Colombian peso which raised the relative value of the dollar, boosting profitability and making the business more attractive.
- The El Niño phenomenon, which is thought to have forced farmers to opt for coca, which is a more drought-resistant plant.
- The fall in the price of gold on the international markets, making illegal mining less attractive.
- The FARC and the Colombian Government and media are said to have raised false expectations in coca-growing regions, announcing ambitious programmes for rural reform and for illegal crop substitution, which may have created an incentive for coca leaf cultivation with the promise of benefiting from future social programmes.

Colombia is continuing its efforts to combat criminal groups, especially those organisations with the largest presence in the country and internationally, and specifically the BACRIM (criminal gangs). According to information supplied by the Criminal Investigation and Interpol Directorate (DIJIN) of the Colombian National Police, the figures for the fight against organised crime in the country from 2012 to January 2016 are as follows:

- 903 operations against the abovementioned groups.
- 9 788 members captured.
- 480.3 tonnes of drugs seized.
- 11 946 assets confiscated.
- Value of assets assessed at 3 916 337 billion Colombian pesos.

Lastly, it should be noted that the illegal armed groups present in Colombia are engaged not just in drug trafficking but also other criminal activities such as illegal mining, hydrocarbon smuggling, extortion, homicide and trafficking in human beings. However, the most lucrative criminal activity is drug trafficking, and it can therefore be expected that organised crime in Colombia will remain involved in drug trafficking in the short and medium term.

2. General drug situation in Colombia

Colombia still leads the world in coca growing and cocaine production, along with Peru and Bolivia. The threat which the post-conflict situation poses to the country, the strong possibility of inadequate social integration with the result that FARC and ELN fighters, who have proven capabilities in armed struggle, drug trafficking and extortion, join the ranks of existing criminal gangs or, based on the analyses carried out by the Department of Criminal Policy, the creation of new BACRIM in areas currently occupied by the guerrillas, is a strategic risk with disastrous implications in terms of crime.

During 2014, some 55 554 ha were sprayed, compared with 37 199 ha in 2015, a drop of 49 %. Forced manual eradication increased by 14 % from 12 496 ha in 2014 to 14 267 ha in 2015².

² Data from the Colombian Drug Observatory.

At the time of writing, however, the 2015 data on illegal crops in the individual departments have not been provided.

With regard to the fight against drug trafficking, seizures of cocaine hydrochloride, either in Colombia or of Colombian origin, amounted to 166 686 kg in 2014, compared with 252 009 kg in 2015, an increase of 50 %³.

As regards seizures of coca leaf, in 2014 they amounted to 532 815 kg, rising to 775 910 kg in 2015 - an increase of 45 %. Although the percentages cannot be determined precisely, it appears that of the quantities seized 60 % was bound for the United States, and the remaining 40 % for Europe. The percentages of the quantities seized which were intended for national or regional consumption are not known.

Recent studies estimate the annual yield of fresh coca leaf, with slight variations depending on the area of production, at 4 700 kilograms per hectare.

The size of the laboratories has changed: they are now small laboratories which can easily be dismantled; the equipment is kept stashed away and cocaine base paste is processed as it arrives. The equipment is kept in caves or hidden places in the forest; production complexes have been found underground, to avoid detection.

The exponential increase in the area used for coca leaf cultivation has tripled in the two years from 2014 to 2016. This implies a considerable increase in cocaine hydrochloride available to potential consumers.

³ Data from the Colombian Drug Observatory.

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

The Colombian authorities continue to have a clear and decisive approach to the fight against all aspects of drug trafficking: **production, consumption, trafficking and money laundering**. The government continues to focus its activities on regionalisation, undertaking integrated action on economic development, access to justice, education and healthcare, among other things, and making significant investments.

As regards international cooperation, the various programmes mentioned in earlier reports from this group remain in operation: AMERIPOL, COPOLAD, UNODC/SIMCI.

The principal destinations of large-scale drug trafficking are still the United States and Europe through the traditional corridors mentioned in previous reports. The use of sea cargo containers remains the most common method, together with human couriers and parcels in the case of small-scale trafficking. Some Member States continue to believe that the visa waiver for Colombian nationals could lead to an increase in the number of people travelling to the EU with the intention of trafficking drugs.

The Colombian Defence Minister, Luis Carlos Villegas, has announced the adoption of Directive 15, of 22 April 2016, in agreement with the Public Prosecutor's Office, which lays down new rules for combating emerging criminal gangs. The main change introduced by the Directive is that it allows the Armed Forces to use their resources to act against organised armed groups, which until now only the Police have been permitted to do. Specifically, they can be brought to bear against the members of the 'Clan Úsuga', 'los Puntilleros' and 'los Pelusos', which are considered to be the three most powerful criminal gangs in the country.

In January 2014 the Code on Forfeiture of Assets, which reforms existing legislation in this area and is mainly aimed at reducing the time required for implementation, was approved by Law 178.

Finally, the Colombian authorities remain concerned about synthetic drugs, the control of chemical precursors and other 'psychedelic' substances derived from plant-based preparations which are traditionally used on indigenous reservations and whose basic ingredient is dimethyltryptamine (DMT).

4. Priority needs in terms of external assistance

The following should be highlighted:

- Renew the European Union/Ameripol programme on combating drug trafficking to Europe, which ends at the end of this year (Second Phase-Ameripol II).
- Consolidate the Bogota Platform for the exchange of strategic information and the development of operational projects to combat drug trafficking and related offences committed by organised groups.
- Increase Colombia's regional cooperation capacity with regard to precursors, synthetic drugs and money laundering.
- Increase multinational or bilateral external funding for Colombian institutions that combat drug trafficking and related offences.
- Intensify the actions which Colombia is carrying out in the most extensive and costly alternative development programme in the Andean region, working directly with an even larger number of communities and offering integrated and sustainable solutions to the problem of illegal crops.

5. Recommendations by the Dublin Group in Bogota

- Step up controls along the land, river and air corridors used for illicit trade and in border areas, strengthening cooperation with countries in the region.
- Increase the intelligence-gathering and technical resources of the Colombian bodies responsible for the controls carried out on people and merchandise in ports and airports to reduce drug trafficking.
- Increase monitoring of the end use and final destination of the most commonly used chemical precursors, targeting activities and increasing the capacity for intraregional cooperation and knowledge transfer.

- Promote more involvement of EU Member States in Colombia, at bilateral level as well as jointly, in a policy which also embraces the operational approach.
- Encourage and support the Colombian government's efforts, through three-way cooperation (bilateral between two countries of the continent and a third organisation or another country) and South-South cooperation, to combat drug trafficking regionally and internationally.
- Improve analysis and monitoring of the origins of the cocaine seized on the territories of Member States in order to identify where the threat is coming from and to plan the fight in accordance with the results, strengthening the exchange of information between countries in the region and the members of the Dublin Group.
- Encourage the members of the Dublin Group to support the Colombian government's efforts to implement comprehensive reform of the rural system.
- Support and encourage potential proactive measures by the Colombian institutions responsible for reducing domestic consumption of all types of narcotic substances.

ECUADOR

Second half of 2015

1. Evaluation of the general situation in Ecuador with regard to drugs

Ecuador is located in a potential cultivation, production and marketing area as regards narcotic and psychotropic substances. In particular, owing to its geographic location 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.

Ecuador performs three basic functions within the drug trafficking networks: it is the starting point of several drug trafficking routes towards international markets; it provides a market for the smuggling of the precursors required to process cocaine; and it has a functional economy for money laundering.

Since 2012, Colombia has been closely following the peace negotiations between the government and the FARC guerrillas. But far from being a uniquely Colombian issue, the peace process could have repercussions throughout the sub-continent and affect western countries as well. Observers fear that the discussions and demobilisation of the FARC may create a power vacuum that would allow organised crime to restructure and diversify its trafficking. This is in addition to rising cocaine production and the regional economic crisis. In this new setup, Ecuador would clearly be first in line. Colombian traffickers consider their southern neighbour to be an ideal route for transporting their drugs to the ocean. The porosity of the Ecuadorian ports, especially Guayaquil and Manta, reinforce that impression, while budget problems are undermining the efforts of the police forces. There is therefore a risk that a 'flood of cocaine' could spill into western countries, which are the preferred destinations of the drug route. Faced with this concern, the Ecuadorian police authorities have raised the alarm and are warning their partners of the danger which threatens our countries. In the last six months, there has been a partial shift in cocaine trafficking from the port of Guayaquil to Puerto Bolívar in Machala. This port is subject to few controls and has weekly routes to European ports, including Rotterdam, which is a major port for cocaine on its way to other European countries such as the UK.

The analysis of the general drugs situation in the country in 2015 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 various international organised crime networks are establishing themselves in the country, such as the Gulf, Los Zetas and Sinaloa cartels, as well as others linked with the Colombian FARC. In spite of this, the Ecuadorian national police are becoming more effective in combating drug trafficking. Nevertheless, the most recent report by the International Narcotics Control Board (INCB) placed Ecuador in eighth place for countries used by drug trafficking networks, behind Colombia, Venezuela, Brazil, the Dominican Republic, Panama and Peru, in descending order. Bolivia did not appear in the report, which dates from 2014.

The quantity of drugs seized in the period under examination (January to December 2015) - 79 tonnes (slightly more than 61 tonnes were seized in 2014) - demonstrates that the Ecuadorian authorities continue to be effective in this field, despite the fact that the steady rise in drugs seizures suggests that the problem has taken on a worrying dimension. Attention should also be drawn to other positive developments: the continued exchange of intelligence between the United States and Ecuador and the presence of Colombian, Peruvian and European Union police and military attachés in Quito. The Ministry of the Interior is equipping the anti-drugs directorate of the national police with state-of-the-art scanners for checking containers in ports.

With regard to drug trafficking, 63.2 tonnes or 58.45 % of the total drugs seized were ultimately bound for Europe, 30.93 % were intended for North America, and 7.38 % were for Central America. The remaining 3.24 % were headed for other geographical areas.

Of the 79 tonnes seized, 55.12 % were being transported by sea, 3.21 % by air, and 41.68 % were found in warehouses on land.

The total amount of drugs seized in 2015 breaks down as follows: 63.3 tonnes of cocaine hydrochloride; 13.5 tonnes of marijuana; 2.5 tonnes of cocaine base paste; and 968 kg of heroin.

Key operations in the fight against drug trafficking in 2015 included Operation Ares in October, which resulted in 25 arrests and the seizure of 2.3 tonnes of cocaine; and the Eslabón operations, which resulted in 110 arrests, the interception of 8.8 tonnes of cocaine, and the seizure of six boats and a submarine.

Of the total amount of drugs seized, it is believed that around 20 %, or 15.9 tonnes, were intended for domestic consumption.

With regard to micro-trafficking, in 2015 seizures amounted to a total of 13.7 tonnes of marijuana from Colombia; 2.6 tonnes of cocaine base paste; 30 kg of cocaine hydrochloride; and 30 kg of heroin. 260 micro-trafficking groups were dismantled, with 6 534 arrests (5 644 people were arrested in 2014).

The following aspects of the problem are of particular importance in the case of Ecuador:

a) **Maritime trafficking.** As mentioned above, 55.12 % of the drugs seized were being transported by sea. The countries of the European Union were the principal destination of the drugs seized. In 2015, the total amount of drugs seized en route to EU countries was 36.22 tonnes, compared with 17.12 tonnes seized in 2014. The main destinations were first and foremost Spain, Italy, the Netherlands and the United Kingdom. Secondary destinations were Belgium, Germany, France and Greece. Third-tier destinations were Hungary, Poland and Portugal.

The European ports of entry for the drugs were, according to number of seizures, Rotterdam, Hamburg, Antwerp, Valencia, Algeciras, Barcelona and Le Havre. Of the 75 operations in which drugs were seized in EU ports in 2014 (the most recent report available), in 30 cases the consignments, amounting to 5.8 tonnes, had originated in Ecuador. Another 20 consignments amounting to 3.4 tonnes of drugs had originated in Colombia, while 13 operations resulted in the seizure of 3.3 tonnes from Costa Rica, and 12 in the seizure of 2.3 tonnes from Peru.

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).

In 2015, postal agencies were used to send 513 packages containing a total of 1.46 tonnes of drugs, primarily cocaine. In 70 % of cases the packages were handled by the Ecuadorian postal service, Correos del Ecuador. Of the total amount, one tonne originated in the province of Guayas. There has been a slight increase in the number of cases, from 496 in 2014 to 513 in 2015, with total seizures rising from 1.4 tonnes in 2014 to 1.46 tonnes in 2015. This suggests that this type of trafficking has stabilised, given that both the number of cases and the quantities increased by 100 % from 2013 to 2014.

c) **Trafficking of chemical precursors.** The porous nature of the northern and southern borders continues to allow chemical precursors 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).

Seizures of precursors in 2015 amounted to 14 552 kg and 3 016 litres, including 9 324 kg seized in El Oro and 4 693 kg in Sucumbíos. Three thousand litres were seized in Esmeraldas. In 2014, seizures amounted to 8 535 kg and 10 361 litres.

d) **Illegal crops.** In October 2015, the United Nations declared Ecuador free of illegal crops. UNODC in Ecuador reports that there are not enough funds to undertake a crop study in 2016.

e) **Illicit drug laboratories.** In 2015, three cocaine processing laboratories were dismantled in the provinces of El Oro and Guayas. Activity detected in this area continues to decrease.

f) **Money laundering.** While there is little reliable information on money laundering, there is a perception that, because of the advantages of the dollarisation of the country, 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.

According to figures from the public prosecutor's office, 274 suspected cases of money laundering were reported in 2015. In 2014, 53 cases were reported. The money seized in 15 money-laundering operations in 2015 made it possible to recover more than USD 130 million. In particular, Operation Eslabón-56, carried out in September 2015 against a money-laundering gang led by a Russian citizen, resulted in the recovery of USD 21.8 million and the seizure of 19 holdings.

Despite the numerous investigations into alleged cases of money laundering, in 2015 only 11 cases were processed. Four of those cases resulted in convictions, in which 16 people were sentenced. The remainder are pending (3), at trial (1), under examination (1) or under appeal (2).

2. Ecuador's anti-drugs strategy within the institutional framework

The expectations raised by the enactment of the new Ecuadorian constitution which entered into force in October 2008 have not yet been fulfilled as the new legislation intended to improve the tools for combating organised crime, especially drug trafficking and related crimes, has not yet been enacted. When approved and implemented, the draft Organic Code on Citizen Security Entities currently before the National Assembly will bring about an organisational change with regard to the national police force and police careers, with a view to turning the force into a more efficient and coordinated institution and bringing it into line with the requirements of a modern, citizen-friendly police force. 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.

Last August the new Integral Organic Penal Code, which comprises the Penal Code, the Law on Criminal Procedure and a series of specific legal provisions including the Law on Narcotic and Psychotropic Substances, entered into force. Article 228 of the Code decriminalises the possession of drugs for personal use by referring to a regulation which does not yet exist, thereby creating uncertainty among the various institutions responsible for its application.

Finally, the ongoing reform of the judiciary should also lead to major political improvements in terms of reduced corruption, and to increased efficiency which should reduce the alarming levels of impunity for crime, with low ratios of crimes investigated to crimes committed and even lower conviction rates. Another major cause for concern is the numerous cases of remand prisoners suspected of drug trafficking who have been released because they were not sentenced within the time limit laid down by law for this type of detention.

An important factor in the fight against drug trafficking was the replacement in December of the National Council on Narcotic and Psychotropic Substances (CONSEP), the institution responsible for coordinating the fight against drugs, by the Technical Secretariat for Drugs led by General Rodrigo Suárez Salgado, who was Commander-in-Chief of the Police from October 2012 to September 2014. The reason cited by the President of the Government was to make the fight against drugs more efficient, since the CONSEP answered to the Public Prosecutor's Office, whereas the Technical Secretariat for Drugs would report directly to the Presidency.

In connection with the above, an anti-money laundering unit was established in November 2014 to combat the laundering of illegally obtained money and is yielding very good results, with eight special prosecutors specifically assigned to this task.

In response to social demand calling on the government to provide for urgent measures to tackle drug consumption among Ecuadorian youth, which has increased substantially in recent years, in September 2015 the table of quantities and penalties in cases of micro-trafficking was amended to take a substantially tougher stance on these offences. As an example, before the amendment the punishment for selling one gram of heroin was a sentence of between two and six months. Following the legal reform, the punishment is between five and seven years in prison. A further legal amendment, resulting from a judgment of the National Court of Justice, is that penalties are now cumulative in cases in which one person is found in possession of different types of drugs. Each type of drug carries an individual penalty, so that if a person is found in possession of cocaine, marijuana and heroin, that person will be tried on three charges rather than for a single drug trafficking offence. The result of this policy to combat micro-trafficking is that 85 % of the anti-drugs police officers are now dedicated to fighting this type of crime, while the rest focus on fighting drug trafficking.

As regards money laundering, the cooperation involving Member States of the Dublin Group in the Republic of Ecuador can be considered significant, especially with regard to training. Examples include the activities of UNODC, the European Commission and the United States (the project for specialised drugs courts in Cuenca was brought to an early close but a new project has been launched to provide training for trainers on local demand reduction, with the participation of UNODC, the United States, and Ecuador in the form of its community police and anti-narcotics police). Bilaterally, efforts have also been made by France, Spain, the United Kingdom, Italy, Germany and the Netherlands.

In 2015, the United Nations declared Ecuador free of illegal crops, and the Financial Action Task Force (FATF) removed the country from the list of non-cooperative jurisdictions, in which it had been included since 2010.

The Ecuadorian state prosecutor's office itself has admitted that the vast majority of money-laundering investigations do not result in convictions.

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

Although efficiency has improved in preventing drugs from leaving Ecuadorian territory, a similar trend has not been observed for drugs entering the country. In this context the Ministry of the Interior has confirmed the government's commitment to reducing supply and demand through an integrated approach. The provinces of Guayas, Pichincha, Manabí and El Oro have the highest levels of micro-trafficking and 2015 was declared as the year for eradicating the sale of drugs in schools and educational establishments, which is expected to have a positive effect on the evolution of domestic demand. Furthermore, on 12 November 2014 two new sub-directorates general, one of which is specialised in micro-trafficking, were inaugurated within the anti-drugs directorate of the police.

3. International cooperation

The cooperation involving Member States of the **Dublin Group** in the Republic of Ecuador can be considered significant, especially with regard to training. Examples include the activities of UNODC, the European Commission and the United States (the project for specialised drugs courts in Cuenca was brought to an early close but a new project has been launched to provide training for trainers on local demand reduction, with the participation of UNODC, the United States, and Ecuador in the form of its community police and anti-narcotics police). Bilaterally, efforts have also been made by France, Spain, the United Kingdom, Italy, Germany and the Netherlands. Ecuador actively participates in drugs cooperation programmes financed by the EU, such as COPOLAD, the second phase of which will be operational in early 2016 and will also include the Caribbean countries, PREDEM, AMERIPOL-EU, PRELAC, GAFISUD-EU and, in terms of political dialogue on this issue, EU-CELAC, in which Ecuador is a very active participant.

4. Conclusions and recommendations

- a) Above all, increase the contribution towards training in the control and prosecution of money laundering, offering international advice on the development of Ecuadorian legislation to combat money laundering, a problem that has not been resolved in a satisfactory manner. The lack of an IT system for analysing unusual transfers undermines the effectiveness of the Financial Analysis Unit (UAF).
- b) One matter that remains to be resolved is whether the Financial Analysis Unit should be attached to the Ministry of Finance or the Ministry of the Interior; discussions are ongoing on this issue. In connection with the above is the draft reform of the law on the prevention, detection and eradication of the crime of money laundering and the financing of crime, which is currently under negotiation. The public prosecutor has made 17 comments and proposed eight amendments to the draft, including the elimination of the National Council against Money Laundering and the creation of a Board of Monetary and Financial Regulation.
- c) Stress the benefits of improved coordination among the member countries of the **Dublin Group** in their contributions and bilateral cooperation with the State of Ecuador, to avoid duplication that would render them less effective. In the specific case of the EU, the current policy of cooperation and coordination should be continued so as to organise seminars and courses, etc., with such activities being conducted by specialists from Member States wishing to participate.
- d) Urge Ecuador to exercise greater control over the country's port infrastructure, especially in the ports of Guayaquil (world leader for the outflow of cocaine) and Manta where, despite the rise in seizures in 2015, there are still serious problems of corruption which prevent the interception of significant quantities of drugs, that are subsequently detected in the European ports of destination.

PARAGUAY

May 2016

1. General situation

Paraguay is still facing major challenges in the fight against drug trafficking. In terms of **SUPPLY**, it remains a producer country and, together with Colombia, it is the **largest marijuana producer** in South America. No new data are available on the area under cultivation, which is still estimated to stand at around 6 000 ha and to produce approximately 16 500 tonnes, accounting for around 15 % of world production. The annual yield of the crop at local wholesale prices is in excess of USD 350 million. The main market for Paraguayan cannabis is Brazil, to which 80 % of production is sent. According to the International Narcotics Control Board (INCB report 2015), the increase in the level of cannabis seizures worldwide is mainly due to the **increase in seizures** in South America, and particularly in Paraguay⁴, Colombia and Brazil (in descending order). There are still no initiatives to **map** crops or to promote **alternative crops**. Both questions are central to UNODC's National Integrated Plan.

At the meeting, the Paraguayan authorities expressed growing concern at the **increasing presence of synthetic substances**, some of which they were not even able to identify. With respect to cocaine, there have been no new developments that point to a decrease in the transit, mentioned in previous reports, of cocaine (90 % from Bolivia) to Brazilian ports (from where it is smuggled into Europe via Africa), or that indicate a fall in the number of laboratories. On the contrary, over 2 tonnes were seized in 2015. Of particular concern is the presence in Paraguay of base paste, which is being exchanged for marijuana at the border with Bolivia.

⁴ In 2015, around 350 tonnes were seized and 1 600 ha destroyed in Paraguay.

On the **demand** side, it should be noted that the Paraguayan authorities are devoting increasing attention to the **public health** aspect of the drugs issue. The **growing prevalence of the use of base paste**, popularly known as 'crack', which has devastating effects on the health of those using it, 80 % of whom are minors⁵, is a matter of particular concern. Measures are therefore being taken in the areas of **data collection, awareness-raising initiatives and training activities**. With respect to data collection, the third survey of schoolgoers was conducted in 2015⁶; work is also being carried out on awareness-raising with the design of a campaign involving comics (the 'Vos decidís' campaign); thirdly, a group of experts has been established to draw up manuals for teachers. In addition, a farm school ('Granja Don Bosco') for young addicts has opened in Piribebuy, around 75 km from Asunción, and has received 80 000 dollars through Japanese cooperation. This initiative has its origins in a previous meeting of the mini Dublin group; it currently has the capacity for 70 young people. In spite of this, there continues to be a serious shortage of treatment and rehabilitation centres. As well as the Don Bosco centre, there is one national centre with 30 beds. In addition, there are 42 private centres, which are difficult for persons with few resources and lacking official certification to access. Since 2008 there have been minimum standards for building permits, and an authorisation mechanism for the methods used is currently being worked on.

2. Institutional framework

Action against drug trafficking is **managed and conducted primarily by SENAD**, which is at ministerial level and reports to the office of the President of the Republic. The National Anti-Corruption Secretariat (SENAC) also plays a growing role in the fight against drugs owing to the inter-relationship between politics and drugs. The Secretariat for the Prevention of Money Laundering (SEPRELAD), the national police, the armed forces and the prosecution service complete the institutional framework. In parallel, the Ministry of Foreign Affairs plays an active role of interinstitutional coordination in relations with international actors. Major shortcomings as regards interinstitutional coordination remain, though some progress has been made.

⁵ This problem was specifically highlighted in the 2015 INCB report.

⁶ Its findings confirm that 10 % of students are affected by drugs.

It should be noted that work has been ongoing since mid-2015 on the design of the **National Drugs Policy**. It is currently at an initial participatory data-collection phase, with a first draft expected by the end of 2016. The Paraguayan authorities insisted on several occasions on the importance of implementing an indigenous policy, and of not repeating the error of importing models from other countries. Another noteworthy development was the approval in February by Decree of the **National Plan to combat corruption**. In May, the Chamber of Deputies gave preliminary approval to a **draft law on the administration of seized assets**. Lastly, it is important to draw attention to the fact that the President of the Republic **vetoed the new law on banks** owing to the restrictions it placed on the investigation of possible cases of money laundering. In fact, the issue of money laundering was highlighted by the SENAD representatives at the meeting as one of Paraguay's weak points.

3. International cooperation

One of the issues discussed at the meeting was the **UN General Assembly Special Session on Drugs** held in April 2016. Paraguay supported positions on essential issues such as the abolition of the death penalty, the proportionality of sentences (SENAD recognised that this was an unresolved issue for Paraguay; the average sentence for murder is eight years, while the average sentence for drug trafficking is 15 years), the future of the three UN Conventions, the increased focus on public health, and a better balance between supply and demand policies.

The Paraguayan authorities also expressed their **opposition to the liberalisation of the consumption of marijuana**, as it would require a level of State control that Paraguay is currently unable to take on, and would create new problems.

On the **EU** side, it was pointed out that its support was mainly channelled towards multi-country projects in the region, such as COPOLAD and PRELAC; however, it does not rule out making specific contributions in the future to Paraguay's anti-drugs policy. Paraguay will attend the first meeting of the second phase of COPOLAD in the Netherlands in June. Paraguay participates in the programme, although it has not managed to be included as a partner.

UNODC works closely with the Paraguayan authorities on the basis of the National Integrated Plan (NIP). Support has been provided for the drawing up of the national anti-corruption plan through a voluntary contribution by Germany to the NIP, technical assistance in drawing up a prison system management manual has been delivered, and the preparation of a legislative framework for the administration of seized assets is being supported through the *Stolen Asset Recovery Initiative* (STAR). Involvement by UNODC in the implementation of the NIP depends on voluntary contributions. Of the three NIP sub-programmes, the first (organised crime and illicit trafficking) lacks funding; the second sub-programme receives a contribution from the German government (justice and anti-corruption); while Sub-programme 3 (drug demand reduction and treatment) receives funding from Spain and SENAD.

UNITED STATES: attention was drawn to the importance of international cooperation and the advisability of sharing with Paraguay programmes that had been successful in other countries. Mention was also made of support for Paraguay in judicial and penitentiary reform, with a three-year programme that is currently coming to an end, and in money laundering and forfeiture of assets. SENAD highlighted the importance of the support provided by the US and Brazil in operations to seize cocaine and in the destruction of marijuana crops through sensitive equipment and operational financing.

JAPAN: Mention was made of its contribution to the 'Granja Don Bosco' therapeutic centre, to which reference was made above, and also to various volleyball workshops for out-of-school children, in collaboration with SENAD, the children's home, the volleyball federation and the Municipality of Asuncion, prompted by the positive impact of sport on children who are vulnerable to drugs and crime.

UNITED KINGDOM: its cooperation with Paraguay is currently managed from Brazil. In February, the participation of two police officers in a workshop on money laundering in Panama was financed.

FRANCE: various technical cooperation initiatives are being carried out. In 2015, training initiatives were carried out on conducting checks in specific zones, on land transport and on containers. Forensic training for police involved in combating drug trafficking is planned for 2016, with the possibility of further training on interview techniques. At the meeting, the Paraguayan authorities stressed the importance of the French '*Écouter d'abord*' programme as a model for demand reduction.

SPAIN: the meeting was briefed on a seminar held in Montevideo in May on the economic impact of drug trafficking, with the participation of a member of the Paraguayan national police. A project on restorative juvenile justice has also been launched in cooperation with the Ministry of Justice.

4. Recommendations

- There has been some progress as regards interinstitutional coordination, but it needs to be stepped up and made more effective.
- There is a **need to increase mapping** of areas of marijuana cultivation and to promote **alternative crops** through international cooperation projects.
- Importance of the entry into force of the **law on forfeiture of assets and of the effective implementation of the BIDAL project**.
- Importance of stepping up the fight against **corruption** and promoting transparency and the effective enforcement of laws.

Step up demand reduction work via more specialist training of human resources and **upgrade the treatment and rehabilitation centres, increasing the coverage of school prevention programmes**, with more organised civil society participation, and conducting periodic **studies** of key populations (such as schools, homes, emergency centres, prisons and treatment centres) with regard to the prevalence of and trends in drug **consumption**, as well as associated risk factors.

PERU

May 2016

February 2012 saw the adoption of a **new national anti-drugs strategy 2012-2016 (ENLD)**, which sets out the guidelines for the Peruvian State's action to combat drug trafficking. Four years later, it is clear that Peru is dedicating more resources to the issue and attaches great importance to its anti-drugs strategy. There is clear leadership, and the National Commission for Development and Life Without Drugs (DEVIDA) has cemented its role as the lead agency.

The strategy aims to improve results using an integrated approach that addresses all aspects of the problem (eradication, alternative crops, control, rehabilitation and prevention), and establishes precise targets and indicators. Significant progress was made in 2014 and, according to the official UNODC and DEVIDA data, the area under coca leaf cultivation fell from 49 800 ha in 2013 to 42 900 ha this year, marking a major turning point.

1. Overall situation in the country

a) Coca leaf, basic cocaine paste and cocaine hydrochloride

As mentioned above, in 2014 the net area occupied by coca crops in Peru fell by 13.9 %. This reduction continues the downward trend begun in 2012 and demonstrates that the political decisions adopted by the Peruvian government are on the right track.

According to UNODC data, potential dried coca leaf production amounted to 100 840 tonnes on 31 December 2014. No data are reported for potential cocaine production, as the conversion factors from coca leaf to cocaine are still not up-to-date. It is important to note that 9 000 tonnes of the total volume of dried coca leaf produced are chewed in the traditional way, according to data from the National Institute for Statistics and Information Technology (INEI).

The main coca-growing areas in Peru are still the VRAEM or the Apurímac-Ene-Mantaro River Valley (18 845 ha), and La Convención y Lares (10 342 ha); Inambari-Tambopata (3 455 ha) and the lower Amazon are also important coca production areas. The VRAEM accounts for 43.9 % of the total area under cultivation in Peru, and 67.8 % of potential production.

In 2013 the largest reductions achieved through eradication efforts were in Aguaytia with a drop of 81.5 %, Alto Huallaga with a reduction of 63.9 % and Pichis-Paicazu-Pachitea with a drop of 53.9 %. The reductions in La Convención y Lares are the result of the abandonment of crops rather than eradication measures. The production areas which increased in size were Kcosñipata (19.1 %), Marañón (6.9 %) and San Gaban (5.9 %).

In 2014 eradication actions intensified, with 31 200 ha being eliminated. The target for 2015 is even higher - 35 000 ha.

The average price established for 2014 was USD 4.3 per kilogram of dried leaf, similar to that of 2013. The average price of cocaine hydrochloride in Peru fell by 10 % in 2014, dropping to USD 1 178/kg. This reduction may have resulted from two factors: the purity of the cocaine and a probably more abundant supply due to a more efficient transformation of coca leaf into cocaine.

Recorded seizures improved slightly with respect to 2013 (33 844 kg of drugs seized in 2014, compared with 28 003 kg in the previous year). It is nevertheless still a low figure, which is why we believe that this control measure should be strengthened and extended in the same way as eradication, which has yielded significant results in the last two years (2013-2014). Of the drugs seized, base paste accounts for 11 116 kg, cocaine hydrochloride for 18 699 kg and marijuana for 4 018 kg.

In the last 10 years international drug trafficking has changed its modus operandi. Since 2000, in contrast to the 1990s, the transportation of drugs from the production areas has essentially been carried out by internal criminal organisations ('creole cartels and family clans'), who first head for towns located mainly in the mountains, after which they make for the coastal towns or towns near the borders, where the contracted shipments are put together - a process which is supervised by the international cartels. All available means are used to take the coca derivatives (basic cocaine paste and cocaine hydrochloride) out of the country (shipments). Overland transportation primarily heads towards the south-eastern part of the country (the Puno and Madre de Dios departments) on its way towards Bolivia. As far as transport by waterway is concerned, the destination is mostly Brazil. Drug trafficking currently also uses the sea route (through the creation and use of front export companies, with the 'merchandise' being hidden in the numerous containers that leave the country's ports every day).

An extremely worrying phenomenon is drug traffickers' growing use of illegal light aircraft, which operate from increasingly dispersed clandestine airstrips. It is believed that a very considerable proportion of the drugs is currently being smuggled to neighbouring countries, particularly Bolivia, on such illegal flights, and the authorities are taking aggressive action to curb the practice.

b) Poppy and other opiates

There are no official statistics. The scant data available are not sufficient for a precise analysis of the situation, though the increased supply of heroin in some neighbouring countries suggests that cultivation could be on the rise in Peru.

c) Drug consumption in Peru

Not many statistics are available, but according to a 2013 study from CEDRO, the illegal drugs with the greatest lifetime prevalence in Peru are marijuana (7.5 %), basic cocaine paste (2.9 %) and cocaine (2.4 %). The situation is serious, since drugs can be obtained cheaply and from numerous sources. According to DEVIDA, around 106 000 Peruvians who consume illegal drugs urgently need treatment to tackle their addiction, a problem which clearly requires greater attention from the public authorities.

d) Main approaches and results in the fight against drugs

d.1.- Eradication: A total of 31 205 ha were eradicated in 2014, exceeding the targets set in the ENLD (30 000 ha). The eradication operations carried out in the Amazon Trapezium were especially significant, as it is an area with a very limited State presence and a substantial increase in illegal crops, which has now been curbed.

The Apurímac-Ene-Mantaro River Valley (VRAEM) continues to be the major producing region and the most problematic, and that is where efforts should be concentrated. No eradication took place in the VRAEM in 2014, despite the fact that the target of eliminating 5 000 ha had been set. At the beginning of the year, the Peruvian government changed its strategy and adopted, through the Ministry of Agriculture and Irrigation, a new package of projects for the productive reconversion of coca leaf to legal crops, as well as the financing of business plans in the area.

d.2.- Prohibition and seizures: In addition to the seizure of 33 844 kg of drugs, 1 045 maceration pits and 625 cocaine hydrochloride processing laboratories were destroyed. The National Commission for Confiscated Goods (CONABI) has carried out a number of public auctions. Arrests of drug mules ('burriers') continue to increase, especially at Lima international airport.

2. Institutional framework

a) Policy framework

The national anti-drugs strategy expires in 2016. Congressional elections took place in April, with the composition of Congress now very different from what it was before. The second round of the presidential elections will take place shortly. In any event, the political landscape is set to change radically, and we will therefore have to wait until the new authorities adopt a stance regarding the maintenance or otherwise of the aforementioned strategy. The strategy as currently conceived establishes the general objective of a drastic and lasting reduction in illegal trafficking and consumption of drugs and their adverse social, political, economic, cultural and environmental effects, while integrating those who produce illegal crops into the lawful economy. Within this general objective there are four major strategic aims: **1. Strategic objective of integrated and sustainable alternative development**, by making it more feasible for people to disengage themselves from illegal coca cultivation. **2. Strategic objective of prohibition and punishment**, through a significant reduction in the unlawful production and trafficking of drugs and related offences, dismantling organised crime organisations and bringing them to justice. Increased detection and investigation of money laundering is also proposed. **3. Strategic objective of prevention and rehabilitation**, decreasing drug consumption nationally using preventive and therapeutic measures. 4. The ENLD includes a **strategic objective of overall commitment**, under the principle of shared responsibility.

The strategy establishes **ambitious goals and monitoring indicators**, and if projections hold they will translate into significant achievements by 2016. However, there are some areas in which it has not been made clear what resources the Peruvian authorities plan to use to achieve the proposed aims, and others in which the strategy could be further refined.

b) Main institutions

Implementation of the national anti-drugs strategy is carried out by **DEVIDA**, which is designed to operate as the lead agency responsible for combating drugs in Peru and reports to the Prime Minister's Office. DEVIDA is headed by an Executive President and the position has been held by Alberto Otárola since June 2014.

There is a range of entities directly or indirectly involved in combating drugs in Peru, including the Ministry of the Interior, more specifically the Anti-drugs Directorate of the Peruvian National Police (DIRANDRO), the Ministry of Defence, the national tax administration (SUNAT), the Ministry of Agriculture and Irrigation, the Ministry of Justice, the Ministry of Foreign Affairs and the Ministry of Health. The National Coca Company (ENACO S.A.) is the public-sector company responsible for marketing and industrialising coca leaf and derived products, and it keeps a register of legal coca leaf producers. Other entities with relevant responsibilities are CONABI, the regional governments, the local governments, the courts, the public prosecutor's office and the national congress (committee on defence, internal order, intelligence, alternative development and combating drugs). To these should be added the special project named CORAH (Control and Eradication of Coca Leaf in Upper Huallaga), which reports to the Ministry of the Interior's drugs control office, the SBS (supervisory authority for banking, insurance and private pension fund administrators) and the Financial Intelligence Unit.

Given the number of entities involved, it is essential for DEVIDA to have sufficient political backing to take effective action as the lead agency and to carry out its coordination role.

c) Legal framework and main legislative developments in 2016

The Peruvian government's commitment to stepping up the fight against drugs can be seen in various legislative measures that have been adopted this year. As well as the work on drawing up and discussing a new criminal code, these include Legislative Decree 1241 of 26 September 2015, which seeks to strengthen the fight against illegal drug trafficking and authorises the destruction of vehicles transporting illegal substances. It reintroduces the criminalisation of the replanting of coca leaves, which can be punished by imprisonment for three to eight years. It also establishes a clearer definition of the competencies of the bodies involved in the fight against drug trafficking.

3. International cooperation

International cooperation has continued to support various programmes, particularly in the areas of alternative development, judicial and police cooperation, and demand reduction. Amongst the actions carried out, it is worth highlighting the work of UNODC, as well as the government's funding of the anti-drug trafficking programme run by the United States government's Bureau of International Narcotics and Law Enforcement Affairs (which pledged USD 36 million to combating drugs in Peru in 2014) and the alternative development programme run by the United States Agency for International Development (USAID), which pledged USD 25.5 million in 2014. The EU is supporting the implementation of the national anti-drugs strategy for the period from 2012 to 2016 with funding of EUR 32.2 million, in conjunction with various Member States, as well as an alternative development project in Satipo with funding of EUR 8 million, with EUR 2.4 million coming from the Peruvian government. Japan is focusing on community development projects, in particular with its contributions to the programme being carried out by UNODC in Trujillo through its Human Security Fund; Canada has been funding initiatives by the Organisation of American States (OAS) and UNODC that benefit Peru (e.g. USD 1.5 million for UNODC's container checking programme, to be implemented in the port of Callao) and providing direct support, such as training for the Peruvian national police by the Canadian mounted police. The OAS provides support through the Inter-American Drug Abuse Control Commission (CICAD) for the 'institutional strengthening' programme supporting national drug commissions in Latin America, which receives financial support from Spain. On 18 and 19 May 2016, a meeting of the expert working group on alternative development will be held. The United Kingdom provides technical assistance to the prosecution service, to the judiciary and to the police in matters including oral litigation, mutual legal assistance, prohibition and seizures.

During UNGASS 2016, Peru highlighted the encouraging results it had achieved through the implementation in several regions in the country of alternative development programmes, which had been successful in reducing areas of illegal coca plantations. It should also be borne in mind that, as part of a broad, integrated and balanced approach to tackling the world drug problem, proper consideration should be given to individuals, families, communities and society at large so as to promote and protect the health, security and wellbeing of the population.

The commitment vis-à-vis the 2030 Agenda for Sustainable Development should also be highlighted. The Group recognises that efforts to achieve the Sustainable Development Goals and effectively tackle the world drug problem are complementary and mutually reinforcing.

At regional level, Peru is stepping up cooperation with neighbouring countries. In March 2016, the prosecution service (supported by the British and US Embassies and the IOM) hosted the first Latin American Summit of Attorneys General. At that summit, ten Latin American countries committed themselves to promoting more direct and secure international cooperation. Some very fruitful bi-national meetings have been held with Brazil, Ecuador, Colombia, Paraguay and the US, and there is good cooperation with Bolivia. Nevertheless, it would be desirable to increase the level of joint activities, which remains insufficient. **UNODC** is implementing a European Union project worth EUR 6.5 million to combat the demand for illegal drugs in the four countries of the Andean Community. The EU is also launching a new demand and supply reduction initiative within the framework of the Latin America regional programme and C COPOLAD II.

4. Recommendations

1. The Group congratulates the Peruvian government on the successful implementation thus far of the national anti-drug strategy 2012-2016, and on the achievement of a number of its goals, particularly on eradication, and welcomes the fact that the country is dedicating substantial resources to combating drug trafficking. In order to achieve a more positive lasting impact in the fight against drug trafficking in Peru, the Group urges the authorities to renew and update the Strategy for the coming years.

2. **The Group urges the Peruvian government to continue the work being done by the lead agency (DEVIDA) and all the departments of the ministries and public bodies with responsibilities related to combating drug trafficking**, so as to create a compact, well-coordinated and efficient state apparatus with adequate budgetary resources. The new government team is urged to continue with this policy, which should reflect a unified and sustained effort.

3. The Group urges the Peruvian government to keep up its **efforts to ensure that the lead agency in the fight against drugs in Peru** continues its process of consolidation, by increasing its authority, convening power across sectors, and budget, so that it can coordinate all the ministries and institutions involved.

4. **The Dublin Group stresses the importance of maintaining a sustained dialogue with DEVIDA which will allow it to be regularly informed of the results** - achievement of goals and development of monitoring indicators - that are being obtained through the implementation of the new national strategy.

5. The Group considers it of the utmost importance that an **estimate of the potential cocaine production** be made available as soon as possible. To this end, it reiterates the need to complete the study aimed at updating the conversion factors from coca leaf to cocaine, as this is vital for evaluating real progress in the fight against drugs in Peru. To achieve this, the Peruvian government should urgently lift the current legal restrictions which are hindering investigations in this area. Such studies could be carried out under the auspices of the United Nations Office on Drugs and Crime (UNODC).

6. The Group recognises the efforts made by the Peruvian government **as regards seizures**; DIRANDRO has been carrying out operations in this area with ever better results. Still, the government is urged to make greater efforts to dismantle the criminal networks involved in drug trafficking.

7. The Group acknowledges the efforts made by the Peruvian government with respect to the control of precursors; however, we require better knowledge of how diversions occur, and we need to improve the information and the national and regional legislative frameworks, and to establish monitoring mechanisms to detect diversion attempts. SUNAT (national tax administration) needs to be strengthened.

8. The Group also urges the Peruvian government to step up its efforts to combat money laundering, in accordance with its action plan, since money laundering is closely linked to drug trafficking.

9. The Group observed with concern the links that were established between certain candidates and drug trafficking in the recent municipal and regional elections. The legislative reforms approved are therefore welcomed.

10. The Group stresses the importance of effective action in the **VRAEM**, and urges Peru to pursue a multi-sectoral approach in this region that takes into account all the economic, social, law-enforcement and military aspects of the problem. The Group particularly urges the Peruvian government to improve coordination between the Ministry of Agriculture and Irrigation and DEVIDA in the VRAEM. It considers that the programme for the productive reconversion of coca leaf to legal crops in that region needs to begin to yield verifiable results in the near future.

11. The Group repeats its recommendation that **national and international technical support should be increased for all authorities involved in combating drug trafficking, though they should be subject to specific effectiveness criteria, so as to ensure the continuity of ongoing technical programmes**. One of the main problems is the high turnover of senior law enforcement officials, which can make dialogue and staff training difficult. Technical assistance should also be increased in sectors such as the one responsible for procurement of equipment, in which the current procedures are hampering the State's action.

12. **The training of judges, prosecutors, public defence lawyers and lawyers throughout the criminal justice system should be stepped up** so that they can carry out thorough investigations, since trials against drug traffickers often pit them against teams of well-paid, well-prepared and well-equipped lawyers. Staff turnover is lower in this area than in the police force, but appropriate measures for improving the effectiveness of such legal proceedings are also recommended. The Group is concerned about the low number of convictions recorded thus far in proceedings against large criminal networks involved in drug trafficking, and considers it vital to secure progress in the courts.

13. The Group wants to see a **faster exchange of accurate information** on the combating of drug trafficking between the Peruvian authorities themselves (given the lack of coordination that at times has been observed between the prosecution service and the Peruvian National Police) and the authorities of the Group's member countries, in particular via the attachés responsible for interior affairs of the various embassies in Lima. That information and the speed with which it is transmitted are vital for achieving success in the fight against drug trafficking and dismantling international networks.

14. The Group encourages the government to continue **the efforts Peru has made over the last year to combat corruption linked to drug trafficking**, particularly at Jorge Chávez airport. It recommends that the Peruvian authorities intensify these efforts and remain extremely vigilant. The Group is also concerned by the increase in drugs leaving by sea, especially from the ports of Callao and Paita and some river ports, and urges the port authorities to step up their port control measures; similar measures should be taken at the land borders. The Group urges the Peruvian government to acquire the technical means and equipment to allow it to put a stop to illegal flights leaving the country.

15. The Group notes the **release of the funds needed** from the authorities to **co-finance the annual survey on monitoring of coca leaf crops in Peru**, which is essential for providing a rigorous, objective evaluation of the areas that have been cultivated or eradicated and, hence, of the extent to which the national strategy has been implemented. It trusts that the study can be financed in the same way next year.

16. In order to reinforce the use of technology and promote the investigation of the Peruvian alternative development model, the Group considers that Peru should have a comprehensive monitoring system that would make it possible to monitor the area, productivity and socio-economic impact of legal crops. UNODC has the technology to assist the government and the international community in this respect.

17. In accordance with the principle of shared responsibility, and bearing in mind the success of the national strategy and the fact that Peru's status as a producer country means that it remains an important factor in global drug trafficking, the Group considers that **the member countries should continue their international cooperation with Peru on this issue**. The Group also congratulates Peru on its increasing international cooperation with neighbouring countries in the fight against drug trafficking and recognises the ever more active role played by DIRANDRO within the American Police Community (Ameripol) in implementing a joint strategy to control drug trafficking.

18. The Group urges the Peruvian government **not to lose sight of the aim of reducing demand for drugs in the country**, by developing prevention programmes which, whilst comprehensive, are particularly oriented towards the most vulnerable groups in society such as children, adolescents and women. This approach should facilitate the formulation of a policy which promotes the development of peoples' capacities and creates new educational, recreational and employment opportunities, thereby avoiding a situation where the most high-risk populations become involved in drug consumption and other associated risk behaviour.

URUGUAY

May 2016

1. General situation

From a regional perspective, **Uruguay is not an important country in terms of production** of drugs; however, the introduction of the new law on the regulation, sale and consumption of cannabis means that there will be State-controlled production of this substance in Uruguay.

The country's geographical location makes it **attractive as a transit country for drug trafficking**. The trends in such trafficking remain: cocaine from the Andean region bound for other parts of the world is the main substance that passes through the country.

The porous borders with the neighbouring countries (land border with Brazil and bridges with Argentina) continue to be the **main entry points** to the country for drugs. Incursions by small aircraft into Uruguayan territory from neighbouring Paraguay continue, and there are mounting concerns about traffic on the River Uruguay at the border with Argentina. The port of Montevideo, a natural entry point for goods entering or leaving Paraguay, and Montevideo's Carrasco International Airport (where 'mules' operate), remain **major transit points for drugs**. Many of those arrested in the context of micro-trafficking operations are women, which, according to the Uruguayan authorities, indicates that gender should be taken into account when considering the problem.

The government maintains that Uruguay **has not yet seen the 'cartelisation'** of groups involved in drug trafficking. Amongst these groups, Mexican, Colombian, Paraguayan and Bolivian organisations have stood out over the past year.

There has been mounting concern over public safety in the drug 'bocas' (spots where drugs are dealt), leading the government to increase surveillance and resulting in a higher level of control today (865 'bocas' were dismantled in 2015). Forms of violence that were previously unknown in the country, such as contract killings and settling of scores, and the control by local gangs over certain areas of Montevideo, have appeared. However, the authorities assert that it is difficult to establish a direct link between the rise in crime and the increase in consumption, and that decreasing levels of public safety are part of a wider and more complex social problem.

The **national anti-drug strategy 2016-2020**, a framework document encompassing the measures to be implemented by the executive over the next four years to comprehensively combat drug trafficking, was approved in March 2016.

At the Special Session of the United Nations General Assembly on the World Drug Problem (**UNGASS 2016**), Uruguay presented its contribution to the debate: a document assembling five principal concepts required for a comprehensive approach to drugs policy. The document sets out the country's innovative approach to control and regulation of the cannabis market, and argues that regulation and control represent the best methods of avoiding illegal trafficking in cannabis. It also argues that prohibiting cultivation has caused major public health and safety problems. Uruguay has therefore requested a review of the measures prohibiting cannabis, advocating the study and follow-up of the measures being implemented in Uruguay. We consider that, if successful, the measures could represent a more favourable alternative to the current prohibition on cultivation for the international community.

Uruguay also presented a document to UNGASS 2016 on the link between drugs and human rights, in which it makes a cogent argument against the criminalisation of consumption, and argues that consumers are in fact victims of trafficking. Uruguay does not consider that sentences as drastic as the death penalty should be inflicted on consumers, as is the case in some countries, nor that they should be imprisoned.

Generally, we do not consider that UNGASS has made progress towards eliminating the death penalty, nor that it has supported risk and damage reduction strategies or essential principles such as the proportionality of sentences. In our opinion, this creates a space in which a future position can be coordinated between the USA and the EU.

As regards the **control of supply**, in 2015 there were 2 554 arrests, compared with 1 723 in 2014. In 2015 a record 2.52 tonnes of marijuana were seized; in 2016 new ground will be broken, given that so far this year 2.68 tonnes have already been seized. In 2015 a total of 134 844 kg of cocaine was seized, as well as 67.62 kg of base paste. To this must be added 54 533 doses of ecstasy.

It is estimated that almost 80 % of Uruguay's illegal drugs market is accounted for by **cannabis**. As regards **consumption of drugs, alcohol is still the one consumed most in the country**, with heavy consumers totalling around 71 % of the population, one in five of whom are problem users. The trend continues to rise, with consumption starting at the age of 16. President Vázquez has said that he wants to resume efforts to reduce these figures and, more specifically, to revive the draft bill that was dropped during the last months of the previous parliament. The aim is to achieve consensus on the new draft bill; the interministerial committee set up for this purpose has already started work. In relation to **tobacco**, in Uruguay 27.2 % of men and 20.4 % of women are smokers.

According to the latest household survey carried out by the national statistical office in 2015, there were 161 000 **marijuana** consumers last year, an estimated 16.7 % of whom were problem users. 8.6 % of consumers had only used the drug once, 32.5 % a few times, 24.7 % a few times per month, 21 % a few times per week and 13.2 % had used it daily.

The Uruguayan authorities consider that the new legislation will ensure that the cannabis market will be completely regulated from now on. Furthermore, they do not consider that the success of the new policy should be measured purely in terms of its effect on the total number of consumers, but that other variables should be taken into account (such as bringing consumers to a safe environment, or the blow that will be dealt (in our opinion) to the groups illegally trafficking cannabis).

According to data from the latest household survey carried out in Uruguay, the annual prevalence rate for **cocaine** is estimated to be 1.6 %, representing a slight dip compared with the rate of 1.9 % recorded in 2011. It is also interesting to note that 21 % of those who have consumed the drug in the past 12 months are classified as problem users.

The consumption of **cocaine base paste** increased in Uruguay in the aftermath of the 2002 economic crisis, although the latest studies carried out by the National Drugs Board show that current figures on prevalence are very similar to those for 2006, leading us to conclude that consumption has stabilised. It is estimated that there are between 6 500 and 14 500 problem users of cocaine base paste.

Increases in the consumption of **synthetic drugs** and the creation of a new consumer market continue to be of interest, although the relevant prevalence rate is only 0.4 % of the population according to the latest household survey. There is a marked correlation between use and socio-economic status, with the wealthiest consuming the most. Trafficking in these substances occurs along the eastern coast of Uruguay, across the border bridges between Uruguay and Argentina.

Uruguay is also one of the countries that has reported a rise in the **use of NPSs** (new psychoactive substances), such as ketamine, though levels of consumption are not significant and are still well below those seen in North America and Europe.

2. Institutional framework

The President of the Republic, Dr Tabaré Vázquez, has declared that he supports and will maintain the principles and instruments initiated by the previous government, as set out in the new, recently approved national anti-drug strategy 2016-2020. The strategy goes beyond the traditional model of reducing supply and demand, emphasising public health, well-being and aspects linked to human rights, addressing the fight against drugs as defined by the parameters set out by Uruguay at UNGASS.

Following the entry into force of the Regulation implementing the **Law on the regulation, sale and consumption of marijuana** and the establishment of the **Institute for Cannabis Regulation and Control (IRCCA)**, registration of marijuana home-growers has started (with around 3 000 applications having been received), and 17 cannabis clubs have begun to process the documents needed to set up their operations. Two regulatory Decrees for the use of marijuana for recreational and medicinal purposes have also been approved. In October 2015 the tendering procedure for the production of cannabis was completed and the contract awarded to two private companies (Simbyosis and Iccorp) to sell the drug via the pharmacy network. The first cannabis crops have already been harvested in accordance with the new system, and are expected to be distributed to pharmacies by around August. Under the new rules, buyers will have to be identified using a fingerprint reader device, and will be registered with the IRCCA. Registered consumers will be able to buy up to ten grams per week in pharmacies. It is estimated that 80 % of consumers will use the pharmacies to purchase cannabis. Many in the pharmaceutical sector have expressed concerns about the new role they are to take on, although such worries have abated following the recent conclusion of an agreement between the IRCCA and the pharmacy chains.

Furthermore, a **Scientific Advisory Committee** has been set up to evaluate the application of the Law and its implementing regulation. The Uruguayan authorities are very keen to share the results of this new model with the international community, particularly if it is successful in achieving its ultimate objective of protecting public health. Studies are being carried out on the impact of the new rules on health, justice, the economy and human rights.

In order to increase the **decentralisation and deconcentration** of drug operations, all departments (regions) in the country now have drugs boards with a role in the coordination of regional and national policies. Eighteen interdepartmental brigades have also been established to fight drug trafficking within the country.

Reform of the regulatory framework for establishments specialising in the care and treatment of problem drug users is being consolidated. In this context, the **Ciudadela project** on information, advice and referral for drug users now has 12 centres, and a further six are due to be set up in the period 2016-2020, ensuring that most departments in the country will have one of these bodies, which may refer problem drug users to the **national care and treatment centre (RENADRO)**.

Following the incorporation of the PRELAC project into COPOLAD II, Uruguay intends to follow the approach of the former project by setting up its own system for monitoring **chemical precursors**, with a view to extending controls to the domestic market in finished products. Provision has been made in this year's budget, although the necessary funds are not yet available.

August 2012 saw the adoption of **the National Strategy and Action Plan** against money laundering and financing of terrorism, and work continues on the application of the FATF and IMF recommendations. Uruguay will be evaluated in 2019. Whilst it is recognised that the authorities are doing some good work in this area, particularly in terms of legislation, Uruguay remains vulnerable to money laundering and financing activities.

The National Drugs Board intends to bolster the **Confiscated Property Fund** during this parliament (2015-2020) so that it can work more effectively and allocate resources to the different areas covered by the National Strategy. It should be noted that the Fund will increase in 2016 as a result of the amounts received due to the rise in the numbers of seizures.

3. International cooperation

The National Drugs Board's international cooperation objectives include strengthening national capacities in order to take an integrated approach to a 'global and transnational issue', as well as 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 to develop regional cooperation and local initiatives for drug demand reduction; the COPOLAD Programme (Latin America/European Union); the subregional drug information and research project (UNODC, CICAD/OAS); support for the fight against money laundering in the countries of Latin America and the Caribbean (European Union/GAFISUD project); the UNODC Brazil and Southern Cone project on drug abuse prevention in the workplace and the family; the UNODC Global SMART programme (Canada).

It is also worth recording that Uruguay co-chairs the EU-CELAC Coordination and Cooperation Mechanism on Drugs and hosted the XVII High-Level Meeting in February 2015.

With Uruguay's support, the network of Drug Observatories in UNASUR member countries was created in order to provide a stronger regional vision, the focal points having already been designated. In February 2015, Uruguay and UNASUR signed an agreement to that effect. Furthermore, Uruguay has been elected as the project leader, due to an Uruguayan company having been awarded the tender.

Uruguay has been an active participant in UNGASS 2016, maintaining that **the drugs problem can be tackled with new approaches. Many countries in the region are receptive to and supportive of the Uruguayan position within the framework of the OAS, CELAC and UNASUR.**

4. Recommendations

- The progress made on cooperation between departments and decentralisation and on strengthening institutions and technical training in the police and judicial spheres should continue.
- Recognising Uruguay's efforts on money laundering, we recommend that it follow the recommendations of the IMF and FATF and take them into account when drafting its five-year plan and preparing for the 2019 evaluation. It is also recommended that the Group maintain a continued dialogue with the recently created National Secretariat for the Combat against Money Laundering and Financing of Terrorism (SENACLAFT) in order to closely monitor progress made in this area.
- Efforts and international cooperation with regard to control of chemical precursors, with a view to preventing their diversion to other countries, should be maintained.
- As regards the law on the regulation of the marijuana market, we recommend more dialogue with international specialist bodies that have expressed doubts about the new rules and their compatibility with relevant international law (the INCB visited Uruguay in November 2015).
- At the same time, it would be helpful to analyse the adopted rules and to monitor the implementation thereof and their effect on drug consumption in Uruguay. Particular attention should be paid to the studies currently being carried out by the Scientific Advisory Committee; the Dublin Group should maintain an open dialogue with the former, given the innovative nature of Uruguay's legislation on cannabis.

VENEZUELA

The meeting of the members of the Venezuela mini Dublin Group (MDG), the aim of which was to form a basis for drawing up the mandatory report, began at 10.00 on 4 May 2016 in Caracas, at the Spanish Embassy in Venezuela, with the following agenda:

- a) General analysis of the issue of drugs in Venezuela, supply reduction (with each participant's point of view).
- b) Presentation by the representatives of the various embassies of their collaborative actions and programmes with Venezuela in the fields of preventing and combating drug trafficking.
- c) Statement of the number of citizens (if any) from each MDG member country being detained in Venezuelan prisons for drug trafficking.
- d) Recommendations.

General analysis

The meeting began with an introduction from the Spanish Embassy's Counsellor of the Interior, who reported that:

No regulatory or structural changes had been observed within anti-drugs institutions since the last report.

Due to its geographical location, Venezuela was continuing to be a key step on the cocaine route from producing countries to North America, Europe and/or Africa.

Venezuela's current state of institutional weakness, due to the severe economic crisis, the impunity and the corruption rife in many of the structures involved in the fight against drug trafficking, has had a noticeable impact on the country's ability to combat drug trafficking.

However, within this context it is particularly noteworthy that according to official sources, the quantities of drugs seized increased significantly in 2015 - a 65 % increase from 2014. By contrast, the number of arrests fell by 9 %.

According to the same sources, this increase can be attributed to the work of the Bolivarian National Armed Forces (FANB) who, having seized just over 3 000 kg in 2014, seized over 47 000 kg in 2015.

With regard to the class of drugs seized, cocaine made up 82 % and the rest was largely marijuana. This, too, marks a significant change, as in 2014 the distribution between the two types of drugs was approximately 50 % each.

Participants' contributions:

When the floor was opened to the participants, the following remarks were made about the general situation and the third agenda item regarding the number of citizens being detained for drug trafficking:

EUROPEAN UNION:

Has nothing to add and no detainee figures to present as each member country will list their own.

ITALY:

In 2015 has once again conducted operations with relative success.

Has tried to bring Venezuelan police officers to Italy to attend training courses but none have come.

Institutional relations with the ONA, the CICPC, the public prosecutor's office and the National Guard's Anti-Drugs Squad are smooth.

Stresses the need to formalise the exchange of operational information in order to avoid relying on personal contacts.

Sixteen Italian citizens are currently being detained in Venezuela for drug trafficking and one for trafficking in banned medicines, totalling 17 (seventeen) detainees.

FRANCE:

Drug trafficking situation in Venezuela: we confirm the trends observed at the last meeting in November 2015 and those mentioned in the general analysis given in this meeting.

Operational cooperation: we currently have a number of cases pending with the ONA (National Anti-Drugs Office), the CICPC drugs team, the Bolivarian National Guard (GNB) and the Coastguard of the Bolivarian Navy of Venezuela. Indeed, on 22 April 2016 we submitted a request to the Venezuelan authorities under Article 17 of the United Nations Convention against Illicit Traffic in Narcotic Drugs, signed in December 1988. The French navy requested authorisation to investigate two vessels bearing Venezuelan flags in international waters. No drugs were found during the search of the two vessels.

Technical cooperation: with the assistance of the CIFAD (Interministerial Anti-drug Training Centre in Martinique) this attaché office organised two training programmes in March 2016: 'Crime scene management and drug trafficking' and 'Micro-trafficking'. The courses and training were carried out with the help and support of the ONA's Training Director, Dr Nahima Fernandez. Number of participants per course: 25 participants. A total of 50 participants across 15 training days. Profile of participants: Public prosecutor's office, National Anti-Drugs Office (ONA), Bolivarian National Guard (GNB), Bolivarian National Police and Bolivarian Armed Forces. Two training sessions are scheduled for June: 'Crime scene techniques' (CICPC) and 'Combating money laundering' (ONA).

Prisoners: there are currently three French nationals imprisoned in Fenix prison for drug-related crimes.

AUSTRIA:

Has nothing to add and there are no Austrian nationals in custody.

CANADA:

Has nothing to add and no detainees.

PORTUGAL:

Has nothing to add and no detainees.

UNITED KINGDOM:

Is working on a 'memorandum of understanding' which formalises police cooperation with the Government of Venezuela on drugs issues.

Eight British nationals are currently being detained for drug trafficking.

SPAIN:

There are currently 15 Spanish nationals being detained for drug trafficking.

Recommendations:

The following recommendations were made by the group:

- Venezuela must continue and step up the fight against money laundering and the criminal organisations involved in drug trafficking, by promoting operational analysis.
- The competent authorities must be urged to use those legal instruments provided for in the 1988 Vienna Convention which are designed to combat drug trafficking, especially those related to controlled deliveries.
- Strengthen international cooperation and the transmission of information at both strategic and operational levels.
- Promote the provision of training courses in Venezuela on investigation into money laundering and the fight against drug trafficking, delivered by EU specialists and aimed at trainers.
- Encourage participation and active representation in the international fora and bodies that deal with these issues.
- Draw up a regional plan to analyse how this phenomenon has evolved.
- Review the prevention policies, especially among the most disadvantaged groups.
- Review and strengthen coastal surveillance and control capacities.

- Improved transparency of and access to statistical information to enable forward and situation analyses to be carried out.
- Commitment to the implementation and completion of support programmes to be carried out within the framework of international cooperation.

With no other business to discuss, the MDG meeting was closed two hours after it began.
