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**1. ARGENTINA**

**1.1. General situation in the country**

There is continuing problem of both lack of and inaccurate statistics on drug trafficking and drug consumption in Argentina. No official figures have been made available since 2011. Police Forces have no consolidated data on operations against drug trafficking and seizures. There is also a broad problem of confidence in statistics in other areas of public management in Argentina, as the IMF has alerted concerning regular economic indicators.

## Drug Trafficking, Production and Consumption:

In line with the 2012 report, drug trafficking, product diversification, local production and drug consumption continue to grow in Argentina:

- a) **Drug Trafficking (cocaine, marijuana/cannabis and synthetic drugs):** According to Argentinian Police information, seizures of cocaine exceeded 1,5 tons within the first eight months of 2013, seizures of marijuana surpassed 52 tons within the first nine months of 2013, and more than 11,000 ecstasy pills were confiscated within the first seven months of 2013. According to open sources, these seizures could correspond to approximately 5% of the real volume of drug trafficking through the country. Argentina has become one of the main transit countries for Latin America trafficking of cocaine (according to seizures of drugs in final destination, primarily Europe). The main problems are: i) the permeability of Argentina's long northern border with Bolivia (832km), Paraguay (1,880km) and Brazil (1,261km) ii) recent cases of corruption, revealing a certain degree of complicity with criminal organizations, despite efforts of the police forces/judiciary/politicians in the fight against drug trafficking iii) deficient coordination and lack of exchange of information sharing with the provinces.
- b) **Drug Production:** Traditionally, Argentina has been a transit country for drug produced in neighbouring countries. However, local production is increasing, particularly concerning cocaine paste ("paco") and synthetic drugs (ecstasy). Concerning chemical precursors, there is diversion from Argentina to Bolivia for processing cocaine (65 tons seized) and there is also a suspicion of dual use of chemical precursors for local cocaine processing in Argentina (since there is a considerable entry of rough cocaine leaf into the country, compared to that of pure cocaine; and only processed cocaine is exiting the country). According to information published in the press, Argentina is the non-grower country in South America where the highest number of "drug kitchens" have been dismantled, and they are reported to have increased both in number and output (ex: a consignment of 783kg of cocaine was seized in one out of the 12 laboratories discovered in the province of Buenos Aires in the first half of 2013). Concerning the actual activity of these laboratories, according to Police sources, the ones dismantled so far were installations only used for dosing cocaine base paste already produced and trafficked into Argentina for local retail. However, it is also possible that there is local drug production due to deviation of chemical precursors for dual use, but that is a sensitive question and there is no official reporting on the matter.

- c) Drug Consumption: According to the 2013 World Report on Drugs, published by UNDC, data on consumption in Argentina and South America region are the following:
- Cocaine: Annual prevalence of 0.81%, compared to 1.3% in the region. In any case, local media reports that it has doubled within the last decade. Consumption of “paco”/adulterated cocaine remains a concern, having particular incidence among poorer children and teen-agers.
  - Cannabis: Annual prevalence of 3.2%, compared to 5.7% in the region. The local press states that it has multiplied by four within the last decade, and consumption is supposed to have stabilized in 2013.
  - Ecstasy: Annual prevalence of 0.05%, compared to 0.04% in the region. While the numbers are low, figures indicate consumption is growing among young people.
  - Opiates: Annual prevalence of 0.07%, compared to 0.04% in the region. There is practically no heroine consumption.
  - Opioids: Annual prevalence of 0.09%, compared to 0.3% in the region.
  - Argentina reported emerging use of new psychoactive substances: Life use prevalence of ketamine 0.3%.

## 1.2. Short update on the country's anti-drugs strategy

State of play in 2013:

- a) **Changes in Logistics and Routes of Criminal Organizations:** A significant increase in drug trafficking via the porous border between Paraguay and Argentina (Province of Misiones) has been observed by Argentine police forces. Nevertheless, drug trafficking along the 832km border between Bolivia and Argentina (Provinces of Salta and Jujuy) has maintained its importance. On transportation, there was an increase in illegal flights crossing the border (89 related to drug trafficking in 2013) and there there was a noted change in routes: previously illegal flights were only crossing the northern border and unloading the illicit drugs; now some have been known to fly as far as far down as Rosario in Santa Fé, and others as far as the province of Buenos Aires, thus connecting directly with the drug distribution centers. Drug trafficking via land crossings of the northern border continues to be a usual practice in small quantities. Concerning drug trafficking through Buenos Aires Ezeiza International Airport, there has been an increase in the use of “mules” (80 cases of capsules inside the body, for a total weight of seizure of 640kg of cocaine in the last 18 months). For heavy shipments, dealers have increasingly used food to hide the drugs (shrimp, bread, etc). Police have been reported to have confirmed that links are apparent between criminal organizations trafficking with chemical precursors from Argentina to Bolivia, and organizations introducing processed cocaine in Argentina. Finally, there has been a consolidaton of drug trafficking routes from Argentina to Europe though Africa.
- b) **Territorial Wars between Gangs:** The city of Rosario (province of Santa Fé), with an international river connection, has become a center of territorial disputes between five rival drug gangs. Murders and settling of scores have increased (80% of 188 people violently killed in the first nine months of 2013 were murdered by “drug assassins”). At the national level, according to police sources, crimes connected to drug trafficking have also risen (trafficking in persons, arms trafficking, money laundering) and foreign organized criminal groups (from Mexico and Colombia) have set up shop in Argentina.

- c) **Corruption and Threats:** Police forces and judges have maintained firm action against drug trafficking, in spite of violence (attack of the federal police chief, attack on the Governor's residence and threats to provincial police chiefs and other high-level officials in the provincial capital of Santa Fé). Even so, in 2013, striking cases of corruption were revealed (detentions in the province of Santa Fé, confession by the provincial police chief of Dangerous Drugs in Córdoba, detention of members of the Dangerous Drugs Police Office in Tucumán and Rosario, court sentences condemning town councilors from Formosa and Malvinas Argentinas, among others).
- d) **Delays in the Ordinary Work of Crime/Drug Courts:** There are a high number of lawsuits and scarce resources, not to mention the high number of judge vacancies. During the first five months of 2013, 700 were presented only in the five Federal Courts with jurisdiction over the two provinces of Salta and Jujuy. According to judiciary sources, in practice, cases wait for two years on average before starting to be studied.
- e) **Increasing Risk of Marginalization and Criminality among Young People Living in Shanty Towns ("villas-miseria"):** According to university research, around 500,000 to 1,000,000 young Argentinians across the country between the ages of 15-24 are not studying or working, and half of them are reportedly not even looking for work. Youth unemployment is 18.5%, three times higher than for the rest of society, while most new jobs require at least a secondary school degree. At national level, the informal labour force in the country accounts for roughly 34% of the economy. Even if many public social subsidies are granted to unemployed people and their children, NGOs have warned about the increase of drug trafficking and/or consumption in urban shanty towns, as a way to ensure income and social mobility. In Buenos Aires, informal settlements grew 52.3% in the last decade and at least three areas of more than 80,000 inhabitants have formed. In the last year, drug gangs have been more present in shanty towns, where young people (known as "soldiers") become dealers and warn the drug traffickers when police forces are in the area. Many carry weapons, which has led to an increase on urban criminality (it is estimated that there is one murder every 40 hours in the Province of Buenos Aires).

## Institutional Changes in 2013:

- a) **Institutional Weakening of SEDRONAR:** In March 2013, the Secretary of State for Anti-Drug coordination resigned his post. Since then, the Undersecretary for the Area of Chemical Precursors has assumed the direction of SEDRONAR and the management of its budget, which has been notably reduced with no public reason provided. SEDRONAR reports directly to the Presidency of the Nation and its operational guidelines of action are established in the Integrated Federal Plan for Prevention of Drug Addiction and for Fight against Drug Trafficking 2012-2017. However, a Presidential Decree (603/2013) implementing the Mental Health Law (2010), has surprisingly eliminated SEDRONAR as the implementer of public policies on prevention and treatment to addictions, leaving the responsibility to the Ministry of Health and to an Inter-Ministerial Commission (Health, Social Development, Justice and Human Rights). In practice, then, SEDRONAR seems to be left to administer training programs (ex: Agreement SEDRONAR-Trade Unions for prevention of drug consumption for workers and assistance to drug-dependents).
- b) **Redeployment of Police Forces:** The federal government has decided to relocate 4,500 Gendarmería police officers, from the northern border area to the province of Buenos Aires, in order to tackle other urgent urban security problems. The gap in the border will supposedly be filled by newly created joint patrols, formed by the Gendarmería (20%) and the Army (80%), with an objective of reaching 4,500 Army soldiers in 2016. Their mission will be to unify the current programs “Escudo Norte” and “Fortín II” set up in 2011 for the reinforcement and electronic surveillance of the land, air and river border. The decision has been quite controversial, since it was taken during a pre-electoral campaign and defies a legal limitation (the Army has no jurisdiction for the fight against drug trafficking, as it is stated in the Laws of Defense, Internal Security and Intelligence). The government proposed to resolve this problem by appointing a Federal Delegate for Coordination of Police Forces and the Army in the Provinces of Salta and Jujuy. The member of the Gendarmería in the joint patrol will be the only one entitled to initiate legal proceedings when dealing with drug trafficking crimes.

- c) **Open Debate on Legalization of Drugs in Federal Parliament:** The agenda of the competent Commission has been suspended temporarily, since positions of political Parties take divergent positions on the issue. Thus, the Law on Drug Substances (Law 23.737) is still in force, which classifies as a criminal offense for possession of small quantities of drugs for personal consumption, although the Supreme Court ruled this unconstitutional in the “Arriola” case (marijuana). Two more political debates on drugs are also still pending in Parliament: i) length of imprisonment for drug trafficking (4-15 years) which has led to overcrowded jails for women and foreigners with few economic resources, and ii) reducing the age of majority for criminal offenses (currently 16 years-old).
- d) **Internal Politics: Drugs, an Issue in the Electoral Campaign:** Up to now, confronted by increasing crime rates, the federal and the provincial governments have tended to state that in Argentine streets there is merely a “sensation” of insecurity. Candidates in the midterm legislative electoral campaign have for the first time recognized that insecurity is one of the two main concerns of residents of Argentina. Opposition parties have presented three proposals for a law permitting the Air Force to pursue, threaten and potentially shoot down light aircraft suspected of drug trafficking, as laws allow in Brazil and Chile. The federal government does not support such action, but has engaged to modernize the border surveillance radar system.
- e) **Money Laundering:** There is a risk that drug trafficking organizations could take advantage of the 2013 tax amnesty of allowing them to launder U.S. dollars. Argentina must still submit regular reports to FATF (GAFI) on the subject.
- f) **Scanning of Ship Containers:** The port of Buenos Aires accounts for approximately 90% of the country’s international container volume. Argentina has swiftly adopted the recommendations on security of external trade made by the World Customs Organization (WCO) for scanning of transfer containers (Resolution 3433/2013 AFIP) and the verification of multidisciplinary equipment (Resolution 3341/2013 AFIP). However, some errors have been detected in the scanning machines and the National General Audit has denounced failures in the specific drug detection software. Argentinian generalized barriers and obstacles to trade are provoking some diversion of trade to the port of Montevideo.

### **1.3. Major bilateral and multilateral CN programs**

The level of cooperation from Argentine Authorities with third countries in the fight against drug trafficking remains satisfactory. For 2013, the renewal of collaboration with Colombia (Agreement on migration survey and Extradition Treaty), must be highlighted.

MiniDublin Group countries make note of the good operational relations with the Argentinian Police Forces.

UE: Argentina is a partner and, as such, benefits from COPOLAD Program for Cooperation between Latin America and the European Union in the fight against drug trafficking (6 Mill. euros, 2011-2014).

UNODC: During 2013, negotiations between the Argentinian government and the Global Program for Container Monitoring were held, but no formal agreements on the subject has been reached.

Germany, Italy, France: Call for candidates for training Seminars.

Spain: Leads European COPOLAD Program (2013).

### **1.4. Recommendations : mini-Dublin group assessment of needs**

The recommendations of precedent reports remain valid, of which notably:

- Improvement and updating of statistics.
- International cooperation in order to foster mechanisms for information sharing.
- Easing of internal administrative procedures in the Ministry of Security to allow the participation of members of Police Forces in international training programs.
- Putting into action mechanisms of institutional coordination between the multiplicity of actors existing in Argentina (SEDRONAR, Ministry of Security, Federal Police, Gendarmería, Naval Police, Airport Special Police, Provincial Police, Local Police, Ministry of Economy, Customs, Tax Administration, Ministry of Health, Ministry of Social Development, Ministry of Justice and Human Rights, Ministry of Defense and Armed Forces, Provincial Governments, Local Governments, Judiciary Power, Legislative Power, civil society). Joint design of public policies against drug offer and demand, concentrating efforts and avoiding duplication.



- Development of mechanisms to counter the problem of permeability of the external borders (air, land, rivers). Improvement of intelligence systems.
- Prevention of consumption, social inclusion and health assistance, as well as labour support for drug-dependent persons, aiming to avoid marginalization.
- Public policies to properly tackle the problem of teenagers lingering on the streets, not studying or working, and to avoid that illegal activities and drug consumption become an avenue of social mobility for the poorest young people. An option could be the extension of the federal program “Youth with more and better employment” (currently reaching 40,000 beneficiaries).
- Fight against corruption.
- Mechanisms for reduction of delays in courts, especially those dealing with drug trafficking.
- Improvement in the security of shipping containers.
- Monitoring of legislation in line with FATF (GAFI) recommendations on money laundering.
- Tackling the increase of complex crimes linked to drug trafficking (human trafficking, arms trade, urban insecurity, organized violence at football matches).
- Importance of fighting against dual use of chemical precursors in Argentina, in parallel with the observance of international obligations under the UN JIFE verification system.
- Foster technical cooperation between the MiniDublin Group delegates, in order to avoid duplicative actions in bilateral cooperation with Argentina in the fight against drug trafficking.

## 2. BOLIVIA

### 2.1. General situation and institutional framework

#### a) Socio-Political and Regulatory Context

Bolivia's anti-drug policy has traditionally focused on eradicating coca crops and alternative development. However, in recent years cocaine production, drug trafficking (hydrochloride, coca paste and marijuana) and related offences (money laundering, precursor diversion, corruption) have all risen considerably, for which reason the Government of Bolivia, as well as civil society and the donor community, are paying more attention to combating these illicit activities.

As regards coca leaf, Bolivia insists on respect for its traditional uses, underlining the difference between crops for such traditional uses and those for illicit purposes. As of 1 January 2012, Bolivia denounced the United Nations Convention on Psychotropic Substances (Vienna, 1961), citing this traditional use as the reason, whilst simultaneously requesting readmission to the Convention, with a reservation regarding coca leaf chewing and its legality in Bolivia.

This strategy was successful, and as of February 2013 Bolivia is once again party to the Convention, with the aforesaid reservation. It should be noted that Bolivian law (Act 1008/1988) permits coca crops on 12,000 hectares in the *Los Yungas* region for traditional uses (approximately 40,000 producing families). Likewise, in *Chapare*, each member of the region's six farmers' federations (another 40,000 members) is allowed one "cato" (0.16 ha).

To determine the level of traditional coca leaf use, in 2010 Bolivia completed its National Survey on Home Coca Leaf Use, carried out by the National Statistics Institute within the framework of the Comprehensive Coca Leaf Study under the auspices of the European Union. Likewise, in April 2011 a study on average productivity per hectare was concluded. The findings of these studies have yet to be published. Although the Government of Bolivia formally acknowledged the fact that they had been concluded and their quality, it argues that they should be complemented with four additional studies. The delay in presenting these studies has generated an atmosphere of uncertainty and speculation.

As a general rule, in Bolivia the use of force to eradicate crops is excluded, and there is an aspiration towards voluntary downsizing and self-control by the producers. This policy has had a certain degree of success: In 2009, it was possible to put a brake on the continuous growth of crops since 2001, and by 2011 there was a net drop in coca leaf production, all without any significant violence.

As regards interdiction efforts aimed at cocaine production and drug trafficking, the Government of Bolivia has, in recent years, significantly increased its budget earmarked for the public agencies involved, particularly the Special Force Against Drug Trafficking (FELCN). Although the results of these activities have been positive in the past, the presence of national and foreign drug trafficking groups continues to be a matter for concern.

This increase in the Bolivian budget for combating drug trafficking is in contrast to the end of anti-drug cooperation with the USA, traditionally Bolivia's main partner in this area. In May 2013, the Bolivian Government announced the expulsion of the USAID agency, and Washington announced that it would withdraw the State Department's Narcotics Affairs Section (NAS) from Bolivia before the end of the year. Consequently, no US anti-drug agency will be present on Bolivian soil as of 2014.

Moreover, and despite the signature on 20 January 2012 of a trilateral Bolivia-Brazil-USA project for monitoring excess coca, in September 2012 the USA issued a Presidential determination, for the fifth consecutive year, defining Bolivia as a country that had “failed demonstrably” to meet its obligations under international counternarcotics agreements.

For its part, the Bolivian Government has launched a campaign to seek support from third countries, especially EU members, neighbouring countries and Russia, and has signed police and border cooperation agreements with Argentina, Brazil, Peru and Paraguay. At the multilateral level, in 2009 the UNODC drafted a five-year Country Programme with a budget of US\$ 47 million. To date, the programme has suffered from a funding shortfall. The Bolivian Government's financial contribution to this Programme has been rising over time, and in 2013 it equalled US\$ 150,000 annually.

#### b) UNODC Coca Monitoring Survey in the Plurinational State of Bolivia 2012

The report corresponding to 2012 was officially presented on 5 August 2013. It certified a 7% drop in the area under cultivation, which stood at around 25,300 hectares (ha) in 2012, down from the previous year's figure of 27,200 ha, a "significant reduction" coming after the 12% drop of the previous year. Potential coca production fell 6% in 2012. According to the report, this drop in the area under cultivation is mainly explained by an increase in the Government's downsizing and eradication efforts. Likewise, according to Bolivian police statistics cited in the report, in 2012 seizures of coca leaf rose by 23% (to 740 mt), while seizures of cocaine base rose by 13% (to 32 mt). However, seizures of cocaine hydrochloride dropped by 26% (to 4,175 kg).

### c) Official Bolivian Eradication and Seizure Figures

According to the FELCN (Bolivian police), from 1 January to 30 June 2013, 5,062 ha of excess coca had been eradicated, a figure slightly lower than that of the same period in 2012. In this same period, more than 9.32 mt of coca base was seized, along with 572 kg of cocaine hydrochloride and 61 mt of marijuana, which is 56% less cocaine and 84% less marijuana than the same period in 2012. Bolivian officials attribute this drastic drop to a greater emphasis on eradication, and improvement in cooperation with neighbouring countries, which reduced the entry of foreign drugs into Bolivia. After the good results from 2012, the figures for this first half of 2013 are worrisome, and therefore it would be advisable to monitor interdiction statistics to see whether this is a one-off event or a trend reversal.

## **2.2. International cooperation**

**Germany:** Continues financing UNODC studies: in 2013, one to estimate the level of cocaine production in Bolivia (€151,000). Likewise, it cooperates with UNODC on its programme for integrated management of natural resources in Los Yungas (€85,000 for 2010-2013), as well as its programme for destroying cocaine and other seized controlled substances. In 2013-2014, its plans to contribute €700,000 to a bi-national alternative development programme involving Peru and Bolivia. In May 2013, the German Government official in charge of combating drugs visited Bolivia.

**Belgium:** Project of Comprehensive and Sustainable Exploitation of Forest Resources in the Tropic of Cochabamba - Consolidation Phase - €2.4 million with (15/11/10 - 14/11/14) the Deputy Ministry for Coca and Comprehensive Development.

**European Commission:** Is providing €9 million for the Support Programme for Institutionalisation of the National Council to Combat Illicit Drug Trafficking (2011-2015), and has approved a budget of €24 million for implementing the National Strategy for Comprehensive Development with Coca 2014-2017. It maintains several anti-drug programmes at the regional and sub-regional levels, which also benefit Bolivia.

**Denmark:** Has contributed US\$ 520,000 to the UNODC monitoring report in 2011-2013, and €1 (2007-2013) to the financial investigation unit for combating corruption, money laundering, and drug trafficking.

**Spain:** In 2012, contributed technical assistance and courses on organised crime, corruption prevention, juvenile delinquency, and synthetic drugs. Furthermore, it supported the UNODC's activities with US\$ 141,000 in 2012.

**United States:** The USA stopped providing direct operational support for Bolivia's eradication and interdiction efforts on 30 September 2012, at that time transferring to the Bolivian authorities equipment valued at US\$ 20 million. Since 1 October 2012, it has contributed US\$ 10.8 million to air logistics; capacity-building for police, prosecutors and judges; dog training; airport scanners; road freight control systems; and different demand reduction projects in Bolivia. Moreover, the USA provided equipment, training and staff for the trilateral project involving Bolivia, Brazil and the USA for monitoring excess coca crops, and in 2012, the USA contributed US\$ 100,000 to the UNODC for its programme to validate the destruction of drugs and chemical precursors.

**France:** In 2012 the French Embassy, in collaboration with the Interministerial Anti-Drug Training Centre (CIFAD), organised four courses for police from the FELCN and anti-drug prosecutors. In 2013, it is to organise, in collaboration with CIFAD, three courses on asset laundering, land control, and operational criminal analysis.

**Italy:** Italy contributed US\$ 300,000 to the UNODC for its Country Programme, and is negotiating a bilateral cooperation agreement with Bolivia that will include instruments for combating drug trafficking and organised crime.

**United Kingdom:** The UK collaborates with the FELCN in capacity-building to combat illicit flights, and in 2012 supported the UNODC's programme to validate the destruction of seized drugs.

### **2.3. Recommendations**

- The fight against drug trafficking should be included as a priority in the bilateral agenda between Bolivia and the Mini-Dublin Group member states.
- Urge the Government of Bolivia to publish the results of its comprehensive Study on Coca Leaf in Bolivia as soon as possible.
- Propose a formal, periodic dialogue with Bolivian officials to move forward with designing and implementing a joint work programme. Moreover, a coordination group, open to some countries that are outside Mini-Dublin but active in this area, could be created, with a particular focus on the regional dimension of the problem and the need for cross-border coordination. It would be especially important to promote trilateral collaboration with Brazil and Peru, as well as to recommend to Brazil that it continue to support its pilot project programme for monitoring excess coca crops in coordination with Bolivia and the USA.

- Suggest to the Government of Bolivia that it would be advisable to identify the bottlenecks in public institutions, and present an Action Plan identifying specific areas of cooperation. This Plan, coordinated through CONALTID, should focus on improving coordination among those Bolivian institutions specialised in combating drug trafficking, with material and technical capacity-building, especially in such areas as intelligence, investigation and obtaining evidence, and support for border control mechanisms, combating corruption, obtaining evidence that is valid in court, money laundering, improving the legal framework and the police's asset recovery resources, as well as protection for witnesses and undercover agents.
- Strengthening the Bolivian justice administration system, with special attention given to such issues as serious offences and combating organised crime.
- Urge the Bolivian Government to ensure adequate funding for its Executive Unit for the Comprehensive Fight against Drug Trafficking, which should assume responsibility for providing the logistical support recently transferred from the USA to Bolivia's anti-narcotics units.
- Urge the Government of Bolivia to increase its funding for the UNODC Country Programme, and urge the international community to continue its support for UNODC's presence in Bolivia.
- Recognising Bolivia's past achievements, urge its Government to redouble its interdiction efforts after the poor results in this area during the first half of 2013.
- Continue the Government of Bolivia's comprehensive development programmes.

### **3. BRAZIL**

#### **3.1 Overview of the general situation of Brazil regarding illicit narcotics production, trafficking and demand**

##### A) Consumption

In spite of the several announcements made by the Brazilian authorities that new statistics on drug consumption among general population would be published over the last months, the fact is that no new statistics have been made public since 2005. This fact, already mentioned on previous reports, is probably the most important to be taken into account, since the lack of real up-to-date information on drug consumption in Brazil is at this point the main difficulty when analyzing the general situation.

The UNODC World Drug Report 2013 includes however new estimates on drug consumption in Brazil, that raise considerably the previous data on drug consumption. According to the mentioned report, the annual prevalence use of the different drugs as a percentage of the population aged 15-64 is the following: 0,5% for opioids / opiates; 1,75% for cocaine (UNODC estimate for 2011; 0,7% in 2005, according to the last official data); 8,8% for cannabis (UNODC estimate for 2011; 2,6% in 2005, last official data); 0,7% for amphetamine-type stimulants (ATS) and 0,2% for ecstasy (UNODC estimate for 2010; 0,16% last official data from 2005).

Should the UNODC estimates be accepted as reflecting the real prevalence rate, Brazil should be considered as one of the biggest markets of cocaine in the world in absolute terms (probably the second, just after the US), and one of the biggest in Latin America in relative terms, just slightly underneath Chile and Uruguay, the biggest consumers in relative numbers.

It should be mentioned, however, that in those estimates there isn't any distinction among different kinds of cocaine use (cocaine powder, merla, crack...), which brings a difficulty to the analysis of the measures that should be adopted by the Brazilian authorities to curb the demand, since the social impact of the different modalities is radically different.

The Secretaria Nacional de Políticas sobre Drogas (SENAD), official entity dealing with the situation of drugs in Brazil, on the other hand, considers that the situation is not as preoccupying as some recent estimates might have showed. They take the results of the "I Levantamento Nacional sobre o Uso de Álcool, Tabaco e Outras Drogas entre Universitários" (First National Report on the Use of Alcohol, Tobacco and other Drugs among university students), carried out in 2010, as a measure for their optimistic approach. According to the SENAD, those results show a considerable decrease in the use of drugs among university students between 2005 and 2010, that may be taken as an indicator of a decrease among the general population. Nevertheless, the mentioned study shows an annual prevalence rate in the use of cocaine among students of 3%.

The view of the Federal Police is however somehow different. In informal talks, the Federal Police has admitted that from their point of view, there has been a dramatic increase in the consumption of cocaine in Brazil over the past few years, essentially of cocaine powder among classes A and B, and of crack among classes C, D and E.

The reason behind the different readings of the situation might be in the fact that crack consumption is very closely linked to high rates of violence and criminality, thus provoking the perception that the number of consumers is actually higher than it really is.

Another source of concern for these authorities, besides cocaine abuse, is the increase in the consumption of ATS and ecstasy, as well as the misuse of new chemical substances for the production of drugs. The figures included in the afore mentioned study on university population show that 10,5% of the interviewed students admitted having taken some kind of amphetamine-type stimulants over the, previous 12 months, and another 8,4% admitted having used tranquilizers over the same period.

### B) Transit

As for transit, the situation remains basically unchanged, Brazil being a very important transit country, mainly for cocaine, as a result of its geographical position, frontier with the three main cocaine producers in the world: Colombia, Peru and Bolivia. It is also a big cannabis transit country, although in this case a lot of the cannabis that enters the Brazilian territory from Paraguay (one of the biggest world producers) also stays within. It should not be forgotten that Brazil has 16.886 km of land borders with its neighbours, most of them remote and uncontrolled by police forces, severely understaffed. At the present moment, out of the barely 13.000 members of the Federal Police for the whole country (8,5 million of square kilometres), only 180 are exclusively dedicated to counter-narcotics. There is a project now to increase that number up to 390 in 2014.

In that context, in 2011 there was a decrease in the amount of cocaine seizures in Brazil, as compared to the previous year. According to official data gathered in the UIMODC World Drug Report 2013, the Brazilian Federal Police seized in 2011 24,52 tons of cocaine, as compared to 27 tons the previous year. The data for 2012 are still smaller, with barely 20 tons of cocaine seized by the Federal Police in the whole year, according to their own data. However, the seizures have increased considerably in 2013. As a matter of fact, in the first six months of this year, the cocaine seizures in Brazil add already up to 18 tons. It must be reminded that these figures correspond only to the apprehensions made by the Federal Police, since the civil police forces of the federated states do not put in common their own apprehensions and therefore there are no official common data. As for the reason behind the important increase in the number of seizures this year, it lies in the increase in the number of economic resources attached to counter-narcotics, within the framework of the governmental plan: "Crack: é possível vencer".



With regard to the destination of the cocaine that enters Brazil, the general trends continue basically unchanged, heading towards Europe either directly or via Africa, especially the Portuguese speaking countries.

The data referring to cannabis, on the other hand, show a sustained increase in the number of seizures. In 2011 there was in fact an increase of over 10% in the seizures of cannabis in Brazil, as compared to the previous year, with figures that amounted to 0,25 tons that year for processed cannabis and 174,3 tons of cannabis herb. This increasing pattern continued to be maintained in 2012 and in the first six months of 2013.

Finally, the Federal Police reports a very important increase in the number of seizures of ecstasy and ATS substances in Brazil in the recent past. The UNODC World Drug Report 2013 states that in 2011 70 Kg of ecstasy were seized in Brazil, thus making Brazil by far the most important country in South America in terms of ecstasy seizures. According also to the Federal Police, almost all the ecstasy consumed in Brazil comes directly from Europe (particularly the Netherlands) in the hands of small traffickers arriving by plane to Paraná, Santa Catarina and Goiás. Very recently a new trend has been observed of carriers travelling by air to Paraguay and then entering Brazil through the land border in Foz de Iguazu.

The UNODC has recently proposed to the Brazilian competent authority in the control of chemical substances, ANVISA (Agencia Nacional de Vigilancia Sanitaria), to put into force a new monitoring system of chemical substances liable to be used in the production of synthetic drugs.

### C) Transformation

So far, very few drug laboratories have been found within Brazilian territory. For cocaine, the Federal Police has only identified a few laboratories dedicated to its adulteration over the past few years. On the contrary, most of the cocaine enters Brazil already transformed and manipulated. Laboratories of ATS haven't been found either.

### **3.2. Assessment of Brazil's counter narcotics strategy: Government's political will to conduct the strategy**

Over the past couple of years the Brazilian government has adopted several plans to curb the consumption of drugs in Brazil, with a special focus on crack, due to the severe social consequences attached to the consumption of that version of cocaine. As a matter of fact, the overall governmental plan against drugs was named "Plano crack: é possível vencer". In spite of the name, the plan proposes measures with regard to every kind of illegal drug. The plan is a multiannual one, now on the 2010-2014 phase, with a budget of 4 billion reais.

This plan focuses on three axes, named: prevention, care and authority. The prevention axe focuses on information campaigns against the use of drugs; the care axe has focused on identifying and regulating the treatment centres in Brazil, both the public and the private ones, establishing also general rules that have to be complied with by all the centres. A whole new regulation of the functioning of these centres is being developed at present. Finally, the authority axe has focused on capacity building of the police forces and border-control operations.

Over the past few years the Brazilian authorities have also increased their international focus, acknowledging the weight of its regional and international aspects. As a result, Brazil has signed bilateral agreements with some of its neighbours, namely Bolivia, and has carried out operations in collaboration with many of them. More recently, Brazil has also begun a dialogue on drugs with the European Union. The first meeting was held in Brussels in the beginning of the month of June, and meetings will be held annually on this field.

Overall, the impression of most of the persons and institutions dealing with counter-narcotics in Brazil is that there is now real political will to curb the threat and adopt the necessary measures to reach results. In consequence, new resources have been allocated for this purpose, which are already producing an effect, as shown in the figures for seizures in 2013;

With regard to the international initiatives that have recently begun to request for a new approach to the problem of drugs, especially within the OAS, Brazil has maintained so far a prudent attitude. The Brazilian authorities have stated in this framework that they remain attentive to these new initiatives, of which they have taken note. However, they have not expressed an opinion on them. It seems however that although there are ongoing talks within the Ministry of Justice over depenalization trends, Brazilian authorities would be basically against them, with regard to every kind of drug, including cannabis.

### **3.3. Institutional framework and legal/legislative changes**

Over the past few months the processing of a new federal law establishing the compulsory admission of crack addicts in treatment institutions has raised a lot of controversy in the media in Brazil. The proposed law has so far been approved in the Camara de Diputados, but still needs to be voted in the Senate.

Many questions regarding this new provision remain open and unanswered: if the admission would be done only in public centres or private ones (many of them ruled by religious groups) too, how long should the compulsory admitted remain in the centre, etc.

While the law has not yet been finally approved, the controversy over its possible violation of human rights persists, also a measure of the social impact that any provision regarding the fight against drugs has in Brazil.

### **3.4. Assessment of needs, emerging threats, trends, initiatives and recommendations**

At the present moment, the general feeling is that in Brazil a lot of information is already available, however, it is often not systematized and / or is difficult to find.

The Brazilian authorities have begun to adopt some measures in the counter-narcotics field, which are already producing results, especially in the police field.

In this framework, no specific needs for assistance from the Dublin Group countries are identified.

As for recommendations, the following are proposed:

- New statistics and data on drug consumption among general population should be made public by Brazilian authorities. Up-to-date and accurate information is always the basis for the design of proper strategies and assessments. The Dublin Group member states could in this framework encourage the Brazilian authorities to publicise that information.

- The Dublin Group member countries could encourage the Brazilian authorities to increase their patrolling and monitoring of its borders, together with its neighbours. Enhanced coordination among police forces could also be encouraged.
- The Dublin Group member states should maintain open the communication channels with the Brazilian institutions dealing with drugs, notably the SENAD and the Federal Police.
- Triangular cooperation between Brazil, Dublin Group member states and third countries should be encouraged to repress trafficking, both in South America and West Africa.

## **4. CHILE**

### **4.1. Evaluation of the general situation in Chile regarding drugs**

#### **4.1.1. Situation in 2012**

In 2012 the law enforcement agencies informed of a total of 55,586 proceedings involving violation of Drugs Act no. 20,000, i.e. an 8.4% increase as compared with 2011. In absolute terms, this amounts to 4,313 more proceedings. This increase is greater than that which occurred between 2010 and 2011, which was 3.8%.

In 2012, 85,023 arrests were made, 63.8% for possession, 18.3% for trafficking, and 13.8% for consumption.

Compared with the previous year, arrests increased by 9%. In absolute terms, this amounts to 7,036 more arrests. The greatest increase in arrests was for consumption, by 26.9%.

As for the type of drugs, statistics show the following results (the comparison is always between 2011 and 2012):

- Coca base paste. 9,572.89 kg seized (+35.6%)
- Cocaine hydrochloride. 2,438.79 kg (+25.6%)
- Processed marijuana. 14,514.85 kg (-0.3%)
- Marijuana plants. 235,428 units (-11.5%)
- Pharmaceuticals. 116,361 units (-30.7%)
- Heroin. 0 gr

As compared with 2011, the principal increase was in coca base paste (35.6%) and in cocaine hydrochloride (25.6%). In contrast, there was a drop in seizures of pharmaceuticals (-30.7%), marijuana plants (-11.5%), and marijuana (-0.3%).

Moreover, seizures carried out by the Directorate-General for the Maritime Territory and Merchant Navy amounted to the following figures at the end of 2012:

- Coca base paste. 102.5 kg seized
- Cocaine hydrochloride. 711.39 kg
- Processed marijuana. 35.98 kg

As a result of the proceedings, 621 firearms (-17.6%) and 338 knives (+5.3%) were seized.

Geographically, and grouped by types of drug, it must be noted that seizures of cocaine hydrochloride were concentrated in the Metropolitan Region (28.9%), Arica and Parinacota Region (21%), and Tarapacá Region (20.2%). Arica and Parinacota has a border with Peru, and Tarapacá with Bolivia. As regards coca base paste, seizures were concentrated in the Antofagasta Region (40.8%), Metropolitan Region (26.5%), and Tarapacá (19.7%). As for processed marijuana, seizures were concentrated in the Metropolitan Region (21%), Antofagasta (40.2%), and the Coquimbo Region (10.1%). Regions concentrating the greatest seizures of marijuana plants are the Maule (35.3%), Libertador Bernardo O'Higgins (27.8%), and Valparaíso (16.8%). Most of the seizures of pharmaceuticals took place in the Metropolitan Region (70.2%).

Statistics from recent years enable detailed analysis of the evolution of seizures:

Type of drug (in kg and units)	Years					% variation		
	2008	2009	2010	2011	2012	2009/2010	2010/2011	2011/2012
Cocaine hydrochloride (kg)	2,940	2,654	2,808	1,941	2,438	5.8	-30.9	25.6
Coca base paste (kg)	6,567	5,696	7,128	7,059	9,572	25.1	-0.9	35.6
Marijuana (kg)	10,836	13,928	8,145	14,565	14,514	-41.5	78.8	-0.3
Marijuana plants (units)	281,723	196,412	172,618	266,015	235,428	-12.1	54.1	-11.5
Pharmaceuticals (units)	35,247	84,619	393,064	167,885	116,361	364.5	-57.3	-30.7
Heroin (kg)	0	0.1	0	0	0	-100	0	0

There are no detailed statistics on money laundering in relation with drug trafficking. Nevertheless, data from the Chilean government's Financial Analysis Unit reflects an increase in criminal cases for money laundering (74 cases in 2012), which are often directly related to drug trafficking.

#### 4.1.2. Evaluation of drug trafficking in Chile

Investigations carried out by the *Carabineros* OS-7 anti-drug group resulted in the discovery of the greatest cannabis plantation ever found in Chile. On 24 January 2013, on a hill near Valparaíso, *Carabineros* officers destroyed more than 13,000 *cannabis sativa* plants, enough to produce six tonnes of marijuana.

It must be noted that seizures, both of marijuana and of cannabis plants, have kept increasing from 2007 to 2011, and remained stable in 2012.

Type of drug (in kg and units)	Years						% variation in recent years				
	2007	2008	2009	2010	2011	2012	07/08	08/09	09/10	10/11	11/12
Marijuana (kg)	6,621	10,836	13,928	8,145	14,565	14,514	63.7	28.5	-41.5	78.8	-0.3
Marijuana plants (units)	215,816	281,723	196,412	172,618	266,015	235,428	30.5	-30.3	-12.1	54.1	-11.5

The Under-Secretary of the Interior and Public Safety disclosed the results of the implementation of the Northern Border Plan in the relevant regions, Arica-Parinacota, Tarapacá and Antofagasta, in 2012.

Out of nearly 27,000 kg (coca base paste, cocaine hydrochloride, and marijuana) seized throughout national territory, more than 50% (14,921 kg) correspond to the regions affected by the Northern Border Plan: 1,658 to Arica-Parinacota, 3,169 to Tarapacá, and 10,094 to Antofagasta. In the three regions where the plan is operating, in the past two years, the number of arrests made for violation of Act 20,000, which punishes illegal drug trafficking, grew by 165%, as compared with a 13% increase in the rest of the country. In the three regions affected by the implementation of said Plan, in 2012 drug seizures increased by 4.9% in Arica-Parinacota, by 90% in Tarapacá, and by 99% in Antofagasta, as compared with 2011.

## **4.2. Institutional framework**

The Northern Border Plan, created to curb drug trafficking in three of the country's regions (Arica-Parinacota, Tarapacá and Antofagasta), and which suffered a halt in investments due to the scandal of overcharges for the purchased equipment, was ratified in the Ministry of the Interior's public accounts on 20 December 2012. The Under-Secretary of the Interior declared that in 2013 more than US \$10 million would be invested in purchasing two fixed scanner arches for border crossing points, scanners for detecting drugs and explosives, and diverse equipment for vehicles, such as GPS, telecommunications, etc.

The results achieved, based on greater investment in technological equipment and ever-increasing coordination among *Carabineros*, the Investigative Police (PDI), the Directorate-General for the Maritime Territory and the Merchant Navy, Customs, and the Agricultural and Livestock Service (SAG), will be reflected in the Government's 2014 budget as a sharp increase in investments for combating drug trafficking. The Under-Secretary for the Interior has announced the forthcoming extension of the Plan to a fourth region, Atacama (a territory with a long border with Bolivia), because counter-narcotics intelligence reports are finding that organised crime is moving to this region, as the others are becoming more protected. Moreover, there is evidence that increased control on the borders with Bolivia, resulting from the Northern Border Plan, is leading to greater traffic on the borders with Argentina in the north of the country.

On the other hand, there has been no significant progress in the parliamentary procedure of the legislation on preventing drug consumption; nor have there been any advances in policies combating the diversion of medicines to drug consumption.

## **4.3. International cooperation**

In recent years, Spain, through the Spanish Agency for International Development Cooperation (AECID), had organised seminars at the Ibero-American Training Centres in Cartagena de Indias (Colombia), Santa Cruz de la Sierra (Bolivia), La Antigua (Guatemala), and Montevideo (Uruguay), aimed at staff from the Public Prosecution Service, *Carabineros*, and Investigative Police, which addressed, among other subjects, cooperation for managing the threat of drug trafficking and organised crime. These seminars have not been held in recent months.



In August 2013, Canada and Chile announced the beginning of a trilateral cooperation programme to support the police reform in Guatemala and El Salvador. Through its Anti-Crime Capacity Building Program, Canada will make a contribution of C\$215,000 for Chilean police officers to provide capacity-building for law enforcement officers in Guatemala and El Salvador, in order to help them perfect their investigation techniques in murder cases, which are generally related to drug trafficking, as well as perfect their evidence collection and analysis techniques.

#### **4.4. Conclusions and recommendations**

- Chile is a country which used to have moderate drug consumption; this drug consumption is growing sharply in recent years, as a result of the country's strong economic development: according to UNODC estimates, in 2013 Chile had South America's third-largest *per capita* marijuana and cocaine consumption. Except for small marijuana plantations, Chile is not a drug-producing country.
- Chile's weak point in combating drugs is determined by its porous border with cocaine-producing countries such as Peru and Bolivia. this is aggravated because, as a result of the 1904 Treaty, it is the sea outlet for Bolivian goods. The future inclusion of the Atacama Region in the Northern Border Plan will make Chile's borders with coca-producing countries less porous.
- Bolivian and Chilean authorities need to strengthen their cooperation, to prevent the leniency of Chilean ports in controlling containers aimed at exportation. It would be crucial for both countries to negotiate the drafting of a joint strategy to prevent the implementation of the 1904 Treaty from being a favourable mechanism for drug trafficking.
- It would also be very advisable to achieve effective operational cooperation between the police forces of Peru, Bolivia and Chile in order to carry out joint anti-drug operations, and to produce intelligence.
- As for chemical precursors—for which there is evidence of increasing traffic in Chile coming from Asia—it would be necessary to strengthen the mechanisms for registering the importers of such products, as well as the mechanisms for monitoring these products after they have been imported.

- The Chilean government continues to make important investments in its strategy against drug trafficking, and has announced a sharp increase in such investments for 2014.
- It is worth noting, in this regard, that the Presidency of Chile, and, consequently, the Ministry of the Interior and Public Safety and the Police Forces, are seriously committed to combating drugs, and this is reflected in its ever-increasing allocations, both to human resources and to materials.

## **5. COLOMBIA**

### **5.1. Introduction**

Despite certain statements by President Santos in favour of a new approach to combating drugs, so far no policy change has yet been defined in Colombia.

Regarding the most important events that have marked the debate on drug policy in recent months, it is worth mentioning the following:

- In early 2013, the Government presented two initiatives that seemed aimed at aligning domestic policy with the President's international discourse: on the one hand, the Advisory Commission on Drug Policy, and on the other, the draft National Statute on Drugs.
- The Advisory Commission was created in December 2012, with the mission of evaluating the anti-drug policy implemented so far, and making suggestions for its future course. Last May, the Commission presented a first report on the problem of use. Among other things, it proposed decriminalising the use of psychoactive substances, i.e. not treating addicts as criminals, and eliminating possible criminal penalties.
- As for the draft of a new National Statute on Drugs, this was presented in late January, although finally it was not submitted to Congress for approval. Noteworthy among its major guidelines is that it maintained the ban on drug production, but decriminalised the use of minimal doses (including synthetic drugs in this concept), in line with the current case law of the Constitutional Court, defining the use of narcotics as a public health problem. Judging by the information available when this report was written, the new Statute will not be on the legislative agenda in coming months.
- Finally, it is also worth mentioning that the problem of illicit drugs is scheduled to receive specific attention at the Peace Talks currently taking place in Havana between the government of Colombia and the FARC-EP (Revolutionary Armed Forces of Colombia—People's Army) guerrilla. It is included in item 4 of the agenda of what is known as the: "General Agreement to Terminate the Conflict and Build Stable and Lasting Peace", an item on which discussion has yet to begin.

## **5.2. Assessment of the anti-drug strategy of the Colombian authorities in the frameworks of institutions, production, demand and trafficking, including money laundering and chemical precursors**

### **5.2.1 *Institutional framework***

The Colombian Authorities' commitment remains clear and decisive in the fight against drug trafficking, which can be seen in this country in all its aspects: **production, use, trafficking and asset laundering**. Specifically, it must be clarified that:

- Actions aimed at eradicating illicit crops, destroying laboratories, conducting port and airport controls have continued, as well as at dismantling criminal organisations dedicated to drug trafficking, although with fewer results than in 2011.
- A substantial improvement in combating drug trafficking in all its facets would require closer collaboration with bordering countries, which is precisely where coca crops have increased, due to two basic factors: greater difficulties in manual control and eradication given the presence of the guerrilla, and the impossibility of eradication by spraying.
- In this regard, the creation and implementation of AMERIPOL may contribute significantly to collaboration between the police forces of the countries in the area, by creating central offices for analysis in Colombia, Ecuador, Peru, Bolivia, Panama and Brazil, a project promoted by the European Union.
- It must be pointed out that since 31 January 2011, there has been a Cooperation Programme between Latin America and the European Union on Drugs Policies (COPOLAD), funded by the European Commission.
- The United Nations Office on Drugs and Crime (UNODC) has an Integrated Illicit Crops Monitoring System (SIMCI), to follow up on the maps of illicit crops that are the basis for its annual report.
- A peace agreement with the guerrillas would significantly improve the conditions for the Colombian authorities to combat drug trafficking.
- To complete the description of this institutional framework, it is worth mentioning that the Colombian government has adopted effective legal instruments in this fight against drug trafficking. For example:

- Act 1453 on Public Safety, enacted on 24 June 2011, which in addition to amending the previous Act, also considerably increases sentences for narcotics possession or trafficking (up to 30 years); defines illegal trafficking in chemical precursors for manufacturing synthetic drugs as an offence; and regulates control over many chemical substances not included in international conventions.

### **5.2.2.      *Production***

It is well known that the true problem in Colombia lies in the growing and manufacturing of cocaine, presenting, together with Peru and Bolivia, the highest production figures in the world.

However, since 2007 there has been a marked decrease in the coca-growing areas of Colombia. Indeed, data available today show that in late 2012 the areas under coca cultivation continued to diminish, and in a very obvious manner. Areas under coca cultivation account for an estimated surface of 48,000 hectares, which, compared with nearly 64,000 hectares in 2011, means a 25% reduction.

Cocaine production in 2012 dropped to 309 mt, as opposed to the 345 mt produced in 2011, which also means a decrease of more than 10%.

The UNODC's Illicit Crop Monitoring Programme has been supporting the Colombian government in implementing and improving a Coca Crop Monitoring System since 1999. As of 2001, annual surveys have been carried out, covering the entire Colombian territory. Not only are they used for trend analysis, but also for designing policies and programmes.

### **5.2.3.      *Demand***

Demand control undoubtedly constitutes the most neglected aspect of Colombia's strategy for combating drugs. In recent times there has been a marked increase in domestic cocaine use.

In 2009 an Act was passed prohibiting consumers from possessing a "personal dose" of drugs, and including measures, yet to be implemented, regarding prevention and treatment for drug dependents.

However, as regards the minimal dose, it is worth noting that in 2011 several court rulings clarified the national legislative situation in this sense, by reaffirming that in Colombia, from a constitutional standpoint, it is not possible to penalise possession for use, even when referring to amounts larger than a personal dose.

#### **5.2.4.      *Trafficking (including money laundering and chemical precursors)***

As regards the fight against drug trafficking, 188,021 kg of cocaine were seized in 2012 either in Colombia or coming from Colombia, as opposed to the 155,832 kg seized in 2012. This constitutes a 21% increase. It must be observed that none of these calculations took into account the purity of the seizures.

- a) The trend in large-scale drug trafficking is marked by the following facts, most of which have already been stated in previous reports:
  - Consumers in the USA and Europe continue to be the major source of demand for cocaine.
  - Also worth underlining is the "great caches" or "storehouses" of cocaine installed in several African countries such as Guinea-Bissau, Guinea-Conakry, Senegal, Mauritania and Cape Verde, which are used as storage facilities for drugs whose final destination is European countries.
  - Drugs are carried to the United States through the Caribbean and the Central American corridor, on the one hand, and the Pacific on the other.
  - An important indicator of the effectiveness of the measures adopted by Colombia and other countries to combat cocaine production and trafficking is the purity with which cocaine reaches its destination. Indeed, the purity of the cocaine seized in the United States of America dropped from 85% in 2006 to 73% in 2011. Moreover, in 2000 only 20% or 30% of cocaine was already cut (i.e. mixed with adulterating substances) when it arrived in the USA, whereas today, more than 80% of it has already been cut at its origin.
- b) Small-scale drug trafficking is carried out through human couriers and courier companies, with specific characteristics, such as:
  - The destination of most of the cocaine seized at Colombian airports is Europe, perhaps due to stricter controls carried out by US authorities both at its origin and its destination.
  - The *modus operandi* has evolved in recent years: methods for camouflaging drugs have varied, and the nationality of the human couriers is mostly Colombian.

Furthermore, synthetic drugs have not yet reached the magnitude that they have in the European Union or the United States. However, in recent years there has been increased trafficking in these substances, which mainly come from Europe, according to the Colombian National Police.

As regards trafficking in chemical precursors used for the clandestine manufacturing of drugs, this is another problem that should be examined with greater scientific rigour and analysis, with a view to learning more about the origin and final destination of precursors.

Regarding the fight against asset laundering, a great step forward was Act 793 of 2002, which regulates the seizure of drug traffickers' assets and their administration by the C

## **6. ECUADOR**

### **6.1 Evaluation of the drug situation in Ecuador**

Ecuador is located in a region that has potential for cultivating, producing and selling narcotic and psychotropic substances. More specifically, due to its positioning between the two biggest producers of cocaine in the region, Columbia and Peru, drug trafficking organisations desire the expansion of their markets and related activities in Ecuador. The country has been a transit route for narcotics on their journey to the United States and Europe. Among the factors that have contributed to this situation are Ecuador's geographical position, a Justice Administration system notably affected by corruption, impunity and low levels of institutionalisation and the country's poorly coordinated monitoring bodies.

The analysis of the drug situation in Ecuador in the year 2013 confirms that transnational organised crime groups use the country as a storage centre and distribution platform for narcotics destined for regions of high consumption in North America and Europe, via airports and maritime ports or via Africa. An additional problem appears to be the establishment of international organised crime groups in the country (the presence of Mexican drug cartels is an object of concern). In spite of this, Ecuador's National Police Force continues its increasingly effective fight against prohibited substances.

The amount of drugs seized in the period covered by the study (first half of 2013, 25 tonnes and 275 kilos) is a reason for optimism and the reasonable projection that in the course of 2013 more illegal substances will be seized than in 2012. It is also necessary to point out other positive factors, such as, the ongoing intelligence sharing between the U.S. and Ecuador, and the presence of Colombian Military and Police Attachés in Quito and their Ecuadorian equivalents in Bogotá.

Regarding the internal consumption of illegal drugs, in general terms Ecuador has the same ranking as Peru, one of the countries in the region with the lowest levels of consumption. However, worrying signs continue to appear, such as the seizure of nearly four tonnes of marijuana destined for internal consumption as opposed to exportation.

The following factors related to the different aspects of the case in Ecuador should be highlighted:

a) **Sea trafficking**

Sea trafficking continues to be the predominantly method for transporting large quantities of drugs by means of containers (5,862 tonnes of drugs seized up to June 2013, 21 cases and 27 arrests; figures that still represent the highest percentage of the total, which continues to increase from previous year), barges, speedboats, fishing boats and logistical food and fuel suppliers (23,025 kilos, 1 case and 3 arrests). Drug shipments arrive from the coasts of southern Columbia, Northern Peru and Ecuador. The routes, covering a distance of approximately 2,200 nautical miles, starts from the Ecuadorian coast, passing through continental, insular and international bodies of water, before reaching the coasts of Mexico and the United States Transportation by means of containers via the Panama Canal, on a direct route to Europe or stopping in Sub-Saharan Africa, has also been detected.

b) **Trafficking by post and human couriers**

Drug traffickers and networks linked to organised crime are using this method to transport narcotics. The main destinations are the U.S. and Europe (via Spain and the Netherlands). Postal services (374 cases, 789,371 kilos of drugs seized and 24 arrests). Human couriers (119 cases, 1,350 tonnes of drugs seized and 139 arrests).

c) **Trafficking of chemical precursors**

The permeability of the northern and southern borders of Ecuador provides an exit route of chemical precursors destined for laboratories. This is particularly the case along the northern border with Columbia (provinces of Esmeraldas - by sea- and Sucumbíos - by waterways) and to a lesser degree along the border with Peru (province of El Oro). The seizure of 22,134 tonnes and of 1,928 litres of these substances in the first six months of 2013 demonstrates how the increase observed in the previous period has continued.

d) **Unlawful crops**

Detection and eradication of unlawful crops have considerably decreased (15 cases, 27,045 cocaine plants, 320,140 poppy plants and 3,666 marijuana plants).

e) **Unlawful drug laboratories**

In the period covered by the study, no clandestine laboratories of this kind were detected.

f) **Money-laundering**

Detailed and reliable information is not available for this section. However, Ecuador is generally perceived, due to the potential advantages of the dollarisation thereof, as being home to numerous money-laundering operations derived from organised crime, in particular, drug trafficking via businesses that falsify accounts, simulate remittances of migrants, real estate promotions etc. The Financial Analysis Unit or UIAF (linked to the Attorney General's Office) is helping to tackle Ecuador's drug problem by referring reports on detected operations and/or unusual and unjustified financial transactions to the Public Prosecutor (17 cases, US\$ 542,558 -129,800 false-, €254,530, 35,300,300 Colombian pesetas, 1,000 yuan and 18 arrests).

## **6.2. Anti-drug strategy for Ecuador within the institutional framework**

The expectations that the enactment of the new Ecuadorian Constitution, in force since October 2008, generated have still not been met, given that new legal norms aimed at improving instruments used in the fight against organised crime and particularly drug trafficking and related offences, remain to be enacted. The "Organic Code of Citizen Safety Bodies" bill is currently going through the National Assembly. The approval and implementation thereof will result in changes to the organisation of the Ecuador's National Police and the professional career thereof, in order to create a more efficient and coordinated institution, bringing it closer to the parameters of a modern police force at the service of citizens. The Act will also create the Civil Service for Offence Investigation in order to improve the technical and scientific capacity of said investigations in an attempt to significantly diminish prevailing impunity.



A new Integrated Organic Criminal Code is also being discussed at the National Assembly that will incorporate the Criminal Code, the Criminal Procedure Act and a series of specific acts such as the Act on Narcotic and Psychotropic Substances. Decriminalisation of the possession of certain quantities of drugs for private consumption is being considered in the context of the drawing up of this Act. However, the legal quantities proposed are relatively high in comparison to the legislation in other countries (e.g. 2 grams of cocaine).

Lastly, the ongoing reform of the Judiciary should produce important political improvements in the reduction of corruption, as well as yielding an increase in efficiency, in order to reduce the alarming rates of impunity for committing offences. Ecuador has low ratios between offences investigated and offences committed, with even lower incidences of convictions. The numerous cases of suspected criminals in custody who are released due to a sentence not being handed down within the maximum legal detention period are also a serious cause for concern.

The Ecuadorian Government seems determined to maintain a zero tolerance policy on the cultivation, processing and trafficking of narcotics. However, the table of maximum authorised quantities for consumption, approved in June 2013 by the CONSEP (Narcotic and Psychotropic Substances Control Board) but not of mandatory application, has generated confusion and concern (some of the permitted quantities are very high; e.g. 1 gram of cocaine) among various national and foreign institutions.

With regard to money laundering, although there is still much progress to be made, it should be noted that Ecuador has achieved significant advances in terms of legislation and monitoring procedures. Above all, Ecuadorian authorities have pledged their political commitment after Ecuador's inclusion and subsequent removal from the list of jurisdictions with serious failings in their fight against money laundering and the financing of terrorism complied by the Financial Action Task Force (FATF). A bill to reform the Act to Repress Money Laundering already exists and a Plan of Action has been approved by the National Council on Money Laundering (CONCLA) that addresses some of the detected strategic failings.

Coordination between judges, prosecutors, the CONSEP (Narcotic and Psychotropic Substances Control Board) and the National Police remains insufficient.

While improvements to the efficiency of the fight against drugs existing Ecuadorian territory have been achieved, similar progress has not been observed in relation to drugs entering the country. In this context, in the first half of 2013 the Interior Minister expressed the government's desire to reduce the supply and demand from an integral perspective. Guayas, Pichincha, Manabí and El Oro are the provinces with the highest rates of micro-trafficking.

Significant advances in relation to reducing demand do not appear to be yielding success either; an increase in the consumption of drugs has been recorded, despite projects such as "Integral Prevention of Drugs in Urban Communities" or preventative campaigns to reduce demand being carried by the National Police itself ("14 million of us against drugs and in favour of citizen safety" or "Friends of the Police against drugs").

### **6.3. International cooperation**

Cooperation between member countries of the Dublin Group in the Republic of Ecuador can be considered significant, particularly within the field of training. The performance of the European Commission and the UNODC (United Nations Office on Drugs and Crime), and the bilateral cooperation of the United States (**Pilot project of Judges specialised in drug trafficking related offences in the city of Cuenca**), Canada, France, Spain, the United Kingdom, Italy, Germany and Netherlands should be noted.

In the course of 2013, numerous courses and seminars have also been held. It would be necessary to urge Ecuadorian authorities to select beneficiaries of courses, seminars and internships according to the profiles proposed by the aforesaid organisers, and to commit to capitalising on the activities rendered by the latter and investing the results in the creation of jobs, in agreement with said institutions. Furthermore, important bi-regional meetings have been held in Quito such as the CELAC-EU dialogue (European Union-Community of Latin American and Caribbean States): the XV CELAC-E.U. High-Level Meeting on the Coordination and Cooperation of Mechanisms in the Fight Against Drugs and the III Annual Conference on the COPOLAD programme (Cooperation Programme between Latin America and the European Union on Drugs Policies) in which 13 delegates from the EU Member States participated to share preventative strategies).

In terms of operations, the collaborations undertaken can be considered satisfactory with intelligence sharing and joint operations having been successfully carried out. The aforementioned notwithstanding, intensification of training in good governance and operations, contributing to the resources needed and supporting the creation of specific anti-narcotic bodies, is required. The fact that Ecuador has managed to be the first to make a National Office available to Ameripol- inaugurated in February 2013 with technical and operations already in place- ought to be given due recognition.

#### **6.4. Conclusions and recommendations**

The conclusions and recommendations formulated in the October 2012 report remain valid.

- a) Continue supporting Ecuador's fight against drugs by means of financial contributions for the acquisition of technological monitoring systems and the providing of specialised training programmes for the Law Enforcement Agencies in charge of the fight against drug trafficking. Prioritise contributions to training in the field of the monitoring and persecution of money laundering.
- b) Reaffirm the desirability of improved coordination between member countries of the Dublin Group in their bilateral collaborations with the Ecuadorian State, avoiding duplications that impair the efficiency thereof. Specifically in the case of the EU, cooperation and coordination formulas for the organisation of seminars, courses etc. are necessary, entrusting the implementation thereof to specialists of the member countries that want to participate.
- c) **Offer advice on legislative reforms (Integral Criminal Code, legislation on money laundering) and pending and future organisational reforms.**
- d) **Urge Ecuador to exercise more control of the country's port infrastructures, in particular the Port of Guayaquil,** and of other relevant institutions that minimise cases of existing corruption. Implement the slogan "Zero impunity against corruption".
- e) Remind Ecuadorian authorities of the desirability of coordination between the CONSEP and the relevant Ministries in order to step up and improve citizen awareness campaigns against drugs, in an attempt to reduce demand via actions directed at parental and neighbourhood associations, colleges and other teaching centres.

## 7. PARAGUAY

### 7.1. General situation

Despite recent efforts, Paraguay continues to present a number of **challenges** involving drug trafficking.

For one thing, it is a **producer country**. Paraguay is one of the largest marijuana producers in South America. A large proportion of the cannabis in the Southern Cone comes from this country, whose principal market is Brazil, to which 80% of this production is sent. The Paraguayan marijuana that arrives in Europe and the USA is also mainly redistributed from Brazil, although sometimes it comes into Europe via South Africa. Small-scale deliveries are being detected with a certain frequency, camouflaged in gifts or handcrafts, through courier services, drug mules, or "swallowers".

But above all, Paraguay is a key **country of transit**. This is especially the case for cocaine coming from Bolivia, Peru and Colombia moving towards Brazil and other Southern Cone markets, as well as towards Europe, Africa, the Middle East and, to a small extent, the USA. All of this is favoured by the porousness of its long borders, the lack of government control at many points, and the high level of corruption in the police and the legal system.

Exponential growth is being seen in Paraguay for the **small-scale sale and consumption of "basic paste"** (crack coming mainly from Peru and Bolivia) in the city centres, which has become an important family business in slum areas. Thus, within the total population being treated for drug consumption, those affected by crack have gone from 3.6% in 2005 to 46% in 2012. This is also causing overcrowding in prisons. For example, the largest penitentiary in the country, Tacumbú, receives 30 new inmates a day, of whom 60% are young drug addicts.

## 7.2. Institutional framework

The fight against drug trafficking is managed and implemented mainly by the National Anti-Drug Secretariat (**SENAD**), which has the status of a ministry and is directly under the aegis of the Presidency of the Republic. Other agencies active here include: SEPRELAD (Secretariat for the Prevention of Money Laundering)<sup>1</sup>, the National Police, Armed Forces and/or the Public Prosecution Service.

In any case, the institutional framework devoted to the fight against drug trafficking in Paraguay suffers from the **same problems** affecting the rest of the public administration: lack of resources (both human and material), undertrained staff, no culture of planning, and highly deficient coordination. However, noteworthy efforts are going on.

Finally, it is worth highlighting that Paraguay has formed part of the Egmont group, since its readmission in 2005 in acknowledgment of the designation of SEPRELAD as its sole Financial Investigation Unit (FIU), and its efforts to consolidate that agency's capacity to carry out financial investigations. The approval of the "Counter-Terrorism Act" (Act no. 4024/10) has contributed to consolidating Paraguay's membership both in the Egmont Group and the FATF.

### *Actions of the Paraguayan authorities in the past year*

After the April 2013 elections, there have been changes at the top of the SENAD, with Luis Rojas being appointed as the new Minister. For its part, the former Minister of SENAD, Francisco José de Vargas, has gone on to take the position of Minister of the Interior.

The new SENAD officials, although they will continue to work on the supply side, aim to prioritise prevention, treatment and rehabilitation, so they intend to promote greater coordination with other agencies, such as the Ministry of Health. In this area, informative talks, training seminars, and educational materials are being provided to schools and social centres. Moreover, they consider development cooperation to be essential, whether in the form of training and capacity-building or agricultural development, offering those who have fallen into drug trafficking and production an alternative way of making a living.

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<sup>1</sup> The multi-million smuggling taking place on the triple border located at Ciudad del Este favours a notable amount of **money laundering** linked to drug trafficking. Likewise, the **fight against terrorist financing**—including 3+1 cooperation (Argentina, Brazil, Paraguay and the USA) on the Triple Border—is indirectly assisting the fight against money laundering tied to drug trafficking.

As to prosecution, in the past 12 months (July 2012 to June 2013), there has been a notable increase in the volume of seizures. The amount of cocaine seized has risen to more than 3,885 kg, a 283% increase over the previous year. The amount of marijuana seized has reached 368,821 kg, a 36% increase over the previous year. Moreover, 2,024 hectares of marijuana crops have been destroyed (310% more than the previous year). However, marijuana growing continues to rise, especially on the border with Brazil. Likewise, the fight against the diversion of chemical precursors, mainly sulphuric acid and potassium permanganate, has also intensified.

Lastly, in the fight against money laundering, another noteworthy development is the presentation in June 2012 of the National Strategic Plan for the prevention of money laundering.

### **7.3. International cooperation with Dublin Group members**

International cooperation is an essential component in Paraguayan authorities' efforts to combat drug trafficking <sup>2</sup>.

To date, the following events are the most noteworthy:

- **Germany.** Its main contribution in this area is being made through its financial support for the UNODC Comprehensive National Plan sub-programme 2—countering corruption and reforming the criminal justice system—which has a cross-cutting component in combating drug trafficking. Germany has offered to send experts through the Senior Expert Service (SES) to assist the SENAD and provide training and capacity-building courses to its officials and agents.
- **The United States** is cooperating through purchasing equipment, offering capacity-building and technical assistance in prevention, and supporting specific projects, such as the SENAD's canine unit, and infrastructure construction. The USA likewise supports the National Addictions Centre, providing medicines and other supplies. Lastly, in August 2013 a technical seminar on financial investigation was held, with the involvement of representatives from Paraguay, Argentina, and Brazil.

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<sup>2</sup> The SENAD carries out Joint actions with the Brazilian Federal Police and has good relations with the Chilean Gendarmerie, with the Argentinean Police and Gendarmerie, with the Bolivian Police, and with Taiwan.

- **Spain:** There is ongoing operational cooperation between Spain's Ministry of the Interior, the SENAD, and the National Police of Paraguay. Spain's cooperative efforts are also focused on training. In September 2013, two seminars are being held in Cartagena de Indias, to which representatives of the SENAD and the National Police have been invited, to work on strategic information management and the importance of international cooperation in preventing and combating trafficking offences.
- **France:** In June 2013, a regional seminar was held in Argentina on operational analysis in legal investigations of drug trafficking offences, to which two representatives from Paraguay were invited.
- **Italy:** It signed a Cooperation Agreement with Paraguay in 2002 to combat organised crime in 2002, which was ratified on 23 August 2010. The security expert from the SENAD and the Central Directorate for Anti-Drug Services at the Italian Embassy in La Paz carry out international cooperation activities aimed at combating drug trafficking through a fruitful and ongoing exchange of information. From 17 to 21 September 2012, the Central Directorate for Anti-Drug Services of the Ministry of the Interior in Rome invited two SENAD officials to the 22<sup>nd</sup> course for "Heads of Specialised Anti-Drug Units". Participants in this course included the Director of Intelligence and the Brigade Director of the SENAD at Asunción Airport.
- **Japan:** It has no specific anti-drug cooperation agreements. There has been an agreement since 2009 between the Japan Financial Intelligence Center (JAFIC) and the SEPRELAD to facilitate information exchange in investigations on money laundering, terrorist financing and related criminal offences.
- **United Kingdom:** Due to the recent opening of the Embassy, it is still not in a position to provide information.
- **European Commission.** It implements and finances different programmes connected to this area, on a regional scale. Specifically, Paraguay is currently participating in the COPOLAD and Cocaine Route II programmes. In May 2011, the EU organised, with the USA, an international symposium on "Dismantling Cross-Border Illegal Networks". Work on its implementation is currently underway.

- **UNODC:** On 20 October 2011, it signed with the Government of Paraguay the *Comprehensive National Plan*, based on three pillars: fighting organised crime; transparency and access to justice; treatment and reduction of demand for drugs. The second of these has had the greatest level of implementation. One of its components is prison reform, which they hope to take up with the new officials starting in October. The first pillar's actions have been limited, for the time being, to the system for controlling containers. Likewise, a project has been carried out, with US funding, which has made it possible to have, for the first time, real statistics on the 87 existing treatment centres in Paraguay. Lastly, in September a meeting is scheduled of the Inter-Institutional Technical Committee, to determine the lines to follow over the next few years within the framework of the Comprehensive National Plan.

#### 7.4. Recommendations

The **recommendations made** in the previous *reports* remain in force:

- **Improving institutional coordination** in this area, and the support of the police and the Public Prosecution Service for SENAD's activities, as well as increasing the means, both financial and technical, provided to them.
- Promoting **alternative crops** through international cooperation projects.
- **Expanding specialised capacity-building** at the graduate and post-graduate levels for staff dedicated to reducing drug demand in the country.
- **Expanding the coverage of evidence-based prevention programmes** in schools, expanding the involvement of organised civil society within the framework of shared responsibility.
- Conducting regular **studies** in key populations (schools, households, emergency centres, prisons, treatment centres) on the prevalence and trends in drug **consumption**, as well as the associated risk factors.
- **Increasing** the human resources of the **Anti-Drug Public Prosecution Service** to strengthen drug trafficking investigation efforts.
- At the latest meeting, emphasis was laid on the SENAD's difficulty in **dealing with the material seized in operations** (whose value last year rose to 6 million dollars), as well as the importance of reliable statistics. The possibility was likewise examined of having the SENAD send its regular reports to Mini Dublin members.



## **8. PERU**

The new National Strategy on the fight against drugs 2012-2016 (ENLD) was approved in February 2012 and is the guiding document which establishes the orientation of the Peruvian Government's action to combat drug trafficking. Over a year has elapsed since the strategy came into force and it can be stated that it is working well. Peru is devoting more resources to the issue and is taking it on as its own. There is a visible leadership, and the National Commission for Development and Life without Drugs (DEVIDA) has been reinforced as the governing body.

The Strategy has determined to improve results through an integral approach that encompasses all aspects of the problem (eradication, alternative development, control, rehabilitation and prevention), and it establishes clear and precise goals and indicators, tackling important issues like money laundering in a novel way. Progress has been made since its entry into force. Thus, in 2012, 14,234 hectares were eradicated, achieving the foreseen goal. In 2013 the aim is to eradicate 22,000 hectares. It is very positive that these actions are being complemented with alternative development actions, and that no significant social unrest has been registered. The approval of new relevant legislation, such as the new decrees against money laundering and asset forfeiture must also be highlighted.

### **8.1. General situation of the country:**

#### **a) Coca leaf, PBC and cocaine hydrochloride**

The production of dry coca leaf in terms of net area in Peru diminished in 2012 (60,400 Has) with regard to 2011 (62,500 Has) for the first time after seven years of continuous growth. This figure includes the extension of coca leaf production directly linked to drug trafficking, as well as the extension with production destined to traditional use. This is a very significant reduction because it shows that the political decisions adopted by the Peruvian Government are correctly oriented.

According to UNODC data, the potential production of dry coca leaf amounted to 128,739 MT up to 31 December, 2012 (1,9% less than in 2011). The potential production of cocaine has not yet been determined, as conversion factors are still under revision. It must be noted that 9,000 MT of dry coca leaf would correspond to the traditional consumption of "masticado".

The largest concentrations of coca cultivation in Peru are still being registered in the VRAEM basin (19,965 Has), La Convención y Lares (12,558 Has) and the Alto Huallaga (9,509 Has). Eradication actions of CORAH in Alto Huallaga and Aguaytía have reached 14,234 Has.

By areas of production, Bajo Amazonas has registered a worrying 73% growth, and Palcazú-Pichis-Pachitea 25,7%. On the other hand, Alto Huallaga decreased its area by 23,4% and the Aguaytía region by 31,5%

The average estimated price for 2012 was US\$ 3,3 per kilo of dry coca leaf (just as in 2011). In reference to cocaine hydrochloride the average price registered in Peru for 2012 was 3,1% lower than in 2011, reaching 993 dollars per kilo.

The reported eradication of coca cultivation in 2012 is 14,234 Has (38,3% higher than in 2011). Seizures registered amounted to 19,967 kgs (40,9% higher); and the seizures of cocaine clorhidrate reached 12,677 kgs (17,8% more than in 2011).

During the last ten years international drug trafficking has modified its mode of intervention. Since 2000, the transport of drug from production areas is being executed and supervised fundamentally by national and foreign traffickers and the drug is being transported by cargachos or mochileros. To this end, they use all the road network and existing pathways, having as their final destination intermediate cities, generally located in the Andean region. Later, they head to cities in the coast or located on border areas, where the shipments hired by international cartels are prepared.

Currently drug traffickers use various exit methods. One of these is by sea (through the creation and use of export companies as a facade, camouflaging the merchandise in the numerous containers that depart the different ports of the country daily. However, it is also estimated that a great part of the drug exits the country by land, through neighbouring countries. Drug traffickers increasing use of illegal planes by way of clandestine runways is a source of great concern. The armed forces of Peru are being active and have destroyed some of these in recent times. A very significant amount of drug is now considered to be leaving the country to neighboring countries through these illegal flights.

#### **b) Amapola and other opiates**

There are no official statistics. The scarce existing data do not allow a proper and precise diagnosis of this problem, although cultivations are expanding in the North of the country.

c) **General situation of drug consumption in Peru**

According to a study conducted by CEDRO in 2013, illegal drugs with greater life prevalence in Peru are marihuana (7,5%), PBC (2,9%) and cocaine (2,4%). It is a serious situation, since the population has access to drugs at low prices and through various distribution points. According to DEVIDA, 106,000 Peruvians that consume illicit drugs need some kind of treatment urgently to combat their addiction, and this certainly requires a greater attention by the authorities.

d) **Main lines and results in the fight against drug trafficking**

d-1.- **Eradication:** In 2012, 14,234 Has were eradicated, slightly above the goal initially established in the National Strategy. A great achievement in 2013 has been the almost total eradication in one of the main coca areas, the Monzon (Huanuco), with 7,000 Has eradicated. Progress has not yet been significant in the VRAEM, one of the most conflictive coca areas. However, the Peruvian Government has shown its intention to act there soon. Intervening in the VRAEM is very complicated, due to the presence of members of Sendero Luminoso active in the region, although the Peruvian Government has recently registered some successful actions in its fight against these units. The Government's goal for 2013 is to eradicate 22,000 Has, with progress already being made.

d.2.- **Interdiction and seizures:** In 2012, 19,698 Kgs of PBC were seized (compared to 13,975 kgs in 2011), as well as 12,676 Kgs of cocaine hydrochloride (10,758 kgs in 2011) and 71,4 kgs of poppy latex (compared to 4,21 kgs). As regards chemical precursors, 1,930,577 Kgs of substances were seized. Furthermore, 2,157 PBC maceration pits as well as 26 cocaine hydrochloride processing laboratories were also intervened. The National Commission of Seized Assets (CONABI) has conducted substantial work in 2013, through the execution of public auctions. The arrest of "burriers" or drug mules, especially through Peru's international airport, continues to increase.

## **8.2. Institutional framework**

### **a) Political framework**

The National Strategy 2012-2016 establishes the general strategic objective of reducing, in a drastic and sustained manner, the illicit traffic and consumption of drugs, as well as its negative social, political, economic, cultural and environmental impact, incorporating producers of illegal crops to the legal economy. Within this general concept, there are four great strategic objectives:

1. Strategic objective of integral and sustainable alternative development through the improvement of conditions that will enable the population to abandon illicit coca cultivation
2. Strategic objective of interdiction and criminal punishment, through a significant reduction of the production and illicit traffic of drugs and its related crimes, disarticulating and submitting to the judiciary organizations which are linked to organized crime. A larger detection and investigation of operations linked to money laundering is also foreseen.
3. Strategic objective of prevention and rehabilitation, decreasing the consumption of drugs at the national level, through preventive and therapeutic interventions.
4. The National Strategy comprises a strategic objective of global commitment, within the framework of the principle of shared responsibility.

The Strategy also includes ambitious goals and follow-up indicators. If projections are fulfilled, important achievements could be made in the fight against drug trafficking (for instance, the goal is to yearly reduce the number of eradicated hectares of illicit coca leaf, from 10,290 Has in 2011 to 30,000 Has in 2016). However, there are areas in which the means to be used by the Peruvian authorities in order to reach the proposed goals are not clearly defined, and were the Strategy could perhaps be fine-tuned.

### **b) Main institutions**

DEVIDA is in charge of the implementation of the National Strategy and it is designed to function as the governing body in the fight against drugs in Peru. DEVIDA depends from the Presidency of the Council of Ministers. There is an Executive President in charge of DEVIDA, who currently is Ms. Carmen Masías.

There is a variety of actors directly or indirectly involved in the fight against drugs in Peru. These include the Ministry of Interior, the Ministry of Defense, SUNAT, the Ministry of Agriculture, the Ministry of Justice, the Ministry of External Affairs, and the Ministry of Health, which has created the National Network for the Comprehensive Treatment of health problems directly linked to the abuse and dependence of alcohol and drugs. ENACO S.A. is the public company in charge of commercializing and industrializing coca leaf and its derivatives, and manages a database of registered legal producers of coca leaf. Other actors with responsibility in this area are the National Commission for Seized Assets, Regional Governments, Local Governments, the judiciary, the Attorney General and Congress (Defence, Internal Order, Intelligence, Alternative Development and Fight against Drugs Commission). Special Project CORAH (Control and Reduction of coca cultivation in Alto Huallaga) should be added, that depends from the Office of Drug Control of the Ministry of Interior, the Superintendencia de Banca, Seguros y AFP-SBS, and the Unit of Financial Intelligence.

Given this diversity of actors, it is essential that DEVIDA has sufficient political support to be able to act strongly as governing body and to carry out its coordination functions appropriately.

**c) Legal framework and main new legislative measures approved in 2012 and 2013**

The Peruvian Government's political will to reinforce the fight against drugs has been visible in some legislative measures which have been approved. The following are noteworthy: Legislative Decree for the efficient fight against money laundering and other related crimes linked to illegal mining and organized crime; Legislative Decree that modifies the legislation on asset forfeiture; Legislative Decree that establishes measures for controlling chemical precursors and controlled products, machinery and equipment used to elaborate illicit drugs; and the Regulation of the Law for the establishment and operation of Rehabilitation Centers, which operate under the modality of therapeutic communities. It is important to highlight that the new Law against Organized Crime passed in 2013 increases law enforcement's resources to combat drug trafficking.

### **8.3. International cooperation**

International cooperation has continued supporting various programs, especially in the areas of alternative development, conservation of the environment and the recovery of degraded ecosystems. The work of UNODC is very significant, as well as the financing of the US Government (averaging 60 million US dollars a year, during the course of the last five years), of the European Union (it has approved a project for financial aid amounting 32,2 million euros, destined to support the Peruvian Government in the implementation of its National Strategy 2012-2016, and it is foreseen to be signed by the end of 2013; the EU also has an alternative development project in Satipo for 8 million euros), and various member States such as Japan. The OAS provides support through CICAD for the Programme for Institutional Reinforcement of the National Drug Commissions in Latin America, which has Spanish financing. A study of conversion factors of coca leaf into cocaine hydrochloride has been undertaken with the financial support of France and through cooperation between DEVIDA and UNODC.

At the regional level, Peru is strengthening its cooperation with its neighbors. Much progress has been made at both the bilateral and trilateral level with countries such as Bolivia or Brazil. Brazil is an essential country, being the first consumer of Peruvian coca leaf. UNODC is also implementing a EU project amounting to 6,5 million euros to combat the demand of illegal drugs in the four countries of the Andean Community. Lima has also hosted the International Summit on the Development of Alternative Crops in November 2012.

### **8.4. Recommendations**

- The Group congratulates the Peruvian Government on the good beginning of the new National Strategy 2012-2016, and in particular for the fulfillment of many of its goals, as well as for the fact that the Government is devoting many more resources than in the past to the fight against drugs. The Group considers that a real and positive impact will be seen in the coming years.
- The Group encourages the Peruvian Government to institutionalize at the highest level the authority of the governing body in the fight against drugs and to reinforce all Ministries and public entities with responsibility in this field, in order to count with a compact state apparatus, well coordinated, efficient and with adequate financial resources. The Group considers that for the National Strategy to be successful, it is essential that the different relevant Ministries have the capacity to fully meet their responsibilities.

- The Group encourages the Peruvian Government to continue pursuing efforts so that the governing body in the fight against drugs consolidates its position, increasing its authority, its leadership role and its budget in order to achieve a better coordination of all relevant Ministries and institutions.
- The Dublin Group thanks DEVIDA for the information that it is regularly providing on the results –fulfillment of goals and evolution of follow-up indicators- which are being obtained in the implementation of the new National Strategy, and it encourages it to continue doing so.
- The Group congratulates the Peruvian Government for its success in the eradication of crops which has been carried out in the Alto Huallaga, which has been accompanied by the development of alternative crops, and it highlights the importance of its future actions in the VRAEM region, where terrorism linked to drug trafficking is still very active. The Group encourages Peru to follow in this area a multisectoral approach, contemplating all economic, social, law enforcement and military aspects of the problem.
- The Group maintains its recommendation to increase technical support - national and international- to all entities involved in the fight against drug trafficking, although using some efficiency criteria. One of the main problems is the excessive rotation of high ranking police officials, which can sometimes complicate both dialogue and the training of cadres. At the same time, technical assistance in other sectors should be reinforced, such as in the acquisition of materials/supplies, in which the established procedures hinder the Government's efficiency.
- Reinforce training of judges, district attorneys, lawyers, public defenders and the penal system in general in order to carry through in-depth investigations, given that in cases against drug traffickers they must often confront well paid, prepared and equipped teams of lawyers. In this case the rotation of personnel is not as high as in the police field, but adequate measures for the efficiency of these actions are also recommended.
- The Group recognizes the efforts carried out this year by the Peruvian Government in the fight against corruption, intimately linked to drug trafficking, but it recommends that it combat the penetration of drug traffickers to public authorities with the greatest possible intensity.
- The Group considers that the Peruvian Government's political will has been decisive on the implementation of the study of conversion factors of coca leaf into cocaine hydrochloride, and we encourage the early approval of the supreme decree which will allow the implementation of the simulation work of the processes of transformation of coca leaf into cocaine hydrochloride in the field.

- Following the principle of shared responsibility, and taking into account the appropriate implementation of the National Strategy and the fact that Peru continues being an important factor in global drug trafficking due to its condition as producer, the Group considers that member countries must keep providing international cooperation to Peru in this area, increasing their resources as far as possible. The Group also congratulates Peru for its growing international cooperation with neighbor countries in the fight against drugs.

## 9. URUGUAY

### 9.1. General situation

International trends in narcotics trafficking passing through Uruguay are holding steady: mainly cocaine heading for Europe and the United States, with the emergence of new routes towards Africa and East Asia.

The two main trafficking points are Montevideo's international airport (essentially, using "mules"), as well as the city's port, a natural entry station for merchandise going to Paraguay by road. In recent months, a re-emergence has been detected of trafficking to and from neighbouring countries using small aircraft, which makes it necessary to strengthen airspace control.

Apparently, cartels have yet to appear in Uruguay; nevertheless, the arrival of members of Mexican and Colombian organisations is being detected, as well as a higher degree of operational specialisation and modernisation in their structure, in addition to the use of traditional smuggling methods.

Evaluations carried out during the last two years as part of the PRELAC Project show that there are still gaps in the monitoring of chemical precursors, and their possible deviation towards third countries.

As regards **controlling supply**, final data for 2012 from the National Drug Council (*Junta Nacional de Drogas*, or JND) show steady growth in the percentage of **prosecutions/arrests** in the 200-2012 historical series. For this last year, the ratio is calculated at 41.64% of the 2,236 arrested (approximately 400 more than the previous year).

Seizures of marijuana are similar to those of 2011 (approximately 2 t), whereas those of cocaine (685 kg) have ticked up compared with 2011 and 2010, although without reaching the levels of 2008-2009. Seizures of coca paste continue to rise.



As to **consumption**, findings from national and international statistics indicate that **alcohol continues to be the most widely consumed drug in the country**, with a 74% prevalence of consumption in the last 12 months. Unlike the case with tobacco products, whose consumption is dropping, a significant increase, of 7.5%, can be seen in alcohol consumption, compared with the 2006 figure. It is estimated that there are approximately 260,00 problem drinkers, and that the age of first consumption is around 13 years old.

According to the UNODC's World Drug Report 2012, the prevalence of **cocaine consumption** in South America remains high (0.7%). In the case of Uruguay, figures from the JND indicate a 1.9% prevalence in the last 12 months. The rise in consumption for 13-to-17-year-olds during the 2005-2011 period gives cause for concern.

The consumption of **coca paste** has been spreading in the Southern Cone over the last 10 years, although its prevalence in Uruguay (around 1.1%) is still less than in countries from the Andean region. There is also concern regarding consumption of **synthetic drugs**, which in the case of ecstasy has risen from a prevalence of 0.7% in 2006 to 1.5% today.

What was stated in the last report must be repeated. **Citizen insecurity** continues to be perceived with growing concern by the public, and closely identified with trafficking and consumption of illegal substances. The JND confirms the persistence of forms of violence hitherto unknown in the country, such as the *sicariato* (hired killers) and score-settling. The Executive's response has been to draw up the "Strategy for Living and Coexistence" (June 2012), which resulted in the new laws dealt with in the next section.

## **9.2. Institutional framework**

There are no major changes in the institutional framework. At the proposal of the JND, the creation of an inter-departmental **Directorate of Chemical Substances** is currently under study, with the aim of strengthening controls of chemical precursors in the internal market. This is a consequence of Uruguay's joining the second phase of the PRELAC Project in 2012, which will make it possible to increase controls in the phase of distributing the final product, complementary to those already established on imports and exports by the National Directorate for Customs, and on the authorisation and control of productive processes by the Ministry of Public Health.

On the legislative level, noteworthy developments include the Executive's sending to Parliament of a bill targeting the regulation and control of **alcohol consumption and distribution**, as well as a bill, already approved by the House of Representatives, on **marijuana regulation, trade and consumption**.

Regarding the latter, on August 1 the House of Representatives approved a bill submitted by the Executive. The purpose of this Act would be for the State to control and regulate all activities related to cannabis and cannabis derivatives, as well as with hemp, when appropriate. The JND confirmed that it does not expect substantial changes to the Act as it moves through the Senate, and it should be approved in two or three months. The process of drafting and approving the corresponding regulations developing the Act will foreseeably last another year.

The Act arose from the ongoing debate regarding anti-drug policy, which has been especially intense in Latin America, and from the government's conviction that the policies carried out to date have been ineffective in stemming the negative health and social impact associated with marijuana consumption, as well as resulting in the criminalisation of users, in addition to excluding them from healthcare and treatment networks.

The criticism that this bill has generated in different international organisations should not be ignored, especially those of the International Narcotics Control Board (INCB), which has advocated compliance with international regulations in this area and expressed concern for the effect that new national legislation could have on public health.

Lastly, the bill debated in the parliamentary committee last year, referring to the **compulsory internment of addicts**, was finally dismissed.

Concerning **assets laundering**, in August 2012 the National Strategy and Action Plan combating Assets Laundering and Financing of Terrorism was approved, and the implementation of the Financial Action Task Force (FATF) and the International Monetary Fund (IMF) recommendations continues to expand. Uruguay currently holds the presidency of the Financial Action Task Force of South America (GAFISUD).

### 9.3. International cooperation

The JND's international cooperation goals include national capacity-building to comprehensively tackle a "globalised and transnational problem", managing offers of technical and financial cooperation which contribute to Uruguay's national strategy, and representing the country in forums for scientific and institutional exchange.

The following international cooperation projects may be cited in this context: The CICAD-OAS SAVIA-DRUGS Project (Health and Life in the Americas) supporting the development of local actions to reduce drug use and regional cooperation; the COPOLAD Cooperation Programme on Drugs Policies between Latin America and the European Union; the Sub-regional System of Information and Research on Drugs Project (UNODC-CICAD-OAS); the Drug Abuse Prevention in the Workplace and the Family Project of the UNODC in Brazil and the Southern Cone; and the UNODC Global SMART Programme (Canada).

### 9.4. Recommendations

- Move forward with the inter-departmental cooperation launched by the Government in recent months.
- Maintain the institutional strengthening and technical capacity-building programmes in police and legal circles.
- While recognising Uruguay's efforts on assets laundering, the country should stay the course on the recommendations made by the IMF and the FATF.
- Keep up Uruguay's efforts regarding control of chemical precursors, with the goal of avoiding their deviation to third countries.
- Concerning the bill on regulating the marijuana market, it is recommended that they step up contacts with the specialised international bodies that have expressed doubts concerning the new regulation and its compatibility with international laws in this area.

## **10. VENEZUELA**

### **10.1. General situation**

#### **a) Drugs**

Overall data concerning drug trafficking have not been made available by the competent agency, i.e., in the case of Venezuela, the National Anti-Drug Office and consequently cannot be accessed.

Through the press we have been made aware that, in the first half of the year, more than 25 tonnes of drugs were seized, 7 tonnes more than in the same period of 2012.

#### **b) Detainees**

With reference to arrested persons, the situation has not changed, according to the official figures. In the first half of the year, 4,470 individuals involved in drug trafficking were arrested, without a breakdown by nationality being made available. Nevertheless, the countries taking part in the meeting provided the following data:

In the case of Spain, it continues being the country out of those belonging to the Dublin Group which has had more citizens arrested, as at 31 August 2013, 8 Spanish citizens had been arrested (one was released due to errors in the arrest and one died in prison). There are 53 Spanish citizens in prison due to drug trafficking. A Spanish citizen has been extradited.

During 2013, two Italian citizens were arrested for drug trafficking, with 6 being in prison. There are 13 Portuguese citizens in jail, as well as 1 from Japan and 5 from France whilst none from Austria.

### **10.2. Institutional framework**

With the swearing in of the new Venezuelan Administration, after the election on 14 April 2013, a series of changes occurred in the ministerial structures.

The ONA (National Anti-Drug Office), which formerly reported to the Ministry of Interior Affairs and Justice, started reporting to the Executive Vice-Presidency as from April 2013, and was again re-assigned in May, to the Ministry of the People's Power for Interior Relations, Justice and Peace.

At the beginning, the Director of this Office continued being the Brigadier- General of the National Bolivarian Guard (GNB), Néstor-Luis REVEROL TORRES, being replaced, on 23 May, by the Brigadier- General of the National Bolivarian Guard (GNB), Alejandro Constantino KELERIS BUCARITO, President, with the rank of Director- General, in charge of the ONA (National Anti-Drug Office).

In October 2012, the implementation of National Anti-Drug Plan of the Fatherland 2013-2019 commenced; in February 2013, a public consultation of the Plan was carried out, in order to encourage co-responsibility within the communities in preventing consumption and trafficking in illegal substances. In May 2013, an inter-institutional consultation was started to draw up the Plan by the ONA (National Anti-Drug Office). The President of the ONA indicated that by June the Project should have been finalised to be submitted to the national executive. To date, no new as to the submission of the final Plan has been received.

### **10.3. Actions in the field of international cooperation, carried out with Dublin Group contry and Venezuela**

Great difficulties exist for Venezuelan representatives to take part in courses in some of the Dublin Group Countries to which they are invited.

**Spain**.- In the field of Technical Cooperation in 2013, Spain, within the drug trafficking sphere, has not carried out any activity to date. Invitations to seminars have been extended to Bolivia and Colombia but no reply has been received by either.

Of the operations carried out by Spain with Venezuelan links, no collaboration has been received from the Venezuelan authorities.

**Portugal** .- There are no cooperation projects. Trust in the ONA (National Anti-Drug Office), the counterparty for international cooperation, has been lost. A cooperation project between MAOC and the ONA has been conveyed but has deserved no reply.

**Italy** .- A project to collaborate with the National Police has been sent but no reply received.

The Italians corroborate the difficulties existing in official relations with the authorities entrusted with combating drugs.

**Japan** .- No collaboration with Venezuela exists.

**USA**.- The same problem in receiving official information exists, nevertheless, over the last year relations with Venezuela have improved. Joint maritime operations have been carried out and they have collaborated in the seizure of aircraft, but never drugs. They have collaborated in the destruction of 21 laboratories in Venezuela and more than fifty on the border with Colombia.

Collaboration projects are beginning in order to endow anti-drug units with surveillance equipment and to carry out covert operations.

**France**.- Cooperation via official channels is virtually non-existent so attempts are made to secure information from other sources.

In relation to technical cooperation, 2 courses of telephony analysis have been carried out, with another still pending.

Cooperation amongst European countries must be encouraged

**Austria** .- There are no cooperation projects.

**European Union**.- The programme of cooperation “droga stop” is coming to its conclusion. The programme has been effective and has been materially important and of high-quality with a potentially good impact.

The management of bilateral cooperation with Venezuela is coming to an end, the intention is to integrate Venezuela in regional programmes but the Venezuelans are reluctant.

#### **10.4. Recommendations**

- The visit of high officials entrusted with combating drugs from countries belong to the Dublin Group has to be encouraged with the aim of promoting *cooperation* in the transmission of information between Venezuela and the other countries.
- The Bolivarian Republic of Venezuela must be pressurised into signing and ratifying the legal instruments designed to combat drug trafficking, as soon as possible. Once the law has regulated the special investigation techniques mentioned in the 1988 Vienna Convention, such as Controlled Deliveries and covert agents *international cooperation* ought to be promoted, supporting police officers and public prosecutors to enhance their investigating capability and their capacity to seize drugs.

- To revise the policy of *prevention* of drug consumption especially amongst socially and economically underprivileged groups and with reference to those drugs that generate a high level of violence and delinquency in those social groups.
  - To continue fighting *money laundering*. In order to combat drug trafficking effectively, the latter must be attacked in its financing intensifying the fight against money laundering and corruption.
  - To consider the growing links between *drug trafficking* and criminal activities in general.
  - The Bolivarian Republic of Venezuela must be encouraged to participate more and to be represented more actively in *international forums* and agencies involved in combating drug trafficking.
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