



**COUNCIL OF
THE EUROPEAN UNION**

**Brussels, 21 January 2011 (28.01)
(OR. en,es)**

**5411/1/11
REV 1**

**CORDROGUE 5
AMLAT 2**

NOTE

from:	Spanish regional chair of the Dublin Group
to:	Dublin Group
No. prev. doc.:	5031/10 CORDROGUE 3 AMLAT 1
Subject:	Regional report on South America

The purpose of this report is to present the South America regional group's assessment of the drug problem in 2009 and 2010, to highlight the main foreign aid requirements identified by national authorities in the region and to put to the central Dublin Group the recommendations made in the relevant mini Dublin groups.

Information from the mini Dublin groups for Argentina, Bolivia, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay and Venezuela is given below. The report on Brazil is not yet available and will be supplied later.

1. ARGENTINA

1.1. General situation

The situation generally can be said to be deteriorating, as shown by the increase in seizures during 2010, with reliable data available only up to September (according to figures from the National Secretariat for the Prevention of Drug Addiction and Narcotics Trafficking (SEDRONAR), seizures were in excess of 12 tonnes), the rise in consumption (particularly of cocaine, synthetic drugs and cocaine paste ("*paco*"), in the latter case among the underprivileged) and the growth of social problems and crime attendant upon such consumption, especially of cocaine paste.

Despite what the authorities claim, there is no doubt that Argentina is not just a drugs transit country but is to some extent also becoming a producing country. There is not unanimous agreement on this, however, as the operations carried out in Argentina's very many clandestine laboratories can be taken to constitute not so much production as repackaging, with drugs arriving in one form and leaving in another, or concealed in some way, as in the latest seizures, among apples or surfboards. At any rate, the fact is that Argentina does not produce any raw material and is only involved in processing the raw material, coming chiefly from Bolivia and Peru (with Paraguay mainly supplying marijuana), to make cocaine, partly on account of the country's inadequate checks on chemical precursors.

Argentina has established itself as a major exporter of drugs, particularly cocaine, to the rest of the world. The main port of origin is Rosario, which has seen constant growth in recent years, owing to its vast soya trade business. That exponential growth makes it increasingly difficult to keep port operations under control.

One notable new development is Argentina's incipient exports to neighbouring countries of significant amounts of cocaine paste ("*paco*"), which is increasingly being consumed within the country, but with surpluses supplied to surrounding countries, since its low value does not make trafficking to other continents a profitable proposition.

The main mafia groups operating in Argentina at present are still those from ex-Yugoslavian countries, as well as those already present in the region (from Venezuela, Mexico, Bolivia and, to a lesser extent, Colombia) and Italian ones. Groups from Corsica are now also beginning to operate in the country.

The prime destination for cocaine passing through or produced in Argentina is Europe (Portugal, Italy and, in particular, Spain), although new routes have recently also been opened up to Australia, Israel and South Africa.

On the positive side, there has been a drastic improvement as regards ephedrine trafficking, which in 2007 and 2008 had shot up to such an extent as to make Argentina one of the leading Latin American suppliers of the drug. September 2008 saw the enactment of new legislation (Orders 932, 2529 and 851/2008) on ephedrine imports by unauthorised laboratories, which brought a steady reduction in ephedrine production, almost to the point of eliminating it altogether.

Mention should be made of the greater effectiveness shown by the Argentinian police, bringing a large rise in seizures of cocaine and marijuana (which also points to the increasing scale of drug trafficking) and the dismantling of the ephedrine production and marketing network. Emphasis should be placed, too, on their willingness to cooperate, even beyond their borders, in significant operations making use of undercover agents.

1.2. International cooperation

Generally speaking, the level of cooperation with the country's authorities is satisfactory. The main countries currently running multinational police cooperation programmes are Spain, Germany, France, the United Kingdom and the United States of America.

1.3. Recommendations

The mini Dublin group for Argentina would make the same recommendations as in its previous report:

- Put in place EU anti-drugs cooperation and assistance programmes, to accompany cooperation already being provided by some EU and non-EU countries belonging to the Dublin Group. The EU is at present funding such projects in many Latin American countries, particularly those in the Andean Community.
- Increase cooperation with the country's authorities on social assistance to deal with the effects of drug use, particularly for cocaine paste, which is beginning to have a devastating impact on marginalised teenagers.
- Pay particular attention to money-laundering operations in Argentina for the proceeds of drug trafficking.
- Include an anti-drugs component in the emerging political dialogue between the EU and Argentina.

2. BOLIVIA

2.1. General situation

The Bolivian government's policy on coca leaf growing is based on respect for traditional uses, voluntary rationalisation of crops and self-restraint by producers, focusing on the difference between traditional uses and illegal crops and products (saying yes to coca, but no to cocaine). The government strategy rules out the use of force to eradicate crops (except in specific locations, such as national parks), aims at both national and regional action to combat drug trafficking and highlights the idea of sharing responsibility between producer and consumer countries.

Bolivia is in favour of decriminalising coca leaf consumption within its territory and in 2009 formally initiated the procedure, under Article 47 of the United Nations Convention on Narcotic Drugs (1961), for deletion of two subparagraphs requiring coca leaf chewing to be banned within 25 years from ratification of that Convention.

Domestic legislation (Law 1088 of 1988) allows cultivation of 12 000 ha for traditional purposes. That area is located in the Yungas region of La Paz department and has been expanded twice, in 2004 and 2008, to 20 000 ha. In the Chapare region, cultivation of a "*cato*" (0,16 ha) by each member of the region's six farmers' associations is tolerated. Under Bolivian law, coca plantations in national parks are illegal and face eradication. Lawful production is marketed via two outlets controlled by the Directorate-General for Coca Leaf Marketing and Industrialisation (DIGCOIN) in Villa Fátima (La Paz) and Sacaba (Cochabamba).

In August 2010 Bolivia completed a national survey of household coca leaf consumption, carried out by the National Statistical Institute (INE) under the EU-sponsored integrated cocoa leaf study, to ascertain the level of lawful demand for coca. However, the findings of that study and others will not become available until February 2011.

In September 2010 the USA again withheld certification from Bolivia, regarding it as a country which does not cooperate sufficiently in international action against drug trafficking. However, the US State Department's Narcotics Affairs Section (NAS) is continuing to support action to combat drug trafficking, with a budget of USD 22 million for the current financial year.

The Bolivian government has begun campaigning for support from other countries, particularly EU Member States, neighbouring countries and Russia. Bolivia has signed police and border-control cooperation agreements with Argentina, Brazil, Peru and Paraguay.

Bolivia has become a conduit for drugs, especially cocaine from Peru. There have been significant seizures of precursors, apparently coming from Argentina, Chile and Brazil, and of cannabis, apparently from Paraguay. Another worrying trend is the presence of Colombian and Brazilian cartels involved in introducing new production methods. In 2009 and 2010 there has been a noticeable increase in crime related to organised drug trafficking.

According to Bolivian police figures, 24 tonnes of cocaine basic paste and 2,81 tonnes of cocaine hydrochloride had been seized up to 30 November 2010. There had also been 1 073 tonnes of marijuana and 2 105 004 pounds of coca leaf seized. In comparison with the same period of the previous year, seizures were higher for cocaine base paste and lower for cocaine hydrochloride and marijuana.

The United Nations Office on Drugs and Crime (UNODC) report surveying coca cultivation in the Plurinational State of Bolivia for 2009 was issued on 22 June 2010. It shows a total coca-growing area, in the regions surveyed, of 30 900 ha, representing a 1 % increase on 2008, in contrast to a 6 % increase from 2007 to 2008, with the moderate growth over the last four years now stagnating.

According to the report, the coca-growing area produces around 54 600 tonnes of coca leaf, fetching farm-gate prices 22 % lower than in 2008, put at USD 265 million for 2009, while cocaine basic paste and cocaine hydrochloride prices remained broadly unchanged. The total value of the coca leaf produced amounts to 2 % of the country's GDP for 2009, or 19 % of the agricultural sector. According to DIGCOIN data, only 19 467 tonnes (36 % of production) were marketed through lawful channels.

The main coca-growing areas continue to be the Yungas of La Paz (20 900 ha, up 1 %), representing 68 % of the total area, and the Cochabamba Tropics (9 700 ha, up 2 %), representing 31 % of the total area. The report also detects crops in the Cochabamba Tropics' two national parks, making up 21 % of the total for that region, although levels remain steady in comparison with the previous year.

The report finds that law enforcement produced varying results; while the amount of cocaine base seized remained relatively large (21 970 kg, up 2 % on 2008), the amount of coca leaf seized was 21 % down (at 1 574 tonnes) and the amount of cocaine hydrochloride seized also fell, by 32 % (to 4 922 kg). For eradication (or "rationalisation"), the report quotes a figure (based on information from the Bolivian authorities) of 6 341 ha, up 16 % on 2008 (5 484 ha).

In its report, the UNODC also points to the need for urgent action to repair the environmental damage caused in regions seriously affected by coca leaf monoculture.

2.2. International cooperation

In cooperation with the Bolivian government, the UNODC has prepared a country programme including various aspects of crime and drug trafficking in Bolivia, to run for five years with funding of USD 47 million, which it presented in Brussels on 13 October 2010.

After a twelve-month absence, in June 2010 the UNODC designated a permanent representative in Bolivia. As will be recalled, this was one of the recommendations made by the mini Dublin group in its previous report.

Bilateral and multilateral programmes

Germany:

- Aid for the Special Anti-Drug-Trafficking Force (FELCN), in the form of equipment and grants.
- Alternative development cooperation project with the UNODC.
- Evaluation of three further projects with the UNODC for 2011.

Belgium:

- Project for integrated, sustainable exploitation of forestry resources in the Cochabamba Tropics: EUR 3 720 000 (30.11.2004-15.1.2011).
- Project for integrated, sustainable exploitation of forestry resources in the Cochabamba Tropics: consolidation phase: EUR 2 400 000 (15.11.2010-14.11.2014).

European Commission:

- National alternative development fund: 2005-2011: EUR 13 million.
- National integrated development plan involving coca: 2008-2013: EUR 26 million.
- Devising social control mechanisms: 2008-2012: EUR 10 million.
- Support for the integrated coca leaf study in Bolivia: now concluding: EUR 1 million.
- Programme to support the establishment of the National Council to Combat Drug Trafficking (CONALTID): beginning in 2011: EUR 9 million.
- Support for the UNODC: 2010-2011: EUR 500 000.
- At regional level, the EU is to start up three new programmes.

Denmark:

- Has provided support for the UNODC report surveying coca cultivation: USD 200 000 for 2009-2010 and USD 350 000 for 2011-2012.

Spain:

- Technical assistance concerning money laundering, organised crime and preventing corruption, overall strategy to combat organised crime and prevent diversion of drug precursors, and a seminar on special investigation methods in combating organised crime and money laundering.
- Operational crime analysis course.
- Support for the UNODC report surveying coca cultivation in Bolivia.

France:

- Training in tactical and precision shooting (20 Bolivian police officers). Franco-Andean seminar on chemical precursors (33 Bolivian participants). Training in searching for drugs in land vehicles and containers (40 Bolivian participants). Two lectures on police investigation and intelligence for the central intelligence department of the Bolivian national police.

Italy:

- Negotiations under way for a police cooperation agreement, to include means of combating drug trafficking and organised crime.

Netherlands:

- Participation by two officers in a workshop on synthetic drugs, held in Caracas.

United Kingdom:

- Support for the UNODC legal assistance programme: training for prosecutors, magistrates and police: USD 213 000.
- Donation of equipment for a forensic laboratory: USD 40 000.
- Visit to the United Kingdom by the Deputy Minister for Social Defence and Head of the Special Anti-Drug-Trafficking Force (FELCN), for a programme to acquaint them with British police work.
- Container inspection training for the Special Anti-Drug-Trafficking Force (FELCN).

2.3. Recommendations

The mini Dublin group has three new recommendations to make in this report:

- Encourage the authorities in the Plurinational State of Bolivia to step up efforts to make substantial progress in significantly reducing coca growing, as well as prevention schemes designed to cut domestic drug use.

- Bear in mind the many regional, bilateral and multilateral initiatives in taking a regional view of the problem, to address issues such as cross-border trafficking in illegal substances and cross-border criminal organisations, while actively seeking to involve neighbouring countries so as to arrive at greater cooperation and coordination.
- Go along with the UNODC's efforts to strengthen its presence in the country, with a permanent representative and a cooperation programme, and suggest that the programme could fit in with the changes shortly to be made by the government to its anti-drug-trafficking policy and should take account of other donors' activities, so as to mesh smoothly with international cooperation.

The group would also make some of the same recommendations as in its previous report:

- Deal with combating drug trafficking in greater detail in bilateral relations between Bolivia and Dublin Group member countries. Under present circumstances, there is a need to step up national and international efforts to tackle drug trafficking in Bolivia.
- Suggest that the Bolivian government identify current bottlenecks in public institutions, so as to work towards an integrated overall national strategy for combating drug trafficking, with an action plan to identify specific areas of cooperation.
- Provide better-coordinated support for Bolivian institutions with a specialist role in combating drug trafficking, particularly the Special Anti-Drug-Trafficking Force (FELCN) and the National Council to Combat Drug Trafficking (CONALTID), with the strengthening of their practical and technical facilities, particularly in areas such as intelligence, investigation and evidence gathering. Support border-control systems. Provide coordinated support for the Bolivian administration to step up anti-corruption action and to improve the legal system in areas such as interception of communications, gathering of evidence usable in court, money laundering, corruption and asset recovery, witness protection and undercover agents.
- Strengthen Bolivia's administration of justice, focusing in particular on issues such as serious offences and combating organised crime.
- Continue with the Bolivian government's alternative development programmes so as to change the economic structure of coca-growing areas and create economic alternatives and employment for their inhabitants.

3. CHILE

3.1. General situation

There are two new factors to be borne in mind:

- (1) Chile has ceased to be just a transit point and is now also becoming a drug consumption centre.
- (2) As Chile tries to improve relations with countries in the region, particularly Bolivia, so it is obliged to make concessions which hamper checks for drug traffic, especially at the ports of Arica and, to a lesser extent, Iquique and Antofagasta.

The Chilean customs authorities report difficulty in checking on ships from Bolivia, passing through the port of Arica. Only where they have very solid grounds for suspicion can they take action. Moreover, they are equipped with just two scanners (scanner trucks) with which to inspect all traffic passing through the port.

There is a plan to equip the port of Iquique with the same inadequate inspection system; if anything, this will make the maritime border even more porous. In return for not allowing Bolivia access to the sea, Chile is offering it free port facilities, which might in the long run detract from checks for drug traffic.

Data for the second quarter of 2010

During the second quarter of 2010, the last for which official figures are available, police forces reported a total of 13 930 cases involving breaches of the Drugs Law (No 20.000), an increase of 25,00 % on the same period of the previous year (11 140). In comparison with the preceding quarter (the first of 2010), this represented a 47,3 % rise, or 4 473 more cases.

There were 21 100 arrests reported for breaches of the Drugs Law, 66,80 % of them for possession, 20,1 % for trafficking and 9,70 % for consumption.

In comparison with the same quarter of the previous year, arrests showed a 21 % increase, or 3 662 more arrests.

By type of drug seized, the figures show the following picture (again in comparison with the same quarter of the previous year):

- cocaine basic paste: 1 731,67 kilos (– 3 %);
- cocaine hydrochloride: 480,84 kilos (– 45,50 %);
- processed marijuana: 2 134,57 kilos (– 37,50 %);
- marijuana plants: 8 989 units (+ 252,40 %);
- pharmaceuticals: 23 664 units (+ 287,90 %).

It should be noted that there was no heroin seized and that the cases resulted in seizure of 186 firearms (+ 60,30 %) and 124 bladed weapons (+ 153,10 %).

Geographically speaking, the main increases in police cases involving drugs offences came in the Santiago Metropolitan, Valparaíso, Tarapacá and Antofagasta regions, together making up 83,8 % of all cases in the country.

The figures for the last few years serve to provide a detailed picture of the increase in seizures:

Type of drug	YEAR				INCREASE (%)	
	2006	2007	2008	2009	2008/2007	2009/2008
Cocaine hydrochloride (kg)	2 526	3 088	2 940	2 654	– 4,8	– 9,7
Cocaine basic paste (kg)	4 239	7 702	6 567	5 696	– 14,7	– 133
Marijuana (kg)	4 984	6 621	10 836	13 928	63,7	28,5
Marijuana plants (units)	214 997	215 816	281 723	196 412	30,5	– 30,3
Pharmaceuticals	508 832	133 314	35 247	84 619	– 73,6	140,1
Heroin (kg)	5,9	11	0	0,08		

Notable operations

In April 2010, under Operation Alkalis, criminal investigation police carried out the largest seizure of chemical precursors ever made in Chile. In the north of the country, near the border with Bolivia, they intercepted a lorry bound for Santa Cruz de la Sierra (Bolivia), carrying a total of 8 000 kilos of sodium carbonate and 40 kilos of sulphuric acid, intended for a Bolivian drug trafficking ring, to be used in producing about seven tonnes of cocaine base and 700 kilos of cocaine hydrochloride.

The precursors were bought by a firm in Santiago, which transported them to warehouses in Arica, in the north of Chile, from where they were sent over the Andean high plateau, via the Chungará border crossing (on the border with Bolivia), to Santa Cruz de la Sierra. Three Chileans and a Bolivian were arrested.

On 10 September 2010, at the port of Arica (near the border with Peru), a joint customs and port authority operation intercepted a container carrying about 100 kilos of cocaine, divided up into 30-gram sheets slotted in among pieces of the cargo of timber officially being exported. They were discovered by scanning the cargo. The container came from Santa Cruz de La Sierra (Bolivia) and was heading for the Spanish port of Valencia.

This was the third such find within a fortnight. On 27 August and 2 September 2010, at the same port, another 207 kilos of cocaine were seized, also coming from Bolivia and heading for Valencia.

During 2010, 2 770 kilos of cocaine in containers coming from Bolivia, passing through the Chilean port of Arica, were seized in five countries, including Spain. Over the last three months, 1 100 kilos of cocaine concealed in Bolivian goods in transit were seized at the same port.

Institutional framework

On 5 August 2010 the Chilean President presented the "Safe Chile" public security plan for 2010-2014. The plan includes the present government's overriding aim of combating drug trafficking. The government realises that Chile is no longer just a drugs transit country and has now become a final destination as well.

Bolivia and Chile are considering stepping up operational cooperation, especially in order to achieve effective prohibition in areas along the border between the two countries. The aim is to reach an agreement similar to the one signed by Bolivia with Brazil for joint operations by anti-drugs forces in combating drug-trafficking rings.

One of the weak points in that endeavour is the permeability of the border with Peru and Bolivia and the laissez-faire attitude shown by some Chilean ports in inspecting containers for export.

Under the "Safe Chile" public security plan for 2010-2014, presented by the Chilean President on 5 August 2010, as part of the aim of equipping specialist border-control units with sophisticated technology to tackle trafficking in drugs and stolen goods, the Interior Ministry is considering erecting, along the border running for over 900 kilometres with Bolivia and Peru, electronic watchtowers capable of detecting any penetration of it.

The project, still being finalised, would mean that each watchtower was able to keep two or three kilometres of border under surveillance, passing on information to a control centre. This would be combined with a system for surveillance of moving targets.

The 1904 treaty signed by Chile and Bolivia authorises the use of certain Chilean ports Arica, Antofagasta and Iquique free passage of Bolivian goods, with Bolivia lacking access to the sea as a result of its defeat in the War of the Pacific in the 1870s, which led to the annexation by Chile of its territory abutting on the sea.

It is feared that drug-trafficking mafia groups are taking advantage of the laissez-faire attitude shown by Chilean ports in order to send drugs to North America and Europe. It is also thought that there may be an overland threat conducive to such traffic at Chile's borders with Peru and Bolivia, facilitated by mine clearance in the border area, which increases the number of unauthorised points where the border can be crossed without any checks, with Chilean ports being noted for their easygoing approach to inspection of containers for export.

3.2. International cooperation

By way of the Spanish International Cooperation Agency, Spain's government has been continuing, throughout the year, to hold seminars at the Latin American training centres in Cartagena de Indias (Colombia), Santa Cruz de la Sierra (Bolivia), La Antigua (Guatemala) and Montevideo (Uruguay), for police and criminal investigation officers, on subjects including cooperation in addressing the threat posed by drug trafficking and organised crime. There have also been exchanges of police officers and seminars or courses held at civil guard and national police training centres in Spain.

Japan runs cooperation schemes with the police and periodically holds training courses for the Chilean authorities on anti-drugs matters.

3.3. Recommendations

The Chilean government should continue to step up its efforts, in both staffing and equipment, with the following recommendations being made in particular:

1. Seal the border with Peru and Bolivia. It is crucial that the project referred to above, which goes back to the early post-Pinochet governments, should be put into practice.
2. Carry out more thorough inspections of containers leaving via the free ports of Arica, Antofagasta and Iquique. Chilean customs officers merely check that Bolivian containers have not had their seals tampered with and that the manifests are in order. It would be of prime importance for the two countries to negotiate a joint strategy to ensure that application of the 1904 treaty is not conducive to drug trafficking.

4. COLOMBIA

4.1. General situation

According to the report prepared by the UNODC "SIMCI" (Integrated Illicit Crop Monitoring System) Programme in 2009, Colombia was still the largest coca leaf producer in the world with approximately 43 % of the total cultivated acreage, followed by Peru and Bolivia with 38 % and 19 % respectively. As the SIMCI report publishes its data annually, they are not currently available for 2010.

According to this report, in 2009 there was a reduction in the acreage of coca and in cocaine production in Colombia. Coca cultivation fell to 68 000 ha, a reduction of 16 %, spread over 22 of the 32 departments in the country, while potential cocaine production fell by 9 %, from 450 tonnes in 2008 to 410 in 2009. The results for 2009 are the lowest this decade and they confirm the downward trend that has been witnessed over recent years, the cumulative decline being 60 % over the last ten years.

Analysis of the dispersion of coca production plots over the period 2000-2009 the shows little variation. In general, the 2009 plots are within 2 km of the plantations identified in 2000, with the exception of the Pacific Region, where there is a definite expansion of cultivation both from South to North (from Nariño to the Cauca and Chocó Valley) and West to East (towards piedmont ecosystems of great ecological value.) This shows that despite the intensity of the control methods, the coca crops remain.

The areas where coca crops are concentrated have not changed over the last 10 years. 14 % of the total area of coca cultivation is situated in areas that are expanding.

In 2009 203 tonnes of cocaine were seized in Colombia compared with the 155 tonnes that the police and armed forces of Colombia seized this year, 2010

The destruction of laboratories has declined, from 1 544 laboratories destroyed by the national police in 2009 to 1 290 basic cocaine paste laboratories destroyed in 2010.

The cocaine hydrochloride laboratories are more sophisticated in Colombia than in Peru and Bolivia. The trend is towards more dispersed and mobile laboratories to evade the pressure from the authorities.

The bulk of the cultivated area (79 %) is still within eight departments: Nariño, Guaviare, Cauca, Putumayo, Bolívar, Antioquia, Meta and Caquetá.

Of the 55 natural parks in Colombia, coca cultivation was found in 18 in 2009, four more than were reported in 2008, increasing the acreage by 17 %. The data for 2010 are not available.

It should also be stressed that most of the areas with the highest cultivation of coca are under the influence of illegal armed groups.

Regarding production, it should be noted that since 2000 the mapping of illicit crops has been more rigorous, thanks to the introduction of the SIMCI, which facilitates trend analysis, and the setting of objectives by bodies responsible for eradication. The SIMCI is a fundamental tool in the fight against drugs. The long-term success of the strategy also requires active alternative development policies.

However, it would be desirable to improve the accuracy of the SIMCI reports, since the statistics for seizures in Colombia, the US and Europe show a significant discrepancy between estimated production and cocaine seized, giving the impression that almost no Colombian drugs reach the market. This creates the need for a debate on the introduction of certain methodological changes in the production of both production and seizure statistics:

According to the UNODC, the characteristics of coca crops in Colombia have changed in recent years, giving rise to two major problems when measuring production:

- (a) Measurement of small plots: According to SIMCI, the average area of coca cultivation has decreased from 1,85 ha in 2001 to 0,65 ha in 2009. However, the detection system has limitations when identifying plots of less than 0,25 ha. Although the UNODC does not believe that such plots have a major impact on seeded acreage data, appropriate adjustments are needed to improve detection systems.
- (b) Detection of plots under the canopy: Coca plots have been detected under the upper forest canopy in some forest areas; this type of plot is impossible to detect using passive optical sensors, even those with very high resolution. Investigations are being undertaken for the detection of such plots using active sensors (RADAR, LIDAR). The information available indicates that this type of plot is still a rarity; however, plots have already been found in various departments.

There are also problems in recording seizures:

- (a) It is necessary to adjust the estimate of the security organisations' records, particularly when operations are carried out by different agencies. Although, internally, countries try to refine the information, recording systems need to be upgraded.
- (b) It would also be desirable to obtain comparable data. Cocaine that travels beyond Colombia's borders is over 90 % pure. Of course, the end-user gets it at 20 % purity or less.

In the chapter on the compulsory eradication of crops, it should be noted that in 2009, 60 544 hectares of coca cultivation were eradicated by hand and 104 771 hectares were sprayed.

In 2010, up to the time of writing the report (mid-December), 43 775 hectares have been eradicated by hand and 101 940 hectares have been sprayed. This represents a decrease of some 15 % in eradication by hand compared to 2009. With regard to the hectares sprayed, the change is minimal, with some 3 000 hectares less this year.

It must be stressed that it is increasingly difficult to eradicate manually in certain areas protected by the guerrillas and where access is difficult due to the terrain.

The manual eradication strategy is the responsibility of the Presidential Agency for Social Action and is carried out by Mobile Eradication Groups (GME) with the support of the Anti-Narcotics Police and the armed forces.

The Colombian government has also continued with its alternative development policies which include the "Productive Projects Programme" and the "Forest Warden Families Programme" which currently involves some 110 000 families.

Of particular note is the positive impact of the Comprehensive Consolidation Plan for "La Macarena" (Meta), an area in which the number of hectares given over to coca production dropped 85 % sustainably between 2005 and 2009.

The trend in large-scale trafficking in narcotics is as follows:

- Consumers in the US and Europe still create a large demand for cocaine.
- The new "modus operandi" in the form of "semi-submersibles, "and "submarines", especially from the Pacific to Central America, should be stressed. The first to be captured was in 1993 by the Colombian Navy, with a total of 47 having been detected in the last 3 years.
- These semi-submersibles have incorporated new technologies that allow greater under-water autonomy and are consequently less likely to be detected in the ocean. Colombia has passed legislation on their manufacture and use.
- It should also be highlighted that there is a "big stash" or "larder" of cocaine established in various African countries, such as Guinea Bissau, Guinea Conakry, Senegal, Mauritania and Cape Verde, which are used as a stockpile for delivery to the final destination: European countries, and nobody knows just how much traffic is plying this route.
- The corridors to Europe go mainly via Paraguay, Peru, Venezuela, Brazil, Argentina, Ecuador and the Caribbean.
- Drugs are smuggled into the United States through the Caribbean and along either the Central American corridor or via the Pacific.
- There is further growth in the consumption of drugs in a significant number of Latin American countries.
- The use of light aircraft from Venezuelan territory to stepping-stone countries for the US (like Haiti, Dominican Republic, Costa Rica, Guatemala) is worrying.

As far as small-scale drug trafficking is concerned, i.e. carried by human couriers and package delivery companies, it should be noted that in 2009 over 3 tonnes of cocaine were seized at Colombian airports. The destination of the drugs seized was: Europe 70 %, South and Central America 29 % and USA 1 %.

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

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

With respect to the fight against money laundering and seizing of assets, it is worth pointing out the major step forward taken with the adoption and entry into force of Laws 785 and 793 in 2002, which govern the seizure of drug traffickers' assets and their administration by the Colombian State.

Demand

Drug consumption in Colombia as demonstrated by the latest survey is becoming a serious problem that will require a great deal of attention from the authorities in the next few years.

In 2009 a law was passed prohibiting consumers from carrying personal doses of drugs and it included measures, pending development, relating to prevention and the treatment of drug addicts.

Institutional framework

Under the leadership of the Ministry of Interior and of Justice the process of updating Law 30 of 1986, also known as the National Narcotics Statute, will now begin. Among the reasons for this legal reform is the need to adjust the legal framework to fit the contemporary aspects of this phenomenon, in particular the emergence of new substances and patterns of trafficking. This task also involves bringing forward the inventory of legislation issued in Colombia over the past 25 years, in order to identify the regulations that are in force and bring them together in a single corpus.

Reactivation of the Interinstitutional Coordinating Committee for the Control of Money Laundering (CCICLA) allowed progress to be made on the joint construction of a medium-term anti-money-laundering strategy. With the participation of all relevant actors in this field, particularly those who are responsible for coordinating the four operational committees that comprise the CCICLA, there has been significant progress in pursuing an action plan seeking to consistently integrate efforts to create a culture of AML, prevention, detection and control; and the investigation and prosecution of crime. Undoubtedly, the achievement of a comprehensive strategy on money laundering would be an example of best practice that could serve as a regional model.

The Colombian government has established an efficient set of legal instruments for seizing assets illicitly acquired by drug traffickers, to the extent that various other Latin American countries have adopted or are examining similar legislative frameworks.

Having overcome the legal and budgetary difficulties that had led to the imposition of level 2 sanctions, Colombia has regained its status as a member of GAFISUD (Financial Action Task Force of South America against Money Laundering) which will allow it, among other things, to intervene and exercise its powers in the plenary meetings of Representatives and participate in various technical working groups. Colombia's inclusion in the various technical and decision-making areas is crucial to boosting GAFISUD's activities, given its natural leadership in this area. Moreover, this situation is of utmost importance insofar as Colombia will be under scrutiny by the Mutual Evaluation Mechanism of the Group over the course of next year.

In order to advise countries wishing to incorporate and/or strengthen their laws on the application and implementation of asset confiscation without prior criminal conviction, the United Nations Office on Drugs and Crime has, with the assistance of the World Bank and International Monetary Fund, started drafting model regulations by conducting workshops with experts in the field.

4.2. Recommendations

The mini Dublin group issues three new Recommendations:

- It would be desirable to give a new strategic and operational vision to the Information and Financial Analysis Unit. It is hoped that the reorientation of the unit's activities will allow it to overcome recent difficulties and to play its role as a pillar of the anti-money-laundering system.
- It suggests a greater European involvement in Colombia's drugs policy, supporting a more operational, sustained policy focused on the fight against drug trafficking. It is suggested, for example, that Colombian law enforcement groups responsible for the investigation of offences involving European countries be established and funded, in a similar way to programmes implemented by the US and the United Kingdom. The incorporation of this approach in the European Union's Drug Programmes for 2009-2013 would be an important step forward in this strategy.
- The structure of the judicial system needs to be strengthened given the shortcomings that are evident, in order to incorporate the changes brought in by the adversarial criminal justice system.

Furthermore, the mini Dublin group reiterates some of the recommendations in its previous report:

- Facilitate the access of legal products to international markets through generalised systems of preferences and similar measures. To that end, the trade agreements or free trade agreements being concluded by Colombia entail an important contribution to increasing exports of legal products, thus helping to increase GDP, improve wealth distribution and create greater social cohesion.
- Encourage the Colombian government to keep up voluntary eradication programmes and increase the State's presence in the most affected areas through the implementation of social programmes to promote development in these areas.
- Step up controls along the land and river corridors used for illicit trade. There is a particular and pressing need for increased security and controls in land border areas.
- Increase passenger and cargo controls at airports, devoting particular attention to postal service companies. The United States' experience and operations are yielding very good results in Colombia.

- Step up coordination between the various Colombian State agencies responsible for combating drug trafficking, and continue efforts to fight corruption.
- Substantially increase supervision of the use and destination of chemical precursors.
- Strengthen alternative development action via a broad strategy involving rural development, governance, the protection and promotion of human rights and the promotion of sustainable development in communities settled in illegal cultivation areas.

5. ECUADOR

5.1. General situation

In geopolitical terms, Ecuador is located in an area with potential for cultivating, producing and dealing in narcotic and psychotropic substances. Specifically, being located between the two largest producers of cocaine in the region, Colombia and Peru (around 890 tonnes a year between them), drug trafficking organisations are seeking to expand their markets and related activities in Ecuador, the amount of cocaine passing through the country being evaluated at approximately 220 tonnes (a quarter of production). However, as regards cultivation, the country remains at a statistically insignificant level, with small plantations of coca having been detected in the provinces of Esmeraldas and Pastaza, marijuana in Imbabura and poppies in Chimborazo, Imbabura and Bolívar.

The analysis of the general drugs situation in the country for 2010 confirms that not only is it used by transnational crime organisations as a repository and delivery platform for drugs through airports and seaports to the big consumers in North America and Europe, directly or via Africa, but different international organised crime networks are settling in the country, especially those related to drug trafficking, as can be deduced from the setting up of four new laboratories ("kitchens") for the processing of drugs in the provinces of Azuay, Santo Domingo, Guayas and Manabí, from the capture in July of two submarines (15 m long and 2 m wide and 25 m long and 6 m high, with a capacity of 5 and 10 tonnes respectively) and from the increase in violent crime, especially the cases of "contract killings" directly related to the "wars" over territory and market dominance.

The seizure of drugs in the study period (January-December 2010), about 14,4 tonnes, was significantly lower than in the same period last year (44,4 tonnes). While the actual decrease is somewhat lower than the figures suggest, as a result of a methodological error in the computation of the figures in 2009 (they were lower than the 44 tonnes declared at the time), the reality is that there has been a sharp decline, the result of both the frequent change of police authorities at central and regional levels and the inefficiency of intelligence work, which has led the drugs traffickers to alter their strategy (more frequent, but smaller, shipments). Another factor that seems to have influenced the lower number of seizures is the decreased activity of the Norte del Valle Cartel.

The closure of the US's Manta base in 2009 appears to have had some negative influence on the control and interdiction of drug trafficking, although it is difficult to quantify to what extent. In any case, this situation is partly alleviated by maintaining the exchange of intelligence in this field between the US and Ecuador and the return of Colombian police and military attachés to Quito and Ecuadorian ones to Bogotá. The restoration of full diplomatic relations between the two countries will undoubtedly strengthen this operational cooperation. It is regrettable, however, that the presence of a Peruvian police attaché on Ecuadorian territory has not yet been formally agreed, which would certainly contribute to greater and better border control with that country. This fact becomes more relevant owing to the increase in cultivated acreage detected in Peru.

With regard to the domestic consumption of illicit drugs in Ecuador, in general terms, on a subregional level, together with Peru, it is one of the countries with the lowest consumption of these drugs, but lately there have been worrying signs of its increase, and of the increase in and cruelty of the struggle for territorial control between rival "groups". Moreover, studies highlighted Ecuador for signs of drug dependency among consumers last year.

In the case of Ecuador, the following points are to be noted in relation to different aspects of the problem:

- (a) Maritime trafficking. Maritime trafficking is still the most common means of transferring large quantities of drugs, using barges, speedboats and fishing vessels for transport and logistical suppliers (fuel and food). The drug shipments originate from the coasts of southern Colombia, northern Peru and Ecuador. The routes employed begin off the Ecuadorian coast and cross continental, island and international waters, covering approximately 2 200 nautical miles up to the Mexican and United States coasts. Also through the Panama Canal, routing directly to Europe or stopping off in Sub-Saharan Africa. In this section, we should highlight the use, or at least the attempted use, of increasingly sophisticated, larger and higher-capacity submarines.
- (b) Human courier and postal trafficking. Drug traffickers or organised crime networks are using these methods to transfer drugs with the help of drug concealment systems that, in some cases, are new. The main destinations are the US and Europe, via Spain and the Netherlands.
- (c) Trafficking of chemical precursors. The porous nature of the northern and southern borders allows such substances to be smuggled in for laboratories, mainly along the northern border with Colombia (Esmeraldas province by sea and Sucumbíos province by river), but also – albeit to a lesser extent – along the southern border with Peru (El Oro province). Fuel trafficking has increased significantly in the latter area.
- (d) Illicit crops. During this period the location and eradication of illicit crops has diminished. The most significant operation occurred in the San Lorenzo canton, in the province of Esmeraldas, where a seedbed and a 6 000-plant coca crop covering an area of one ha was destroyed.
- (e) Illicit drug laboratories. This heading includes the dismantling of four laboratories ("kitchens") with a high processing capacity. It is worth mentioning that the setting up of these labs shows, as already mentioned, the increased number of organised criminal structures that have become established in the country.

- (f) Money Laundering. While there is no detailed, reliable information on money laundering, there is a perception that, because of the advantages of the dollarisation of the country's economy, many money-laundering operations take place in Ecuador on the proceeds of organised crime, particularly drug trafficking, in the form of trading operations with fictitious capital movements, fictitious emigrant remittances, property development, etc. The Financial Intelligence Unit (linked to the Attorney General's office) is working on this issue by providing the Public Prosecutor with reports of unusual or unwarranted financial operations and/or transactions detected. Of note are the effectiveness and best practice developed by the Anti-Drugs Directorate (DNA) in the operation against the laundering of drug proceeds carried out in early October at the initiative of the Spanish police, and in coordination with Colombia, on a network that used false remittances from emigrants to send the profits from the sale of drugs in Spain to Colombia via Ecuador.

Institutional framework

The expectations raised by the enactment of the new Ecuadorian constitution of 2008 have not yet been fulfilled as the new legislation designed to help improve tools for combating organised crime, especially drug trafficking and related crimes, has not been enacted yet. They include the proposed new Framework Law on the police and the Law on police careers, that should help bring about an organisational change in the national police force to make it a more efficient and coordinated institution and bring it into line with the current requirements of a modern, citizen-friendly police. This needs to be combined with a thoroughgoing reform of the public prosecution service, the judiciary and their interaction with the police. The impending changes at the top of the Ministry of the Interior could give impetus to these necessary legal and organisational reforms, particularly vital and urgent at present given the demoralisation, loss of credibility and trust that the national police has experienced following the incidents on 30 September (violent uprising of several units of the national police and a unit of the air force against the President of the Republic).

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

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

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

After some improvement in preventing drugs leaving Ecuadorian territory, a similar trend has not been observed in relation to incoming trafficking, to which we must add the detected increase in consumption mentioned above.

Another aspect to consider is the alarming rate of unsolved crimes, with low ratios of crimes investigated to crimes committed and even lower conviction rates. The very frequent cases of suspected criminals being released, after completing the legally established maximum period on remand without any trial being concluded nor sentence passed, are also highly troubling.

5.2. International cooperation

The cooperation being carried out by member countries of the Dublin Group in the Republic of Ecuador can be regarded as significant, especially with regard to training. The activities of the UNODC and the European Commission can be singled out in the multilateral sphere, and those of the United States, France, Spain, the United Kingdom, Germany and the Netherlands in the bilateral sphere.

In addition, many courses and seminars have been held during 2010, on subjects such as surveillance and monitoring techniques, maritime profiles (containers) and airport passenger profiling, synthetic drugs, precursors, narcoterrorism, money laundering, intelligence, corruption, special operating units, organised crime, dog handlers, hired assassins, etc.

In the operational sphere, the collaborative processes conducted can be considered satisfactory, with exchanges of intelligence and joint operations successfully completed. Nevertheless, training in good governance and operational matters should be stepped up, satisfying current needs and supporting the development of specific anti-drug groups.

5.3. Recommendations

The conclusions and recommendations made in the 2009 annual report remain valid with some nuances:

- Continue to support Ecuador's efforts in its policy of zero tolerance towards the drugs problem, contributing both by financing the acquisition of technological control systems and by more specialised training for the armed forces and police tasked with combating drug trafficking. Above all, support the contribution towards training in the control and prosecution of money laundering.
- Stress the benefits of improved coordination between the member countries of the Dublin Group in their contributions and cooperation with the State of Ecuador, to avoid duplication that would render them less effective. In the specific case of the EU, ways of cooperation and coordination could be sought for the organisation of seminars and courses, etc. with such activities being conducted by specialists from member countries wishing to participate.
- Make a strong contribution by advising on legislative and organisational reforms that are occurring or in prospect, especially within the national police, in order to achieve the proposed aims better and more completely. By the same token, it is strongly recommended that any requests submitted by the Ecuadorian authorities for collaboration in connection with the planned process of reform and modernisation of the national police should be received positively.

- Urge Ecuador to exercise greater control over institutions and their components to minimise the number of corruption cases. Put into practice the slogan "Zero tolerance for corruption". It is worth stressing the importance of supporting the development of the National Secretariat for Management Transparency, as amended on 26 August 2009, which has as its principal aim the prevention of and the fight against corruption, by means of expert advice and operational methodology.
- Remind the Ecuadorian authorities of the desirability of intensifying and improving public awareness campaigns against drug use to try to reduce demand, including through actions aimed at parents' and neighbourhood associations, schools and other educational establishments, through the CONSEP (National Council for the Control of Narcotic Drugs and Psychotropic Substances) and in coordination with the ministries concerned.

6. PARAGUAY

6.1. General situation

Despite its latest efforts, Paraguay still poses various challenges in the fight against drug trafficking.

First of all, it is a producer country. Paraguay is the second largest marijuana producer in the region. United Nations data from the end of 2009 estimate that Paraguay produces 5 900 Tm of marijuana per year, i.e. more than half of all the marijuana produced annually in South America. Although the main markets for Paraguay's cannabis are Brazil and Argentina, in recent years the Chilean market has grown, as have the Bolivian and Uruguayan markets, with the drugs being distributed using existing cocaine transit networks.

Secondly, and above all, it is a key transit country, especially for cocaine from Bolivia, Peru and Colombia destined for Brazil and other Southern Cone markets as well as for Europe, Africa, the Middle East and, to a lesser extent, the United States. Also, the Paraguayan authorities report a new trend in ephedrine trafficking from South America to Mexico and the United States. All of this is facilitated by the porousness of its extensive borders, the lack of State control at many points, the absence of any State presence in a large proportion of the territory, and by the high level of corruption in the police and the justice system.

Institutional framework

Action against drug trafficking is managed and conducted mainly by the National Anti-Drugs Secretariat (SENAD) at ministerial level. The SEPRELAD (Secretariat for the Prevention of Money Laundering), the national police, the armed forces and/or the public prosecutor's office are, however, also involved.

In any case, Paraguay's institutional framework for combating drug trafficking suffers from the same ills affecting the rest of the public administration: scarcity of resources, poorly trained staff, absence of a culture of planning and highly deficient coordination. In spite of this, the efforts of Paraguay's government are worthy of mention.

The SENAD currently has a staff of some 200 people and an inadequate budget. For two years it has been working on a new draft law (to supplement the anti-drugs Law, No 1340) to establish the category of "special agents" (with powers, inter alia, to carry weapons); after a first reformulation, the text is currently with the Chamber of Deputies.

The anti-drugs public prosecutor's office has only three public prosecutors for the whole country, serving as the Financial Intelligence Unit (FIU) and endeavouring to consolidate the FIU's ability to conduct financial investigations. The recent approval of the "anti-terrorist law" (Law No 4005) will undoubtedly help to consolidate/improve Paraguay's membership of the Egmont Group and the FATF.

The SENAD's main achievements during 2010 have been:

- the arrest of 319 individuals (nationals and aliens) linked to drug trafficking;
- the expulsion of 10 Brazilian nationals from Paraguayan territory. One Brazilian citizen was extradited and the extradition of two Lebanese citizens to the United States is being processed;
- the seizure of approximately 1 392 kg of cocaine; 129 280 kg of chopped, pressed marijuana; 21 kg of marijuana wax (hashish); 3,7 kg of crack; 3 620 tablets of controlled medicines, and 13 kg of lidocaine. In addition, 112 vehicles and 117 weapons have been confiscated;

- conducting operations to eradicate marijuana on its own and in cooperation with the Brazilian federal police, mainly in the Amambay and Canindeyú departments, destroying over 1 000 hectares of marijuana;
- work on prevention of drug abuse, holding 276 information talks, 23 training days and distributing a range of educational material on the subject;
- training via the Paraguayan Drugs Observatory;
- media (radio and TV) broadcasting of campaigns against drug consumption;
- hosting over a hundred consultations for drug-dependent individuals (including family members).

6.2 International cooperation

As has been highlighted on a number of occasions, international cooperation is an essential component of the Paraguayan authorities' anti-drugs effort. In this respect, it should be noted that the SENAD is conducting joint operations with the Brazilian federal police and has good relations with the Argentinian police and gendarmerie and the Bolivian police.

US cooperation with Paraguay in the fight against drug trafficking is based on an agreement in force since 1987, updated annually since then. The United States supports SENAD operations via the DEA and the State Department. In addition to close cooperation between the DEA and the SENAD for anti-drugs operations, the programme also purchases equipment (donating three vehicles in 2010), provides training (posting of staff to the United States and financing for transfers), and supports specific projects such as the SENAD dog unit and infrastructure work (project to extend the SENAD's current facilities). It also finances the demand-reduction programme being conducted by the SENAD.

Since 2008 the Spanish Agency for International Development Cooperation (AECID) has provided around EUR 570 000 for a project by the FAD (Foundation to help prevent drug addiction) NGO to build community centres in both Asunción and Encarnación for the purpose of preventing drug use by young people, operating from an educational and health standpoint and offering alternative leisure activities. There is also regular cooperation between authorities in the Interior Ministries on various activities (training courses, operations, etc.). In September the bilateral joint committee on the subject was relaunched.

The drugs expert in the Italian embassy, who works from La Paz, is cooperating with the SENAD on joint investigations.

France has recently helped to train SENAD and national police staff via various actions: a seminar on synthetic drugs and chemical precursors held in Buenos Aires in May; a seminar on new cocaine routes held in Sao Paolo in November; a training course given by experts from the Martinique Interministerial Anti-drug Training Centre (CIFAD) held in Buenos Aires in March on the detection of passengers travelling by air and, lastly, a training course on the identification of maritime containers given by CIFAD experts in Arica, Chile, in September.

So far Japan has no anti-drug cooperation agreements and the objective of its cooperation projects is to fight poverty with no reference to preventing or fighting drug trafficking. However, in March 2009 the Japan Financial Intelligence Center (JAFIC) and SEPRELAD signed a memorandum of understanding to facilitate exchanges of information as part of investigations on money laundering, terrorist financing and related crimes.

The Federal Republic of Germany's work in Paraguay is above all in the areas of environment, good governance and strengthening the rights of women and the indigenous population. It is not for the moment supporting any projects to tackle drug trafficking.

6.3. Recommendations

The recommendations made in previous reports are still valid:

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

7. PERU

7.1. General situation

Coca leaf, basic cocaine paste and cocaine hydrochloride

Peru continues to be the world's second largest coca leaf producer after Colombia, according to the criteria used by the UNODC and the Peruvian government. However, although the area under cultivation was smaller than in Colombia in 2009, if the increase in the area under cultivation in both countries is maintained, in 2010 Peru will probably overtake Colombia in terms of hectares devoted to coca leaf cultivation and possibly, given the yield per hectare, also in terms of coca leaf production in the medium term.

Traditional use of the coca leaf is legal in Peru. In 2009 the area under cultivation increased by 6,8 %, from 56 100 ha in 2008 to 59 900 ha. The increase in the previous year was 4,4 %. That makes 2009 the fifth consecutive year showing an increase in the area under cultivation. All of the increase was recorded in coca-growing areas with coca leaf production linked to drug trafficking. Some 65 000 families are dependent on cultivation of the coca leaf.

This crop continues to be concentrated in the regions of Alto Huallaga, Apurímac-Ene, La Convención and Lares, distributed as follows:

- Putumayo-Marañón: 1 666 ha
- Alto Huallaga-Monzón: 17 479 ha
- Aguaytia: 2 913 ha
- Selva Central (Pachitea, Palcazu, Pichis): 2 091 ha
- Apurímac and Ene river valley (VRAE): 17 486 ha
- La Convención-Lares: 13 174 ha
- Iñambari-Tambopata: 3 519 ha
- San Gabán: 742 ha
- Alto Chicama: 498 ha
- Kcoñispata: 340 ha.

In all these regions there has been an increase in the monitored area under cultivation apart from in Alto Huallaga where there was a 2 % reduction as the result of an intensive and sustained policy by the Peruvian authorities of eradication, prohibition and alternative development. On the other hand, an increase of 73,7 % was recorded in the area of Aguaytia and a 51,7 % increase in the area of Pachitea, Palcazu and Pichis. In both cases this increase may be explained by the fact that the State institutions were less present in the areas mentioned.

The national supply of dry leaf during 2009 was put at 128 000 tonnes, 4,7 % up on 2008. Demand for traditional use is put at just over 9 000 tonnes. The rest (approximately 93 %) is used for cocaine production. This time, the annual report presented by the UNODC and the National Commission for Development and Life without Drugs (DEVIDA) did not calculate the cocaine production potential (estimated at 302 tonnes in 2008) because the factors for converting coca leaf into 100 % pure cocaine are being revised; up to now the estimate has been 375 kg of dry leaf per kilo of cocaine.

The national coca enterprise (ENACO) is the only body authorised to market coca leaf. Its management capacity is limited and it covers only a third of demand for traditional uses. The remainder is sold on the unofficial market, which pays producers higher prices.

In 2009 a slight fall in the average price for dry coca leaf was recorded, which is USD 3,2/kg compared with USD 3,4/kg in 2008 according to UNODC calculations, which can be explained by the improvement of cocaine production processes, with a smaller volume of dry leaf being required to produce the same quantity of cocaine. In the Apurímac and Ene river valley the price falls to USD 2,8/kg.

It is considered that the average yield per hectare of dried coca leaf (which has doubled over the last five years and is officially calculated to be 2,2 tonnes/ha) may actually be higher. The Apurímac and Ene river valley (VRAE) reached yields estimated at 3 tonnes/ha.

From 2000 until now, the presence and modus operandi of drug trafficking has changed. In principle, basic coca paste or "barro" is produced on a very small scale. At present washed coca paste and, increasingly frequently, cocaine hydrochloride is produced and exported. Chemical leaf processing processes have been improved and do not require major infrastructure or sophisticated inputs, which has even enabled part of the process – transforming coca paste into cocaine hydrochloride – to be carried out in populated coastal centres. Instead of airlifting drugs from the coca-growing valleys, the existing road and river system is used in impassable places, with the use of backpackers. The whole series of operations and risks involved in the collection, marketing, entry of chemical inputs and transfer of the drugs obtained to the mountains and coast is now carried out by national organisations specialising in drug trafficking.

The Colombian cartels' former hegemony in the "drug business" in Peru is currently shared with Mexican cartels (Tijuana, Sinaloa, Juárez and Guadalajara), although their presence in the production areas is minimal as they centralise their operations in Lima and other large coastal towns from which they manage their "business" and amass large stocks of drugs for despatch abroad, mainly by sea.

According to the figures provided by the Peruvian authorities – confirmed by the chemical analyses carried out in cooperation with the DEA and spot checks on freight containers in the port of Callao – approximately 80 % of Peruvian cocaine is intended for Europe. Over the last few months, moreover, the Peruvian government has intensified its diplomatic offensive (directed at the EU and move widely) demanding greater cooperation from countries which are the supposed recipients of cocaine produced in Peru, on the basis of "shared responsibility". Some recommendations in this connection are set out at the end of this report.

Poppies and other opiates

There are no studies in Peru (which has numerous areas with geographical and climatic characteristics which are suitable for poppy cultivation) that enable the areas under poppy cultivation to be quantified precisely. However, it is considered that there may be between 700 and 1 400 hectares of poppy plants, from which opium latex is extracted, mainly in the north-eastern area of the country.

Illegal opium latex processing laboratories have been detected, the production of which appears to be transported overland to Ecuador and by river to Colombia for subsequent heroin production.

Main lines of approach and results of the fight against drug trafficking

There are two main means of combating drug trafficking:

1. Eradication: there are two types, voluntary or self-eradication (substitution of legal crops, such as coffee, cocoa and dwarf palm) and compulsory eradication. The eradication of 10 025 ha of coca was reported in 2009, compared with 10 143 ha in 2008.
2. Prohibition and seizures: after 2008, which was an especially successful year in terms of total figures for seizures of drugs and chemical inputs, 2009 showed a moderate increase over the average figures for previous years. The totals for 2009 are as follows:

Seizures:

- * 9 914 tonnes of basic cocaine paste (compared with 11 754 in 2008)
- * 10 744 tonnes of cocaine hydrochloride (16 203 in 2008)
- * 75 250 kg of opium poppy latex (235 700 kg in 2008)

Chemical inputs seized:

- * 249 000 tonnes of kerosene
- * 77 300 tonnes of sulphuric acid
- * 72 600 tonnes of hydrochloric acid
- * 60 800 tonnes of calcium oxide
- * 18 600 tonnes of acetone
- * 4 500 tonnes of ammonia

Installations closed down:

- * 2 494 laboratories dismantled
- * 1 273 pits destroyed

Demand

Heroin and other opiates are consumed in the country, although still to a marginal extent and in many cases by persons who started using these drugs while travelling abroad.

Studies show that **marijuana** use is concentrated in large towns and in the 16 to 30 age group, with consumption generally starting during adolescence. Data drawn from surveys suggest that, as it is an easily available drug, many users try it out of curiosity but do not continue.

With regard to synthetic drugs, *ecstasy* (methylenedioxymethamphetamine) is the main substance present on the market and in recreational areas, preferably at festivals attracting large crowds. Although it was originally consumed by young people aged between 18 and 22 with some purchasing power, its use has gradually spread to other social groups, in both pure and adulterated forms which can be harmless or much more toxic, with sales of such substances being detected in the vicinity of educational establishments.

Institutional framework

In order to reverse the increase in areas under cultivation over the last few years, DEVIDA has expressed the need for additional funds under the Rapid Impact Plan (PIR) which also covers the reduction of illegal crops and the use of tools to reduce drug trafficking through the seizure and confiscation of drugs and the chemical inputs required. Under the PIR for 2009, DEVIDA tried to obtain PEN 20 million from the Ministry of Economic Affairs and Finance for eradication by the special CORAH project of approximately 8 000 ha of coca crops for illicit purposes. This application was rejected.

In the legislative framework, it has recently been made obligatory to register the identity of the users of prepaid mobile telephone cards, as this is the dominant means of communication between the various operators involved in the production, processing and marketing of banned substances.

7.2. International cooperation

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

Notable in this context are the work of the UNODC and funding from USAID, the European Commission and various Member States (Spain, Italy, Germany and Belgium among others). The Organisation of American States (OAS) also provides support through the Inter-American Drug Abuse Control Commission (CICAD) for the programme to strengthen national drug commissions in Latin America, which receives financial support from Spain.

In the framework of bilateral cooperation:

Spain

Project supporting the Ministry of Agriculture with a view to consolidation of agricultural export crop production interventions to improve productive activity and prevent cultivation of illegal crops in forest areas.

Start date: April 2007

Status: being implemented

Duration: 3 years and 6 months

Indicative budget estimate: Total cost: EUR 669 050, AECID contribution: EUR 436 550

Aim: The aim is to contribute to improving the living conditions of the population settled in the area of influence of the Yurimaguas – Tarapoto Ecological Highway, by developing competitive, productive systems to improve the quality of life of farmers' families.

Belgium

In Peru

Bilateral programme: Preventing drug use and rehabilitating drug addicts

Partner: National Commission for Development and Life without Drugs (DEVIDA)

Start date:

- Stage I: 2002-2006
- Stage II: 2007-2011

Status: being implemented

Overall budget: EUR 8 853 667 (contribution from Belgian cooperation: EUR 5 050 167)

Overall objective: Strengthen national capacity to prevent and treat drug abuse.

Specific objective: Strengthen cost-effective policies and programmes to prevent and treat drug abuse.

New Indicative Cooperation Programme (PIC – 2010-2013): The second strand of this new programme – *sustainable economic development and strategic management of natural resources* – will make an indirect contribution to tackling the problem of drug production.

Germany

Tocache-Uchiza Alternative Development Programme, in cooperation with DEVIDA.

Start date: Stage I (2002-2007) Stage II (2011-2014). Contribution: EUR 22 300,00 (debt swap) + EUR 738 000 (budget).

Objective: Strengthen national capacity to prevent and treat drug abuse. Implement measures to boost the economy, socially stabilising the Tocache region.

Finland

Finland supported DEVIDA by means of a technical institutional strengthening project (Environmental Management) up to 2008 and by means of an Integrated Forest Management Project (Pichis Valley) up to May 2011.

A balance of approximately EUR 68 000 has now been transferred to DEVIDA to fund a horizontal cooperation project together with the Colombian Forest Warden Families Programme.

European Union

Alternative Development Programme in the Pozuzo and Palcazo Areas – PRODAPP

Start date: 22/10/2002

Duration: 7 years

Status: being implemented

Total cost: EUR 32 million (EC contribution: EUR 22,6 million)

Aim: Support Peru's government in its programmes for the reduction of poverty and the prevention of illicit crops, and improve management capabilities in regional governments, provinces and districts, with the aim of institutionalising local development.

Support for DEVIDA (EUR 800 000) as part of a project for supporting modernisation of the State, totalling EUR 8 200 000.

Conflict prevention project totalling EUR 2 500 000, one component of which is devoted exclusively to the Apurímac and Ene river valley (VRAE).

In the Andean Community of Nations:

DROSICAN – "Support for the Andean Community in the area of synthetic drugs"

Duration: 4 years

Status: being implemented

Total cost: EUR 3,06 million (EU contribution: EUR 2,55 million).

Proposed objective: Propose methodology and tools enabling the possible effects of the supply and demand for illicit synthetic drugs in the Andean Community countries to be prevented and controlled.

PRADICAN – Support for the four Andean Community countries in the "Andean Plan for Combating Illicit Drugs and Related Offences" and the "Andean Strategy for Alternative, Full and Sustainable Development". Duration: three and a half years. Total cost: EUR 4 020 000. Status: being implemented.

7.3. Recommendations

The mini Dublin group is making a new recommendation: closer cooperation between the governments of the member countries of the Dublin Group (especially within the EU) in the area of police controls and prohibition, which will help to mitigate the impact of drug trafficking on our societies.

It also repeats and qualifies the following recommendations made in the previous report:

- The countries and institutions that are members of the Dublin Group should require more regular and precise information from DEVIDA and other competent institutions concerning the results of the national drugs control strategy, in the interests of greater accountability.
- In response to Peru's new diplomatic line of action on "shared responsibility", the countries and institutions being asked to become more involved should, while not detaching themselves from international cooperation, refute and qualify the argument, stressing the portion of responsibility that lies with the Peruvian State which has not made combating drug trafficking a fundamental precept in its political action over the last few years. This sudden preoccupation is linked rather to the connection between drug trafficking and residual terrorism in the VRAE, a problem which is indeed of concern to this government because of its potential for political destabilisation and the lack of results in this connection.

A multisectoral policy focus in the VRAE, jointly covering the economic, social, police and military aspects, would be more effective, avoiding communication failures and conflicts of jurisdiction between the various ministries involved, as well as between the State and the regional governments in the area.

- The group repeats its recommendation that technical support, both national and international, for all authorities involved in combating drug trafficking should be increased. Such technical support should nevertheless begin to demand specified levels of effectiveness in combating drug trafficking. One of the main problems is excessive rotation in the police chain of command, which in turn results in replacements at the lower levels. Technical assistance should also be increased in other sectors, such as the procurement of equipment, in which established procedures hamper the State's action. With regard to budgetary support, this is an instrument whose use must be gauged carefully, given the very low level of execution of DEVIDA's budget (18 % of the ordinary annual budet and 0 % of the Rapid Impact Plan as at 31 May).
- The training of judges and prosecutors should be stepped up. In trials against drug traffickers, they have to face teams of well paid, well prepared and well equipped lawyers. In this case rotation is less frequent than in the police sphere, but appropriate measures for the greater efficiency of these proceedings are also recommended.
- A stronger message should be sent concerning the need for greater efforts to tackle corruption, which is very closely linked to drug trafficking. Although there have been well-intentioned efforts, the desired continuity and effectiveness have not been achieved.
- The possibility of setting up a single special narcotics court in Lima should be considered, to avoid dispersal of effort among a collection of weak court authorities in the provinces, with judges and prosecutors subjected to local pressures through extortion or bribery.
- DEVIDA's effective capacity is closely dependent on a constant increase in its budgetary resources, a considerable increase in its ability to implement its programmes and its administrative status. With regard to the latter, its continued inferior administrative status at ministry level reduces its operational and financial autonomy and denotes the absence of a clear political will to make the fight against drug trafficking a national priority.

The group therefore recommends that a unified national authority be established to tackle drugs, under the direct responsibility of the President of the Republic, to increase the effectiveness of action to combat drug trafficking and demonstrate the importance the government should be attaching to this matter.

8. URUGUAY

8.1. General situation

The same trend is seen in Uruguay as in all the countries in the region (including Argentina and Brazil): the impact of Plan Colombia, which has caused upheavals in all the drug cartels in Latin America. The war on the cartels in Mexico, which specialise in synthetic drugs, has also made itself felt.

Cartels established in Argentina, increasing trafficking to Uruguay from Argentina (in the recent Operation Aldebarán, in June 2010, nearly 11 kg of basic paste originating in Argentina were seized; in May 2010, two Uruguayan women were arrested with four kg of cocaine while entering the country by road from Argentina).

Consumption of basic paste rose as, consequently, did drug seizures (the abovementioned Operation Aldebarán); consumption of designer drugs rose, though in this case there was no rise in seizures.

As to marijuana, a rise in consumption has been noted, with the product generally originating in Uruguay and Paraguay (the border is fairly porous, and transit easy). Heroin and opiates continue on the same residual use path, while changes have been noted in cocaine routes (from Bolivia and Argentina, entering Uruguay with Brazil and Europe as final destinations).

Institutional framework

The new Uruguayan government has maintained the structure and posts of the previous government in the field of combating drug trafficking, similarly emphasising issues of prevention and treatment of consumption. The work of the National Drugs Board is complemented by the recently established National Anti-Laundering Secretariat.

The Uruguayan prison system is very weak, which is conducive to the establishment of trafficking organisations in Uruguay. Significant failings in coordination between instruments for combating trafficking have also been noted: e.g. the National Drugs Directorate can only act as from 240 metres inland; outside this limit the competent body is the Coast Guard (Prefectura Naval), with which coordination is poor.

8.2. International cooperation

Development cooperation between some member countries and regional bodies includes specific programmes on prevention and treatment of drug use.

The UN has a programme, in the "One UN" framework, on improving the situation in prisons and convict addiction issues. The European Union focuses its cooperation on various regional projects on prevention and the overall treatment and rehabilitation of addicts and their families. The OAS is implementing a project financed by the Spanish Agency for International Development Cooperation (AECID), which provides technical and financial support for local action on reducing demand for drugs (prevention, research, awareness raising, treatment and reintegration into society).

There is an agreement in force with Spain, dating from 18 March 1998, on prevention of abuse and combating the illegal trafficking of narcotics and other psychotropic substances; however, at the beginning of November 2010 the two countries began consultations and negotiations with a view to signing a cooperation agreement on combating drug trafficking and money laundering, which would replace the earlier agreement and would also cover issues such as training, information exchange and sharing of confiscated property.

Spain also has, through AECID, a programme to strengthen the Ministry of the Interior, though it is not aimed specifically at combating drug trafficking.

In October 2010, Uruguay and the USA signed a memorandum of agreement on technical cooperation to reinforce the combating of asset laundering and financial crimes, especially those connected with drug trafficking and terrorism. It will enable officials of the Financial Services Supervisory Authority of the Central Bank and the National Anti-Laundering Secretariat to receive support and share experience with counterparts in the US Treasury Department. The agreement, signed at Uruguay's request, is based on the earlier bilateral agreement on police training and consumption reduction programmes and, unlike the earlier one, includes a flexible training programme to be drawn up as part of a plan of work by the competent bodies of the two countries.

8.3. Recommendations

1. Maintenance of avenues of cooperation to strengthen the institutional system, especially with the Ministry of the Interior (police and prison system) and the National Drugs Board.
2. Better coordination with the banking system would be helpful; however, due account must be taken of Uruguay's efforts to sign as many as 12 agreements to avoid double taxation and for information exchange on tax issues, in order for Uruguay to be taken off the OECD's "grey list".

9. VENEZUELA

9.1. General situation

Drug **seizures** by the police in Venezuela up to 26 November 2010 overall were similar to 2009 seizures. Worth noting is the lesser quantity of cocaine seized, maintaining the trend for smaller cocaine seizures every year since 2005. On the other hand, marijuana is still the most seized drug, showing the opposite trend to cocaine, i.e. more marijuana seized each year. The quantities of other drugs seized are almost negligible, as in previous years. As to synthetic drugs, there are no seizures on record at all.

According to information from the National Anti-Drugs Office (ONA), some of the marijuana seized has higher THC content than "traditional" marijuana (15-20 %, compared to 8 % in the traditional type), so it is assumed that transgenic crops have been introduced in Venezuela.

The National Guard remains the police force that has seized the largest quantities of drugs; meanwhile, in the second half of 2010 the Forensic, Penal and Criminology Department confiscated 41,26 %, a much higher figure than the 25,66 % seized in 2009.

As regards chemical precursors seized, the ONA classifies them as controlled and uncontrolled substances. Among the former, urea and sodium carbonate stand out markedly above all others, though sodium carbonate is not on the lists of catalogued substances. Of those which are, acetone, sulphuric acid and hydrochloric acid were the most confiscated. Other catalogued substances also confiscated in quantity included acetic anhydride, ethyl ether and potassium permanganate.

Up to October 2010, 18 clandestine laboratories had been dismantled.

As to drug seizures by country of destination, 189 procedures were carried out with drugs destined for Spain, involving 1 100 kg of cocaine and 58 arrests (44 % of the total). Of these procedures, 150 were postal consignments, with 11 persons arrested in Venezuela. Around 790 kg were seized in postal consignments addressed to Spain (about 60 % of the total for the drug in postal consignments). The second-ranked country by number of postal consignments was South Africa, with 25 operations and 238 kg of cocaine seized.

Another significant figure is that of the four procedures carried out with drugs destined for Trinidad and Tobago, amounting to some 2 290 kg of marijuana seized.

The number of clandestine flights from Venezuela fell during 2010, continuing the 2009 trend, but the amount of drugs transported was around the same, since aircraft with a larger cargo capacity were being used. Similarly, the landing sites for these light aircraft varied, with more going to Central America (Guatemala and Honduras) than to the Dominican Republic and Haiti as previously.

As to numbers **arrested**, analysis of ONA data on persons arrested for 2010 shows notably that 36 % more people were arrested in total for drug trafficking than in 2009. If we go somewhat further back in time, to 2007, the figure has risen to 342 %. The number of foreigners arrested was slightly down on the preceding year while the number of Venezuelans arrested rose considerably.

After Colombia, with 64 % of the total, comes Spain, accounting for 7,39 % of arrests, a lower percentage than in 2009. The remaining countries represent about 2 % of arrests.

Institutional framework

On 15 September 2010, with a correction on 5 November 2010, a new framework law on drugs was introduced which has reinforced the ONA's work in this field, naming it as the leading body in combating abuse of and trafficking in drugs. Penalties linked to drug trafficking have been stiffened and specific procedures introduced for addicts governing the social measures to be applied to them.

9.2. International cooperation

One general consideration is that it is very difficult to get Venezuelan representatives to attend courses in some countries belonging to the Dublin Group, to which they are invited.

Spain – in the field of technical cooperation in 2010, Spain held four seminars, in the various AECID offices in Latin America. One of them was not attended by a single representative of Venezuela.

USA – there were eight cases of cooperation with US coastguards and DEA contacts with the ONA about fugitives, of whom four were deported to the US.

France – ran four courses in Martinique attended by Venezuelan police. France held a seminar in São Paulo (Brazil) on drug trafficking for all police representatives in the region, and they did not attend.

United Kingdom – in the field of cooperation, took part in the conference in Mérida on community policing; also addressed the subject of violence among young people.

Netherlands – ran three training programmes over the course of the year. One member of the national police attended a course in the Netherlands.

European Union – the cooperation agreements signed at the end of December 2009 included inter alia the acquisition of certain technical resources (such as body scanners) but the ONA has already bought them. There is a budget for the ONA to state what equipment or resources they need and they do not respond, which can cause funds to be lost if not used in the prescribed period. The project has stopped. In January a deadline will be set for redefining and, if necessary, suspending the project.

9.3. Recommendations

The mini Dublin group is issuing some new recommendations:

- Prioritise the fight against money laundering. To fight drug trafficking effectively, its funding must be attacked by stepping up the fight against money laundering and corruption.
- Promote international coordination through the use of the special investigation techniques cited in the 1988 Vienna Convention, including controlled deliveries, supporting the police and prosecutors to improve their capacity to investigate and intercept drug consignments.
- Address the increasing links between drug trafficking and other crime.
- Programmes to fund the professionalisation of the police, monitoring of the border with Colombia and maritime interdiction.

It also reiterates some recommendations expressed in earlier reports:

- Enhance institutional cooperation and collaboration between the security forces. Of particular utility are seminars, courses and exchanges designed principally to provide technical information and knowledge to law-enforcement officials.

- Visits by senior officials from member countries of the Dublin Group with responsibility for combating drug trafficking should be encouraged.
- The Bolivarian Republic of Venezuela should be encouraged to participate more and to be represented more actively in international fora and bodies concerned with combating drug trafficking.
- Pressure should be applied to the Bolivarian Republic of Venezuela to sign and ratify the legal instruments designed to combat drug trafficking as soon as possible. A regional focus should be adopted in order to develop a plan covering the entire region.

In general, it must be pointed out that all the countries in this region are potential beneficiaries of the Cooperation programme between Latin America and the EU on anti-drugs policies (**COPOLAD**), funded by the European Commission with a value of EUR 6 000 000 and a planned duration of 42 months. The programme covers four areas of work:

- improving the coordination of drugs policies between the European Union and Latin America;
- consolidating the national monitoring centres of Latin American countries,
- improving professional training in reducing demand for drugs; and
- improving professional training in reducing the supply of drugs.

On 7 September 2010 the Commission awarded the execution of the programme to a consortium of European Union and Latin American countries, led by Spain. As already stated, all Latin American countries are potential beneficiaries of the programme. Its public launch will take place in Madrid on 31 January 2011 and the activities it is to include will soon begin.

10. BRAZIL

10.1. General situation

Brazil is not a country producing illegal drugs, with the exception of marijuana. Brazil is a consumer and a transit country. Long and uncontrolled borders and 8 000 km of coastline make it quite simple to smuggle drugs into the country. It should also be kept in mind that three big worldwide cocaine producers are the neighbours of Brazil. Lack of police resources, proximity to European markets via West Africa, and increasingly the Balkans, a relatively well developed communications network (large number of international airports and more than 40 important shipping ports) and a modern banking system make Brazil an ideal corridor for drug trafficking.

Most of locally consumed cocaine in Brazil comes from Bolivia (70 %) and the rest reaches the country mainly from Colombia. The flows of cocaine coming to Brazil via the Amazon basin are on the rise. The Federal Police state that drug trafficking is increasing and the number of seizures at Brazilian airports has been rising during the last few months.

It is estimated that around 30 % of marijuana consumed in the country is locally produced (in the Northeast) and the rest comes from Paraguay. Production of synthetic drugs such as ecstasy has been detected.

In the last few months illegal laboratories for drug production have been found. They were dedicated to cocaine and synthetic drugs (mainly ecstasy). This is assumed to be related to the dramatic increase in crack consumption among lower-class urban youngsters. Recent surveys show that 98 % of the urban areas studied have problems related to crack trafficking and consumption. Nevertheless, most synthetic drugs are imported from Europe.

Drug trafficking is creating a serious political problem too. Even though it is quite difficult to measure, drug trafficking not only has a direct link with rising criminality rates but also influences corruption and impunity. There is an alarming situation in some areas of the country and urban districts where the presence of the State is weak and local authorities are replaced by gangs funded by money related to drug trafficking. From 1 November of last year, authorities in Rio de Janeiro, with federal-level support, have been trying to regain areas dominated by gangs in a coordinated effort led by police and the army. Even though a national strategy to fight drug trafficking is nonexistent, the determination of Rio de Janeiro authorities could serve as an example to the whole nation.

10.1.1. Demand

Brazilian authorities consider drug addiction a serious problem having social consequences. The general feeling is that consumption is increasing even though Brazil is still a medium-size consumer. Even though updated data are lacking, the Federal Police estimate that marijuana consumption has stabilised, cocaine and synthetic drugs consumption is growing, crack consumption is increasingly worrying while that of heroin and opium derivatives is tending to decrease.

10.1.2. Institutional framework

The National Anti-Drugs Secretariat (SENAD) was created by Law 5.912 of September 2006 and is responsible for the coordination of all activities aimed at curbing drug demand. The Federal Police have jurisdiction in this field and in general terms their activities have been very positively evaluated by the Dublin Group. It is a reliable institution with which cooperation can be fostered.

SENAD activities are three-fold: diagnosis, training and strategic analysis:

- Diagnosis is made through surveys every five years, in order to identify drug-related trends and the validity of strategies. The Third National Survey, which will follow the 2000 and 2005 Surveys, will show recent trends. Although the Survey was expected to be published in 2010, it has been announced that the results will be available only in the second half of 2011. Surveys on the effects of alcohol in trafficking and drugs in universities have been released during 2010.

- As far as training is concerned, several seminars for teachers, public health system workers, religious leaders and social assistants are under way.
- SENAD is currently implementing a number of what it calls strategic projects relating to drugs: training of a network of college researchers (in cooperation with Portugal); telephone hotline on drugs (in cooperation with US). The most relevant programme is the Programme on Integrated Actions in Drug Use and Violence Prevention, now being implemented in five urban areas with high criminality rates (Río de Janeiro, Vitoria, Salvador, Porto Alegre and Brasilia). The programme targets young people and tries to articulate a coordinated response by the different levels of the administration in such fields as suppression, prevention, strengthening social and health networks and reduction of drug-related criminality. Depending on the assessment of results, the experience could be expanded to other cities.

Even though its objectives are long-term, SENAD has serious shortcomings that result in poor performance.

The Federal Police are trying to be more effective in the struggle against drug trafficking and in border controls. They have centralised and reorganised the intelligence units and are trying to foster cooperation with other bodies such as local police forces, the Armed Forces and Customs. Their human and material resources have been increased in the last few years, even though a much greater increase is needed. The Federal Police are beginning to cooperate more seriously with neighbouring countries to curb production and combat trafficking.

The dramatic increase in crack consumption has resulted in a strong reaction from the authorities, which have adopted a comprehensive plan to fight crack and other drugs, with a budget of EUR 190 million. According to SENAD data, only half of the project budget provided for 2010 has been used for the creation of assistance teams, funding the recruitment of social workers and making more places in public hospitals available.

Brazil also launched the National System on Seized Assets, which aims to centralise data on goods seized during criminal prosecutions for money laundering. More recently, the Management Centre of the Amazon Protection System has started to use new technologies and radars to detect suspicious activities and report them to the Federal Police.

A new working group has been created, coordinated by the Presidency and involving the Federal Police, the Army, the Air Force and the Navy. The aim of the group is to elaborate joint strategies to fight drug trafficking.

Last but not least, the Brazilian Government wants to pass new legislation to give the Armed Forces police competences. The National Defence Strategy, passed in 2008, already provides for the creation of 28 border regiments in the Amazon States and some of them such as those in Acre, Roraima or Amazonas are already working with police forces.

10.2. International cooperation

UNODC is implementing a capacity-building programme with the Federal Police to fight drug trafficking. Some components of the programme are focused on international cooperation between Brazil and foreign police forces. In this respect the activities led by the Federal Police Academy with counterparts in the African Portuguese-speaking countries should be highlighted. UNODC is also supporting the initiative of the Brazilian Agency for International Cooperation to open a Police Academy in Guinea Bissau.

Brazil is an active player in different for a dealing with drug trafficking, both regional, like CICAD, and bi-regional, like the dialogue initiated with the EU or on a bilateral basis with neighbouring countries, the US or EU Member States. Of great relevance is the commitment adopted in the Brazil-EU Joint Action Plan to fight drug trafficking, which is based on shared responsibility and a balanced approach to reducing both drug demand and supply.

France has organised several seminars and workshops on maritime trafficking with containers, on ways to identify drug origin, on problems and perspectives of cocaine trafficking between South America and Europe and on the situation of West African routes. The United Kingdom, Portugal, Italy and Germany also participated in the last seminar.

Portugal and Brazil signed an Agreement on Cooperation to Reduce the Demand for Drugs and Psychotropic Substances, Combat their Production and Suppress the Illicit Trafficking therein in 1991. The Agreement on drugs aims at mutual cooperation in the exchange of data, scientific and technical assistance, training of human resources and the exchange of information on seizures of assets acquired through the use of drug-related money. Examples of cooperation include the "Joint Network of Investigators" project, which was set up in 2007 in the framework of the bilateral Agreement on drugs. This project was based on a partnership between the Institute on Drugs and Drug Addiction (IDT) of Portugal and the National Anti-Drugs Secretariat (SENAD) of Brazil. Its purpose is to exchange data between researchers on the use of alcohol and other drugs in both countries. Portuguese officers attended the "11th International Seminar of the Joint Network of Investigators" hosted by SENAD in November 2009 in Salvador. Innovations, results and challenges of the Portuguese anti-drugs policy were discussed at the seminar. Brazil is currently involved in reviewing its national drugs policy and has shown interest in various international experiences, including those of Portugal.

Many Member States of the mini Dublin group conduct operational cooperation with the Federal Police on a regular basis. Most of them consider this cooperation to be highly satisfactory.

10.3. Recommendations

A number of the recommendations made in the previous report are still valid, with some clarifications:

- The group recommends establishing a structured dialogue between SENAD and our respective national counterparts in order to promote a permanent flow of information on experience of implementing prevention and rehabilitation programmes. More contacts between experts should be fostered to identify respective success stories.
- SENAD is starting its cooperation with neighbouring countries and sharing experiences and methods. The Dublin Group could be involved, making it a three-way exercise (producers, transit and consumers). That could make for a better common understanding of our shared objectives and focus action on production areas. The possibility of three-way police cooperation with Brazil and producer countries could be explored. UNODC thinks that it is worth concentrating suppression efforts on the origin of the drug chain as this leads to more positive results. It therefore seems crucial to cooperate with Brazil in its fight against drugs with the biggest world coca producers: Colombia, Peru and especially Bolivia as the Drug Enforcement Administration (DEA) has left the country and Brazil has not been able until now to fill that gap.

- The group considers it appropriate to support SENAD in carrying out a national survey of drug consumption among the prison population. Limited resources have prevented it from conducting such a study until now. This survey could give relevant information on a high-risk target population and provide tools to better prevent consumption.
- It is advisable to increase intelligence cooperation with the Federal Police in order to continue controlled seizures in Brazil. The Federal Police are asking for a bigger commitment to fighting synthetic-drugs trafficking coming from Europe.

Three-way cooperation could also be a way of suppressing trafficking in West Africa, mainly with the Portuguese-speaking countries with which Brazil has special links and interests.
