

**United States Department of State** 

Bureau for International Narcotics and Law Enforcement Affairs

# International Narcotics Control Strategy Report

# Volume I

# Drug and Chemical Control

March 2018

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# **Common Abbreviations**

APEC	Asia-Pacific Economic Cooperation
AFRICOM	U.S. Military Command for Africa
ASEAN	Association of Southeast Asian Nations
ATS	Amphetamine-Type Stimulants
CARICC	Central Asia Regional Information Coordination Center
CARSI	Central America Regional Security Initiative
CBP	U.S. Customs and Border Protection
CBSI	Caribbean Basin Security Initiative
DARE	Drug Abuse Resistance Education
DEA	U.S. Drug Enforcement Administration
DHS	U.S. Department of Homeland Security
DOJ	U.S. Department of Justice
DTO	Drug Trafficking Organization
ECOWAS	Economic Community of West African States
EU	European Union
FBI	Federal Bureau of Investigation
FIU	Financial Intelligence Unit
ICE	U.S. Immigration and Customs Enforcement
ILEA	International Law Enforcement Academy
INCB	International Narcotics Control Board
INCSR	International Narcotics Control Strategy Report
INL	U.S. Department of State's Bureau of International Narcotics
	and Law Enforcement Affairs
JIATF-S	Joint Interagency Task Force South
JIATF-W	Joint Interagency Task Force West
MAOC-N	Maritime Analysis and Operations Centre-Narcotics
MLAT	Mutual Legal Assistance Treaty
MOU	Memorandum of Understanding
NIDA	National Institute of Drug Abuse
OAS	Organization of American States
OAS/CICAD	Inter-American Drug Abuse Control Commission
ONDCP	Office of National Drug Control Policy
NPS	New Psychoactive Substances
SELEC	Southeast European Law Enforcement Center
SIU	Special Investigative Unit
SOUTHCOM	U.S Military Command for the Caribbean, Central and South America
TOC	Transnational Organized Crime
UNODC	United Nations Office on Drugs and Crime
UNCAC	United Nations Convention against Corruption
UNTOC	United Nations Convention against Corruption United Nations Convention against Transnational Organized Crime
USAID	U.S. Agency for International Development
	c.s. rigency for international Development

## INCSR 2018 Volume 1

## **Common Abbreviations**

USCG	U.S. Coast Guard
UTC	Universal Treatment Curriculum for Substance Use Disorders
WACSI	West Africa Cooperative Security Initiative
На	Hectare
HCL	Hydrochloride (cocaine)
Kg	Kilogram
MT	Metric Ton

# **International Agreements**

1988 UN Drug Convention – United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988)

UN Single Drug Convention – United Nations Single Convention on Narcotic Drugs (1961 as amended by the 1972 Protocol)

UN Psychotropic Substances Convention – United Nations Convention on Psychotropic Substances (1971)

UNCAC - UN Convention against Corruption (2003)

UNTOC – UN Convention against Transnational Organized Crime (2000) and its supplementing protocols:

Trafficking in Persons Protocol – Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime

Migrant Smuggling Protocol – Protocol against the Smuggling of Migrants by Land, Air and Sea, supplementing the United Nations Convention against Transnational Organized Crime

Firearms Protocol – Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components and Ammunition, supplementing the United Nations Convention against Transnational Organized Crime

# **INTRODUCTION**

## Legislative Basis for the INCSR

The Department of State's International Narcotics Control Strategy Report (INCSR) has been prepared in accordance with section 489 of the Foreign Assistance Act of 1961, as amended (the "FAA," 22 U.S.C. § 2291). The 2018 INCSR, published in March 2018, covers the year January 1 to December 31, 2017 and is published in two volumes, the second of which covers money laundering. In addition to addressing the reporting requirements of section 489 of the FAA (as well as sections 481(d)(2) and 484(c) of the FAA and section 804 of the Narcotics Control Trade Act of 1974, as amended), the INCSR provides the factual basis for the designations contained in the President's report to Congress on the major drug-transit or major illicit drug producing countries initially set forth in section 591 of the Kenneth M. Ludden Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002 (P.L. 107-115) (the "FOAA"), and now made permanent pursuant to section 706 of the Foreign Relations Authorization Act, Fiscal Year 2003 (P.L. 107-228) (the "FRAA").

Section 706 of the FRAA requires that the President submit an annual report no later than September 15 identifying each country determined by the President to be a major drug-transit country or major illicit drug producing country. The President is also required in that report to identify any country on the majors list that has "failed demonstrably... to make substantial efforts" during the previous 12 months to adhere to international counternarcotics agreements and to take certain counternarcotics measures set forth in U.S. law. U.S. assistance under the current foreign operations appropriations act may not be provided to any country designated as having "failed demonstrably" unless the President determines that the provision of such assistance is vital to U.S. national interests or that the country, at any time after the President's initial report to Congress, has made "substantial efforts" to comply with the counternarcotics, and certain other types of assistance that are authorized to be provided notwithstanding any other provision of law.

The FAA requires a report on the extent to which each country or entity that received assistance under chapter 8 of Part I of the Foreign Assistance Act in the past two fiscal years has "met the goals and objectives of the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (the "1988 UN Drug Convention")."

Beginning in 2007, pursuant to The Combat Methamphetamine Enforcement Act (CMEA) (The USA Patriot Improvement and Reauthorization Act 2005, Title VII, P.L. 109-177), amending sections 489 and 490 of the Foreign Assistance Act (22 USC 2291h and 2291) section 722, the INCSR was expanded to include reporting on the five countries that export the largest amounts of methamphetamine precursor chemicals, as well as the five countries importing the largest amounts of these chemicals and which have the highest rate of diversion of the chemicals for methamphetamine production. This expanded reporting also includes additional information on efforts to control methamphetamine precursor chemicals, as well as estimates of legitimate demand for these methamphetamine precursors, prepared by most parties to the 1988 UN Drug Convention and submitted to the International Narcotics Control Board. The CMEA also requires a Presidential determination by March 1 of each year on whether the five countries that legally exported and the five countries that legally imported the largest amount of precursor

chemicals (under FAA section 490) have cooperated with the United States to prevent these substances from being used to produce methamphetamine or have taken adequate steps on their own to achieve full compliance with the 1988 UN Drug Control Convention. This determination may be exercised by the Secretary of State pursuant to Executive Order 12163 and by the Deputy Secretary of State pursuant to State Department Delegation of Authority 245-2.

Although the Convention does not contain a list of goals and objectives, it does set forth a number of obligations that the parties agree to undertake. Generally speaking, it requires the parties to take legal measures to outlaw and punish all forms of illicit drug production, trafficking, and drug money laundering; to control chemicals that can be used to process illicit drugs; and to cooperate in international efforts to these ends. The statute lists actions by foreign countries on the following issues as relevant to evaluating performance under the 1988 UN Drug Convention: illicit cultivation, production, distribution, sale, transport and financing, and money laundering, asset seizure, extradition, mutual legal assistance, law enforcement and transit cooperation, precursor chemical control, and demand reduction.

In attempting to evaluate whether countries and certain entities are meeting the goals and objectives of the 1988 UN Drug Convention, the Department has used the best information it has available. The 2018 INCSR covers countries that range from major drug producing and drug-transit countries, where drug control is a critical element of national policy, to small countries or entities where drug issues or the capacity to deal with them are minimal. The reports vary in the extent of their coverage. For key drug-control countries, where considerable information is available, comprehensive reports are provided. For some smaller countries or entities where only limited information is available, reports include whatever data the responsible post could provide.

The country chapters report upon actions taken – including plans, programs, and, where applicable, timetables – toward fulfillment of Convention obligations. Because the 1988 UN Drug Convention's subject matter is so broad and availability of information on elements related to performance under the Convention varies widely within and among countries, the Department's views on the extent to which a given country or entity is meeting the goals and objectives of the Convention are based on the overall response of the country or entity to those goals and objectives. Reports will often include discussion of foreign legal and regulatory structures. Although the Department strives to provide accurate information, this report should not be used as the basis for determining legal rights or obligations under U.S. or foreign law.

Some countries and other entities are not yet parties to the 1988 UN Drug Convention; some do not have status in the United Nations and cannot become parties. For such countries or entities, we have nonetheless considered actions taken by those countries or entities in areas covered by the Convention as well as plans (if any) for becoming parties and for bringing their legislation into conformity with the Convention's requirements. Other countries have taken reservations, declarations, or understandings to the 1988 UN Drug Convention or other relevant treaties; such reservations, declarations, or understandings are generally not detailed in this report. For some of the smallest countries or entities that have not been designated by the President as major illicit drug producing or major drug-transit countries, the Department has insufficient information to make a judgment as to whether the goals and objectives of the Convention are being met.

Unless otherwise noted in the relevant country chapters, the Department's Bureau for International Narcotics and Law Enforcement Affairs (INL) considers all countries and other entities with which the United States has bilateral narcotics agreements to be meeting the goals and objectives of those agreements.

Information concerning counternarcotics assistance is provided, pursuant to section 489(b) of the FAA, in section entitled "U.S. Government Assistance."

## Major Illicit Drug Producing, Drug-Transit, Significant Source, Precursor Chemical, and Money Laundering Countries

Section 489(a)(3) of the FAA requires the INCSR to identify:

(A) major illicit drug producing and major drug-transit countries;

(B) major sources of precursor chemicals used in the production of illicit narcotics; or

(C) major money laundering countries.

These countries are identified below.

### Major Illicit Drug Producing and Major Drug-Transit Countries

A major illicit drug producing country is one in which:

(A) 1,000 hectares or more of illicit opium poppy is cultivated or harvested during a year;
(B) 1,000 hectares or more of illicit coca is cultivated or harvested during a year; or
(C) 5,000 hectares or more of illicit cannabis is cultivated or harvested during a year, unless the President determines that such illicit cannabis production does not significantly affect the United States. [FAA § 481(e)(2)]

A major drug-transit country is one:

(A) that is a significant direct source of illicit narcotic or psychotropic drugs or other controlled substances significantly affecting the United States; or

(B) through which are transported such drugs or substances. [FAA § 481(e)(5)]

The following major illicit drug producing and/or drug-transit countries were identified and notified to Congress by the President on September 13, 2017, consistent with section 706(1) of the Foreign Relations Authorization Act, Fiscal Year 2003 (Public Law 107-228):

### Afghanistan, The Bahamas, Belize, Bolivia, Burma, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, India, Jamaica, Laos, Mexico, Nicaragua, Pakistan, Panama, Peru, and Venezuela.

Of these 22 countries, **Bolivia and Venezuela** were designated by the President as having "failed demonstrably" during the previous 12 months to adhere to their obligations under international counternarcotics agreements and take the measures set forth in section 489(a)(1) of the FAA. The President determined, however, in accordance with provisions of Section 706(3)(A) of the FRAA, that continued support for bilateral programs to aid the people of Venezuela is vital to the national interests of the United States.

#### **Major Precursor Chemical Source Countries**

The following countries and jurisdictions have been identified to be major sources of precursor or essential chemicals used in the production of illicit narcotics:

Afghanistan, Argentina, Bangladesh, Belgium, Bolivia, Brazil, Burma, Canada, Chile, China, Colombia, Costa Rica, Dominican Republic, Ecuador, Egypt, El Salvador, Germany, Guatemala, Honduras, India, Indonesia, Mexico, the Netherlands, Nigeria,

# Pakistan, Peru, Republic of Korea, Singapore, South Africa, Switzerland, Taiwan, Thailand, the United Kingdom, and Venezuela.

Information is provided pursuant to section 489 of the FAA in the section entitled "Chemical Controls."

#### **Major Money Laundering Countries**

A major money laundering country is defined by statute as one "whose financial institutions engage in currency transactions involving significant amounts of proceeds from international narcotics trafficking" [FAA § 481(e)(7)]. More information on the methodology is set forth in Volume II of the INCSR in the section entitled "Legislative Basis and Methodology for the INCSR." The following countries/jurisdictions have been identified this year in this category:

Afghanistan, Albania, Algeria, Antigua and Barbuda, Argentina, Armenia, Aruba, Azerbaijan, Bahamas, Barbados, Belgium, Belize, Benin, Bolivia, Bosnia and Herzegovina, Brazil, British Virgin Islands, Burma, Cabo Verde, Cambodia, Canada, Cayman Islands, China, Colombia, Costa Rica, Cuba, Curaçao, Cyprus, Dominica, Dominican Republic, Ecuador, Egypt, El Salvador, Georgia, Ghana, Guatemala, Guinea-Bissau, Guyana, Haiti, Honduras, Hong Kong, India, Indonesia, Iran, Italy, Jamaica, Kazakhstan, Kenya, Kyrgyzstan, Laos, Lebanon, Liberia, Macau, Malaysia, Mexico, Morocco, Mozambique, Netherlands, Nicaragua, Nigeria, Pakistan, Panama, Paraguay, Peru, Philippines, Portugal, Russia, Senegal, Serbia, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Sint Maarten South Africa, Spain, Suriname, Switzerland, Tajikistan, Tanzania, Thailand, Trinidad and Tobago, Turkey, Turkmenistan, Ukraine, United Arab Emirates, United Kingdom, United States of America, Uruguay, Uzbekistan, Venezuela, and Vietnam.

Further information on these countries/jurisdictions and United States money laundering policies, as required by section 489 of the FAA, is set forth in Volume II of the INCSR in the section entitled "Money Laundering."

## **Presidential Determination**

## THE WHITE HOUSE

### WASHINGTON

September 13, 2017

**Presidential Determination No. 2017-12** 

MEMORANDUM FOR THE SECRETARY OF STATE

SUBJECT: Presidential Determination on Major Drug Transit or Major Illicit Drug Producing Countries for Fiscal Year 2018

Pursuant to Section 706(1) of the Foreign Relations Authorization Act, Fiscal Year 2003 (P.L. 107-228) (FRAA), I hereby identify the following countries as major drug transit and/or major illicit drug producing countries: Afghanistan, The Bahamas, Belize, Bolivia, Burma, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, India, Jamaica, Laos, Mexico, Nicaragua, Pakistan, Panama, Peru, and Venezuela.

A country's presence on the foregoing Majors List is not a reflection of its government's counternarcotics efforts or level of cooperation with the United States. Consistent with the statutory definition of a major drug transit or drug producing country set forth in section 481(e) (2) and (5) of the Foreign Assistance Act of 1961, as amended (FAA), the reason major drug transit or illicit drug producing countries are placed on the list is the combination of geographic, commercial, and economic factors that allow drugs to transit or be produced, even if a government has carried out the most assiduous narcotics control law enforcement measures.

Pursuant to Section 706(2)(A) of the FRAA, I hereby designate Bolivia and Venezuela as countries that have failed demonstrably during the previous 12 months to adhere to their obligations under international counternarcotics agreements and take the measures set forth in section 489(a)(1) of the FAA. Included with this determination are justifications for the designations of Bolivia and Venezuela, as required by Section 706(2)(B) of the FRAA.

In addition, the United States government seriously considered designating Colombia as a country that has failed demonstrably to adhere to its obligations under international counternarcotics agreements due to the extraordinary growth of coca cultivation and cocaine production over the past three years, including record cultivation during the last 12 months. Ultimately, Colombia is not designated because the Colombian National Police and Armed Forces are close law enforcement and security partners of the United States in the Western Hemisphere; they are improving interdiction efforts; and have restarted some eradication that they had significantly curtailed beginning in 2013. I will, however, keep this designation under section 706(2)(A) of the FAA as an option, and expect Colombia to make significant progress in reducing coca cultivation and production of cocaine.

I have also determined, in accordance with provisions of Section 706(3)(A) of the FRAA, that support for programs to aid the people of Venezuela are vital to the national interests of the United States.

You are hereby authorized and directed to submit this report, with its Bolivia and Venezuela memoranda of justification, under Section 706 of the FRAA, to the Congress, and publish it in the *Federal Register*.

/S/ Donald J. Trump

## MEMORANDUM OF JUSTIFICATION FOR MAJOR ILLICIT DRUG TRANSIT OR ILLICIT DRUG PRODUCING COUNTRIES FOR FY 2018

## Bolivia

During the past 12 months, the Bolivian government has failed demonstrably to make sufficient efforts to meet its obligations under the international counternarcotics agreements or to uphold the counternarcotics measures set forth in Section 489 (a)(1) of the Foreign Assistance Act (FAA) of 1961, as amended (FAA). Bolivia fails to account for excess coca production; it remains a major transit country for Peruvian coca; and it lacks adequate controls over its internal coca markets. Serious shortcomings in arrests and prosecutions expose its judicial system as ineffective in dealing with producers and traffickers.

According to coca cultivation estimates from the United States government, the Government of Bolivia, and the UN Office on Drugs and Crime (UNODC), Bolivia remains the third largest producer of cocaine in the world. Cocaine cultivation in Bolivia continues to increase, rising three percent to 37,500 hectares in 2016 from 36,500 in 2015. Potential pure cocaine production in Bolivia increased eight percent to 275 metric tons from 2015 to 2016.

Until 2017, Bolivian law permitted 12,000 hectares of licit coca production per year. In practice, the Government of Bolivia has allowed the cultivation of more than 20,000 hectares of coca, breaching Bolivian legal limits by more than 60 percent. In March 2017, President Evo Morales signed into law a bill that replaces Bolivia's former counternarcotics law and nearly doubles the previous production, increasing the area available for licit coca production from 12,000 to 22,000 hectares. In addition to excessive production levels, Bolivia's inadequate controls over its legal coca markets are a matter of concern.

Most Bolivian cocaine does not reach the United States, but is exported to other Latin American countries, especially Brazil, for domestic consumption or for onward transit to West Africa and Europe. Bolivia is also a major transit zone for Peruvian cocaine. Peruvian officials estimate that as much as 50 percent of all Peruvian cocaine departs to or through Bolivia over land or via aerial transshipment.

Bolivia has yet to adopt regulations that could permit it to enhance its counterdrug efforts under its new substance control laws (Laws 906 and 913, respectively). For example, Law 913 permits asset forfeitures, wire taps, and payments to informants. These tools should enhance Bolivian law enforcement's counternarcotics efforts, but will not until implementation of appropriate regulations. Further, Law 906 faces legal challenges alleging it unlawfully legalizes coca cultivation in areas that are outside of "traditional" coca cultivation zones, and encourages the industrialization and export of coca derivatives.

Bolivia should strengthen efforts to stem the diversion of coca for cocaine processing by tightening controls over the coca leaf trade, achieve net reductions in coca cultivation, and improve law enforcement and judicial efforts to investigate and prosecute drug-related criminal

activity. Coca yields have increased, but there are no recent accurate studies on coca crop or coca-to-cocaine yields. The new substance control law (Law 913) does permit asset forfeitures, wire taps and payments to informants, which should provide Bolivian law enforcement with improved tools and funding for future counternarcotics efforts, but not until appropriate regulations for implementation are established.

The United States government has not maintained a counternarcotics presence in Bolivia since 2013. United States officials, however, consult with international organizations and third-party governments involved in supporting Bolivian efforts to strengthen drug control, meet with Bolivian counternarcotics officials, and provide limited training to Bolivian law enforcement and customs officials. On July 6, 2017, the Bolivian National Customs office signed a Customs Mutual Assistance Agreement with the United States government that permits information exchanges and collaboration to prevent illegal shipments and related criminal activities, including drug trafficking.

Increased Bolivian counternarcotics cooperation with other countries and in international fora would be welcome. Aerial drug smuggling between Peru and Bolivia continues to be a pressing issue that calls for improved cooperation between those two countries. Bolivia met with Chile in January 2017 to enhance bilateral cooperation on drug enforcement, after a long lapse since the previous such meeting. Subsequent unrelated disputes between the two countries, however, could affect cooperation between them in the near future. Bolivia should energetically implement and enhance bilateral counternarcotics and law enforcement agreements with Brazil, Paraguay, and Argentina.

In 2013, Bolivia re-acceded to the 1961 U.N. Single Convention on Narcotic Drugs with a reservation permitting coca to be used only within Bolivia for traditional, cultural, and medicinal purposes. Despite these stated conditions, Bolivia continues to promote the use of coca in other countries, and the Government of Bolivia has publicly stated it intends to expand the export of coca and coca-derivative products. These actions, in combination with the Government of Bolivia's recent substantial increase in licit coca production limits, and its failure to adequately control coca production and licit coca markets, continue to undermine Bolivia's commitments to its international drug control obligations.

In accordance with United States legislation, the determination that Bolivia has failed demonstrably to make substantial efforts to adhere to its obligations under international counternarcotics agreements and to take counternarcotics measures set forth in the FAA results in the withholding of certain kinds of U.S. assistance, with exceptions for humanitarian and counternarcotics assistance under the FAA. United States assistance to and relations with Bolivia are extremely limited. In addition, United States assistance to and relations with Bolivia are extremely limited. It is not in the vital interest of the United States to grant a national interest waiver to Bolivia pursuant to Section 706 of the Foreign Relations Authorization Act of Fiscal Year 2003 (FRAA), given that any assistance necessitating such a waiver is neither contemplated by the United States nor actively pursued by the Government of Bolivia.

## MEMORANDUM OF JUSTIFICATION FOR MAJOR DRUG TRANSIT OR ILLICIT DRUG PRODUCING COUNTRIES FOR FY 2018

### Venezuela

During the past 12 months, the Venezuelan government failed demonstrably to make sufficient efforts to meet its obligations under the international counternarcotics agreements or to uphold the counternarcotics measures set forth in section 489 (a)(1) of the Foreign Assistance Act of 1961, as amended (FAA). Despite these failures, a national interest waiver, under Section 706 of the Foreign Relations Authorization Act of Fiscal Year 2003 (FRAA), for Venezuela in 2018 will permit support for United States government-funded bilateral assistance programs vital to the national interest of the United States, such as democracy building and human rights advocacy that support the people of Venezuela. Such a waiver is appropriate in light of the President Nicholas Maduro regime's draconian turn.

Venezuela remained a major drug-transit country in 2017. Venezuela is one of the preferred trafficking routes for illegal drugs, predominately cocaine, from South America to the United States through the Caribbean region and Central America, due to its porous western border with Colombia, weak judicial system, sporadic international counternarcotics cooperation, and permissive and corrupt environment.

From 2013 to 2016, cocaine production increased threefold in neighboring Colombia. Despite this increase, Venezuelan seizures of illegal drugs have decreased dramatically. The Venezuelan National Anti-Narcotics Office (ONA) reported seizing only 32 metric tons of drugs during the first six months of 2016, compared to 66 metric tons during the first eight months of 2015.

Previously active in the Organization of American States (OAS) Inter-American Drug Abuse Control Commission (CICAD), Venezuela formally informed the OAS on April 29, 2017, of its intent to withdraw from the OAS. The exit process will take 24 months, during which time Venezuela may continue to participate in CICAD. Venezuela remains party to other relevant agreements, such as the Inter-American Convention against Terrorism, the Inter-American Convention against Corruption, and the Inter-American Convention on Mutual Assistance in Criminal Matters.

Public corruption, including among senior government officials, is a major problem in Venezuela, making it easier for drug-trafficking organizations to smuggle illegal drugs. Additionally, the Venezuelan government has yet to take action against multiple senior officials who have been indicted for drug trafficking activities.

On February 13, 2017, under the Foreign Narcotics Kingpin Designation Act, the United States designated Venezuelan Executive Vice President Tareck El Aissami pursuant to the Foreign Narcotics Kingpin Designation Act for his involvement in international narcotics trafficking activities. El Aissami facilitated, coordinated, and protected other narcotics traffickers operating in Venezuela. Specifically, El Aissami received payment for the facilitation of drug shipments

belonging to Venezuelan drug kingpin Walid Makled Garcia. El Aissami also is linked to the coordination of drug shipments to Los Zetas, a violent Mexican drug cartel, as well as to the protection of Colombian drug lord Daniel Barrera Barrera and Venezuelan drug trafficker Hermagoras Gonzalez Polanco.

On August 1, 2016, the United States unsealed indictments against General Nester Luis Reverol Torres, the former director of ONA and former commander of the Venezuelan National Guard, and Edylberto Jose Molina Molina, the former sub-director of ONA, for participating in an international conspiracy to traffic cocaine. On August 3, 2016, President Nicolas Maduro appointed Reverol as Minister of Interior, Justice, and Peace, giving him responsibility for overseeing both ONA and the Venezuelan National Guard.

In November, 2016, a United States Federal court in New York convicted nephews of Venezuelan first lady Cilia Flores – Efrain Campo Flores and Francisco Flores de Freitas – of conspiracy to traffic 800 kilograms of cocaine to the United States.

Despite Venezuela's demonstrable failure to meet its obligations under the international narcotics control agreements, a national interest waiver under section 706 of the FRAA is approved to enable certain United States bilateral assistance programs to continue. Pursuant to the FAA, humanitarian and counternarcotics assistance does not require a waiver.

# **POLICY AND PROGRAM DEVELOPMENTS**

# Overview

As required by the Foreign Assistance Act of 1961, this annual edition of the International Narcotics Control Strategy Report provides an overview of global efforts taken in 2017 to confront the threats posed by the production, trafficking, and use of illicit drugs. Illicit drugs are a universal challenge that takes different forms in various countries and regions, and the specific circumstances of over 80 countries and jurisdictions are described at length in this report. The differences are overshadowed, however, by the common harms inflicted by illegal drugs on communities across the globe – from overdose deaths, to families shattered by addiction, and widespread corruption of government institutions. In some drug source and transit countries, illicit drug production and trafficking undermines peace and security and threatens the stability of key U.S. allies.

International narcotics control witnessed some significant setbacks in 2017, particularly in some major drug source countries that experienced marked increases in the production of some of the most dangerous illicit drugs. Fortunately, there is a strong global consensus in favor of vigorous enforcement efforts and sustained international cooperation to dismantle the transnational criminal organizations responsible for fueling drug addiction, combined with well-resourced and evidence-based approaches to reducing illicit drug use. The United States is committed to preventing international drug trafficking networks from harming Americans, and will deploy all available means at its disposal, both domestically and internationally, to confront this challenge.

Domestically, as outlined in President Trump's National Security Strategy, the United States will support public health efforts to halt the growth of illicit drug use in the United States, expand national and community-based prevention efforts, increase access to evidenced-based treatment for addiction, improve prescription drug monitoring, and provide training on substance use disorders for medical personnel.

Internationally, where the vast majority of the most dangerous illicit drugs originate, the United States will focus efforts to reduce drug supplies at their source and dismantle the transnational criminal organizations that profit from them. We will build upon partner nation efforts to reduce crime and corruption in key drug source and transit countries, including by supporting efforts to professionalize police and other security forces. The United States will also continue its assistance to committed governments to strengthen the rule of law and undertake judicial reform, and to improve information sharing with our law enforcement partners, targeting criminals and corrupt leaders and disrupting illicit trafficking. Much work remains to be done, and new challenges continue to emerge requiring urgent and creative responses backed by unwavering political commitment from like-minded governments.

In the United States, stemming our country's ongoing opioid crisis is one of the most urgent priorities of President Trump's administration. On October 26, 2017, President Trump identified the opioid crisis as "the worst drug crisis in American history" and declared it a public health emergency, directing U.S. Federal agencies to use all appropriate emergency authorities to reduce the number of opioid deaths. Because this opioid crisis is increasingly fueled by heroin

and synthetic opioids produced outside of the United States, our frontline efforts at reducing the availability of these drugs begins abroad.

More than 90 percent of the heroin available in the United States originates in Mexico, trafficked into the United States by powerful and violent transnational criminal organizations. Rising seizure totals indicate that trafficking of the synthetic opioid fentanyl across the U.S.–Mexico border may have also increased in 2017, often in the form of pills disguised as prescription medications for sale in illicit markets. Confronting this complex transnational threat will require closely coordinated efforts from both governments, and the United States and Mexico have one of the most extensive bilateral law enforcement relationships in the world as a foundation on which to build. To further broaden cooperation, the United States and Mexico held two Cabinet-level meetings of the Strategic Dialogue on Disrupting Transnational Criminal Organizations in 2017. The United States also engaged with Mexico and Canada at the 2017 North American Drug Dialogue to produce the first ever Trilateral Assessment on Opioid Trafficking. These ongoing dialogues are advancing efforts to disrupt drug trafficking in our hemisphere and end impunity for the transnational criminal organizations profiting from it.

The United States and Mexico will continue to strengthen cooperation to interdict illegal drugs, dismantle criminal organizations, and cut off their sources of funding. Through the Merida Initiative, the United States is helping to build the capacity of Mexican authorities to more effectively eradicate opium poppy, disrupt and prosecute drug production and trafficking, and enhance border security. Continued U.S. support for Mexico's efforts to reform its judicial institutions will help bring criminals to justice.

The United States will also pursue additional cooperation with China to reduce the production and trafficking of illicit fentanyl and fentanyl analogues originating from this key source country. In 2017, the United States and China regularly shared law enforcement information on new and emerging fentanyl analogues and illegal manufacturing and trafficking activity. This cooperation was accompanied by China's decision to implement domestic regulatory controls of precursor chemicals and fentanyl analogues, which ultimately support criminal prosecutions.

The synthetic opioid threat is not unique to the United States. Canadian authorities reported that 65 percent of all analyzed heroin seizure samples tested over the first six months of 2017 contained fentanyl or its analogues. European authorities have also reported deaths attributable to heroin adulterated with clandestinely produced fentanyl and its analogues, and in November 2017, the European Monitoring Centre for Drugs and Drug Addiction reported over 60 deaths over the prior year within the European Union associated with the use of carfentanil – a fentanyl analogue with a potency10,000 times that of morphine. The United States will continue to raise international awareness of the threat of synthetic opioids and lead efforts to develop new and innovative law enforcement and regulatory responses to combat fentanyl trafficking.

International cooperation is particularly important to counter the growing use of postal services and express consignment shipments to traffic fentanyl and other synthetic drugs. Increasingly, criminal entrepreneurs based abroad are trafficking fentanyl and other dangerous drugs directly to buyers in the United States and other countries, accepting orders via the internet. It is essential to improve information sharing between national law enforcement authorities to better identify suspected traffickers and trafficking patterns, including enhanced capabilities to target mailed and shipped parcels for inspection. Toward this goal, the United States is working within the Universal Postal Union to expand international capacities to provide advance electronic data for mail shipments to better target suspected illicit trafficking.

Although it is not a leading source of heroin available within the United States, Afghanistan remains the world's dominant source of illicit opiates, dominating markets in Canada, Europe, and elsewhere. The total area of land under opium poppy cultivation increased by 63 percent during the 2017 growing season from the previous year, and raw opium production increased by an estimated 88 percent. Illicit cultivation, production, trade, and use of illicit drugs undermine public health and good governance in Afghanistan, while fueling corruption, providing significant funding for insurgents, and eroding security. The Afghan government must demonstrate the necessary political will and capacity to combat corruption, develop alternative economic livelihoods, and establish security in the poppy cultivating communities controlled by insurgent forces – responsibilities that the United States remains committed to supporting.

While addressing the opioid crisis ranks as our most urgent drug control challenge, the increased availability of cocaine within the United States has led to greater consumption and rising cocaine-related overdose fatalities. Like heroin, all cocaine available in the United States originates abroad, and over 90 percent is estimated to originate in Colombia, where coca cultivation and cocaine production exceeded all-time record levels in 2016 (the most recent year for which information is available). The increased flow of cocaine also puts enormous pressure on the law enforcement capacity of transit states, particularly in Central America and Mexico, and feeds growing consumption in Europe and other markets.

The Colombian government recognizes the threats posed by the drug trade and took concrete steps in 2017 to position itself to halt and eventually reverse the troubling coca cultivation and cocaine production trend. Through continued aggressive interdiction efforts, Colombian authorities seized hundreds of metric tons of cocaine during the year, and the Colombian government notably improved its forced eradication efforts by manually eradicating approximately 52,283 hectares (ha) of coca through mid-December – more than double the amount during all of 2016. The illicit drug trade and the organized criminal groups it empowers are among the greatest threats to peace and security in Colombia, and the U.S.-Colombia law enforcement partnership remains among the strongest in the world. As President Trump stated in the Presidential Determination on Major Drug Transit or Major Drug Producing Countries for Fiscal Year 2018, the U.S. government will continue to closely monitor implementation of Colombia's drug control strategy to ensure progress is made in reducing coca cultivation and cocaine production.

In addition to cocaine and opioids, methamphetamine remains a prevalent threat, with most of the methamphetamine available in the United States being produced in Mexico and smuggled across the Southwest Border. The United States will also continue to monitor the impact of changing laws regarding the production and sale of cannabis and cannabis products. Given that international trafficking in illicit cannabis continues to earn substantial revenues for transnational criminal organizations, the United States will continue to interdict cannabis and enforce its Federal drug control laws aggressively.

Transnational criminal organizations thrive where governments are weak, corruption is rampant, and faith in government institutions is low. The United States is committed to targeting the leaders of the most dangerous criminal organizations and dismantling their support infrastructure. We will assist countries to break the power of these organizations and networks, and our international assistance will focus on all the links in the supply-to consumer chain: the processing and distribution stages; the interdiction of drug shipments; and attention to the money trail that fuels this illegal trade. Our programs will concentrate resources to those areas where we can achieve sustained results, through the right combination of effective law enforcement and efforts to reduce demand for illicit drugs. Our public deserves no less, and nearly all countries share our challenge and support our goals. The United States will lead global efforts to achieve further progress against illicit drugs in partnership with committed allies.

# **Demand Reduction**

Drug demand reduction is a key foreign policy tool for addressing the interconnected threats of drugs, crime, and violence. It is also a critical component in efforts to stop the spread of HIV/AIDS and other toxic adulterants found in illicit substances. Consequently, the goal of demand reduction strategies calls for a comprehensive, balanced approach to the drug-problem that targets prevention, treatment, recovery, research, and international cooperation.

Recognizing that drug addiction is a major public health threat, and that drug addiction is a preventable and treatable disease, many countries are requesting INL-sponsored technical assistance to improve development of effective policy and programs. INL works closely with international partners to coordinate and execute capacity building and training activities for service providers in drug prevention, treatment, and recovery. INL also promotes the sharing of critical information and evidence-based studies to preserve the stability of societies threatened by the narcotics trade.

The drug demand reduction program has four pillars: (1) develop the drug demand reduction workforce, (2) professionalize drug treatment and prevention services, (3) build global networks and community coalitions, and (4) address populations with special clinical needs. In achieving these objectives, INL supports the following:

- Capacity building, training, mentoring, and credentialing aimed to educate governments and public organizations on evidence-based practices in drug prevention, treatment and recovery;
- Development of drug-free community coalitions internationally, involving law enforcement and public/private social institutions;
- Research, development, and evaluation efforts to determine the effectiveness of drug prevention and treatment programs; and
- Development of innovative tools to increase knowledge of and decrease deaths caused by toxic adulterants found in illicit substances.

Recognizing that there are gender differences in the development and pattern of substance use disorders, INL is also supporting technical assistance addressing gender-related substance use disorders and related violence.

Significant completed and ongoing INL-funded demand reduction projects for 2017 include:

**Global Treatment Mapping**: INL is partnering with five international organizations to map treatment capacity in Asia, Africa, and Latin America. The mapping will form a living registry of all substance use disorder treatment services and indicate the type of services offered, targeted groups, and capacity, among other issues. The mapping will help identify the characteristics of national treatment systems and areas requiring assistance.

**Universal Prevention Curriculum:** INL's Universal Prevention Curriculum (UPC) consists of two series, one for coordinators/managers of prevention programs and one for prevention implementers/prevention workers. This training program is based on the United Nations Office on Drugs and Crime (UNODC) Standards for Drug Use Prevention, offering innovative

evidence-based approaches to drug prevention in a variety of settings such as family, school, workplace, media, and the community. The development of examinations and an International Certified Prevention Specialist credential is in the process of being developed. The effectiveness of this INL program is currently being evaluated in collaboration with the Cayetano Heredia University in Lima, Peru.

**Regional Treatment Training**: INL supports the work of the Colombo Plan, UNODC, and the Organization of American States to establish a national-level training and certification system for drug addiction counselors, aimed at improving the delivery of drug treatment services and management skills in select countries of Asia, Africa, and Latin America. This professionalization of treatment leads to higher quality interventions, improved treatment outcomes, lower relapse rates, and overall greater confidence in the treatment system. The basic level of the Universal Treatment Curriculum is currently being utilized in over 60 countries. Advanced course dissemination began in January 2017.

**Pregnant and Addicted Women**: INL collaborated with UNODC, the World Health Organization, and Johns Hopkins University to create the first universal protocols for pharmacological detoxification and psycho-social interventions for the treatment of pregnant and addicted women. The guidelines for the treatment of substance use disorders during pregnancy will provide guidance and support for front-line service providers around the world in developing treatment and prevention interventions for pregnant women. These guidelines are currently being translated into several of the official World Health Organization languages and will be disseminated worldwide.

**Child Addiction Initiative:** INL is supporting the development of evidence-based training to establish effective and appropriate drug prevention and treatment practices to young children (aged 12 and under) exposed to drugs. This initiative is in response to increasing reports of acute and growing substance use disorders among children in Asia, Africa and South America, where age-appropriate treatment may be unavailable or not scientifically sound. Working with a panel of global child drug addiction experts, INL developed six child-focused psychosocial and pharmacological treatment training courses to serve as a tool to help strengthen international capacities in this field. This program is being implemented through Colombo Plan and UNODC in collaboration with the University of North Carolina.

**Women Drug Treatment Initiatives**: INL supports research-based prevention, treatment, and recovery programs in high-risk countries to improve services for addicted women and their children, a chronically under-served and stigmatized population. INL's Guiding the Recovery of Women (GROW) curriculum addresses the unique needs of women with substance use disorders across the globe. The full curriculum has been translated into Spanish and all 10 courses have been trained and echo-trained to treatment providers throughout Peru.

**LGBT Community:** INL collaborated with the U.S. Department of Health and Human Services to develop a course addressing the intersection of substance use, sexual orientation and gender identity. The experiential and interactive course allowed participants to learn hands-on strategies and how to create a more inclusive space for this vulnerable population.

**Intranasal Naloxone Feasibility Study**: In 2016, INL supported UNODC and the World Health Organization to begin a feasibility study on intranasal naloxone at the community level. In some countries, injectable naloxone is effectively used for opioid overdose prevention. This feasibility study will look at the adaptability of the medication using the intranasal form of naloxone in other countries. Field assessments were conducted in Ukraine, Tajikistan, Kyrgyzstan, and Kazakhstan.

**Development of the International Consortium of Universities for Drug Demand Reduction** (ICUDDR): In June 2017, INL and a consortium of international organization partners and universities from around the world held its second ICUDDR meeting in partnership with Charles University in Prague, Czech Republic. The ICUDDR is a network of universities working together to promote academic programs in addition studies (drug prevention and treatment) to further the dissemination of evidence-based practices and develop the drug demand reduction workforce. In 2017, this network established an advisory board for each region to coordinate training, academic programs, exchanges, and technical assistance between the universities.

**Drug-Free Communities**: INL assists civil society and grassroots organizations to form and sustain effective community anti-drug coalitions aimed at preventing substance use disorders in their communities. INL support has resulted in the establishment of over 204 active coalitions in 20 countries around the world (Bolivia, Brazil, Cabo Verde, Costa Rica, Ghana, Guatemala, Haiti, Honduras, Indonesia, Iraq, Kenya, Kyrgyzstan, Mexico, Peru, Philippines, Senegal, South Africa, Tajikistan, Togo, and Uruguay).

**Research Programs**: Evaluations are an important tool to help identify and determine where resources can be effective. INL's latest evaluation conducted the first drug use survey that included toxicological testing in Afghanistan, the first survey of its kind to be completed anywhere in the world. The survey revealed that 31 percent of all households in Afghanistan, and 11 percent of the population as a whole tested positive for one or more drugs, with drug use three times greater in rural than urban areas of the country. As a result of the survey, INL is plans to expand treatment to rural areas and initiate a new prevention program to mainstream prevention across the government ministries.

## Methodology for U.S. Government Estimates of Illegal Drug Production

## Introduction

Illicit drug crops are grown, refined into illegal drugs, trafficked, and sold on the street by criminal enterprises that attempt to conceal every step of the process. Accurate estimates of such criminal activity are difficult to produce. The estimates of illicit drug production presented in the INCSR represent the United States government's best effort to assess the current dimensions of the international drug problem. They are based on agricultural surveys conducted with satellite imagery and scientific studies of crop yields and the likely efficiency of typical illicit refining labs. As we do every year, we publish these estimates with an important caveat: they are *estimates*. While we must express our estimates as numbers, these numbers should not be seen as precise figures. Rather, they represent the midpoint of a band of statistical probability that gets wider as additional variables are introduced and as we move from cultivation to harvest to final refined drug.

As needed, the United States government revises its estimate process and occasionally the estimates themselves – in the light of field research and technological advancements. The clandestine, violent nature of the illegal drug trade makes field research difficult. Geography is also an impediment, as the harsh terrain on which many drugs are cultivated is not always easily accessible. This is particularly relevant given the tremendous geographic areas that must be covered and the difficulty of collecting reliable information over diverse and treacherous terrain. Weather can affect our ability to gather data, particularly in the Andes, where cloud cover can be a major problem.

Improved technologies and analytical techniques may also lead us to produce revisions to United States government estimates of potential drug production. This is typical of annualized figures for most other areas of statistical tracking that must be revised year to year. When possible, we apply these new techniques to previous years' data and adjust appropriately, but often, especially in the case of new technologies, we can only apply them prospectively. These illicit drug statistics represent the current state of the art. As new information and technology becomes applicable, the accuracy of the estimates will improve.

## **Cultivation Estimates**

The Unites States government conserves limited personnel and technical resources by employing sample survey methodologies to estimate illicit crop cultivation and concentrating survey efforts on areas with strategic amounts of illegal cultivation or areas most *likely* to have illicit crop cultivation. Each year, analysts review a variety of datasets – including eradication data, seizure data, law enforcement investigations information, previous field locations, and other information – to determine areas likely to have illegal cultivation, and revise and update the search area, if necessary. They then survey and estimate cultivation in new areas using proven statistical techniques.

The resulting estimates meet the U.S. government's need for an annual estimate of illicit crop cultivation for each country. They also help with eradication, interdiction, and other law enforcement operations. As part of the effort to provide accurate and comprehensive assessments, the areas surveyed are often expanded and modified, so direct comparison with previous year estimates is sometimes not possible.

### **Production Estimates**

Illicit crop productivity depends upon a number of factors. Changes in weather, farming techniques, soil fertility, and disease prevalence can produce widely varying yields from year to year and place to place. Some illicit drug crop areas are not easily accessible to the U.S. government, which can make scientific information difficult to obtain. However, we continually strive to improve our drug production estimates. The relative productivity of poppy crops in some cases can be estimated using imagery, and our confidence in coca leaf yield continues to improve as a result of field studies conducted in Latin America. Coca fields which are less than 18 months of age ("new fields") produce much less leaf than mature fields. In Colombia, for example, fields on average get their first small harvest at six months of age; in Bolivia and Peru, fields are usually first harvested at 12 months of age. The U.S. government estimates include the proportion of new fields detected each year and adjust leaf production accordingly.

#### **Processing Estimates**

The wide variation in processing efficiency achieved by narcotics producers complicates the task of accurately assessing the quantity of cocaine or heroin that could be refined from a crop. Differences in the origin and quality of the raw material and chemicals used, the technical processing method employed, the size and sophistication of laboratories, the skill and experience of local workers and chemists, and decisions made in response to enforcement pressures all affect production.

The U.S. government estimates for coca leaf, cocaine, marijuana, opium, and heroin production are *potential* estimates; that is, it is assumed that all of the coca, cannabis, and poppy grown is harvested and processed into illicit drugs. This is a reasonable assumption for coca leaf in Colombia. In Bolivia and Peru, however, the U.S. government potential cocaine production estimates do not remove for coca leaf locally chewed and used in products such as coca tea. In Southwest and Southeast Asia and Latin America, it is not unrealistic to assume that virtually all poppy is harvested for opium gum, but substantial amounts of Asian opium are consumed or stored rather than being processed into heroin; the proportion of this opium ultimately processed into heroin is unknown.

#### **Other International Estimates**

The United States helps fund estimates done by the United Nations in some countries. These estimates use different methodologies from the U.S. government assessments, and utilize a mix of imagery and ground-based observations. The UN estimates are often used to help determine the response of the international donor community to specific countries or regions.

There have been some efforts, for the U.S. government and the UN to understand each other's methodologies with the goal of improving both sets of estimates. These efforts are ongoing.

This report also includes data on drug production, trafficking, seizures, and consumption that come from host governments or non-governmental organizations. Such data is attributed to the source organization, especially when we cannot independently verify it.

# Worldwide Potential Illicit Drug Production 2008-2016

(all figures in metric tons; no USG estimates for 2017 were available at the time of this report)

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Opium*									
Afghanistan	5,500	5,300	3,200	4,400	4,300	5,500	6,300	4,100	5,800
Burma	340	305	530	450		795	900		In Process
Colombia		22					20	24	In Process
Guatemala					4	6	14	6	7
Laos	17	12	23	57					In Process
Mexico				250	220	225	360	600	685
Pakistan	26	26			28	220	105	29	52
Potential Pure Heroin									
Afghanistan	650	630	390	510	510	650	740	480	680
Burma	32	29	51	43		76	85		In Process In
Colombia		3					3	3	Process
Guatemala					.5	1	2	1	1
Laos	2	1	2	6					In Process
Mexico				30	26	26	42	70	81
Pakistan	3	3			3	26	12	3	6
Total Potential L. America Heroin Production				30	27	27	47	74	In Process
Total Potential Worldwide Heroin Production				590	540	780	880	560	In Process
Potential Pure Cocaine									
Bolivia	170	180	190	195	165	190	225	255	275
Colombia	320	315	280	220	210	235	320	520	710
Peru	235	245	340	310	310	360	355	410	410
Total Potential Pure Cocaine	725	740	815	725	685	785	900	1,185	1,395
Potential Export-Quality Cocaine									
Bolivia	190	205	210	220	190	240	300	310	320
Colombia	400	420	380	290	270	305	420	690	910
Peru	265	290	390	370	395	435	435	510	470
Total Potential Export-Quality Cocaine	855	915	980	880	855	980	1,155	1,510	1,700

Notes:

Rounded values.

Opium production is reported at zero percent moisture.

Some Asian opium is consumed and not processed into heroin.

Pakistan opium production: Estimates use yield values from similar growing areas in Afghanistan because of the lack of Pakistan yield data.

Guatemala opium production: Estimates use yield values from Mexico because of the lack of Guatemala yield data.

Colombian opium production: Production estimates in 2014 and 2009 were backcaset in 2015 with newly available data.

Mexico opium production: 2011 and later surveys incorporate a major methodological change; 2007-2010 estimates have therefore been removed.

Potential Latin American heroin: Combined potential heroin production estimates for Mexico, Guatemala, and Colombia. The 2011 estimate does not include Guatemala or Colombia. The 2012-2013 estimates do not include Colombia.

Andean cocaine production: Production estimates for 2008-2015 were adjusted in 2016 based on increases in immature plant productivity.

# Worldwide Illicit Drug Crop Cultivation 2008-2016

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Рорру									
Afghanistan	157,00 0	131,00 0	119,00 0	115,00 0	180,00 0	198,00 0	211,00 0	201,00 0	207,000
Burma	22,500	19,000	45,500	36,500		51,000	52,000		In process
Colombia		1,100					800	1,100	In process
Guatemala					220	310	640	260	310
Laos	1,900	940	1,800	4,400					In process
Mexico				12,000	10,500	11,000	17,000	28,000	32,000
Pakistan	700	705			755	4,300	2,800	930	1,400
Соса									
Bolivia	26,500	29,000	29,000	25,500	25,000	27,000	35,000	36,500	37,500
Colombia	119,00 0	116,00 0	100,00 0	83,000	78,000	80,500	112,00 0	159,00 0	188,000
Peru	41,000	40,000	53,000	49,500	50,500	59,500	46,500	53,000	44,000
Total Coca	186,50 0	185,00 0	182,00 0	158,00 0	153,50 0	167,00 0	193,50 0	248,50 0	269,500
Cannabis									
Mexico				12,000	11,500	13,000	11,000		In Process

## (all figures in hectares)

Note on Colombia poppy cultivation:	No estimates in 2008 and 2010-2013 due to cloud cover.
Note on Guatemala poppy cultivation:	2012 survey limited to fall season in San Marcos and Huehuetenango only.
Note on Laos poppy cultivation:	Estimates for 2009-2010 are for Phongsali only. Survey area for 2011 was significantly expanded to include parts of Louang Namtha.
Note on Mexico poppy cultivation:	2011 and later surveys incorporate a major methodological change; 2007-2010 estimates have therefore been removed.
Note on Pakistan poppy cultivation:	2008 and 2012 estimates are for Bara River Valley in Khyber Agency only. 2009 estimate is for Khyber, Mohmand, and Bajaur Agencies only. 2013 includes Khyber, Mohmand, Bajaur, and selected areas in Balochistan. 2014 includes Khyber and areas In Balochistan.

# **Parties to UN Conventions**

(with dates ratified/acceded)

As of 24 November, 2017

Co	untry	Convention Against Transnational Organized Crime	1988 UN Drug Convention	Convention Against Corruption
		8		
1.	Afghanistan	24 September 2003	14 February 1992	25 August 2008
2.	Albania	21 August 2002	27 June 2001	25 May 2006
3.	Algeria	7 October 2002	9 May 1995	25 August 2004
4.	Andorra	22 September 2011	23 July 1999	
5.	Angola	1 April 2013	26 October 2005	29 August 2006
6.	Antigua and Barbuda	24 July 2002	5 April 1993	21 June 2006
7.	Argentina	19 November 2002	28 June 1993	28 August 2006
8.	Armenia	1 July 2003	13 September 1993	8 March 2007
9.	Australia	27 May 2004	16 November 1992	7 December 2005
10.	Austria	23 September 2004	11 July 1997	11 January 2006
11.	Azerbaijan	30 October 2003	22 September 1993	1 November 2005
	Bahamas	26 September 2008	30 January 1989	10 January 2008
13.	Bahrain	7 June 2004	7 February 1990	5 October 2010
14.	Bangladesh	13 July 2011	11 October 1990	27 February 2007
	Barbados	11 November 2014	15 October 1992	
16.	Belarus	25 June 2003	15 October 1990	17 February 2005
17.	Belgium	11 August 2004	25 October 1995	25 September 2008
	Belize	26 September 2003	24 July 1996	12 December 2016
19.	Benin	30 August 2004	23 May 1997	14 October 2004
20.	Bhutan		27 August 1990	21 September 2016
21.	Bolivia	10 October 2005	20 August 1990	5 December 2005
22.	Bosnia and Herzegovina	24 April 2002	1 September 1993	26 October 2006
	Botswana	29 August 2002	13 August 1996	27 June 2011
	Brazil	29 January 2004	17 July 1991	15 June 2005
	Brunei Darussalam	25 March 2008	12 November 1993	2 December 2008
	Bulgaria	5 December 2001	24 September 1992	20 September 2006
	Burkina Faso	15 May 2002	2 June 1992	10 October 2006
	Burundi	24 May 2012	18 February 1993	10 March 2006

29. Cambodia         12 December 2005         7 July 2005         5 September 2007           30. Camercoon         6 February 2006         28 October 1991         6 February 2006           31. Canada         13 May 2002         05 July 1990         2 October 2007           32. Cape Verde         15 July 2004         8 May 1995         23 April 2008           33. Central African Republic         14 September 2004         15 October 2001         6 October 2006           34. Chad         18 August 2009         9 June 1995         13 September 2006           36. China         23 September 2003         25 October 1989         13 January 2006           37. Colombia         4 August 2004         10 June 1994         27 October 2012           38. Comoros         25 September 2003         1 March 2000         11 October 2011           40. Cook Islands         4 March 2004         22 February 2005         17 October 2011           41. Costa Rica         24 July 2003         8 February 1991         21 March 2007           42. Cota d'twoire         25 October 2012         25 November 1991         25 October 2012           43. Croatia         24 January 2003         26 July 1993         24 April 2005           44. Cuba         9 February 2007         12 June 1996         9 February 2007 <th></th> <th></th> <th></th> <th></th>				
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35.         Chile         29 November 2004         13 March 1990         13 September 2006           36.         China         23 September 2003         25 October 1989         13 January 2006           37.         Colombia         4 August 2004         10 June 1994         27 October 2006           38.         Comoros         25 September 2003         1 March 2000         11 October 2012           39.         Congo         3 March 2004         22 February 2005         17 October 2011           41.         Costa Rica         24 July 2003         8 February 1991         21 March 2007           42.         Cote d'Ivoire         25 October 2012         25 November 1991         25 October 2012           43.         Croatia         24 January 2003         26 July 1993         24 April 2005           44.         Cuba         9 February 2007         12 June 1996         9 February 2007           45.         Cyprus         22 April 2003         25 May 1990         23 February 2009           46.         Czech Republic         24 September 2013         30 December 1993         29 November 2013           47.         Democratic People's         17 June 2016         19 March 2007         Republic of Korea           48.         Democratic People's <td< td=""><td>33. Central African Republic</td><td>14 September 2004</td><td>15 October 2001</td><td>6 October 2006</td></td<>	33. Central African Republic	14 September 2004	15 October 2001	6 October 2006
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37. Colombia       4 August 2004       10 June 1994       27 October 2006         38. Comoros       25 September 2003       1 March 2000       11 October 2012         39. Congo       3 March 2004       13 July 2006         40. Cook Islands       4 March 2004       22 February 2005       17 October 2011         41. Costa Rica       24 July 2003       8 February 1991       21 March 2007         42. Cote d'Ivoire       25 October 2012       25 November 1991       25 October 2012         43. Croatia       24 January 2003       26 July 1993       24 April 2005         44. Cuba       9 February 2007       12 June 1996       9 February 2007         45. Cyprus       22 April 2003       25 May 1990       23 February 2009         46. Czech Republic       24 September 2013       30 December 1993       29 November 2013         47. Democratic People's       17 June 2016       19 March 2007       Republic of Korea         48. Democratic Republic       20 April 2005       28 October 2005       23 September 2010       0         51. Dominica       17 May 2013       30 June 1993       28 May 2010       52         52. Dominica Republic       26 October 2006       21 September 1993       26 October 2006         53. Ecuador       17 September 2002	35. Chile	29 November 2004	13 March 1990	13 September 2006
38. Comoros       25 September 2003       1 March 2000       11 October 2012         39. Congo       3 March 2004       13 July 2006         40. Cook Islands       4 March 2004       22 February 2005       17 October 2011         41. Costa Rica       24 July 2003       8 February 1991       21 March 2007         42. Cote d'Ivoire       25 October 2012       25 November 1991       25 October 2012         43. Croatia       24 January 2003       26 July 1993       24 April 2005         44. Cuba       9 February 2007       12 June 1996       9 February 2007         45. Cyprus       22 April 2003       25 May 1990       23 February 2009         46. Czech Republic       24 September 2013       30 December 1993       29 November 2013         47. Democratic People's       17 June 2016       19 March 2007       Republic of Korea         48. Democratic Republic       28 October 2005       28 October 2005       23 September 2010         50. Djibouti       20 April 2005       22 February 2001       20 April 2005         51. Dominica       17 May 2013       30 June 1993       28 May 2010         52. Dominican Republic       26 October 2006       21 September 1991       26 October 2006         53. Ecuador       17 September 2002       23 March 1990	36. China	23 September 2003	25 October 1989	13 January 2006
39. Congo       3 March 2004       13 July 2006         40. Cook Islands       4 March 2004       22 February 2005       17 October 2011         41. Costa Rica       24 July 2003       8 February 1991       21 March 2007         42. Cote d'Ivoire       25 October 2012       25 November 1991       25 October 2012         43. Croatia       24 January 2003       26 July 1993       24 April 2005         44. Cuba       9 February 2007       12 June 1996       9 February 2007         45. Cyprus       22 April 2003       25 May 1990       23 February 2009         46. Czech Republic       24 September 2013       30 December 1993       29 November 2013         47. Democratic People's       17 June 2016       19 March 2007       Republic of Korea         48. Democratic Republic       28 October 2005       28 October 2005       23 September 2010         of the Congo       20 April 2005       22 February 2001       20 April 2005         51. Dominica       17 May 2013       30 June 1993       28 May 2010         52. Dominican Republic       26 October 2006       21 September 1993       26 October 2006         53. Ecuador       17 September 2002       23 March 1990       15 September 2005         54. Egypt       5 March 2004       15 March 1991 <t< td=""><td>37. Colombia</td><td>4 August 2004</td><td>10 June 1994</td><td>27 October 2006</td></t<>	37. Colombia	4 August 2004	10 June 1994	27 October 2006
40. Cook Islands       4 March 2004       22 February 2005       17 October 2011         41. Costa Rica       24 July 2003       8 February 1991       21 March 2007         42. Cote d'Ivoire       25 October 2012       25 November 1991       25 October 2012         43. Croatia       24 January 2003       26 July 1993       24 April 2005         44. Cuba       9 February 2007       12 June 1996       9 February 2007         45. Cyprus       22 April 2003       25 May 1990       23 February 2009         46. Czech Republic       24 September 2013       30 December 1993       29 November 2013         47. Democratic People's       17 June 2016       19 March 2007       23 September 2013         48. Democratic Republic       28 October 2005       28 October 2005       23 September 2010         of the Congo	38. Comoros	25 September 2003	1 March 2000	11 October 2012
41. Costa Rica       24 July 2003       8 February 1991       21 March 2007         42. Cote d'Ivoire       25 October 2012       25 November 1991       25 October 2012         43. Croatia       24 January 2003       26 July 1993       24 April 2005         44. Cuba       9 February 2007       12 June 1996       9 February 2007         45. Cyprus       22 April 2003       25 May 1990       23 February 2009         46. Czech Republic       24 September 2013       30 December 1993       29 November 2013         47. Democratic People's       17 June 2016       19 March 2007       23 September 2013         48. Democratic Republic       28 October 2005       28 October 2005       23 September 2010         of the Congo	39. Congo		3 March 2004	13 July 2006
42. Cote d'Ivoire       25 October 2012       25 November 1991       25 October 2012         43. Croatia       24 January 2003       26 July 1993       24 April 2005         44. Cuba       9 February 2007       12 June 1996       9 February 2007         45. Cyprus       22 April 2003       25 May 1990       23 February 2009         46. Czech Republic       24 September 2013       30 December 1993       29 November 2013         47. Democratic People's       17 June 2016       19 March 2007       23 September 2013         48. Democratic Republic       28 October 2005       28 October 2005       23 September 2010         of the Congo       20 April 2005       22 February 2001       20 April 2005         49. Denmark       30 September 2003       19 December 1991       26 December 2006         50. Djibouti       20 April 2005       22 February 2001       20 April 2005         51. Dominica       17 May 2013       30 June 1993       28 May 2010         52. Dominica Republic       26 October 2006       21 September 1993       26 October 2006         53. Ecuador       17 September 2002       23 March 1990       15 September 2005         54. Egypt       5 March 2004       15 March 1991       25 February 2005         55. El Salvador       18 March 2004 <td>40. Cook Islands</td> <td>4 March 2004</td> <td>22 February 2005</td> <td>17 October 2011</td>	40. Cook Islands	4 March 2004	22 February 2005	17 October 2011
43. Croatia       24 January 2003       26 July 1993       24 April 2005         44. Cuba       9 February 2007       12 June 1996       9 February 2007         45. Cyprus       22 April 2003       25 May 1990       23 February 2009         46. Czech Republic       24 September 2013       30 December 1993       29 November 2013         47. Democratic People's       17 June 2016       19 March 2007       23 September 2013         48. Democratic Republic       28 October 2005       28 October 2005       23 September 2010         of the Congo       20 April 2005       28 October 2005       23 September 2010         of the Congo       20 April 2005       28 October 2005       23 September 2010         of the Congo       20 April 2005       22 February 2001       20 April 2005         50. Djibouti       20 April 2005       22 February 2001       20 April 2005         51. Dominica       17 May 2013       30 June 1993       28 May 2010         52. Dominica Republic       26 October 2006       21 September 1991       26 October 2006         53. Ecuador       17 September 2002       23 March 1990       15 September 2005         54. Egypt       5 March 2004       15 March 1991       25 February 2005         55. El Salvador       18 March 2004	41. Costa Rica	24 July 2003	8 February 1991	21 March 2007
44. Cuba       9 February 2007       12 June 1996       9 February 2007         45. Cyprus       22 April 2003       25 May 1990       23 February 2009         46. Czech Republic       24 September 2013       30 December 1993       29 November 2013         47. Democratic People's Republic of Korea       17 June 2016       19 March 2007       23 September 2010         48. Democratic Republic of the Congo       28 October 2005       28 October 2005       23 September 2010         49. Denmark       30 September 2003       19 December 1991       26 December 2006         50. Djibouti       20 April 2005       22 February 2001       20 April 2005         51. Dominica       17 May 2013       30 June 1993       28 May 2010         52. Dominican Republic       26 October 2006       21 September 1993       26 October 2006         53. Ecuador       17 September 2002       23 March 1990       15 September 2005         54. Egypt       5 March 2004       15 March 1991       25 February 2005         55. El Salvador       18 March 2004       21 May 1993       1 July 2004         56. Equatorial Guinea       7 February 2003       12 July 2000       12 April 2010         59. Ethiopia       23 July 2007       11 October 1994       26 November 2007         60. European Unio	42. Cote d'Ivoire	25 October 2012	25 November 1991	25 October 2012
45. Cyprus       22 April 2003       25 May 1990       23 February 2009         46. Czech Republic       24 September 2013       30 December 1993       29 November 2013         47. Democratic People's Republic of Korea       17 June 2016       19 March 2007       23 September 2013         48. Democratic Republic of the Congo       28 October 2005       28 October 2005       23 September 2010         49. Denmark       30 September 2003       19 December 1991       26 December 2006         50. Djibouti       20 April 2005       22 February 2001       20 April 2005         51. Dominica       17 May 2013       30 June 1993       28 May 2010         52. Dominican Republic       26 October 2006       21 September 1993       26 October 2006         53. Ecuador       17 September 2002       23 March 1990       15 September 2005         54. Egypt       5 March 2004       15 March 1991       25 February 2005         55. El Salvador       18 March 2004       21 May 1993       1 July 2004         56. Equatorial Guinea       7 February 2003       12 July 2000       12 April 2010         59. Ethiopia       23 July 2007       11 October 1994       26 November 2007         60. European Union       21 May 2004       31 December 1990       12 November 2008         61. Fi	43. Croatia	24 January 2003	26 July 1993	24 April 2005
46. Czech Republic24 September 201330 December 199329 November 201347. Democratic People's Republic of Korea17 June 201619 March 200748. Democratic Republic of the Congo28 October 200528 October 200523 September 201049. Denmark30 September 200319 December 199126 December 200650. Djibouti20 April 200522 February 200120 April 200551. Dominica17 May 201330 June 199328 May 201052. Dominican Republic26 October 200621 September 199326 October 200653. Ecuador17 September 200223 March 199015 September 200554. Egypt5 March 200415 March 199125 February 200555. El Salvador18 March 200421 May 19931 July 200456. Equatorial Guinea7 February 200312 July 200012 April 201057. Eritrea25 September 201430 January 20021558. Estonia10 February 200312 July 200012 April 201059. Ethiopia23 July 200711 October 199426 November 200760. European Union21 May 200431 December 199012 November 200861. Fiji19 September 201725 March 199314 May 200862. Finland10 February 200415 February 199420 June 2006	44. Cuba	9 February 2007	12 June 1996	9 February 2007
47. Democratic People's Republic of Korea       17 June 2016       19 March 2007         48. Democratic Republic of the Congo       28 October 2005       28 October 2005       23 September 2010         49. Denmark       30 September 2003       19 December 1991       26 December 2006         50. Djibouti       20 April 2005       22 February 2001       20 April 2005         51. Dominica       17 May 2013       30 June 1993       28 May 2010         52. Dominican Republic       26 October 2006       21 September 1993       26 October 2006         53. Ecuador       17 September 2002       23 March 1990       15 September 2005         54. Egypt       5 March 2004       15 March 1991       25 February 2005         55. El Salvador       18 March 2004       21 May 1993       1 July 2004         56. Equatorial Guinea       7 February 2003       12 July 2000       12 April 2010         57. Eritrea       25 September 2014       30 January 2002       18 September 2007         58. Estonia       10 February 2003       12 July 2000       12 April 2010         59. Ethiopia       23 July 2007       11 October 1994       26 November 2007         60. European Union       21 May 2004       31 December 1990       12 November 2008         61. Fiji       19 September 2017 <td>45. Cyprus</td> <td>22 April 2003</td> <td>25 May 1990</td> <td>23 February 2009</td>	45. Cyprus	22 April 2003	25 May 1990	23 February 2009
Republic of Korea         48. Democratic Republic of the Congo       28 October 2005       28 October 2005       23 September 2010         49. Denmark       30 September 2003       19 December 1991       26 December 2006         50. Djibouti       20 April 2005       22 February 2001       20 April 2005         51. Dominica       17 May 2013       30 June 1993       28 May 2010         52. Dominican Republic       26 October 2006       21 September 1993       26 October 2006         53. Ecuador       17 September 2002       23 March 1990       15 September 2005         54. Egypt       5 March 2004       15 March 1991       25 February 2005         55. El Salvador       18 March 2004       21 May 1993       1 July 2004         56. Equatorial Guinea       7 February 2003       12 July 2000       12 April 2010         58. Estonia       10 February 2003       12 July 2000       12 April 2010         59. Ethiopia       23 July 2007       11 October 1994       26 November 2007         60. European Union       21 May 2004       31 December 1990       12 November 2008         61. Fiji       19 September 2017       25 March 1993       14 May 2008         62. Finland       10 February 2004       15 February 1994       20 June 2006 <td>46. Czech Republic</td> <td>24 September 2013</td> <td>30 December 1993</td> <td>29 November 2013</td>	46. Czech Republic	24 September 2013	30 December 1993	29 November 2013
of the Congo       30 September 2003       19 December 1991       26 December 2006         50. Djibouti       20 April 2005       22 February 2001       20 April 2005         51. Dominica       17 May 2013       30 June 1993       28 May 2010         52. Dominican Republic       26 October 2006       21 September 1993       26 October 2006         53. Ecuador       17 September 2002       23 March 1990       15 September 2005         54. Egypt       5 March 2004       15 March 1991       25 February 2005         55. El Salvador       18 March 2004       21 May 1993       1 July 2004         56. Equatorial Guinea       7 February 2003       2       July 2000       12 April 2010         58. Estonia       10 February 2003       12 July 2000       12 April 2010         59. Ethiopia       23 July 2007       11 October 1994       26 November 2007         60. European Union       21 May 2004       31 December 1990       12 November 2008         61. Fiji       19 September 2017       25 March 1993       14 May 2008         62. Finland       10 February 2004       15 February 1994       20 June 2006	-	17 June 2016	19 March 2007	
49. Denmark       30 September 2003       19 December 1991       26 December 2006         50. Djibouti       20 April 2005       22 February 2001       20 April 2005         51. Dominica       17 May 2013       30 June 1993       28 May 2010         52. Dominican Republic       26 October 2006       21 September 1993       26 October 2006         53. Ecuador       17 September 2002       23 March 1990       15 September 2005         54. Egypt       5 March 2004       15 March 1991       25 February 2005         55. El Salvador       18 March 2004       21 May 1993       1 July 2004         56. Equatorial Guinea       7 February 2003       12 May 1993       1 July 2004         57. Eritrea       25 September 2014       30 January 2002       12 April 2010         58. Estonia       10 February 2003       12 July 2000       12 April 2010         59. Ethiopia       23 July 2007       11 October 1994       26 November 2007         60. European Union       21 May 2004       31 December 1990       12 November 2008         61. Fiji       19 September 2017       25 March 1993       14 May 2008         62. Finland       10 February 2004       15 February 1994       20 June 2006	48. Democratic Republic	28 October 2005	28 October 2005	23 September 2010
50. Definition       20 April 2005       22 February 2001       20 April 2005         51. Dominica       17 May 2013       30 June 1993       28 May 2010         52. Dominican Republic       26 October 2006       21 September 1993       26 October 2006         53. Ecuador       17 September 2002       23 March 1990       15 September 2005         54. Egypt       5 March 2004       15 March 1991       25 February 2005         55. El Salvador       18 March 2004       21 May 1993       1 July 2004         56. Equatorial Guinea       7 February 2003       2       July 2002         57. Eritrea       25 September 2014       30 January 2002         58. Estonia       10 February 2003       12 July 2000       12 April 2010         59. Ethiopia       23 July 2007       11 October 1994       26 November 2007         60. European Union       21 May 2004       31 December 1990       12 November 2008         61. Fiji       19 September 2017       25 March 1993       14 May 2008         62. Finland       10 February 2004       15 February 1994       20 June 2006	of the Congo			
51. Dominica       17 May 2013       30 June 1993       28 May 2010         52. Dominican Republic       26 October 2006       21 September 1993       26 October 2006         53. Ecuador       17 September 2002       23 March 1990       15 September 2005         54. Egypt       5 March 2004       15 March 1991       25 February 2005         55. El Salvador       18 March 2004       21 May 1993       1 July 2004         56. Equatorial Guinea       7 February 2003       2       30 January 2002         57. Eritrea       25 September 2014       30 January 2002       30 January 2002         58. Estonia       10 February 2003       12 July 2000       12 April 2010         59. Ethiopia       23 July 2007       11 October 1994       26 November 2007         60. European Union       21 May 2004       31 December 1990       12 November 2008         61. Fiji       19 September 2017       25 March 1993       14 May 2008         62. Finland       10 February 2004       15 February 1994       20 June 2006	49. Denmark	30 September 2003	19 December 1991	26 December 2006
51. Dominical       26 October 2006       21 September 1993       26 October 2006         53. Ecuador       17 September 2002       23 March 1990       15 September 2005         54. Egypt       5 March 2004       15 March 1991       25 February 2005         55. El Salvador       18 March 2004       21 May 1993       1 July 2004         56. Equatorial Guinea       7 February 2003       2       30 January 2002         57. Eritrea       25 September 2014       30 January 2002       12 April 2010         58. Estonia       10 February 2003       12 July 2000       12 April 2010         59. Ethiopia       23 July 2007       11 October 1994       26 November 2007         60. European Union       21 May 2004       31 December 1990       12 November 2008         61. Fiji       19 September 2017       25 March 1993       14 May 2008         62. Finland       10 February 2004       15 February 1994       20 June 2006	50. Djibouti	20 April 2005	22 February 2001	20 April 2005
53. Ecuador       17 September 2002       23 March 1990       15 September 2005         54. Egypt       5 March 2004       15 March 1991       25 February 2005         55. El Salvador       18 March 2004       21 May 1993       1 July 2004         56. Equatorial Guinea       7 February 2003       2002       12 April 2010         57. Eritrea       25 September 2014       30 January 2002       12 April 2010         58. Estonia       10 February 2003       12 July 2000       12 April 2010         59. Ethiopia       23 July 2007       11 October 1994       26 November 2007         60. European Union       21 May 2004       31 December 1990       12 November 2008         61. Fiji       19 September 2017       25 March 1993       14 May 2008         62. Finland       10 February 2004       15 February 1994       20 June 2006	51. Dominica	17 May 2013	30 June 1993	28 May 2010
54. Egypt       5 March 2004       15 March 1991       25 February 2005         55. El Salvador       18 March 2004       21 May 1993       1 July 2004         56. Equatorial Guinea       7 February 2003       21 May 1993       1 July 2004         57. Eritrea       25 September 2014       30 January 2002       30 January 2002         58. Estonia       10 February 2003       12 July 2000       12 April 2010         59. Ethiopia       23 July 2007       11 October 1994       26 November 2007         60. European Union       21 May 2004       31 December 1990       12 November 2008         61. Fiji       19 September 2017       25 March 1993       14 May 2008         62. Finland       10 February 2004       15 February 1994       20 June 2006	52. Dominican Republic	26 October 2006	21 September 1993	26 October 2006
55. El Salvador       18 March 2004       21 May 1993       1 July 2004         56. Equatorial Guinea       7 February 2003       30 January 2002         57. Eritrea       25 September 2014       30 January 2002         58. Estonia       10 February 2003       12 July 2000       12 April 2010         59. Ethiopia       23 July 2007       11 October 1994       26 November 2007         60. European Union       21 May 2004       31 December 1990       12 November 2008         61. Fiji       19 September 2017       25 March 1993       14 May 2008         62. Finland       10 February 2004       15 February 1994       20 June 2006	53. Ecuador	17 September 2002	23 March 1990	15 September 2005
56. Equatorial Guinea       7 February 2003         57. Eritrea       25 September 2014       30 January 2002         58. Estonia       10 February 2003       12 July 2000       12 April 2010         59. Ethiopia       23 July 2007       11 October 1994       26 November 2007         60. European Union       21 May 2004       31 December 1990       12 November 2008         61. Fiji       19 September 2017       25 March 1993       14 May 2008         62. Finland       10 February 2004       15 February 1994       20 June 2006	54. Egypt	5 March 2004	15 March 1991	25 February 2005
57. Eritrea       25 September 2014       30 January 2002         58. Estonia       10 February 2003       12 July 2000       12 April 2010         59. Ethiopia       23 July 2007       11 October 1994       26 November 2007         60. European Union       21 May 2004       31 December 1990       12 November 2008         61. Fiji       19 September 2017       25 March 1993       14 May 2008         62. Finland       10 February 2004       15 February 1994       20 June 2006	55. El Salvador	18 March 2004	21 May 1993	1 July 2004
51. Enticit       10 February 2003       12 July 2000       12 April 2010         58. Estonia       10 February 2003       12 July 2000       12 April 2010         59. Ethiopia       23 July 2007       11 October 1994       26 November 2007         60. European Union       21 May 2004       31 December 1990       12 November 2008         61. Fiji       19 September 2017       25 March 1993       14 May 2008         62. Finland       10 February 2004       15 February 1994       20 June 2006	56. Equatorial Guinea	7 February 2003		
59. Ethiopia       23 July 2007       11 October 1994       26 November 2007         60. European Union       21 May 2004       31 December 1990       12 November 2008         61. Fiji       19 September 2017       25 March 1993       14 May 2008         62. Finland       10 February 2004       15 February 1994       20 June 2006	57. Eritrea	25 September 2014	30 January 2002	
60. European Union       21 May 2004       31 December 1990       12 November 2008         61. Fiji       19 September 2017       25 March 1993       14 May 2008         62. Finland       10 February 2004       15 February 1994       20 June 2006	58. Estonia	10 February 2003	12 July 2000	12 April 2010
61. Fiji       19 September 2017       25 March 1993       14 May 2008         62. Finland       10 February 2004       15 February 1994       20 June 2006	59. Ethiopia	23 July 2007	11 October 1994	26 November 2007
62. Finland       10 February 2004       15 February 1994       20 June 2006	60. European Union	21 May 2004	31 December 1990	12 November 2008
	61. Fiji	19 September 2017	25 March 1993	14 May 2008
63. France         29 October 2002         31 December 1990         11 July 2005	62. Finland	10 February 2004	15 February 1994	20 June 2006
	63. France	29 October 2002	31 December 1990	11 July 2005

64. Gabon	15 December 2004	10 July 2006	1 October 2007
65. Gambia	5 May 2003	23 April 1996	8 July 2015
66. Georgia	5 September 2006	8 January 1998	4 November 2008
67. Germany	14 June 2006	30 November 1993	12 November 2014
68. Ghana	21 August 2012	10 April 1990	27 June 2007
69. Greece	11 January 2011	28 January 1992	17 September 2008
70. Grenada	21 May 2004	10 December 1990	1 April 2015
71. Guatemala	25 September 2003	28 February 1991	3 November 2006
72. Guinea	9 November 2004	27 December 1990	29 May 2013
73. Guinea-Bissau	10 September 2007	27 October 1995	10 September 2007
74. Guyana	14 September 2004	19 March 1993	16 April 2008
75. Haiti	19 April 2011	18 September 1995	14 September 2009
76. Holy See	25 January 2012	25 January 2012	19 September 2016
77. Honduras	2 December 2003	11 December 1991	23 May 2005
78. Hungary	22 December 2006	15 November 1996	19 April 2005
79. Iceland	13 May 2010	2 September 1997	1 March 2011
80. India	5 May 2011	27 March 1990	9 May 2011
81. Indonesia	20 April 2009	23 February 1999	19 September 2006
82. Iran		7 December 1992	20 April 2009
83. Iraq	17 March 2008	22 July 1998	17 March 2008
84. Ireland	17 June 2010	3 September 1996	9 November 2011
85. Israel	27 December 2006	20 May 2002	4 February 2009
86. Italy	2 August 2006	31 December 1990	5 October 2009
87. Jamaica	29 September 2003	29 December 1995	5 March 2008
88. Japan	11 July 2017	12 June 1992	11 July 2017
89. Jordan	22 May 2009	16 April 1990	24 February 2005
90. Kazakhstan	31 July 2008	29 April 1997	18 June 2008
91. Kenya	16 June 2004	19 October 1992	9 December 2003
92. Korea, Republic of	5 November 2015	28 December 1998	27 March 2008
93. Kiribati	15 September 2005		27 September 2013
94. Kuwait	12 May 2006	3 November 2000	16 February 2007
95. Kyrgyz Republic	2 October 2003	7 October 1994	16 September 2005
96. Lao Peoples Democratic Republic	26 September 2003	1 October 2004	25 September 2009
97. Latvia	7 December 2001	24 February 1994	4 January 2006
98. Lebanon	5 October 2005	11 March 1996	22 April 2009
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100.Liberia	22 September 2004	16 September 2005	16 September 2005
101.Libya	18 June 2004	22 July 1996	7 June 2005
102.Liechtenstein	20 February 2008	9 March 2007	8 July 2010
103.Lithuania	9 May 2002	8 June 1998	21 December 2006
104.Luxembourg	12 May 2008	29 April 1992	6 November 2007
105.Macedonia, Former Yugoslav Rep.	12 January 2005	13 October 1993	13 April 2007
106.Madagascar	15 September 2005	12 March 1991	22 September 2004
107.Malawi	17 March 2005	12 October 1995	4 December 2007
108.Malaysia	24 September 2004	11 May 1993	24 September 2008
109.Maldives	4 February 2013	7 September 2000	22 March 2007
110.Mali	12 April 2002	31 October 1995	18 April 2008
111.Malta	24 September 2003	28 February 1996	11 April 2008
112. Marshall Islands	15 June 2011	5 November 2010	17 November 2011
113.Mauritania	22 July 2005	1 July 1993	25 October 2006
114.Mauritius	21 April 2003	6 March 2001	15 December 2004
115. Mexico	4 March 2003	11 April 1990	20 July 2004
116.Micronesia, Federal States of	24 May 2004	6 July 2004	21 March 2012
117. Moldova	16 September 2005	15 February 1995	1 October 2007
118. Monaco	5 June 2001	23 April 1991	
119.Mongolia	27 June 2008	25 June 2003	11 January 2006
120.Montenegro	23 October 2006	23 October 2006	23 October 2006
121. Morocco	19 September 2002	28 October 1992	9 May 2007
122. Mozambique	20 September 2006	8 June 1998	9 April 2008
123. Myanmar (Burma)	30 March 2004	11 June 1991	20 December 2012
124. Namibia	16 August 2002	6 March 2009	3 August 2004
125. Nauru	12 July 2012	12 July 2012	12 July 2012
126. Nepal	23 December 2011	24 July 1991	31 March 2011
127. Netherlands	26 May 2004	8 September 1993	31 October 2006
128. New Zealand	19 July 2002	16 December 1998	1 December 2015
129. Nicaragua	9 September 2002	4 May 1990	15 February 2006
130. Niger	30 September 2004	10 November 1992	11 August 2008
131. Nigeria	28 June 2001	1 November 1989	14 December 2004
132. Niue	16 July 2012	16 July 2012	3 October 2017
133. Norway	23 September 2003	14 November 1994	29 June 2006
134. Oman	13 May 2005	15 March 1991	9 January 2014
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135. Pakistan	13 January 2010	25 October 1991	31 August 2007	
136. Palau			24 March 2009	
137. Panama	18 August 2004	13 January 1994	23 September 2005	
138. Papa New Guinea			16 July 2007	
139. Paraguay	22 September 2004	23 August 1990	1 June 2005	
140. Peru	23 January 2002	16 January 1992	16 November 2004	
141. Philippines	28 May 2002	7 June 1996	8 November 2006	
142. Poland	12 November 2001	26 May 1994	15 September 2006	
143. Portugal	10 May 2004	3 December 1991	28 September 2007	
144. Qatar	10 March 2008	4 May 1990	30 January 2007	
145. Romania	4 December 2002	21 January 1993	2 November 2004	
146. Russia	26 May 2004	17 December 1990	9 May 2006	
147. Rwanda	26 September 2003	13 May 2002	4 October 2006	
148. St. Kitts and Nevis	21 May 2004	19 April 1995		
149. St. Lucia	16 July 2013	21 August 1995	25 November 2011	
150. St. Vincent and the Grenadines	29 October 2010	17 May 1994		
151.Samoa	17 December 2014	19 August 2005		
152. San Marino	20 July 2010	10 October 2000		
153. Sao Tome and Principe	12 April 2006	20 June 1996	12 April 2006	
154. Saudi Arabia	18 January 2005	9 January 1992	29 April 2013	
155. Senegal	27 September 2003	27 November 1989	16 November 2005	
156. Serbia	6 September 2001	12 March 2001	20 December 2005	
157. Seychelles	22 April 2003	27 February 1992	16 March 2006	
158. Sierra Leone	12 August 2014	6 June 1994	30 September 2004	
159. Singapore	28 August 2007	23 October 1997	6 November 2009	
	3 December 2003	28 May 1993	1 June 2006	
161. Slovenia	21 May 2004	6 July 1992	1 April 2008	
162. Solomon Islands			6 January 2012	
163. South Africa	20 February 2004	14 December 1998	22 November 2004	
164. South Sudan			23 January 2015	
165. Spain	1 March 2002	13 August 1990	19 June 2006	
166. Sri Lanka	22 September 2006	6 June 1991	31 March 2004	
167. Sudan	10 December 2004	19 November 1993	5 September 2014	
168. Suriname	25 May 2007	28 October 1992		
169. Swaziland	24 September 2012	3 October 1995	24 September 2012	
170. Sweden	30 April 2004	22 July 1991	25 September 2007	

171.Switzerland	27 October 2006	14 September 2005	24 September 2009	
172. Syria	8 April 2009	3 September 1991		
173. Tajikistan	8 July 2002	6 May 1996	25 September 2006	
174. Thailand	17 October 2013	3 May 2002	1 March 2011	
175. Tanzania	24 May 2006	17 April 1996	25 May 2005	
176. Timor-Leste	9 November 2009	3 June 2014	27 March 2009	
177. Togo	2 July 2004	1 August 1990	6 July 2005	
178. Tonga	3 October 2014	29 April 1996		
179. Trinidad and Tobago	6 November 2007	17 February 1995	31 May 2006	
180. Tunisia	19 July 2003	20 September 1990	23 September 2008	
181. Turkey	25 March 2003	2 April 1996	9 November 2006	
182. Turkmenistan	28 March 2005	21 February 1996	28 March 2005	
183.Tuvalu			4 September 2015	
184. UAE	7 May 2007	12 April 1990	22 February 2006	
185. Uganda	9 March 2005	20 August 1990	9 September 2004	
186. Ukraine	21 May 2004	28 August 1991	2 December 2009	
187. United Kingdom	9 February 2006	28 June 1991	9 February 2006	
188. United States	3 November 2005	20 February 1990	30 October 2006	
189. Uruguay	4 March 2005	10 March 1995	10 January 2007	
190. Uzbekistan	9 December 2003	24 August 1995	29 July 2008	
191. Vanuatu	4 January 2006	26 January 2006	12 July 2011	
192. Venezuela	13 May 2002	16 July 1991	2 February 2009	
193. Vietnam	8 June 2012	4 November 1997	19 August 2009	
194. Yemen	8 February 2010	25 March 1996	7 November 2005	
195. Zambia	24 April 2005	28 May 1993	7 December 2007	
196. Zimbabwe	12 December 2007	30 July 1993	8 March 2007	

\*Not included on this list is the "State of Palestine," which the United Nations informed the Government of the United States on April 9, 2014 had purportedly acceded to the UN Convention against Corruption. Similarly, on January 6, 2015, the United Nations informed the Government of the United States that the "State of Palestine" had purportedly acceded to the UN Convention against Transnational Organized Crime. The Government of the United States of America notified the United Nations that it does not believe the "State of Palestine" qualifies as a sovereign state and does not recognize it as such. Therefore, the Government of the United States of America believes that the "State of Palestine" is not qualified to accede to the Conventions and does not believe that it is in a treaty relationship with the "State of Palestine" under the Conventions.

# **USG ASSISTANCE**

# U.S. Department of State FY 2017-2018 Budget

# **Counternarcotics Program Area**

\$ in thousands for all items	FY 2017 Initial Actual	F	Y 2018 Request
TOTAL	\$ 392,5934.00	\$	290,277.00
Africa	\$ 1,300.00	\$	1,300.00
Liberia	\$ 1,300.00	\$	1,300.00
East Asia and Pacific	\$ 3,555.00	\$	3,150.00
Burma	\$ 1,050.00	\$	1,100.00
Indonesia	\$ 455.00	\$	300.00
Philippines	\$ 2,050.00	\$	1,750.00
South and Central Asia	\$ 80,861.00	\$	52,400.00
Afghanistan	\$ 64,000.00	\$	43,740.00
Kazakhstan	\$ 411.00		
Pakistan	\$ 10,500.00	\$	6,500.00
Tajikistan	\$ 1,950.00	\$	800.00
Central Asia Regional	\$ 4,000.00	\$	1,400.00
Western Hemisphere	\$ 236,918.00	\$	184,425.00
Colombia	\$ 96,500.00	\$	90,500.00
Mexico	\$ 44,183.00	\$	42,000.00
Peru	\$ 31,100.00	\$	24,200.00
State Western Hemisphere Regional (WHA)	\$ 65,135.00	\$	27,725.00
INL - International Narcotics and Law Enforcement Affairs	\$ 70.300.00	\$	48,962.00
INL - CFSP, Critical Flight Safety Program	\$ 5,402.00	\$	3,500.00
INL - Demand Reduction	\$ 12,500.00	\$	10,000.00
INL - Inter-regional Aviation Support	\$ 37,230.00	\$	22,000.00
INL - International Organizations	\$ 3,200.00	\$	2,425.00
INL - Program Development and Support	\$ 11,968.00	\$	11,037.00

# **International Training**

International counternarcotics training is managed and funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL), and implemented by various U.S. law enforcement organizations including the Drug Enforcement Administration (DEA), the Federal Bureau of Investigation (FBI), Immigration and Customs Enforcement (ICE), U.S. Customs and Border Patrol (CBP), and U.S. Coast Guard. Major objectives are:

• Contributing to enhanced professionalism of the basic rule of law infrastructure for carrying out counternarcotics law enforcement activities in countries which cooperate with and are considered significant to U.S. narcotics control efforts;

- Improving technical skills of drug law enforcement personnel in these countries; and
- Increasing cooperation between U.S. and foreign law enforcement officials.

INL-funded training supports U.S. counternarcotics priorities worldwide, and focuses on encouraging foreign law enforcement agency self-sufficiency. The overarching goal of U.S. counternarcotics training is to support the development of effective host country enforcement institutions, capable of removing drugs from circulation before they can reach the United States. U.S training can take two forms: as part of a planned bilateral assistance program in target partner countries; and as regional training with international participants from multiple countries. The regional training provided at International Law Enforcement Academies (ILEAs) consists of both general law enforcement training as well as specialized training for mid-level managers in police and other law enforcement agencies.

U.S. bilateral training assistance program works closely with international organizations including the UN Office on Drugs and Crime (UNODC) and the Organization of American States. The United States coordinates assistance planning with other donors through mechanisms such as the Dublin Group (an informal body of countries and organizations that provide law enforcement training), and the Paris Pact (an informal network of states dedicated to stopping the spread of Afghan opiates). The United States continuously works to promote burden-sharing with our allies in the provision of training, as well as ensuring that our respective efforts are complementary and directed towards common goals.

# International Law Enforcement Academies (ILEAs)

The International Law Enforcement Academies (ILEAs) pursue three core objectives: building the capacity of foreign criminal justice partners of the United States to stop crime before it impacts the United States; fostering partnerships across national borders within important regions of the world; and advancing partner nations' engagement with U.S. law enforcement agencies. These academies are an important part of the interagency U.S. effort to combat transnational criminal organizations.

Since the first ILEA opened in Budapest in 1995, the program has grown to six facilities worldwide, and has provided training to approximately 70,000 students in from countries in

Africa, Europe, Asia, and across Latin America. The ILEA program hosts approximately 150 courses per year. The program implements a number of key programming initiatives including an anticorruption course series, countering violent extremism-focused courses, and executive-level symposiums on combating transnational criminal organizations. Training includes specialized skill development and tactics in law enforcement areas such as counternarcotics; investigating money laundering and financial crimes; cybercrime investigations; border control; and countering all forms of trafficking including weapons, wildlife, and trafficking in persons. ILEA also works with senior officers and administrators on principles of leadership and effective management at ILEA Roswell. The ILEAs help to develop an extensive network of alumni who exchange information with their regional and U.S. counterparts and assist in transnational investigations. Many ILEA graduates become the leaders and decision-makers in their respective law enforcement organizations. The Department of State coordinates with the Departments of Justice, Homeland Security and Treasury, and with foreign government counterparts to implement the ILEA program.

**Africa.** ILEA Gaborone (Botswana) opened in 2001 and the Regional Training Center in Accra (Ghana) opened in 2012 ILEA Gaborone delivers one multi-week leadership and development courses annually and also specialized courses for police and other criminal justice officials to boost their capacity to work with U.S. and regional counterparts. These courses concentrate on specific methods and techniques in a variety of subjects, such as anticorruption, financial crimes, border security, crime scene investigations, counternarcotics, explosives, trafficking in weapons and wildlife, gender-based violence, and community policing. A Regional Training Center is operated in Accra, Ghana, in coordination with the ILEA, and addresses the unique needs of the West African region. ILEA Gaborone and RTC Accra provided training to approximately 1,600 students in 2017

Asia. ILEA Bangkok (Thailand) opened in 1999, and focuses on enhancing regional cooperation against transnational crime threats in Southeast Asia. ILEA Bangkok's specialized courses focus on counternarcotics, anticorruption, financial crimes, environmental crimes, and trafficking in persons, weapons, and wildlife ILEA Bangkok trained approximately 980 students in 2017.

**Europe.** ILEA Budapest (Hungary) was the first ILEA and was established in 1995. ILEA Budapest delivers three multi-week leadership and development courses annually and also offers specialized courses on regional threats such as anticorruption, organized crime, cybercrime, financial crimes, women in law enforcement, gender-based violence, and specialized training for judges and prosecutors. ILEA Budapest trained approximately 990 students in 2017.

**Global.** ILEA Roswell (New Mexico) opened in September 2001. ILEA Roswell hosts senior officials including top prosecutors, judges, police commanders and lawmakers to discuss policy formulation and enforcement to facilitate an effective criminal justice system in these priority areas. These delegates are at the senior levels of leadership and decision making in their countries, and are positioned to implement substantive changes to the criminal justice systems upon their return. Unlike other ILEAs, ILEA Roswell draws senior officials from all participating ILEA countries. ILEA Roswell trained approximately 330 students in 2017.

Latin America. ILEA San Salvador (El Salvador) opened in 2005. ILEA San Salvador delivers two multi-week leadership and development courses annually and also offers specialized courses on regional threats, as well as specialized courses for police, prosecutors, and judicial officials. ILEA San Salvador courses concentrate on anti-gangs, human rights, counternarcotics, border security, and financial crimes. ILEA San Salvador trained approximately 1,040 students in 2017.

# **Drug Enforcement Administration (DEA)**

The mission of the DEA is to enforce the controlled substances laws and regulations of the United States. As part of this mission, DEA seeks to bring to justice the criminal organizations and principal members of Drug Trafficking Organizations (DTOs) based in the United States or foreign nations involved in the cultivation, manufacture, or distribution of controlled substances, as well as, the money laundering of illicit finances derived from drug trafficking.

To achieve this mission, DEA has nearly 10 percent of its Special Agent and Intelligence Analyst work force permanently assigned overseas at 90 DEA foreign offices located in 69 countries. DEA's foreign offices act as conduits of actionable and strategic information, intelligence, and evidence to law enforcement and prosecutorial components in the United States and vice versa. In this manner, DEA is able to identify, target, and dismantle the entire global spectrum of the DTO. DEA's foreign offices are tasked with four principle missions:

- Conduct bilateral and multilateral investigations with host law enforcement partners;
- Coordinate counternarcotic intelligence gathering with host governments;
- Implement training programs for host country police and prosecutor agencies;
- Support the advancement and development of host country drug law enforcement institutions.

The emphasis placed on each objective is determined by the host nation's unique conditions and circumstances as it relates to their drug trafficking threat, infrastructure and law enforcement capabilities. DEA works side-by-side with host nation counterparts to develop relevant training, promote intelligence sharing, conduct bilateral investigations, and support joint counter-drug operations. The vast majority of DEA's foreign efforts and resources are dedicated to conducting international drug and drug money laundering investigations. In addition to that mandate, in 2017 DEA dedicated considerable effort in the fields of training, multinational law enforcement collaboration, and forensic science.

**International Training**: In 2017, DEA's Training Division conducted 129 formal (bilateral) and multilateral seminars for over 3,667 participants from 94 countries. DEA has been conducting international counter-narcotics training since its creation in 1973. DEA is recognized as the world pioneer in international training and serves as the model for a variety of international law enforcement training efforts. The specific courses and curricula offered by DEA have evolved over the years in response to experiences, changes in law enforcement emphasis, current international narcotics trafficking situations, new technologies, and specific requests of the host governments. All DEA international training programs have as a major objective the building of regional working relationships between countries.

# International Drug Enforcement Conference (IDEC) - Strengthening International

**Relations:** In 1983, IDEC was established to institutionalize regional cooperation of drug law enforcement officials from countries within the Western Hemisphere. Over the years IDEC has evolved into an important global forum where the highest ranking agency leaders and prosecutors from around 115 countries gather to develop a cooperative vision and establish strategies for combating DTOs. Participants continue to build, balance, and integrate the tools of law

enforcement power to combat these criminal networks and build a framework for international cooperation to protect all our citizens from the violence, harm, and exploitation wrought by drug trafficking and commensurate threats to national security. IDEC is an operational targeting opportunity and global forum for important topical issues in international drug enforcement, and to identify and attack DTO vulnerabilities. IDEC initiatives have demonstrated that a multilateral enforcement approach has a cumulative effect as member nations increasingly coordinate their law enforcement efforts to investigate and prosecute major DTOs and their leaders and to seize and block their assets. The 35<sup>th</sup> annual IDEC is scheduled for April 2018 in Rotterdam, Netherlands, where it will be co-hosted by the Dutch National Police and DEA.

**The Special Testing and Research Laboratory's Programs**: The Heroin and Cocaine Signature Programs (HSP/CSP) at the DEA's Special Testing and Research Laboratory (STRL) determine the geographic origins of heroin and cocaine seizure samples. In addition, the laboratory maintains a Methamphetamine Profiling Program (MPP) that determines the synthetic routes and precursors employed in producing methamphetamine. The classification schemes for these programs were developed using authentic samples collected from drug source countries world-wide, as well as drug processing laboratories within those countries. By collaborating with partner nations, numerous such "authentics" are submitted annually to the laboratory from the DEA foreign offices. Currently, the laboratory classifies several thousand drug exhibits seized within the United States and abroad annually.

The Signature and Profiling Programs provide the counterdrug intelligence community with science-based heroin and cocaine source data and intelligence information regarding methamphetamine synthesis. The HSP, CSP, and the MPP are viewed as crucial tools to investigate and support strategic intelligence regarding illicit production, trafficking, and availability of these three high profile drugs within the United States and foreign countries. Over the past several years, the laboratory has established a robust Emerging Trends Program to analyze new psychoactive substances for enforcement and intelligence purposes. This group has identified over 400 synthetic cannabinoids, substituted cathinones, opioids and powerful hallucinogenic compounds that have come into the drug market.

To assist with addressing the nation's current opioid crisis, STRL developed and implemented a new Fentanyl Signature Profiling Program (FSPP). Through an in-depth analysis including quantitation, impurity profiling, isotopic characterization, and occluded solvents analysis, the FSPP provides unique science-based forensic investigative leads on seizures where linkages were unknown or only suspected; real-time data to investigators; answers to key questions from the counterdrug intelligence/enforcement community and U.S. policymakers; and direct support to the National Drug Control Strategy. Since its inception, this program has established 36 linkages involving 65 cases and 152 samples from DEA seizures of 250 kilograms of fentanyl.

**Office of Global Enforcement/Financial Investigations (OGF):** The DEA's Office of Global Enforcement/Financial Investigations (OGF) provides guidance to DEA's domestic and foreign offices, as well as international law enforcement agencies, on issues relating to all aspects of financial investigations. OGF works in conjunction with DEA offices, foreign counterparts, and other agencies to effectively identify the financial infrastructure supporting drug trafficking organizations and provide its financial expertise to fully dismantle and disrupt all aspects of these

criminal organizations. Additionally, OGF facilitates cooperation between countries, resulting in the identification and prosecution of drug money laundering organizations as well as the seizure of assets and the denial of revenue. OGF regularly briefs and educates United States diplomats, foreign government officials, and military and law enforcement counterparts regarding the latest trends in money laundering; drug-terrorism financing; international banking; offshore corporations; international wire transfers of fund; and financial investigations.

In conjunction with the DEA Office of International Training, OGF conducts training for foreign counterparts to share strategic ideas and promote effective techniques in financial investigations. During 2017, OGF assisted with a Money Laundering Seminar for Guatemalan prosecutors and investigators. In addition, OGF, in coordination with the Department of State, participated in a money laundering technical exchange working group with officials from Dubai in The Emirates; consulted with law enforcement counterparts in Bogota, Colombia, on financial investigations and programs; participated in money laundering and organized crime working groups with law enforcement officials in Dublin, Ireland and Sibiu, Romania; participated in a virtual currency money laundering working group in Helsinki, Finland; met with government officials in Bangkok, Thailand regarding money laundering issues involving the banking industry; participated in a Regional Target Workshop in Mexico City, Mexico; as well as met with police counterparts from the Netherlands in support of ongoing illicit currency bilateral investigations and programs.

# **United States Coast Guard (USCG)**

The USCG plays a crucial role in efforts to keep dangerous narcotic drugs moving by sea from reaching the United States. Working within the Department of Homeland Security (DHS) in carrying out its responsibilities within the National Drug Control Strategy, the USCG maintains a multi-faceted, layered approach to attack Transnational Organized Crime (TOC) networks and their transport of illicit contraband from South America toward the United States via the Caribbean Sea, the Eastern Pacific Ocean, and through the littorals of Central America and Mexico. The overarching strategy is to increase maritime border security through a layered offensive system that extends beyond U.S. land borders to attack the networks responsible for smuggling drugs. This system begins overseas, spans the offshore regions, and continues into U.S. territorial seas and ports. USCG's mix of cutters, aircraft, boats, and deployable specialized forces, as well as international and domestic partnerships, allow the Coast Guard to leverage its unique maritime law enforcement authorities and competencies to address threats and improve security throughout the maritime domain.

Coast Guard efforts focus on removing illicit drugs close to their origins and as far from U.S. shores as possible, where drug shipments are in their most concentrated bulk form. Moreover, these illicit cargoes are most vulnerable when they are being moved at sea through international waters where interdiction forces have the highest tactical advantage and best opportunity to interdict drug movements. The next step in the maturation of maritime law enforcement is conducting operations to disrupt and dismantle the TOC networks by targeting any illicit activity in which they are engaged, to include drug, migrant, weapons and bulk cash smuggling, human trafficking and illegal, unreported, or unregulated fishing.

**Counternarcotics Operations:** Detection of drug-trafficking vessels occurs principally through the collection, analysis, and dissemination of tactical information and strategic intelligence combined with effective sensors operating from land, air and surface assets. The six million square mile transit zone is far too expansive to randomly patrol; targeting information is necessary to focus efforts. Upon detection, U.S. and partner nation law enforcement agencies provide monitoring, relaying data, imagery and position information until an appropriate interdiction asset arrives on scene. The USCG is the lead U.S. federal agency for drug interdiction and apprehension operational phase. A crucial ingredient for continued maritime drug interdiction success is the USCG's counter drug bilateral agreements and operational procedures held with over 40 partner nations. By facilitating operational communications and enabling USCG law enforcement officers to stop, board, and search vessels suspected of illicit maritime activity, these agreements deter smugglers from using another nation's vessel and/or territorial seas as a haven from U.S. law enforcement efforts.

**International Cooperative Efforts:** In 2017, USCG had personnel permanently assigned overseas as Coast Guard Liaison Officers, Defense Attachés, and Support to Interdiction and Prosecution team members to facilitate maritime counter drug activities, including security assistance, intelligence collection and dissemination, and to liaise with the U.S. interagency and international community. The USCG, in concert with the Department of State, hosts three counter drug summits per year: two semi-annual Multilateral Maritime Counter Drug Summits

(Central and South America) and an annual Multilateral Maritime Interdiction and Prosecution Summit (Caribbean). These summits have a combined annual attendance of more than 35 countries, over 60 international agencies and more than 300 people. Topics include maritime interdiction, prosecution, criminal investigations, and improving regional success in all aspects of the interdiction continuum. To counter trans-Atlantic drug flows, the USCG continues to work with U.S. Africa Command (AFRICOM) to expand maritime training and operations for West African countries through the African Maritime Law Enforcement Partnership (AMLEP).

**International Training and Technical Assistance:** The USCG provides international training and technical assistance to enhance the interdiction capacities of international partners. The Technical Assistance Field Team (TAFT), a joint initiative between USCG and the U.S. Southern Command (SOUTHCOM), is a team of nine USCG engineers and logisticians whose purpose is to professionalize and improve the operational readiness of 11 Caribbean maritime forces through technical assistance visits. The USCG's Security Assistance Program offers both resident training programs and mobile training teams (MTTs) to partner nation maritime services around the world to advance the capability of their naval and coast guard forces. In Fiscal Year 2017, the USCG deployed 66.5 MTTs to 39 countries, and approximately 249 students from 76 countries attended 38 resident courses at USCG training installations.

**Operational Highlights:** In Fiscal Year 2017, the USCG expended over 2,600 cutter days, nearly 1,400 Airborne Use of Force capable helicopters days, and over 3,100 surveillance aircraft hours on counter drug patrols, and USCG Law Enforcement Detachments (LEDET) deployed for nearly 800 days aboard U.S. Navy, British, Dutch and Canadian warships. As a result, the USCG disrupted 289 drug smuggling attempts, which included the seizure of 207 vessels, detention of 708 suspected smugglers for further investigation and prosecution, and removal of 223.8 metric tons (MT) of cocaine and 12.8 MT of marijuana.

# **U.S. Customs and Border Protection (CBP)**

The Department of Homeland Security's U.S. Customs and Border Protection (CBP) processes all goods, vehicles, and people entering and exiting the United States. CBP officers are charged with identification and prevention of terrorist travel to the United States and interception of narcotics and other contraband, improperly classified merchandise, unlicensed technology and material, weapons, ammunition, fugitives, undocumented immigrants, and unreported currency at America's 329 international ports of entry (POEs).

United States Border Patrol (USBP) agents are assigned the mission of securing the border against all threats between the POEs along the over 8,000 miles of land and coastal border. These threats include criminal/undocumented aliens, drug smugglers, potential terrorists, wanted criminals, and persons seeking to avoid inspection at the designated POEs. CBP's drug interdiction activity includes staffing 35 permanent and 140 tactical checkpoints nationwide. CBP checkpoints utilize experienced agents, canine teams, technology, and shipper-CBP partnerships to detect and apprehend the above mentioned threats. Additionally, agents patrol targeted border areas that are frequent entry points for the smuggling of drugs and people into the Unites States.

Since its creation, CBP has also been charged with the border regulatory functions of passport control and agriculture inspections in order to provide comprehensive, seamless border control services. This merger of responsibilities is intended to simplify border security operations and is termed: "One face at the border." CBP is the nation's first line of defense against the introduction of narcotics and dangerous drugs from foreign sources.

U.S. Customs and Border Protection's (CBP) Air and Marine Operations (AMO) is a critical component of CBP's risk-based and layered approach for border security. With 1,200 federal agents, 235 aircraft, and 296 marine vessels operating throughout the United States and Puerto Rico. AMO interdicts unlawful people and cargo approaching U.S. borders, investigates criminal networks and provides domain awareness in the air and maritime environments, and responds to contingencies and national taskings.

**International Training and Assistance:** As part of its efforts to extend the nation's zone of security beyond U.S. ports of entry, CBP works with other U.S. government and foreign government partners to provide a wide array of short-term and long-term technical training and assistance to countries throughout the world in conjunction with the Department of State, as appropriate. These programs are designed to standardize and build the capacity of foreign government organizations to implement more effective customs trade operations, border policing, and immigration inspection.

**International Visitors Program:** The State Department's International Visitors Program can provide an opportunity for foreign customs officials and other foreign officials to consult with their U.S. counterparts and appropriate high level managers in CBP Headquarters. International visitors can also participate in on-site tours of selected U.S. ports and field sites to observe actual CBP operations.

**Port of Entry Interdiction Training:** The correct approach to border interdiction varies with border environments, i.e., land, seaport, rail and airport. Training has been designed for the problems encountered and interdiction techniques useful for each type of operation. CBP also provides specialized U.S. Border Patrol training in techniques used by smugglers who do not use official ports of entry to cross borders, but who attempt to smuggle contraband in lightly patrolled green border areas.

**International Bulk Currency Smuggling Training:** With an increased enforcement focus on money laundering, organized criminals and terrorists have turned to bulk cash smuggling to move valuables across borders. Bulk Currency Smuggling training assists foreign government enforcement personnel in identifying techniques used by bulk currency smugglers. Further, it helps international partners to design and implement programs to counter that threat, resulting in seizures of millions of dollars in the proceeds of crime.

**Overseas Enforcement Training:** Overseas Enforcement Training encompasses a curriculum which includes Border Enforcement Training; Supply Chain Security; Detection, Interdiction and Investigation; Concealment Methods; Bulk Currency Smuggling; False and Fraudulent Documents; Train-the-Trainer; Anti-Corruption; Targeting and Risk Management; Hazardous Materials; and X-ray Systems. These courses can also be conducted at foreign ports of entry. They include both basic training and refresher training/mentoring abroad for graduates of training at U.S. port facilities.

# CBP Attachés, Representatives and Advisors and Special Customs' Programs:

A growing network of attachés, representatives and advisors who serve in U.S. diplomatic missions, U.S. military bases, or directly for foreign border security agencies. Attachés have a broad mandate, including enforcement and investigative activities on behalf of CBP. They also exchange expert information with foreign counterparts, improving the effectiveness of law enforcement activity, policies, and resources relating to border enforcement. Their efforts help to ensure that enforcement cooperation is seamless across borders and that the battle against illegal transnational activity is effective.

**Customs Mutual Assistance Agreements:** CBP and U.S. Immigration and Customs Enforcement (ICE) co-lead negotiations on Customs Mutual Assistance Agreements (CMAAs). CMAAs are negotiated with foreign governments and provide for mutual assistance in the enforcement of customs-related laws. Under the provisions of CMAAs, CBP provides assistance to its foreign counterparts and receives reciprocal assistance from them primarily in the exchange of information that facilitates the enforcement of each country's laws. As of the end of Fiscal Year 2017, the United States had signed 80 CMAAs, with three being signed during Fiscal Year 2017. CMAAs also provide a foundational basis for the development and implementation of other subsequent cooperation-based arrangements with foreign partners, especially as it relates initiatives that require information sharing and protections related thereto.

**CBP Preclearance Field Office:** Preclearance provides for the inspection and clearance of commercial air passengers prior to departure from 15 locations in six foreign countries and seven time zones. Precleared travelers do not have to undergo a second CBP inspection upon arrival in the U.S. All mission requirements are completed at the preclearance port of entry prior to

departure, including customs, immigration and agriculture inspections. Passengers found to be inadmissible to the United States are denied aircraft boarding.

**National Targeting Center:** The National Targeting Center (NTC) collaborates with international partners to identify, disrupt, and manage risks in the cargo and passenger environments through information sharing and implementing joint targeting operations in accordance with memoranda of understanding and CMAAs. As part of this collaboration, the Center hosts representatives from participating foreign agencies, and works with these international liaisons, as well as with other U.S. government agencies, to detect and disrupt narcotic smuggling operations and drug trafficking organizations and their associates.

**DOD Preclearance:** The Customs Border Clearance Agent (CBCA) program is designed to permit cargo consigned to the care of Department of Defense (DoD), as well as returning military personnel, to be pre-cleared for import/entry into the Customs Territory of the United States. The pre-clearance of such cargo and personnel is accomplished by DoD personnel that have been trained by CBP officers to perform pre-clearance inspections. CBCA personnel conduct Customs and Agricultural inspections and certify that personnel and cargo have met all CBP and USDA entry requirements, as well as Defense Travel Regulations, prior to departing to the U.S. CBCA inspections are conducted at 28 locations in seven foreign countries throughout the Middle East. CBP officers also provide Technical Assistance Visits and annual Site Inspections at these DoD preclearance facilities.

# **CHEMICAL CONTROLS**

# Introduction

Preventing criminals from gaining access to the precursor chemicals needed to produce illicit drugs remains one of the key international drug control challenges. Because most precursor chemicals have widespread legitimate commercial uses and criminals need to divert only small fractions of legitimate trade to produce illicit drug supplies, global chemical control efforts have achieved uneven results. One key goal of the 1988 UN Drug Convention is to prevent diversion of precursor chemicals from legitimate trade. Effective efforts require strong national laws and regulatory regimes in line with the commitments of the 1988 UN Drug Convention, as well as close coordination between national regulatory authorities and effective cooperation with industry.

Chemicals have two roles in producing illicit drugs and psychotropic substances; as refining agents and solvents used to process plant-based materials such as coca and opium poppy; and as essential ingredients in synthetic drug compounds. Some of the most widely-known chemicals used to produce plant-based drugs include potassium permanganate (used to produce cocaine) and acetic anhydride (used to produce heroin), and preventing illicit diversion of these chemicals remains an ongoing challenge. Chemicals used as key ingredients to produce synthetic drugs have shifted more regularly, as criminals shift to new production methods and new designer formulas to avoid international legal controls and detection. International cooperation and information sharing is essential for keeping pace with emerging trends in this field.

In 2017, the international community elevated efforts to prevent diversion of precursor chemicals used in the illicit production of fentanyl, a powerful synthetic opioid responsible for many thousands of deaths in North America and elsewhere. In March, the United Nations Commission on Narcotic Drugs (CND) decided, at the urging of the United States and other countries, to require all state parties to the 1988 UN Drug Convention to control the two key precursor chemicals used to produce illicit fentanyl; 4-anilino-N-phenethylpiperidine (ANPP) and N-phenethyl-4-piperidone (NPP). This binding international obligation went into effect in October, and serves as a prime example of how the international drug control system can swiftly react to address emerging drug control challenges and threats to public health, and take concrete action to save lives.

Also at the March CND, UN member states adopted a U.S.-sponsored resolution on precursor chemical control endorsing increased international cooperation to identify emerging precursor chemicals and prevent the diversion of chemicals not scheduled for international control under the 1988 UN Drug Convention.

# **The International Framework**

The 1988 UN Convention is the legal framework for international cooperation to prevent precursor chemical diversion. Specifically, state parties to the convention are required, under Article 12, to monitor their international trade in the chemicals listed in Tables I and II of the Convention. These chemicals have legitimate industrial uses and the tables are updated regularly to account for changes in the manufacture of illicit drugs. State parties are required to share information with one another and with the International Narcotics Control Board (INCB) on their

international transactions involving these chemicals to identify and prevent diversion for illicit purposes. Article 12, Sections 8 and 9 of the Convention requires licensing or similar control of all persons and enterprises involved in the manufacture and distribution of the listed chemicals.

Resolutions from the CND – the treaty-based body within the UN system with prime responsibility for international drug-control policy – have provided additional guidance to States parties on how to implement their obligations according to specific best practices. These resolutions have also encouraged greater dissemination and use of the INCB's International Special Surveillance List (ISSL) – a mechanism for monitoring chemicals that are not regulated by the Convention but for which substantial evidence exists of their use in illicit drug manufacture.

At the 2017 CND, member states adopted a Precursor Chemical resolution sponsored by the United States endorsing proactive measures to prevent diversion of non-controlled precursor chemicals. The recommended measures included raising stakeholder awareness, applying monitoring measures with respect to these chemicals to prevent their diversion, working with the chemical industry (including importers, exporters, and brokers), utilizing the INCB-based prenotification and incident reporting systems, and enhancing national laboratory capacity to identify and detect newly emerging precursor chemicals.

The INCB is an independent, quasi-judicial monitoring body for the implementation of the three UN international drug control conventions – the 1988 UN Drug Convention, the Single Convention on Narcotic Drugs of 1961 as amended by the 1972 Protocol, and the Convention on Psychotropic Substances of 1971. The INCB monitors compliance with the drug control treaties and proposes appropriate remedial measures and technical assistance to governments that are not fully applying the provisions of the treaties or are encountering difficulties in applying them. The United States provides funding to the INCB to monitor the measures called for in the Conventions, and to improve detection and tracking of chemicals subject to diversion.

In addition to ISSL, the INCB has developed a number of instruments to address the challenges of precursor chemicals:

- The Pre-Export Notification Online system (PEN Online) is an online database system that enables the exchange of information between member states on the import and export of chemicals required for the manufacture of illicit drugs, and to provide the ability to raise alerts to stop suspect shipments before they reach illicit drug manufacturers. The system facilitates information sharing on the global level by collecting data on precursor chemical trafficking and use trends, and then publicizing this data on online platforms. In practice, electronic responses are sent to exporting countries to acknowledge receipt and to confirm clearance to export chemicals. Since the PEN Online system was first launched in March 2006, 157 governments have registered to use it. On average, there are 2,800 PEN pre-export notifications made monthly via the online system.
- The Precursors Incident Communication System (PICS) is another INCB tool that facilitates real-time communication exchange among law enforcement officials worldwide. Specifically, the system supports intelligence sharing and facilitates direct coordination and

collaboration among national authorities to advance investigations on chemical trafficking. As of January 2018, there were nearly 2,070 incidents communicated through PICS, an increase of more than 300 from the previous year. Those incidents involved more than 60 different countries and territories. Since March 2017, there are 480 registered PICS users, 241 agencies, and 106 governments.

In addition to Pen Online and PICS, the INCB manages a Task Force to implement Project Prism and Project Cohesion — two INCB international initiatives in matters related to chemicals used in the illicit manufacture of drugs, specifically synthetic drugs (Project Prism) and heroin and cocaine (Project Cohesion). These ongoing mechanisms facilitate coordination for the monitoring of chemical transactions and for coordinating targeted, time-bound intelligence-gathering operations.

**Regional Bodies**. The regulatory framework codified by the United Nations does not exist in isolation. Regional bodies, such as the EU and the Organization of American States (OAS), actively work in partnership with the United States on multilateral chemical control initiatives, including the implementation of CND resolutions.

### **Chemical Control Activities and New Trends**

**Fentanyl.** Fentanyl is a powerful and deadly Schedule II synthetic opioid that is between 50 and 100 times more potent than morphine. Within North America, drug traffickers are increasingly lacing illicit fentanyl into low-grade heroin to create a more potent high for users. Fentanyl is also pressed into pill form and sold as counterfeit prescription opioid pills. In many instances, buyers are not aware of the presence of fentanyl in heroin, alternatively the user may have sought out fentanyl-laced heroin for the greater high.

Fentanyl is responsible for a surging number of overdose fatalities in the United States, Canada, and some European countries. Specifically in the United States, fentanyl-related overdose deaths in the first half of 2017 jumped 70 percent over the same six-month period in 2016. In Canada, fentanyl was responsible for hundreds of overdose deaths in 2017 and prosecutors have brought manslaughter charges against drug traffickers accused of selling fentanyl to drug users who died as a result of fentanyl overdoses. In the United Kingdom, British authorities attribute over 60 overdose deaths to fentanyl in 2017.

The two most prevalent precursor chemicals used to produce illicit fentanyl and fentanylrelated substances (for example, acetyl fentanyl) within the United States are NNPP and ANPP. While there are several chemicals and pathways to manufacture fentanyl, the NPP and ANPP processing method is the preferred one currently used by clandestine manufacturers.

On October 18, 2017, these two chemical were added to Table I (internationally controlled chemicals) of the 1988 UN Drug Convention, implementing the decision of the 2017 CND. With ANPP and NPP, there are now 26 chemicals controlled under Schedule I. International control of these chemicals under the 1988 UN Drug Convention will require states parties to the convention to institute domestic regulation of the import and export of ANPP and NPP, which will stifle their access for illicit purposes and reduce their availability in the illicit supply chain.

The United States and other UN member states continue to implement preventive measures to curb fentanyl's negative effects on global public health and safety. This includes the implementation of evidence-based prevention programs to reduce the number of new initiates to illicit opioid use, and treatment programs to assist those with opioid use disorders in their path to long-term recovery.

As part of its larger strategy to curb diversion, production, distribution, and use of illicit fentanyl and its analogues, the United States is working to increase law enforcement information sharing; enhance medical research on treatment methodologies for cases presenting with fentanyl consumption; and advocate with key international partners to curb illicit production, diversion, and distribution of fentanyl. The United States also participated in a global survey sponsored by the INCB Precursors Task Force, which leads projects Prism and Cohesion, to identify the sources and methods used by traffickers to obtain illicitly manufactured fentanyl, fentanyl analogues, other opioid-type new psychoactive substances, and related precursors.

**New Psychoactive Substances (NPS).** NPS are defined as "substances of abuse, either in a pure form or a preparation, that are not controlled by the 1961 Convention or the 1971 Convention, but which may pose a public health threat. Producers modify and experiment with new chemical formulas in search of new NPS that can avoid detection by authorities and skirt the international control regime.

The rapid proliferation of NPS is creating a critical challenge for law enforcement officials worldwide because of the speed in which they can be reformulated and remarketed to avoid international control. Over 700 formulations of NPS were reported to the United Nations through 2017, exceeding the capacity of law enforcement to curb this problem.

The UNODC's Global Synthetics, Monitoring Analyses, Reporting and Trends (SMART) program helps law enforcement and forensic officials to combat the challenges posed by NPS through increased information sharing worldwide. The United States is a staunch supporter of the Global SMART program as a critical tool to increase voluntary cooperation among member states in sharing information on NPS trafficking and use trends on a global level. Data collected and analyzed by Global SMART is used to inform CND scheduling decisions that affect international control of NPS under the UN drug conventions. This information is made available for reference on online portals, and is used to generate reports updating member states on the scope of this problem.

**Heroin.** The main precursor chemical used to produce heroin is acetic anhydride, a substance that is also widely used in legitimate industry. Drug trafficking organizations continue to channel acetic anhydride to illicit producers through diversion, or smuggling. Acetic anhydride may also be used as a compound substance to produce a chemical reaction in the production of methamphetamine.

The United States continues to work closely with participant countries of the INCB Precursor Task Force of Project Prism and Project Cohesion to counter acetic anhydride diversion. The INCB Precursor Task Force is currently focusing on legitimate domestic trade and end-use of acetic anhydride. The United States also provides assistance to expand international use of the INCB's PEN Online and the PICS systems to control the diversion of acetic anhydride and other chemicals.

For activities under Project Prism and Project Cohesion, participating governments are requested to register points of contact (focal points) for their relevant national authorities involved in precursor control, such as national regulatory, law enforcement, customs and drug control agencies, and to actively use the system to communicate all incidents involving precursor chemicals. As of November 1, 2017, more than 134 countries have nominated points of contacts for activities under Project Prism, and 92 countries have nominated points of contacts for activities under Project Cohesion.

Since last year, both projects' points of contact were alerted to major trends in precursor trafficking, diversions, attempted diversions, new methods and newly emerging precursors by means of special system alerts. Alerts are issued to the competent authorities of the participating countries, including those on the illicit trafficking of acetic anhydride.

**Methamphetamine**. Methamphetamine is produced using a variety of methods, but most require one or more of the following precursor chemicals; pseudoephedrine; ephedrine; pharmaceutical products containing these chemicals; phenyl-2-propanone (P-2-P); and phenylacetic acid. As these precursor chemicals have become more difficult to obtain due to increased controls, traffickers have started using other chemicals, or seeking non-controlled pre-precursor chemicals or esters, and derivatives of phenylacetic acid to produce the precursor chemicals necessary for methamphetamine production. Traffickers, particularly in Europe, continue to use the pre-precursor APAAN, or alpha-phenylacetoacetonitrile. This chemical was added to the list of internationally controlled chemicals under the 1988 UN Drug Convention in 2014.

In response to the international scheduling of APAAN, in 2017 the World Customs Organization introduced a new international identification code number for APAAN, to allow easier identification of international shipments in this chemical by authorities. As of August 17, 2017, the Drug Enforcement Administration (DEA) designated APAAN and its salts, optical isomers, and salts of optical isomers as controlled chemicals under the U.S. Controlled Substances Act (CSA). This action allows U.S. authorities to regulate all transactions involving APAAN, regardless of size. Any chemical mixtures containing APAAN would not be exempt from regulatory requirements at any concentration under this proposed action.

Methamphetamine production takes place domestically and worldwide. Domestic small production capacity laboratories (SPCLs) are the most frequently encountered type of clandestine laboratory. SPCLs tend to be low production operations (grams or ounces), and produce only a small percentage of the drug that is consumed in the United States. The emergence of the "one-pot labs" (a.k.a. "shake-n-bake" labs) constitute the majority of SPCLs found domestically. These laboratories typically use two-liter plastic soda bottles, 16 - 20 ounce drink containers, and other such receptacles.

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The SPCLs utilize chemicals that are easily obtained. Pseudoephedrine and ephedrine are the principal precursor chemicals used in SPCLs, and are frequently purchased over the counter from retail pharmacies and convenience stores. There are indications that methamphetamine trafficking across the U.S. southern border continued to increase in 2017. As with other synthetic drugs, traffickers substitute chemicals for production based on availability and price. Most large-scale manufacturers in Mexico now use a production process known as the P-2-P method (from the precursor chemical phenyl-2-propanone). This alternative process does not require extracting pseudoephedrine to produce the chemical base of the drug, allowing drug traffickers to circumvent controls.

The use of the nitrostyrene method to produce P-2-P, which starts from benzaldehyde and nitroethane, or from the intermediary product 1-phenyl-2-nitropropene, has also been an alternate method used by Mexican drug trafficking organizations in recent years to manufacture the precursor chemicals required to produce methamphetamine.

In 2016, ephedrine-based and pseudoephedrine-based methods were not detected in any of the selected samples analyzed by DEA. Instead, key chemicals used in the illicit manufacture of P-2-P using the so-called "nitrostyrene method" increased from 51 percent during the first six months of 2016 to 71 percent over the same period in 2017.

Countries in Africa and Asia, where precursors like P-2-P and APAAN are relatively unknown, continue to rely on ephedrine and pseudoephedrine to produce top quality methamphetamine. There are indications, however, that Mexican alternate methods to produce methamphetamine are growing in Africa. In March 2016, Nigerian authorities dismantled an industrial-scale illicit methamphetamine laboratory, where traffickers used the nitrostyrene method to produce the drug. Most of the chemicals seized during the law enforcement operation were not yet controlled in Nigeria and were purchased in-country from legitimate sources.

In Europe, there are limited legitimate uses for APAAN and imports are frequently converted to benzyl methyl ketone (BMK), an amphetamine precursor. According to the INCB, three European countries reported seizing APAAN between 2016 and 2017. Together, the amounts seized totaled less than 600 kilogram (kg), which was less than half the amount seized in 2015.

**Cocaine.** Potassium permanganate, an oxidizer, is the primary chemical used to remove the impurities from cocaine base. It has many legitimate industrial uses, including waste-water treatment, and as a disinfectant and deodorizer. Potassium permanganate can also be combined with pseudoephedrine to produce methcathinone, a synthetic psychoactive stimulant controlled under the 1971 UN Convention.

In South America, the only region of the world where large quantities of coca leaf is cultivated, traffickers continue to divert chemicals from legitimate industry, either from domestic or international sources, for cocaine production. A growing trend cited by law enforcement officials is the recycling of chemicals, which allows clandestine laboratory operators to reuse chemicals up to four times before they need to be replaced. Alternative precursor chemicals used in cocaine manufacturing have also been detected. Additionally, traffickers continue to recycle the chemical containers, making it difficult to trace the origin of the chemicals inside. The

INCB's Project Cohesion monitors the imports of potassium permanganate to cocaine processing areas. The United States, the INCB, and other international partners encourage countries in South America to continue sharing information on these new trends.

**Trends.** Illicit drug producers continue to adapt to new methods. In the past, diversion of international shipments accounted for a greater proportion of precursor chemicals used to produce illicit drugs than it does now. Increasingly, precursor chemicals are produced outside of domestic controls, and subsequently mislabeled for shipment or smuggled abroad. Domestic chemical diversion is the biggest challenge in countries where controlled substances are already produced. It is critical to continue efforts to strengthen the capacity of law enforcement and public health institutions to minimize illicit precursor chemical diversion.

Increasingly, drug traffickers are using chemicals that are not controlled under the Convention or the domestic laws of the source, export, or importing countries. Traffickers exploit countries that have limited enforcement and regulatory capacity, and frequently obtain chemicals produced within countries where illicit drugs are produced, thereby escaping international monitoring, surveillance, and interdiction efforts.

Another emerging concern is the use of toxic adulterants to manipulate illicit drug composition with distinct pharmacological products. Drug traffickers have traditionally mixed non-toxic materials such as lactose and glucose into drug supplies to increase profitability, but there is growing evidence that traffickers are increasingly mixing banned or controlled toxic substances including pharmaceutical drugs and fungicides into illicit drugs to increase drug potency and produce enhanced psychoactive effects. These adulterants can compound the health risks related to illicit drug use and impede effective treatment and recovery efforts.

An early warning system to identify adulterants and to report adverse effects from their consumption would enhance understanding of, and public health response to, illicit drug adulteration. As such, it is vital that law enforcement authorities continue to test drug samples for toxic adulterants, alerting public health authorities of additional negative effects toxic adulterants can cause to the body, including death.

In response to multiple reports indicating the gravity of the toxic new form of drug preparation involving the cutting/adulteration of drugs with banned pharmaceuticals, veterinary products, and other toxic substances, the U.S. government in partnership with the Colombo Plan initiated a global toxic adulterant project to address this emerging public health problem. The details of the "joint project" can be reviewed at the 2017 Field Guide to Drug Demand Reduction Program Development (Second Edition) published at <u>http://www.colombo-plan.org/content/media/2017/06/INL-Fleld-Guide-II-Final-low.pdf</u> (pages 221-232). An appendix addressing primary adulterants of concern and their health-related effects is also available by clicking on the same link.

The internet continues to facilitate illicit sales, of chemical compounds containing controlled substances, as well as the sale of NPS, fentanyl, fentanyl-related substances, and toxic adulterants with shipments made through international mail systems.

### The Road Ahead

To counter illicit production, diversion, and trafficking of chemicals for illicit purposes, the United States is committed to expanding its work with international partners; implementing the provisions of the 1988 UN Drug Convention; monitoring those substances listed on the ISSL; and identifying and stopping diversion and/or smuggling of new substitute chemicals that can be used for illicit drug production, including adulterants.

The development and reliable implementation of effective chemical control regimes and legislation is critical. Additionally, it is important to develop and utilize the administrative, investigative, and prosecutorial tools to successfully identify suspicious transactions and bring chemical traffickers to justice, as well as to make better use of watch lists and voluntary control mechanisms to target listed chemicals and substitute chemicals as well as to identify the latest production and trafficking methods.

In the case of adulterants, the United States supports and provides law enforcement authorities training and equipment to test drug samples for toxic adulterants. It also promotes campaigns to alert public health authorities of additional negative effects and harm that toxic adulterants can cause to the body.

Increased cooperation with domestic industry, including chemical and shipping companies, as well as the pharmaceutical industry, and other public-private partnerships is critical to targeting precursor chemicals and toxic adulterants. Published international guidelines and identified best practices have much to offer in encouraging such cooperation, particularly the INCB Voluntary Code of Conduct for Industry. The United States will continue to work with other countries to encourage the application of domestic control measures similar to those applied to international trade in these chemicals.

Against this backdrop, the United States will continue to promote efforts through the INCB and engage other member states through the CND and other multilateral venues. In the Western Hemisphere, for example, the Inter-American Drug Abuse Control Commission (CICAD) advances voluntary cooperation on precursor chemical controls. CICAD's Group of Experts on Chemical Control and Pharmaceutical Substances carries out a variety of initiatives in this important field. Of note, this expert group explores options for soliciting private sector input from the Western Hemisphere into the discussion on controlling substances that are legal but used to make illegal drugs.

Moreover, the United States is supporting partner nation efforts in various regions of the world to develop and strengthen precursor laws and regulations to ensure compliance with international drug control conventions. These include further steps to enhance and foster communication among national authorities, promote increased communication and follow-up on exports and imports of controlled chemicals through the INCB task forces, and expand diplomatic engagement on precursor initiatives bilaterally, and through multilateral and regional institutions. The United States also provides training to international entities to improve the monitoring and control of chemical sales through the internet.

# **Major Chemical Source Countries and Territories**

This section focuses on individual countries with large chemical manufacturing industries that have significant trade with drug-producing regions and those with significant chemical commerce susceptible to diversion domestically for smuggling into drug-producing countries. Designation as a major chemical source country does not indicate a lack of adequate chemical control legislation or the ability to enforce it. Rather, it recognizes that the volume of chemical trade with drug-producing regions, or proximity to them, makes these countries the sources of the greatest quantities of chemicals liable to diversion. The United States, with its large chemical industry and extensive trade with drug-producing regions, is included on the list.

Many other countries manufacture and trade in chemicals, but not on the same scale, or with the broad range of precursor chemicals, as the countries in this section. These two sections are broken down by region.

### Africa

### Nigeria

Nigeria is an emerging major producing country for methamphetamine. It is developing into a major transshipment country for ephedrine, a precursor chemical used in the production of methamphetamine. Precursor chemicals, mainly ephedrine, are imported from India and China then diverted to the laboratory operators. One kilogram of 99 percent pure locally-produced methamphetamine sells for as little as \$7,500 in Lagos and over \$150,000 in Southeast Asian countries such as Malaysia. Nigeria was also the largest importer of tramadol from India, a pharmaceutical drug increasingly abused in Nigeria.

In June 2017, the UNODC finalized a scientific study on the estimated needs of controlled medicines, psychotropic substances and precursor chemicals for medicinal and scientific purposes in Nigeria. The study revealed that the estimated need for ephedrine was 771 kg, and the estimated need for pseudoephedrine was 5.5 MT. The data revealed that Nigeria's drug imports far exceeded the amount legitimately needed in Nigeria. The National Drug Law Enforcement Agency (NDLEA) reported that in 2017, Nigeria imported 8.3 MT of ephedrine, 4.82 MT of pseudoephedrine and 1,352 MT of acetone. In 2017, the NDLEA seized 117.9 kg of precursor chemicals attempted to be illegally exported from the country. In June 2017, the NDLEA seized 128.8 kg of ketamine.

# **South Africa**

South Africa is a leading regional importer of chemicals used in the production of illegal drugs, particularly synthetic drugs. South Africa enforces the scheduling of precursor chemicals. With heroin and cocaine primarily imported in finished form, the chemicals used in their production are not as commonly found as those used to manufacture methamphetamine and methaqualone.

The South African Police Service (SAPS) has a trained, dedicated clandestine laboratory team. The SAPS division of the Directorate for Priority Crime Investigation (DPCI) estimates 40-50

clandestine laboratories are dismantled annually. The South African Revenue Service (SARS) published the trade of chemical products as a broad category in the trade statistics report. SARS Customs and Enforcement teams also seize illicit drugs and substances scheduled as precursors. Chemicals confiscated include ethanol and toluene.

Ephedrine and pseudoephedrine used in South Africa to produce methamphetamine largely originate in Nigeria and India. Human couriers from the United Arab Emirates have also been arrested for attempting to traffic these chemicals through O.R. Tambo International Airport. Although it is a challenge to gather trade information to assess illicit use and trade of precursors, South Africa, as a party to the 1988 UN Drug Convention, regularly reports to the INCB on substances frequently used in the illicit manufacture of narcotic drugs and psychotropic substances.

South Africa is also registered with the INCB's PICS. Regulating the licit market for precursors is the responsibility of the South Africa National Drug Policy (NDP), which mandates the establishment of computerized inventory control systems for scheduled chemicals and regular regulation and monitoring of the purchase of medicines containing precursors via a registry system. Such measures have not been fully implemented.

The nexus between wildlife trafficking and trade for precursors and illicit drugs is being investigated by South Africa. The United States has sponsored research in this field and awaits the final report. U.S. agencies coordinate with South African authorities. Container shipments which the United States identifies as containing possible illicit materials, to include precursors, are investigated by South Africa and acted on. U.S. law enforcement collaborations with South Africa in investigations are purposeful, yet regular and enhanced interactions would prove useful.

# North America

# Canada

Canada's "Controlled Drugs and Substances Act" (CDSA) and its implementing regulations provide a legislative framework for the control of chemical precursors. Scheduling of substances under the CDSA and its regulations provides law enforcement agencies with the authority to take action against activities that are not in accordance with the law. These instruments also authorize Health Canada to communicate information collected to law enforcement agencies, border control officers, foreign competent authorities and the INCB if necessary.

Health Canada submits an annual report to the INCB with respect to its obligations under the 1988 UN Drug Convention. The annual report provides information on licit imports and exports for the previous year, as well as stopped shipments and seizures, and refusals of permit applications due to objections from foreign authorities, information received from the INCB, and incomplete or invalid application information. Canada cooperates fully with the INCB in cases where shipments may pose a concern.

To address the problem of chemical diversion, the Royal Canadian Mounted Police (RCMP) instituted the National Chemical Precursor Diversion Program in 2001. Program coordinators liaise with Health Canada and the chemical industry, assist investigators who are conducting clandestine laboratory investigations, and provide training to the chemical industry in the identification, monitoring, and prevention of suspicious transactions.

# Mexico

Mexico has several major chemical manufacturing and trade industries that produce, import, or export most of the chemicals required for illicit drug production, including potassium permanganate and acetic anhydride. Although Mexico-based transnational criminal organizations (TCOs) are major producers of methamphetamine, pseudoephedrine and ephedrine are not produced legally within the country.

In 2008, Mexico outlawed imports of pseudoephedrine and ephedrine, except for hospital use of liquid pseudoephedrine. Mexico has enhanced regulatory laws on the importation of precursor chemicals, including regulations for imports of phenylacetic acid (including its salts, esters, and derivatives), methylamine, hydriodic acid, and red phosphorous. Imports of essential chemicals are limited by law to 17 of 49 Mexican ports of entry limits imports of essential chemicals. Of these 17 chemicals, imports of legal precursor chemicals are permitted at six ports of entry, including two new ports of entry legalized in 2017 (Coatzacoalcos Veracruz and Anahuac Nuevo Leon).

Ammonium chloride and formaldehyde/paraformaldehyde are precursor chemicals used in Mexico to manufacture methylamine. Ammonium chloride is also used to manufacture heroin, used during the extraction of morphine. Methamphetamine production, importations of legitimate precursor chemicals for diversion, and illegitimate mislabeled precursor chemicals continue to pose challenges.

Mexico controls all chemicals listed in the 1988 UN Drug Convention. Mexican laws regulate the production and use of many of these substances and the Mexican Office of the Attorney General is responsible for enforcing chemical control laws. Mexico's regulatory agency is the Sanitary Risk Protection Federal Commission (COFEPRIS). The United States is currently working with COFEPRIS to aid in the control of all ketamine products. COFEPRIS controls ketamine for human use but not veterinary ketamine products, which are smuggled into the United States. Mexican ketamine seized in the United States is usually in vials and mostly used to achieve a recreational high. Most of the domestic diversion is from veterinarian clinics or obtained via the internet.

NPP and 4-ANPP are the most widely used precursor chemicals for illicit production of fentanyl. In July 2017, Mexico's General Health Council ("Consejo de Salubridad General") officially added ANPP and NPP to its list of controlled substances. The international control of both NPP and ANPP is necessary to prevent the illicit production of fentanyl and related fentanyl-like substances. As a result, on December 4, using Department of State INL-donated canines trained in Fentanyl detection, Mexican authorities seized a shipment containing three plastic bags with 1.5 kg of 4-ANPP.

Mexico participates in international efforts to control precursors and has a strong bilateral working relationship with the United States. In 2012, Mexico signed a memorandum of cooperation with the United States to address precursor chemicals and clandestine laboratories. The two governments also cooperate to share best practices with Central American countries affected by the trafficking of precursor chemicals.

### The United States

The United States manufactures and/or trades in almost all 26 chemicals listed in Tables I and II of the 1988 UN Drug Convention to which it is a party; and it has laws and regulations implementing chemical control provisions.

The foundation of U.S. chemical control is the Chemical Diversion and Trafficking Act of 1988. This law and subsequent chemical control provisions of the U.S. drug law are interwoven into the Controlled Substances Act of 1970, rather than individual stand-alone legislation. DEA is responsible for administering and enforcing these laws.

The Department of Justice, primarily through its U.S. Attorneys, handles criminal and civil prosecutions at the federal level. In addition to registration and recordkeeping requirements, the legislation requires importers and exporters to file import or export notifications at least 15 days before the transaction is to take place. The 15-day advanced notification permits DEA to evaluate the transaction. However, the legislation and regulations allow for a waiver of the 15-day advance notification if a company has an established business relationship for a specified listed chemical or chemicals with its foreign customer that has been reported to DEA subject to the criteria in the Code of Federal Regulations. In these cases, same-day notification is permitted for future shipments. Diversion investigators and special agents communicate with exporting and importing government officials in this process. The legislation also gives DEA the authority to suspend shipments.

U.S. legislation requires chemical handlers to report to DEA suspicious transactions such as those involving extraordinary quantities or unusual methods of payment. Criminal penalties for chemical diversion are strict; the penalties for some chemical trafficking offenses involving methamphetamine are tied to the quantities of drugs that could have been produced with the diverted chemicals. If the diversion of listed chemicals is detected, persons or companies may be prosecuted or DEA registration may be revoked.

The Combat Methamphetamine Epidemic Act of 2005 (CMEA) mandated DEA to establish total annual requirements, import quotas, individual manufacturing quotas, and procurement quotas for three List 1 chemicals: pseudoephedrine, ephedrine, and phenylpropanolamine. This affected those DEA-registered importers and manufacturers that wish to import or conduct manufacturing activities with these chemicals. The CMEA also restricted retail level transactions of nonprescription drug products that contain ephedrine, pseudoephedrine, or phenylpropanolamine, now known as "scheduled listed chemical products." The CMEA and other chemical control legislation are aimed at preventing the illicit manufacture of illegal drugs domestically and internationally.

The United States has played a leading role in the design, promotion, and implementation of cooperative multilateral chemical control initiatives. The United States also actively works with other concerned nations, and with the UNODC and the INCB to develop information sharing procedures to better control precursor chemicals and non-controlled substances used in the illicit production of drugs. U.S. officials are members of a combined task force for both Project Cohesion and Project Prism. The United States has established close operational cooperation with counterparts in major chemical manufacturing and trading countries. This cooperation includes information sharing in support of chemical control programs and to prevent chemical diversion.

### Central America and the Caribbean

#### **Costa Rica**

Costa Rica has a stringent licensing process for the importation and distribution of precursor chemicals. Costa Rica has controls for Table I and Table II precursor and essential chemicals as defined by the 1988 UN Drug Convention.

Costa Rica's National Plan on Drugs for 2013-2017 recognizes the international problem of production and trafficking of chemical precursors. Costa Rica has yet to seize large amounts of the substances compared to elsewhere in the region and has a low volume of licit chemical imports. The Costa Rican Drug Institute has a special unit dedicated to the control and regulation of precursor chemicals, and this unit has broad powers to monitor and respond to illegal activity. By law, importers and businesses that handle chemical precursors or certain types of prescription drugs are required to submit monthly reports through an online tracking system.

During the first 10 months of 2017, there were 2,377 authorized import transactions, licensed to 196 registered importers of chemical precursors. The system tracks the movement of chemical precursors and solvents and also generates alerts to notify authorities of suspicious transactions. Costa Rican authorities received no specific alerts during the first 10 months of 2017 for situations arising in Costa Rica.

#### **Dominican Republic**

The Dominican Republic maintains a chemical control regime in accordance with Article 12 of the 1988 UN Drug Convention. Dominican laws regulate the production and use of the chemicals listed in the Convention and the Dominican Republic annually submits information required by the treaty. The National Directorate for Drug Control (DNCD) is responsible for enforcing chemical control laws.

The Dominican Republic does not have a large petrochemical industry engaged in the manufacturing, importation, and exportation of chemical products. Chemicals for industrial production are imported from the United States. The two largest chemical imports are sodium carbonate and toluene, which are used in the Dominican Republic as an additive for gasoline and

as a solvent for paint. Production of methamphetamines is not significant in the Dominican Republic.

The DNCD regulates and enforces the importation and use of precursor chemicals. The Directorate receives pre-notifications for precursor imports and issues certificates of importation. The DNCD also controls and regulates prescription drugs and issues annual permits to medical doctors, clinics, and hospitals, maintaining a register of the type of drug and amount each doctor prescribes each year, especially for drugs containing opiates. Clinics and hospitals are mandated to report prescriptions for certain drugs before dispensing them and the DNCD verifies that the prescription number and the doctor are valid before authorizing the sale. The DNCD is taking steps to automate its paper-based chemical control registration.

# **El Salvador**

El Salvador is party to the 1988 UN Drug Convention, and invokes its rights to pre-notification of scheduled precursor chemicals under Article 12. Precursor chemical trafficking remains a regional threat, as methamphetamine production continues to spread from Mexico into neighboring Guatemala. Prior to 2016, Salvadoran authorities seized significant amounts of precursor chemicals imported from China at the Acajutla seaport, but seizure incidents have not been reported since then.

The OAS, with U.S. funding, is working with Central American countries to destroy existing stockpiles of seized precursor chemicals. The OAS signed a cooperative agreement with the Government of El Salvador in 2015 to provide technical assistance in the management and disposal of controlled chemical substances. This agreement has not yet been implemented due to the curtailment of seizures since 2015.

#### Guatemala

The Guatemalan government has been storing large quantities of seized precursor chemicals since 2005. As of October 2017, there were approximately 3,050 MT of seized precursor chemicals stored within Guatemala. Authorities store the majority of these seized precursors in 196 containers at seaports. In July 2017, the United States donated an incinerator that is capable of destroying this backlog within an estimated three years when functioning at full capacity. The United States also provided training on its use to Guatemalan authorities. U.S. officials continue to work with counterparts to develop standard operating procedures for the process of destruction to maximize efficiency. No precursor chemicals were seized or destroyed in 2017.

#### Honduras

Precursor chemical diversion continues to be a problem in Honduras. The Government of Honduras works closely with U.S. authorities to disrupt the importation and diversion of precursor chemicals through Honduras. The United States also provides training and other assistance to help strengthen the capacity of Honduran institutions responsible for controlling precursor chemicals, including the Directorate of Investigation and Intelligence (DNII); the Directorate for the Fight against Drug Trafficking (DLCN); the Public Ministry; the HNP; and the Health Ministry.

The focal point of the Honduran government's control efforts is increasingly the Precursor Chemical Commission, directed by DNII. Composed of officers from the Honduran National Police, the Health Ministry, the Public Ministry, and the Inter-institutional Security Force (FUSINA), the commission has been historically under resourced and lacks expertise in working with counterparts across the government to conduct precursor chemical criminal investigations, and must work within a fragmented and inadequate regulatory structure. In 2017, the United States assisted the commission in identifying intelligence gaps, suspicious shipments, and inspection of companies who import chemicals into Honduras.

### **South America**

# Argentina

Argentina's geographic proximity to major cocaine producing nations and its role as one of the largest producers of chemical precursors in South America make the country particularly vulnerable to precursor chemical diversion. Argentina has several legislative measures in place to curb the illicit use of chemical precursors. The National Register of Chemical Precursors, a division of the Security Ministry, was created in 2005 and strengthened in 2016 with the creation of the Federal Council for Chemical Precursors, which is responsible for analysis and investigations of crimes associated with chemical precursors. The Federal Council tracks the issue regionally and drafts policies and procedures to combat chemical diversion.

Argentine law enforcement has traditionally focused on chemical precursors used in the production of cocaine, but the government has shifted its attention towards those used in the production of methamphetamine. In March 2017, Argentina hosted the first Symposium on Counter Narcotics and Chemical Precursors in the city of Parana, during which the Minister of Security pledged greater coordination with provincial and local police forces against the unlawful use of chemical precursors.

#### Brazil

Brazil is one of the world's 10 largest chemical producing countries by volume. Brazil licenses, controls, and inspects essential and precursor chemical products, including potassium permanganate and acetic anhydride, in conformity with its obligations under the 1988 UN Drug Control Convention. Controls on both potassium permanganate and acetic anhydride allow for product to be commercialized without restriction for quantities of up to one kg for potassium permanganate and one liter of acetic anhydride.

The Brazilian Federal Police (DPF) Chemical Division controls and monitors 146 chemical products in conjunction with 27 DPF regional divisions and 97 resident offices. The Chemical Division is composed of two units: the Chemical Control Division, subordinate to the DPF Executive Directorate, and the Criminal Diversion Investigations unit under the Organized Crime

Division. Both divisions routinely coordinate and share information when conducting administrative inspections and criminal investigations.

Regulatory guidelines require chemical handlers to be registered and licensed to conduct activities such as manufacturing, importing, exporting, storing, transporting, commercializing and distributing chemicals. The DPF uses a National Computerized System of Chemical Control to monitor all chemical movements in the country, including imports/exports, and licensing. This system requires all companies to register with an online system and to report all activity conducted, including the submission of monthly reports for all chemical related movements and existing chemical inventories.

Brazil reports to the INCB its annual estimates of legitimate requirements for ephedrine and pseudoephedrine for quantities above 10 grams, and P-2-P in any amount using the INCB's PEN Online. The DPF routinely uses PEN Online in cases of international trade and in coordination with UN member states to alert importing countries with details of an export transaction.

#### Chile

Chile complies with its international obligations to the 1988 UN Drug Convention and furnishes chemical transshipment reports through the INCB's PEN Online. Chile has a large petrochemical industry engaged in the manufacturing, import, and export of chemical products. Most of the chemical substances seized by law enforcement are those used for the processing of cocaine products, such as sulfuric acid, hydrochloric acid, acetone and sodium hydroxide. Since 2009, there have been no seizures of ephedrine and pseudoephedrine, used as precursors for synthetic drugs. The largest imports of controlled chemical substances and related products come from Germany and the United States, while Paraguay and Bolivia are the primary export destinations.

The regulatory entity for chemical controls is the Department of Controlled Chemical Substances (DSQC), a sub secretariat of the Ministry of Interior. The DSQC manages the System of Registration and Administration of Controlled Chemical Substances (SIREGAD-SQC), which collects information on the production, manufacture, preparation, importation, and exportation of chemical substances that could be used in the production of illicit drugs.

Companies that import, export, or manufacture chemical precursors must register with SIREGAD-SQC, maintain customer records, and are subject to regular inspections. The new online SIREGAD-SQC has improved capabilities for real-time data, and can analyze controlled chemical trends in Chile. At the end of 2017, 532 companies were registered in the system. In 2016, 15 new chemical substances were added to the country's control list, among them adulterants, bulking drugs derived from cocaine, and substances used for the manufacture of synthetic drugs.

Chilean law enforcement entities have specialized chemical diversion units and dedicated personnel assigned responsibility for investigating chemical and pharmaceutical diversion cases. Customs, which is not a traditional law enforcement agency, has a risk analysis unit which profiles suspicious imports and exports, which may include chemical precursors.

During 2016, the Ministry of Interior conducted training sessions for law enforcement and security personnel to highlight the role of chemical precursor agents in the illegal manufacture of psychoactive drugs. From 2015 to 2017, the DSQC conducted 533 inspections and audits, which resulted in the imposition of sanctions against 93 companies for failure to comply with the registration and declaration requirements for Chilean precursor chemicals.

### Ecuador

Under Ecuadorian law, potassium permanganate and acetic anhydride are designated as controlled chemicals. Buying, selling, or importing such chemicals requires the permission of the Technical Secretariat for Drugs, the primary agency responsible for precursor chemical control in Ecuador. According to Article 219 in the 2014 Criminal Code, the use of precursor chemicals to produce, manufacture, or prepare illicit materials, such as cocaine or heroin is punishable by three to five years in prison.

The chemical unit of the National Antinarcotics Directorate (DNA), under the Ecuadorian National Police, plays an active role in chemical control by carrying out investigations and intelligence operations. Although DNA's chemical unit is a highly competent entity, its small size and outdated technology hinder operations. The unit employs only 25 people, 13 in Quito and 12 in Guayaquil, and conducts limited operations in Esmeraldas and Loja, where drug labs and trafficking are most pronounced, due to the porous land borders with Colombia and Peru. Because of its small workforce, the chemical unit must often rely on ad hoc support from police officers from other units who generally lack adequate chemical training.

Ecuador has been importing large quantities of potassium permanganate for at least the past decade. According to the Central Bank of Ecuador, in 2016 Ecuador imported 61.93 MT of potassium permanganate, compared to 34.79 MT in 2015. Potassium permanganate is a controlled chemical and requires an import license in order to be imported into the country. Most 2016 imports originated from China. Due to the high cost of potassium permanganate, substitute bootleg production of potassium permanganate has begun. Similar to potassium permanganate, acetic anhydride is also a controlled chemical requiring an import license. In 2016, Ecuador imported 130 MT of acetic anhydride, compared to 85.6 MT imported in 2015. Ecuadorian authorities have not been able to explain this significant increase. Most 2016 imports originated from India and the United States.

#### Venezuela

In 2017, the Government of Venezuela shared very little information with U.S. authorities concerning its laws, administrative controls, and enforcement efforts in place to prevent precursor chemical diversion. The United States lacks sufficient information to evaluate whether the Government of Venezuela's diversion control efforts were sufficient to uphold the country's international obligations under the 1988 UN Drug Convention to prevent precursor chemical diversion.

### Asia

# Bangladesh

Drug traffickers continue to divert precursor chemicals and chemical preparations (including ephedrine, pseudoephedrine, toluene, and acetone) from Bangladeshi pharmaceutical or chemical companies to illicit drug production. Bangladesh has successfully engaged bilaterally with India to control the diversion of phensedyl (a codeine-based cough syrup), and Bangladeshi law enforcement agencies work closely with the DEA to seize and disrupt illicit drugs and chemicals.

The Government of Bangladesh is committed to the implementation of the 1988 UN Drug Convention and regional agreements regarding control of narcotic drugs, psychotropic substances and precursor chemicals. Twenty-three of the 26 precursor chemicals listed in the 1988 UN Drug Convention are included in the "Schedule of Drugs" of Bangladesh's Narcotics Control Act (NCA) to comply with the provisions of Article 12 of the 1988 UN Drug Convention.

The NCA also allows financial investigations and freezing of assets derived from trafficking in drugs and precursors. The Indian government provides the INCB with annual estimates of Bangladesh's legitimate use requirements for imports of the four precursors frequently used in the manufacture of amphetamine-type stimulants ATS-3, 4-MDP-2-P, pseudoephedrine, ephedrine, and P-2-P under CND Resolution 49/3.

The Directorate General of Drug Administration has developed a draft national drug policy, approved by the Cabinet in December 2016, in response to the threat posed by the abuse of, and trafficking in, pharmaceutical preparations and other drugs. The "National Drug Policy 2016" replaced the Drug Policy 2005 and aims to ensure that the manufacturing of medicines complies with international standards to increase export of pharmaceutical items. The new policy also proposes forming a National Drug Regulatory Authority to stop the adulteration of medicines and raw materials. Responsible authorities will also have to update the price of drugs every year and publish the updated prices online.

Bangladesh has a nascent but growing commercial pharmaceutical industry. Besides meeting 97 percent of the local demand, many pharmaceutical companies are exporting medicines to over 122 countries. In 2016, a Bangladeshi company became the first to receive the U.S. Federal Drug Administration (FDA) approval to export a prescription drug for hypertension to the United States. The FDA subsequently approved additional drugs for export to the United States, and other top listed pharmaceutical companies are now seeking FDA approval to enter the U.S. market.

Bangladeshi pharmaceutical companies focus primarily on branded generic final formulations, mostly using imported Active Pharmaceutical Ingredients (APIs). About 85 percent of the drugs sold in Bangladesh are generic and 15 percent are patented drugs. Bangladesh manufactures more than 450 generic drugs, sold under 5,300 registered brands that have 8,300 different dosages and strengths. As such, Bangladesh's chemical imports are primarily in these pharmaceutical categories. Bangladesh's domestic pharmaceutical companies account for more

than 65 percent of the pharmaceutical business in Bangladesh; this domestic market share is distributed among a large number of companies, including some multi-nationals.

The Department of Narcotics Control (DNC) issues licenses for the import, export, transport, shipment, manufacture, sale, distribution, purchase, possession, storage, or other use of controlled precursors. The NCA implementing rules regulate the control, monitoring, and use of precursors for industrial, scientific and medical purposes through a licensing system. The DNC, however, lacks sufficient staff and equipment to detect and interdict precursors consistently. Bangladesh has also established District Drug Control Committees (DDCC) to monitor and coordinate the activities among the agencies responsible for drug and precursor chemical enforcement.

The Police, Customs, Rapid Action Battalion, Border Guard, and Coast Guard are empowered to detect and intercept illegal precursor chemical and drug operations. The counterdrug unit of the Dhaka Metro Police has successfully assisted DEA in conducting investigations targeting Dhaka-based traffickers of pseudoephedrine chemical preparations. Despite government efforts, Bangladesh continues to struggle to allocate sufficient resources to control precursors through consistent enforcement of existing laws.

### China

China remains one of the world's top producers and exporters of precursor chemicals. The majority of licit precursor chemical production and export is intended for legitimate use; however, precursors are not only being diverted by TCOs but also manufactured in large, sophisticated, illegal factories within China. In addition, China's close proximity to the illicit drug production countries in Southeast and Southwest Asia, challenging regulatory oversight of the large precursor chemical industry, and unethical practices among some government officials and businesses, make it an ideal source for precursor chemicals illicitly diverted for drug production.

On December 28, China's Ministry of Public Security (MPS) announced that effective February 1, 2018, China will control five additional precursor chemicals. Two of them are N-Phenethyl-4-Piperidone (NPP) and 4-Anilino-N-Phenethylpiperidine (ANPP), which are used to clandestinely manufacture fentanyl and have been under international controls since March 2017. The other three chemicals are N-Methyl-1-Phenyl-1-Chloro-2-Propanamine, Bromine, and 1-phenyl-1-acetone, which are used in clandestine methamphetamine production.

# India

India's large and growing pharmaceutical and chemical manufacturing industry serves its own large population, but has also become a world leader in pharmaceutical exports, particularly generic drugs. India's laws, regulations, and government enforcement have not kept pace with the industry's growth, and India is seeing an increasing number of diversion issues both within the country and internationally. Drugs can be diverted from licit pharmaceutical manufacturers or produced illegally in clandestine or legitimate laboratories.

India has seen a sharp rise in the number of pharmaceutical and chemical diversion cases with investigative links to the United States. Both restricted internet websites ("dark web") and call center operations based in India continue to feed illicit U.S. drug markets. In the past year, U.S. Customs and Border Patrol made numerous seizures of controlled pharmaceuticals originating from India. DEA offices are also currently working multiple diversion investigations with ties to India. Based on leads passed from the DEA, Indian drug authorities in Gujrat, Mumbai, and other cities in India, have made multiple seizures of millions of tablets of diverted controlled drugs, many of which were destined for illicit U.S. markets.

As the United States and China work to stem precursor chemical diversion from China, U.S. authorities have detected some cases of drug traffickers shifting to India to obtain chemical supplies from Indian markets.

Indian-sourced tramadol is an ongoing threat in the Middle East and North Africa, with reported connections to terrorist groups. Tramadol is a Schedule IIII controlled substance in the United States but only falls under the India Drugs and Cosmetic Rule of 1945. As a result, production and export of tramadol in India is lightly regulated by Indian law enforcement.

#### **Republic of Korea (South Korea)**

The Republic of Korea is a source country for criminals to obtain precursor chemicals for illegal narcotics. Precursor chemicals used for the manufacture of illicit drugs, such as acetic anhydride, pseudoephedrine and ephedrine, are imported from the United States, Japan, India and China and either resold within the Republic of Korea or smuggled to other countries. In 2016, the Republic of Korea imported approximately 28.5 MT of ephedrine and 37 MT of pseudoephedrine. As of 2016, 31 precursor chemicals were controlled by the Republic of Korea authorities.

Both the Republic of Korean Customs Service and Ministry of Food and Drug Safety (MFDS) participate in INCB-coordinated taskforces including Projects Cohesion and Prism, which monitor imports of potassium permanganate and chemicals used to produce amphetamine-type stimulants. The Republic of Korean law enforcement authorities also cooperate with Southeast Asian nations to verify documents, confirm the existence of importing businesses and send representatives to the region to investigate.

In 2011, the National Assembly passed a law requiring manufacturers and exporters of precursor chemicals to register with the government, and the MFDS periodically provides education to the Republic of Korean businesses to prevent them from unknowingly exporting such chemicals to fraudulent importers.

If proper customs and chemical regulations are followed, precursor chemical shipments can be legitimately shipped. Most chemicals are shipped by containerized cargo via ocean freighters. The current threshold for reporting designated precursor chemicals is 1,000 kg. Given this threshold, the "smurfing" of acetic anhydride – a method of avoiding detection by assembling a number of small quantity product purchases from multiple retail outlets – is difficult to identify.

The Republic of Korean authorities continue to work closely with U.S. counterparts to track suspect shipments.

### Singapore

Singapore's geographic advantage and robust port infrastructure contribute to its rank as one of the world's top trade hubs, including for the trade of precursor chemicals. The Government of Singapore continues to partner with concerned countries in international chemical control initiatives to prevent the diversion of synthetic drug precursor chemicals, including ephedrine, pseudoephedrine and other essential primary chemicals, like potassium permanganate and acetic anhydride. Singapore is one of the largest distributors of acetic anhydride in Asia. Used in film processing and the manufacture of plastics, pharmaceuticals, and industrial chemicals, acetic anhydride is also the primary acetylating agent for heroin.

Singapore does not produce ephedrine or pseudoephedrine; however, Singapore sees significant volumes of ephedrine and pseudoephedrine coming through its ports. Singapore exported 35,274 kg of pseudoephedrine and 8,775 kg of ephedrine in 2016, and imported 37,599 kg and 10,025 kg respectively. Most of the ephedrine imported to Singapore originated from India and Taiwan, and the bulk of which is then re-exported to Indonesia's pharmaceutical companies. The imported pseudoephedrine originates mostly from India, China, Germany, and Taiwan, and then is often re-exported to pharmaceutical companies in Indonesia. Singapore also exports both chemicals to Vietnam, Cambodia, Malaysia, and Nepal for pharmaceutical purposes. Ephedrine and pseudoephedrine that are not re-exported are used primarily by the domestic pharmaceutical industry. Singapore imported 200 grams of phenyl-2-propanone in the same 2016 reporting period. Singapore did not export any phenyl-2-propanone in 2016.

Since 2012, the Singapore Central Narcotics Bureau (CNB) had no diversion-related seizures of ephedrine and pseudoephedrine.

The CNB is the Competent Authority (CA) in Singapore for the 1988 UN Drug Convention and is tasked with undertaking measures to prevent the diversion of ephedrine and pseudoephedrine. All imports, exports and transshipments of these controlled substances require a permit from the CNB, and supporting documentation must be kept by the companies for a minimum of two years and made available for inspection by the CNB. Supporting documents may include invoice, sale contracts, and documentary proof from the competent authority of the exporting countries. The movement of these controlled substances is also tracked and monitored by CNB. If the permit application is approved, CNB will provide Pre-Export Notification or PEN-Online to the CA of the importing country for any exportation of substances.

Information on all goods imported and exported through Singapore's borders must be provided in advance to enable Singapore Customs, the Immigration and Checkpoints Authority or other controlling agencies to facilitate legitimate and secured trade through measures such as timely pre-clearance risk assessment. Singapore does not currently require advance cargo manifest information nor screen transshipments unless they involve conveyances from select countries of international concern, a Singapore consignee, or contain strategic or controlled items, including certain chemicals. In August 2016, Singapore announced that it would conduct a three-year trial of the World Customs Organization's Cargo Targeting System, which receives carriers' electronic cargo manifest data including transshipments to identify high-risk shipments across a variety of threats. Singapore solicited carriers to provide data on a voluntary basis; seven shipping lines have signed up to transmit data during the pilot and four of the seven have begun transmitting manifest data electronically. In instances where precursor diversion for illicit drug manufacturing purposes was suspected, Singapore authorities have assisted foreign law enforcement agencies. The Government of Singapore conducts site visits on companies dealing with controlled chemicals to ensure awareness of the requirements and overall compliance.

The Port of Singapore is the world's second busiest port in terms of shipping tonnage and is the world's busiest transshipment port. Singapore authorities have never reported a diversion of precursor chemicals used in the manufacturing of methamphetamine from Singapore's pharmaceutical, biotechnology, and fine chemical industries, nor have they reported the seizure of any domestic clandestine methamphetamine laboratories.

### Taiwan

The Taiwan Ministry of Economic Affairs Industrial Development Bureau imposes strict reporting requirements in tracking the production, distribution, sale, storage, and export/import of 25 of the 26 precursor chemicals scheduled under the 1988 UN Drug Convention. During the second quarter of 2017, approximately 932 companies had reported chemicals-related activities through a web-based reporting system. Taiwan's Food and Drug Administration (TFDA) supervises the trade and use of finished products containing ephedrine, pseudoephedrine, and other chemicals under the Controlled Drugs Act, including by end-users such as hospitals.

In 2016, TFDA inspected 17,145 facilities involved in the production, sale, and use of drugs subject to the Act and found 437 violations, primarily for administrative errors or failure to keep timely reporting of uses and inventories of medicines containing those chemicals. The violation ratio increased slightly from 2.13 percent in 2015 to 2.55 percent in 2016. In June 2017, TFDA announced the addition of Alpha-PVP, MEAPP, Dibutylone, and 5-Fluoro-AMB to its controlled substances list due to the increased detection of the use of these substances in drug tests of individuals suspected of drug use.

### Thailand

Precursor chemicals are not produced in Thailand, but the government imports chemicals in bulk for licit medical and industrial purposes. The Precursor Chemical Control Committee is responsible for formulating the national strategy on precursor controls. The Office of the Narcotics Control Board (ONCB) is the principal Thai law enforcement agency responsible for enforcing the laws against the illicit diversion of prohibited chemicals.

Improved law enforcement capabilities of Thai authorities and more intense scrutiny of end-user requirements have led to a decrease in illicit diversion through Thailand over the past several years. The growing availability of drugs and chemicals from sources in China and India has

further mitigated the use of Thai chemical diversion channels. Nevertheless, it is probable that acetic anhydride and ephedrine continue to transit Thailand en route to clandestine laboratories in Burma. Acetic anhydride is produced in Indonesia, while other chemicals are brokered through Indonesian chemical houses and transported through Malaysia into Thailand. Pseudoephedrine and ephedrine enter Thailand by couriers or by air, or containerized maritime cargo before being transshipped overland from northern or northeastern Thailand provinces to methamphetamine production centers in Burma, Laos, and/or Cambodia.

The sale of pseudoephedrine tablets has been prohibited at local pharmacies for several years. In 2013, due to the determination of an imminent threat to the public safety, the Thai Ministry of Public Health signed into law the control of mephedrone, methylenedioxypyrovalerone (MPDV), and methylone. These substances are designated narcotics in schedule I under the Narcotic Drugs Act B.E. 2522 (1979) and their importation, exportation, and possession are strictly prohibited.

Thailand is a State party to the 1988 UN Drug Convention and has placed stringent controls on the 26 chemicals listed in Table I and Table II of that Convention. The Royal Thai Government has further imposed controls on seven additional chemicals because of its unique domestic situation and its geographic proximity to the major Burma-based drug-producing and trafficking organizations. These chemicals include: acethyl chloride; chloroform; ethylidine diacetate; glacial acetic acid; phosphorus trichloride; phosphorus pentachloride; and thionyl chloride. Controls are also in place for caffeine, which can be used to produce methamphetamine tablets. Further, Thailand provides pre-export notifications via the INCB's PEN Online as a means of discouraging the diversion of precursors and essential chemicals in the illicit manufacture of narcotic drugs and psychotropic substances.

#### Europe

Chemical diversion control within the EU is based upon EU regulations binding on all 28 Member States. EU regulations meet the chemical control provisions of the 1988 UN Drug Convention, including provisions for record-keeping on transactions in controlled chemicals, a system of permits or declarations for exports and imports of regulated chemicals, and authority for governments to suspend chemical shipments. EU regulations are updated regularly and directly applicable in all EU Member States.

EU regulations establish common risk management rules to counter chemical diversion at the EU's borders. Member States are responsible for investigating and prosecuting violators.

The U.S.-EU Chemical Control Agreement, signed May 28, 1997, is the formal basis for U.S. cooperation with the EU and its Member States in chemical control through enhanced regulatory cooperation and mutual assistance. The agreement calls for annual meetings of a Joint Follow-up Group to review implementation of the agreement and to coordinate positions in other areas, such as national or joint positions on chemical control matters before larger multilateral fora, including the CND.

In December 2013, the EU adopted new basic legislation that strengthens controls on ephedrine and pseudoephedrine, and tightens controls on companies in the EU using acetic anhydride.

For external trade, the change strengthened controls on medicinal products containing ephedrine or pseudoephedrine exported from or transiting through the EU. The EU developed a new category of scheduled substances (Category 4), imposed mandatory export authorization and pre-export notification, and extended enforcement power to stop and seize cargo if there is "reasonable doubt" concerning the shipment. For trade within EU territory, compulsory registration of end-users for acetic anhydride was introduced by creating a new subcategory (2A). Additionally, a definition of "user" was added for natural or legal persons possessing substances for purposes other than placing them in the market.

Other amendments to the regulation to facilitate tracking and enforcement include introducing definitions for scheduled substance and natural products, strengthening the rules for licensing and registration by introducing explicit criteria for granting or refusing licenses and registrations, increasing the power of competent authorities to control non-scheduled substances, implementing a quick reaction mechanism to add new chemicals to the list of scheduled substances, developing an EU database on drug precursors, and improving data protection provisions.

On July 1, 2015, a Commission Delegated Regulation and a Commission Implementing Regulation entered into force (replacing previous implementation legislation). These regulations complete the revision of the EU drug precursor legislation that started at the end of 2013.

Bilateral chemical control cooperation continues between the United States, and EU as well as its Member states. Many EU Member States participate in voluntary initiatives such as Project Cohesion and Project Prism. In 2007, the EU established guidelines for private sector operators involved in trading in precursor chemicals, with a view to offering practical guidance on the implementation of the main provisions of EU legislation on precursor chemicals, in particular the prevention of illegal diversion. These guidelines, now titled "Guidelines for Operators – Drug Precursors' Control in the European Union," were updated in 2017.

### Belgium

Belgium has not historically been a producer of chemical precursors for the production of illicit drugs, though some Belgian chemical exports have been utilized in the production of methamphetamine in Mexico. Belgium enforces strong reporting requirements for the trade of precursor chemicals. The Belgian Federal Police have the lead role in enforcing these controls; however, shipments of pharmaceutical preparations containing pseudoephedrine and ephedrine are only controlled on a regulatory level by the Belgian Ministry of Health.

### Germany

Germany continues to be a leading manufacturer of legal pharmaceuticals and chemicals. Most of the 26 scheduled substances under international control as listed in Tables I and II of the 1988 UN Drug Convention and other chemicals, which can be used for the illicit production of

narcotic drugs, are manufactured and/or sold by the German chemical and pharmaceutical industry. Germany's National Precursor Monitoring Act complies with EU regulations. Germany has a highly developed chemical sector, which is tightly controlled through a combination of national and EU regulations, law enforcement action, and voluntary industry compliance. Cooperation between the chemical and pharmaceutical industry, merchants, and German authorities is a key element in Germany's chemical control strategy.

Germany works closely with the UNODC, and is an active participant in chemical control initiatives led by the INCB, including Project Prism and Project Cohesion. The United States works closely with Germany's chemical regulatory agency, the Federal Institute for Drugs and Medical Devices, on chemical control issues and exchanges bilateral information to promote transnational chemical control initiatives. German agencies cooperate closely with their U.S. counterparts to identify and stop chemical precursor diversion.

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### The Netherlands

The Netherlands has a large chemical industry with large chemical storage facilities, and Rotterdam serves as a major chemical shipping port. The Netherlands has strong legislation and regulatory controls over the industry, and law enforcement authorities track domestic shipments and work closely with international partners. Trade in precursor chemicals is governed by the 1995 Act on the Prevention of Misuse of Chemicals to Prevent Abuse of Chemical Substances (WVMC), which aims to prevent the diversion of legal chemicals. Chemical substances are also governed under The Act on Economic Offences and the Opium Act, and EU regulations.

Production of synthetic drugs is significant in the Netherlands. Recent trends show an increase in new types of precursors and pre-precursors to circumvent national and international legislation. APAAN is used in amphetamine production and acetic anhydride is used as a preprecursor for benzyl methyl ketone (BMK). Safrole continues to be used as a pre-precursor for piperonyl methyl ketone (PMK), though availability has decreased since 2014. The main (pre-) precursors used in the Netherlands are APAA (similar to APAAN), PMK, and BMK-glycidates. In recent years, law enforcement, especially in the south, reinforced its efforts to combat synthetic drugs and pre-precursors. In August 2017, a court had its first conviction of a suspect for possession of APAA.

The Financial Investigation Service (FIOD) of the Ministry of Finance oversees implementation of the WVMC and has responsibility for law enforcement efforts targeting precursors. Customs monitors the trade and production of chemicals.

The chemical industry is legally obliged to report suspicious transactions. The Netherlands abides by all EU regulations for drug precursors.

The Netherlands is one of the initiators of and an active participant in the Project Prism taskforce led by the INCB. The Dutch government also continues to work closely with the United States on precursor chemical controls and investigations. The Netherlands has had a memorandum of understanding with China since 2004 concerning chemical precursor investigations.

The Netherlands requires a license for the manufacture and trade of ephedrine. Relevant reports on suspicious transactions are shared nationally and internationally. The Netherlands also monitors a number of non-registered substances used in the production of methamphetamine.

### Switzerland

The Government of Switzerland continues to be a strong partner of the United States and other concerned countries in international chemical control initiatives to prevent the diversion of synthetic drug precursor chemicals, including ephedrine and pseudoephedrine, and other primarily essential chemicals, including potassium permanganate and acetic anhydride. Switzerland is a significant importer and exporter of ephedrine and pseudoephedrine. In 2016, Switzerland imported 51,716 kg of ephedrine and 49,965 kg of pseudoephedrine, while exporting 33,153 kg of ephedrine and 33,027 kg of pseudoephedrine during the same period.

Swiss control measures concerning precursor chemicals such as ephedrine and pseudoephedrine are governed by the Federal Narcotics Control Ordinance and the Federal Department of Home Affairs' Ordinance on the Directory of Narcotics. The Ordinances require importers and exporters of ephedrine and pseudoephedrine to obtain a license from Swissmedic, Switzerland's relevant regulatory authority, and require chemical manufacturers to provide "end user" certificates. In an effort to more effectively deter illegal dissemination of these precursor chemicals, regulations have been strengthened as of October 1, 2017 to require a license and "end user" certificates for import or export of preparations containing these precursor chemicals.

As of October 1, 2017, potassium permanganate and acetic anhydride have been added to the list of chemicals requiring a license from Swissmedic. Exceptions still exist for certain preparations which are believed to be low risk (for example, preparations related to certain common medicines).

Switzerland participates in multilateral chemical control initiatives led by the INCB, including Project Prism and Project Cohesion. Switzerland also participates in the International Import and Export Authorization System (I2ES), which facilitates effective implementation of import and export authorization systems for legal international trade in narcotic drugs and psychotropic substances.

Swiss law enforcement agencies have established close cooperation with the Swiss chemical manufacturing and trading industries and counterparts in major chemical manufacturing and trading countries. This cooperation includes information exchanges in support of chemical control programs and in the investigation of diversion attempts. Cooperation between U.S. and Swiss law enforcement agencies, particularly the Swiss Federal Criminal Police, on chemical control related issues is excellent.

### The United Kingdom

The United Kingdom remains a leading producer of precursor chemicals, particularly ephedrine and pseudoephedrine, which can be used in the production of illicit drugs. However, because the UK applies a strict regulatory regime to the production and trade of precursor chemicals, including mandatory licensing and reporting obligations, only relatively small amounts are believed to be diverted for illicit use. The Home Office Drug Licensing and Compliance Unit is the regulatory body for precursor chemical control in the UK. The United States and UK cooperate closely in international bodies to promote global regulation of precursor chemicals.

### Middle East

# Egypt

Egypt oversees the import and export of all internationally-recognized chemicals through a committee composed of the Ministry of Interior (Anti-Narcotics General Administration – ANGA), Ministry of Finance (Customs), and Ministry of Health (Pharmaceutical). This committee approves or denies requests to import or export chemicals. Over the past few years, there was a spike in the importation of ephedrine, going from 36,879 kg in 2015 to 326,441 kg in 2016; a 887.02 percent increase. If this data is accurate, the reason for such increased demand is unknown. With the large amounts of ephedrine imported relative to the population of Egypt, it is possible that not all of it is used for legitimate medicinal production. The Egyptian government, however, has not reported any large-scale diversion of ephedrine or other chemicals, made any significant seizures, or observed any increase in the use of methamphetamine in the local populace.

# **Significant Illicit Drug Manufacturing Countries**

This section is also broken down by region and focuses on illicit drug manufacturing countries, their chemical control policies, and related efforts.

### Asia

### Afghanistan

Inadequate border security and weak enforcement capacity hamper control of precursor chemicals in Afghanistan. During 2017, Afghan officials noted an increase in the amount of precursor chemicals trafficked into Afghanistan.

Both acetic anhydride and ammonium nitrate are illegal in Afghanistan and have no legitimate uses. Hydrochloric acid, acetone, and sulfuric acid are controlled substances and subject to seizure for other reasons, such as customs violations. Ammonium chloride is not illegal, but if found at a laboratory site, Afghan authorities seize and destroy it. Since 2013, the United States has supported the UNODC Container Control Program (CCP) to develop units in Kabul and at key ports of entry on the Afghan borders with Pakistan, Uzbekistan, and Tajikistan. Through training and assistance, CCP promotes effective container controls to prevent drug trafficking

and other illicit activities, and to facilitate legitimate trade. The program enables effective information sharing with other countries participating in CCP, especially neighboring Central Asian states.

The Precursor Control Unit (PCU) of the Counternarcotics Police of Afghanistan is a specialized unit devoted to combating the burgeoning precursor problem. Afghanistan uses the on-line Precursor Incident Communication System developed by the INCB to enhance information sharing between national authorities on precursor incidents. The PCU communicates directly with the Central Asian Regional Information and Coordination Center for Combating Illicit Trafficking of Narcotic Drugs, Psychotropic Substances and their Precursors, and the Pre-Export Notification system. Beginning in early 2016, the United States funded capacity building for regional PCU staff through a UNODC training program.

Under existing counternarcotics law, Afghanistan maintains a Drug Regulation Committee (DRC) to monitor and regulate the licit precursor chemical trade. The DRC licenses chemicals for licit use and stores data on the use of chemicals so authorities can better understand emerging trends. The DRC also authorizes investigations and spot checks on companies importing chemicals.

### Burma

Burmese authorities continue to face challenges in controlling the illicit import and diversion of precursor chemicals used to produce illicit drugs, exacerbated by the country's extremely porous borders, especially in areas not under government control. Even in areas along the border controlled by the government, border control officers are ill-equipped to identify and interdict the illegal movements and trafficking of precursor chemicals.

Burma does not have a significant chemical industry and does not manufacture ephedrine, pseudoephedrine or acetic anhydride. Organized criminal syndicates smuggle precursor chemicals into Burma through borders shared with Bangladesh, China, Laos, India and Thailand. The precursors are then transported to heroin refineries and ATS laboratories in regions of Shan State that are under the control of armed militia groups or in other areas that are lightly-policed.

The flow of precursor chemicals has been a major factor in the increase in the production and export of ATS. Recent large-scale seizures along the Burmese-Thai border indicate that numerous pill press labs have been established in key cross border transit towns, such as Tacheleik. The establishment of the pill press production sites makes it easy to produce and then smuggle pills over nearby border locations. There are also mobile ATS laboratories along the Burma-Bangladesh border. The crisis in Northern Rakhine State has created a hub for ATS trafficking and reports of seized drugs are received almost daily.

A Supervision Committee for the Control of Precursor Chemicals, which functions within the Central Committee for Drug Abuse Control (CCDAC), monitors the possession, use, sale, production, and transportation of chemical precursors. Importers of licit chemicals are required to use a pre-import notification system to obtain a certificate of verification from the CCDAC,

and retailers must also apply for a certificate to transport chemicals across and within Burma's borders. To date, the Committee has identified 26 substances as precursor chemicals, and prohibited their import, sale or use in Burma.

According to official Burmese government seizure statistics, during the first 10 months of 2017, authorities seized 3,901,031 tablets of pseudoephedrine; 5.87 MT of caffeine powder; 8,080 liters of sulphuric acid; and 86,980 liters of hydrochloric acid. Burma is a State party to the 1988 UN Drug Convention, but has not yet instituted laws that meet all UN chemical control provisions.

The United States funds UNODC's support for strengthened border management Border Liaison Offices (BLOs). This program includes capacity-building trainings for frontline officers on precursor chemical detection.

### Indonesia

Indonesia's 2009 National Narcotics Law gave the country's National Narcotics Board (BNN) the authority to monitor narcotics and precursor production at pharmaceutical plants, and to conduct investigations and arrests in response to precursor and narcotics violations. Although there were several laws and regulations regarding the import and export of precursor chemicals, the extent of enforcement was largely unknown.

Regarding the two most widely sought-after precursor chemicals used for cocaine and heroin production – potassium permanganate (cocaine) and acetic anhydride (heroin) – the United States is unaware of a single seizure in 2017 by Indonesian law enforcement. BNN reported that it regularly conducts unannounced inspections to companies that are listed importers of precursor chemicals. Every year, through the Ministry of Health, Indonesia reports estimates of its legal domestic narcotics precursors to the INCB.

#### Pakistan

Pakistan is a destination and transshipment point for diverted shipments of acetic anhydride and other precursor chemicals used in the production of heroin and amphetamine-type stimulants. Pakistan does not domestically produce industrial-scale quantities of either acetic anhydride or ephedrine, though it has chemical and pharmaceutical industries with a legitimate, albeit modest, demand for these substances.

Pakistan enforces a basic precursor control regime as part of its obligations under the UN drug control conventions, covering the import of seven multi-use chemicals: acetic anhydride; pseudoephedrine; anthranilic acid; acetone; potassium permanganate; methyl-ethyl ketone; and toluene. The country's Anti-Narcotics Force (ANF) is charged with managing precursor control and does so largely by conducting ground checks on importing businesses, licensing those businesses, and reviewing Pre-Export Notifications (PENs) requesting the sale of these substances within Pakistan. Besides ANF, 15 federal and provincial agencies share responsibility for chemical control throughout the country. Per CND Resolution 49/3, ANF established two review committees to manage the precursor control mechanism, the Committee

for Granting Non Objection Certificates to Companies and Firms for Use of Precursor Chemicals and the Committee for Quota Allocation to Pharmaceutical Companies.

During the first nine months of 2017, ANF received 83 PENs, approving 54 and denying 29. It is likely that significant imports of precursor chemicals circumvent the PENs system via mislabeled shipping containers and by maritime smuggling along Pakistan's coastline. During the first nine months of 2017, ANF reported seizing 758 liters of acetic anhydride.

In 2017, both ANF and Pakistani Customs continued to submit information via the INCB's PICS, which distributes real-time information on precursor seizures to law enforcement agencies worldwide.

### **The Andean Region**

### Bolivia

Bolivia's government passed a new Controlled Substances Law in March 2017 that schedules precursor chemicals in coordination with the INCB, but it is not yet clear if pending regulations to implement this law will successfully prevent diversion of the chemicals used to process coca into cocaine. Precursor chemicals continue to be diverted through black market channels into Bolivia for processing cocaine. According to the Chemical Substances Investigations Group (GISUQ) of the counternarcotic police (FELCN), the majority of these chemicals come from Peru (about 40 percent), followed by Paraguay (30 percent), Brazil (20 percent), and Argentina and Chile, (five percent each).

The most common chemicals seized as contraband match those commonly found in drug factories (where base paste is prepared) and cocaine labs (where base paste is transformed into cocaine HCl). In addition to serving as a transit country for illicit drug shipments, Bolivia is also a source country for coca and cocaine processing. The number of labs within Bolivia that process Peruvian base paste and Bolivian coca into cocaine has significantly increased over the last four years. The most common chemicals found in cocaine factories and labs are sulfuric acid; hydrochloric acid; sodium carbonate; caustic soda; phenacetin; sodium metabisulfite; activated carbon; ethyl acetate; and levamisole. The last five products are not listed as controlled substances under Bolivian law, and GISUQ believes they are alternative chemicals that drug producers use to avoid law enforcement controls. Traffickers use activated carbon to deodorize and discolor water and other liquids, and phenacetin, a highly toxic analgesic, is used to increase the volume of cocaine.

The GISUQ is charged with locating and interdicting chemicals used in the traditional cocaine process, such as sulfuric acid, hydrochloric acid, and gasoline. The GISUQ coordinates activities with the General Directorate for Controlled Substances, a civilian entity under the Government of Bolivia that administers and licenses the commercialization and transport of controlled substances listed under Bolivian domestic law. Under the new Controlled Substances Law, violation of controlled substances could result in penal action against all participants, a change from the old law wherein unlicensed transport and commercialization generated only an

administrative violation. The new law provides the legal framework for GISUQ, in coordination with other agencies, to add or eliminate chemical substances controlled under Bolivian law.

The Bolivian government does not have control regimes for ephedrine and pseudoephedrine. The GISUQ, however, coordinates with the Ministry of Health to supervise and interdict illegal commercialization of methamphetamine. In September 2016, the Ministry of health created the State Agency of Medicines and Health Technologies to regulate the use and commercialization of synthetic drugs.

During the first 10 months of 2017, the GISUQ seized 80 MT of solid substances and 142,555 liters of liquid precursor chemicals.

### Colombia

Precursor chemical diversion is a serious problem in Colombia that receives growing attention from the government. According to the Information System for the Control of Substances and Chemical Products – SICOQ, a tracking tool developed in partnership with the National Police – as of November 2017, 2,689 companies were certified for the legal use of controlled substances and chemical products. The Colombian National Police, working with the Attorney General and the Ministry of Justice, inspected every certified company during 2017, finding administrative irregularities on 86 visits, and confiscating approximately 968 MT of solid chemicals and 20,282 liters of liquid chemicals.

The Government of Colombia restricts chemicals needed for coca processing, such as sulfuric acid, hydrochloride acid, and potassium permanganate, as well as cement. It limits production, distribution, and storage of precursors nationwide and prohibits gasoline and other chemicals in certain zones. Additionally, Colombian companies are not authorized to export ephedrine or pseudoephedrine in bulk form. All pharmaceutical products containing ephedrine or pseudoephedrine have been banned from domestic distribution. To strengthen the interdiction of chemical precursors, the Ministry of Justice developed a strategy to facilitate the exchange of information and intelligence on how particular substances are being used in the processing of coca.

While the Colombian government tightened controls on coca-processing chemicals and strengthened chemical-control legislation, traffickers are still able to camouflage precursors to clandestinely import them into Colombia. Although chemical companies require government permission to import or export specific chemicals and controlled substances, the police have the burden to prove seized chemicals were intended for illicit drug production. Additionally, traffickers and clandestine laboratories recycle controlled chemicals and replace controlled chemicals with non-controlled chemicals.

### Peru

Peru produces precursor chemicals such as sulfuric acid and is a major importer of other chemicals essential to cocaine production. Chemicals are principally imported into Peru licitly

by wholesalers through the Port of Callao and are later diverted for illicit purposes by smaller actors for cocaine production. Peru requires all chemical sector entities to obtain a license.

Peru's authority to regulate the precursor chemicals used in illicit drug production is based on Legislative Decree 1126 and the regulation set forth in Supreme Decree 010-2015EF, which establish protocols for sanctions and fines related to the chemical industry. However, Supreme Decree 010-2015EF is not effectively enforced. The National Superintendence of Customs and Taxes (SUNAT) is the regulatory agency handling all issues related to the chemical industry, but SUNAT does not have law enforcement powers and is limited to investigative activities. SUNAT coordinates with the Peruvian National Police (PNP) to combat diversion of precursor chemicals.

Direccion Ejecutiva Antidrogas' (DIREJANDRO) Precursor Chemical Unit, DEPCIQ, reported an increase in PNP seizures of precursor chemicals during the first 10 months of 2017 – from 6,528 MT in 2016 to 7,826 MT in 2017. Peru continued to implement the 2015 Precursor Chemicals Initiative to cover approximately 70 percent of roads in the VRAEM, the Peru-Bolivia border, as well as the Junin, Ayacucho, and Lima regions utilizing 12 backscatter x-ray scanners in strategic corridor routes.

Suspected corruption between entities in SUNAT and the PNP results in unwillingness to provide investigative information related to precursor chemicals.

Peru has worked to implement the CND Resolution 49/3 by tasking SUNAT and the PNP to conduct joint investigations, with SUNAT providing intelligence developed from their import and distribution records and PNP conducting regulatory and enforcement activities.

The Ministry of Health manages estimates of Peru's INCB licit demand for ephedrine, pseudoephedrine, and P-2-P. The Ministry's Health Department does not have a regulatory or enforcement arm to prevent the diversion of chemicals. According to the INCB, Peru does not have strict controls to prevent the diversion of ephedrine, pseudoephedrine, and P-2-P. Indications suggest that ephedrine and pseudoephedrine are entering the country in larger quantities than required by the INCB assessment of the country's legitimate commercial requirements.

# Major Exporters and Importers of Pseudoephedrine and Ephedrine (Section 722, Combat Methamphetamine Epidemic Act (CMEA)

This section of the INCSR is produced in response to the CMEA's Section 722 requirement to report on the five major importing and exporting countries of the identified methamphetamine precursor chemicals. In meeting the CMEA requirements, the Department of State and DEA considered the chemicals involved and the available data on their export, import, worldwide production, and the known legitimate demand. The available data does not address illicit trafficking and production.

Ephedrine and pseudoephedrine are no longer preferred chemicals for methamphetamine production trafficked to the United States, since traffickers are increasingly using substitutes or pre-precursors. The phenomenon of substitute chemicals used in methamphetamine production

is particularly observed in Mexico, where the nitrostyrene method is used to produce P-2-P, which starts from benzaldehyde and nitroethane, or from the intermediary product 1-phenyl-2nitropropene, and in Europe, where the method using APAAN, are largely used. Phenylpropanolamine, a third chemical listed in the CMEA, is not a methamphetamine precursor, although it can be used as an amphetamine precursor.

In 2000, the FDA issued warnings concerning significant health risks associated with phenylpropanolamine. As a result, phenylpropanolamine is no longer approved for human consumption. Phenylpropanolamine is still imported for veterinary medicines, and for the conversion to amphetamine for the legitimate manufacture of pharmaceutical products. Phenylpropanolamine is not a methamphetamine precursor chemical, and trade and production data are not available on phenylpropanolamine. Therefore, this section provides information only on ephedrine and pseudoephedrine.

The Global Trade Atlas (GTA), compiled by Global Trade Information Services, Inc. (WWW.GTIS.COM), provides export and import data for ephedrine and pseudoephedrine collected from major trading countries. However, given the reporting cycles by participating countries, data often lags behind one year. The most recent year for which full-year data is available is 2016. The data, including data from the previous year, is continually revised as countries review and revise their data. GTA data analysis and a chart identifying the sources of the data are presented in the tables at the end of this section.

During the preparation of the 2017 CMEA report, GTA data for U.S. exports and imports for both ephedrine and pseudoephedrine for calendar years 2013-2015 were updated in light of revised estimates provided by DEA. For the 2018 CMEA report, GTA data for U.S. exports and imports for both ephedrine and pseudoephedrine for calendar years 2014-2016 were also updated in light of revised estimates provided by DEA.

Obtaining data on legitimate demand also remains problematic. Such data is still not sufficient to enable any accurate estimates of diversion. There are significant numbers of countries which have yet to report regularly to the INCB on their reasonable estimates about the trade in the end products that form the basis of legitimate demand – although each year the number of countries reporting increases.

Nevertheless, many countries do not report trade in ephedrine and pseudoephedrine when it is incorporated into a finished pharmaceutical product, in the form of finished dosage units such as liquids, tablets, and capsules, due to concerns that this type of information is commercially sensitive. Further challenges include governments that may not be able to ascertain this data if, for example, they do not subject pharmaceutical preparations to national control, or if a different ministry with different or less stringent means of oversight regulates preparations versus bulk chemicals.

Ephedrine and pseudoephedrine pharmaceutical products are not specifically listed chemicals under the 1988 UN Drug Convention. Therefore, reporting licit market trade and demand for ephedrine and pseudoephedrine as well pharmaceutical products derived from them is voluntary. Even so, the trend toward better reporting has been positive. According to the 2017 INCB annual report on precursors and chemicals frequently used in the illicit manufacture of narcotic drugs and psychotropic substances, in 2016, a total of 23 countries and territories reported seizing raw ephedrine amounting to more than 5.8 MT, and 14 countries and territories reported seizures of nearly 25 MT of ephedrine in the form of pharmaceutical preparations. India reported seizing a record amount of more than 21 MT of preparations containing ephedrine. China reported the second-largest amount of preparations containing ephedrine seized (more than 3.3 MT). China also accounted for the largest amount of ephedrine raw material seized (more than 1.4 MT), followed by New Zealand (1.2 MT) and Australia (1.1 MT). The amount of ephedrine (raw material) seized in China in 2016 was the lowest in 15 years.

Also in 2016, a total of 22 countries and territories reported seizures of pseudoephedrine. Australia reported seizures of 1.1 MT, while the total amount of all pseudoephedrine raw materials that was reported seized in other countries was less than 400 kg. By contrast, seized preparations containing pseudoephedrine amounted to more than 4 MT.

Since the passage of the 2006 CND resolution sponsored by the United States, and as of January 2018, 166 countries had provided import requirements for the bulk chemicals and ephedrine and pseudoephedrine (and their preparations, where applicable) to the INCB. Additionally, 157 governments provided estimates for ephedrine raw material and 148 governments provided estimates for pseudoephedrine raw material. This also included "zero" estimates.

A further challenge to analyzing the data is that most countries have not attempted to reconcile trade data and their own reporting of licit requirements, although this continues to change. Countries are beginning to make efforts to reconcile data either from commercial industry, domestic use, or onward exports. For instance, some countries that noted licit requirements, but had not reported into the GTA data exports or imports, have now begun to do so.

Thus far, the economic analysis required by the CMEA remains challenging because of insufficient, unreliable, and changing data. Often the collection and reporting of such data requires a regulatory infrastructure that is beyond the means of some governments. It is also important to note that not all countries are familiar with the methodology and data sources used by the GTA to report the final numbers. This increases the difficulty of comparing import or export totals across years.

Nevertheless, the United States will continue to push in both diplomatic and operational forums – in both bilateral and multilateral settings – to urge countries to provide reporting on their licit domestic requirements for methamphetamine precursor chemicals to the INCB. The United States will continue to work with the INCB and with authorities in the reporting countries to secure explanations for anomalies between reported imports and reported licit domestic requirements, and to follow the development of other chemicals used in the production of methamphetamine.

This report provides export and import figures for both ephedrine and pseudoephedrine for calendar years 2014-2016. The report illustrates the wide annual shifts that can occur in some

countries, reflecting such commercial factors as demand, pricing, and inventory buildup. GTA data on U.S. exports and imports have been included to indicate the importance of the United States in international pseudoephedrine and ephedrine trade. Complete data on the worldwide production of pseudoephedrine and ephedrine are not available because major producers will not release this proprietary data.

<b>Top Five Exporting Co</b>	untries and tl	ne United States				
<b>Ephedrine and Its Salts</b>	s 2014-2016 (C	GTA Year-To-Date	e Dec 2016)			
		Quantities	Quantities			
<b>Reporting Country</b>	Unit	2014	2015	2016		
India	KG	440,674	412,713	496,919		
Germany	KG	354,350	333,171	297,737		
United Kingdom	KG	316,114	229,613	270,815		
Singapore	KG	45,238	52,095	43,924		
Switzerland	KG	45,924	39,467	33,153		
Top Five Total		1,202,300	1,067,059	1,142,548		
United States (GTA)	KG	1,821	1,284	18,495		
United States (DEA)	KG	1	2	0		

**Analysis of Export Data:** The top-five exporters of ephedrine in 2016 were India, Germany, the UK, Singapore, and Switzerland. According to the Global Trade Atlas (GTA) database, ephedrine exports increased 7.7 percent in 2016, due to an increase in exports from India and the UK. India's exports had a 20.4percent increase; going from 412,713 kg in 2015 to 496,919 kg in 2016. The country continues to rank as the top global exporter of ephedrine for this year's report. Germany exports has decreased from 333,171 kg in 2015 to 297,737 kg in 2016; a 10.64 percent decrease.

The UK, however, increased its exports between 2015 and 2016, from 229,613 kg to 270,815 kg; a 17.94 percent increase. Singapore decreased it exports by 15.69 percent between 2015 and 2016. This year, Switzerland returned as the fifth leading exporter, despite the fact its exports dropped 16 percent between 2015 and 2016. The top-five economies in 2015 included: India, Germany, the UK, Singapore, and Denmark.

According to the most current information provided by DEA, U.S. exports were 1 kg in 2014, 2 kg in 2015, and 0 kg in 2016. For the purposes of this report, and in the case of the United States only, we have relied on the data provided by DEA.

Top Five Exporting Countries and the United States Pseudoephedrine and Its Salts 2014-2016 (GTA Year-To-Date Dec 2016)						
		Quantities	1	·		
<b>Reporting Country</b>	Unit	2014	2015	2016		

**Chemical Controls** 

India	KG	356,074	355,351	434,307
Germany	KG	314,415	313,715	276,862
United Kingdom	KG	312,046	220,663	268,156
Singapore	KG	34,913	43,220	35,274
Switzerland	KG	45,259	39,338	33,027
<b>Top Five Total</b>		1,062,707	972,287	1,047,626
United States (GTA)	KG	1,819	1,275	18,281
United States (DEA)	KG	19,282	23,870	26,327

**Analysis of Export Data:** According to the GTA database, the aggregated volume of worldwide exports of pseudoephedrine for the 2016 top-five exporters slightly increased from 972,287 kg in 2015 to 1,047,626 kg in 2015; a 7.8 percent increase. The top-five exporters of pseudoephedrine in 2016 were India, Germany, the UK, Singapore, and Switzerland. In 2015, the top-five economies were India, Germany, the UK, China, and Singapore. Only India and the UK increased their pseudoephedrine exports in 2016. India exports increased from 355,351 kg in 2015 to 434,307 kg in 2016; a 22.2percent increase. The UK exports also increased between 2015 and 2016, going from 220,663 to 268,156; a 21.5 percent increase. On the other hand, Germany, Singapore, and Switzerland's exports dropped an average of 18.3 percent in the three countries.

According to the most current information provided by the DEA, the United States increased its pseudoephedrine exports from 19,282 kg in 2014 to 23,870 kg in 2015, a 23.79 percent increase. In 2016, the United States increased its pseudoephedrine exports from 23,870 kg in 2015 to 26,327 kg, a 10.29 percent increase.

•		Quantities	TA Year-To-Date Dec 2016) Quantities			
Reporting Country	Unit	2014	2015	2016		
Greece	KG	2,777	48,750	1,409,807		
Egypt	KG	59,263	36,879	326,441		
Republic of Korea	KG	56,552	56,945	65,503		
Spain	KG	1,074	4,951	52,856		
Switzerland	KG	71,769	60,620	51,716		
<b>Top Five Total</b>		191,435	208,145	1,906,323		
United States (GTA)	KG	193,978	149,235	178,429		
United States (DEA)	KG	2,541	3,093	3,494		

Analysis of Import Data: According to the GTA database, the top-five ephedrine importers in 2016 were Greece, Egypt, Republic of Korea, Spain, and Switzerland. Greece has appeared this

year as a major ephedrine importer, going from 48,750 kg in 2015 to 1,409,807 in 2016; a 2,792 percent increase. Historically, similar single-year spikes in imports have been attributed to market fluctuations involving legitimate trade. This could also be a single-year anomaly due purely to vagaries of the commercial market, as Greece has not been identified as a significant source country for precursor chemicals used to produce methamphetamine. Additional annual reporting will be required to determine whether this data points to a genuine trend in sales or represents a temporary statistical variance.

Egypt's imports also significantly increased, going from 36,879 kg in 2015 to 326,441 kg in 2016; an 887.02 percent increase. In the case of Egypt, similar to reports involving other countries, this one-year increase could be attributed to market fluctuations involving legitimate trade. Additional annual reporting will be required to determine whether this data points to a genuine trend in sales or represents a temporary statistical variance. Republic of Korea has slightly increased its imports, going from 56,945 in 2015 to 65,503 in 2016; a 15 percent increase. Switzerland appears fifth in 2016, with imports decreasing 17.2 percent between 2015 and 2016. Republic of Korea, Egypt, Indonesia, Singapore, and Canada were the top-five ephedrine importers in 2015.

Top Five Importing Co Pseudoephedrine and I			To-Date Dec 201	(6)	
L		Quantities			
<b>Reporting Country</b>	Unit	2014	2015	2016	
Greece	KG	2,702	48,750	1,409,807	
Switzerland	KG	71,275	56,466	49,965	
Indonesia	KG	34,495	49,406	42,408	
Turkey	KG	47,264	33,086	39,137	
Republic of Korea	KG	35,302	33,593	37,002	
Top Five Total		191,038	221,301	1,578,319	
United States (GTA)	KG	175,859	145,310	163,464	
United States (DEA)	KG	184,267	153,959	173,752	

According to the most current information provided by DEA, U.S. ephedrine imports increased from 3,093 kg in 2015 to 3,494 kg in 2016, a 12.96 percent increase.

**Analysis of Import Data:** The quantity of pseudoephedrine imported by the top-five importers substantially increased in 2016. The aggregated amount of pseudoephedrine imported by the top-five economies in 2016 was 1,578,319 kg; a 613.2 percent increase compared to 2015. According to the GTA database, Greece has increased its pseudoephedrine imports between 2015 and 2016. In 2014, Greece imported 2,702 kg of pseudoephedrine, followed by a substantial increase of 48,750 kg in 2015. However, Greece imported 1,409,807 kg of pseudoephedrine in 2016; a 2,792 percent increase. According to the GTA database, Greece imported the same amounts of ephedrine and pseudoephedrine, respectively, in 2015 and 2016. As explained in the analysis of the top-five ephedrine importers above, historically, similar

single-year spikes in imports have been attributed to market fluctuations involving legitimate trade. This could also be a single-year anomaly due purely to vagaries of the commercial market, as Greece has not been identified as a significant source country for precursor chemicals used to produce methamphetamine. Additional annual reporting will be required to determine whether this data points to a genuine trend in sales or represents a temporary statistical variance.

The top-five pseudoephedrine importers in 2016 were Greece, Switzerland, Indonesia, Turkey, and Republic of Korea. Except for Switzerland and Indonesia, all other top-five importing economies increased their pseudoephedrine imports. The 2015 list included Switzerland, Singapore, Indonesia, Greece, and France.

According to the most current information provided by DEA, U.S. imports increased from 153,959 kg in 2015 to 173,752 kg in 2016, a 12.85 percent increase. It should be noted that pseudoephedrine is no longer manufactured in bulk within the United States.

# **INCB Tables on Licit Requirements**

Annual legitimate requirements (ALR) as reported by Governments for imports of ephedrine, pseudoephedrine, 3,4-methylenedioxyphenyl-2-propanone, 1-phenyl-2-propanone and their preparations

# (Kilograms, rounded up) Status: 5 January 2018

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Bulgaria 400 296 0 0 0	0
	0
Burundi 5 15 0	
Cabo Verde         0         1         0         0         0	0
Cambodia 200 50 300 900 0 <sup>i</sup>	0
Cameroon 25 1 0 <sup>i</sup>	
Canada 7000 10 25 000 10000 1	1

Chile	55	0	4200	550	0	0
China	24 000		86 000		0 i	
Hong Kong SAR of						
China	2500	0	10149	0	0	0
Macao SAR of						
China	1	10	1	159	0	0
Christmas Island	0	0	0	1	0	0
Cocos (Keeling)						
Islands	0	0	0	0	0	0
Colombia	0 d	0 e	3000 <sup>d</sup>	Р	0	0
Cook Islands	0	0	0	1	0	0
Costa Rica	0	0	871	365	0	0
Cote d'Ivoire	30	1	0	400	0	0
Croatia	35	1	5	1	1	1
Cuba	200			6	0 <sup>i</sup>	0
Curacao	0		0		0	
Cyprus	10	10	600	300	0	0
Czech Republic	515	5	560	380	0	1
Democratic People's						
Republic of Korea	1000	1 200			2	
Democratic Republic						
of the Congo	300	10	720	900	0 <sup>i</sup>	
Denmark					0	0
Dominican Republic	75	15	450	500	0	0
Ecuador	10	6	6000	3500	0	0
Egypt	4 500	0	55 000	2 500	0	0
El Salvador	P(6) <sup>f</sup>	P(10) <sup>f</sup>	Р	Р	0	0
Eritrea	0	0	0	0	0	0
Estonia	5	5	1	500	0	0
Ethiopia	1000			100	0	
Faroe Islands	0	0	0	0	0	0
Falkland Islands						
(Malvinas)	0	1	0	1	0 <sup>i</sup>	0
Fiji		1			0	0
Finland	4	55	1	650	0 <sup>i</sup>	1
France	2500	10	30 000	500	0	0
Gambia	0	0	0	0	0	0
Georgia	1	1	1	1	0	0
Germany	400		5000		1	8
Ghana	4 500	300	3 000	200	0	0
Greece	100	0	200	0	0	0

Greenland	0	0	0	0	0	0
Guatemala	0	0	P	P	0	0
Guinea	36		·	•	0 i	Ū
Guinea-Bissau	0	0	0	0	0	0
Guyana	120	50	120	30	0	0
Haiti	200	1	350	11	0	0
Honduras	P	P1050 °	P	P	0	0
Hungary	900	0	1	0	0	0
Iceland	0	0	0	0	0	0
India	457014	112 729	27521	193801	0	0
Indonesia	10 500	0	52 000	6 200	0	0
Iran (Islamic	10 000	0	02 000	0 200	0	Ū
Republic of)	2	1	17 000	1	1	1
	۷	I	17 000	I	I	PP
Iraq	3 000	100	14 000	10 000	0	h
Ireland	0	1	0	44	0	0
Israel	30	3	4800	400	0 i	
Italy	100	100	31000	10000	0	0
Jamaica	70	150	550	300	0	0
Japan	1 000		12 000		0 i	Ū
Jordan	150		10 600		0 i	Р
Kazakhstan	0	1	0	1	1	1
Kenya	1300	6	1300	1000	0 i	0
Kyrgyzstan	0	0	0	100000	0	0
Lao People's						
Democratic Republic	0	0	1 000	130	0	0
Latvia	14	6	50	200	0	0
Lebanon	60	3	550	900	0	0
Lithuania	1	1	1	750	1	1
Luxembourg	1	0	0	0	0	0
Madagascar	0	153	0	174	0	0
Malawi	1 000				0 <sup>i</sup>	
Malaysia	40	50	3410	4000	0	0
Maldives	0	1	0	0	0	0
Mali	P	Р	P	P	P	P
Malta	0	220	0	220	0	0
Mauritius	0	0	0	0	0	0
Mexico	P(100) <sup>f</sup>	P <sup>f</sup>	P	P	0	1
Monaco	0	0	0	0	0	0
Mongolia	3	-			0 i	-
Montenegro	0	1	0	120	0	0
	-				-	-

Montserrat	0	1	0	1	0	0
Morocco	41	14	3105	0	0	0
Mozambique	3			-	0 i	-
Myanmar	3	11	0	0	0	0
Namibia	0	0	0	0	0	0
Nepal		1	5 000		0 <sup>i</sup>	
Netherlands	603	50	78	0	0	1
New Zealand	50	0	1000	·	0	3
Nicaragua	P <sup>g</sup>	Pa	Р	Р	0	0
Nigeria	9 650	500	5 823	15 000	0	0
Norfolk Island	0	0	0	0	0	0
Norway	26	0	1	1	0	0
Oman	1	3	228	619	0	
Pakistan	12 000		48 000	500	0 <sup>i</sup>	
Panama	0	5	200	500	0	
Papua New Guinea	1		200		0	0
Paraguay	0	0	2 500	0	0	0
Peru	45	0	2 524	1 078	0 i	0
Philippines	46	0	149	0	0	0
Poland	300	100	7700	3000	2	4
Portugal	15	0	916	0	0	0
Qatar	0	0	0	80	0	0
Republic of Korea	27050		25544		1	1
Republic of Moldova	0	8	0	600	0	0
Romania	251	0	2370	0	0	
Russian Federation	1 500				0 <sup>i</sup>	0
Rwanda	0	10	0	10	0	0
Saint Helena	0	1	0	1	0	0
Saint Lucia	0	6	0	15	0	0
Saint Vincent and						
the Grenadines	0		0		0	0
Sao Tome and						
Principe	0	0	0	0	0	0
Saudi Arabia	1	0	12000	0	0	0
Senegal	123	1	0	510	0	0
Seychelles		1		1	0	0
Serbia	1	0	850	90	0	
Singapore	11000	4	42000	2540	1	1
Slovakia	3	6	1	1	0	0
Slovenia	5		250		0	0
Solomon Islands	0	1	0	1	0	0

South Africa	1071	3	10718	1550	0	53
Spain	315		6012		0	1
Sri Lanka		0		0	0	0
Sudan	0	50	1500	3000	0	0
Sweden	184	99	1	1	1	11
Switzerland	2600	0	72000	0	50	5
Syrian Arab						
Republic	1 000		50 000		0 <sup>i</sup>	
Tajikistan	38				0 <sup>i</sup>	
Thailand	53	0	1	0	0 <sup>i</sup>	1
Trinidad and Tobago	)				0 <sup>i</sup>	0
Tristan da Cunha	0	0	0	0	0	0
Tunisia	1	15	3000	1	0	30
Turkey	200	0	40000	7000	0	0
Turkmenistan	0	0	0	0	0	0
Uganda	150	35	3000	200	0	0
Ukraine	0	52	1	0	0	0
United Arab						
Emirates	0		1533	3894	0	0
United Kingdom	64 448	1 011	25 460	1 683	8	1
United Republic of						
Tanzania	100	1 500	2 000	100	0 <sup>i</sup>	
United States of					0	
America	4050		200040		44768	
Uruguay	15	0	0	0	0	0
Uzbekistan	0	0	0		0	0
Venezuela						
(Bolivarian Rep. of)	60	500	2425	500	0	0
Yemen	75	75	3000	2000	0 i	
Zambia	50	25	50	100	0 <sup>i</sup>	
Zimbabwe	150	1	400	50	0	0

#### Notes:

The names of territories, departments and special administrative regions are in italics.

A blank field signifies that no requirement was indicated or that data were not submitted for the substance in question.

A zero (0) signifies that the country or territory currently has no licit requirement for the substance.

The letter "P" signifies that importation of the substance is prohibited.

Reported quantities of less than 1 kg have been rounded up and are reflected as 1 kg.

- <sup>a</sup> 3,4-Methylenedioxyphenyl-2-propanone.
- <sup>b</sup> 1-Phenyl-2-propanone.
- <sup>c</sup> Including the licit requirements for pharmaceutical preparations containing the substance.
- <sup>d</sup> The required amount of ephedrine is to be used for the manufacture of injectable ephedrine sulphate solution. The required amount of pseudoephedrine is to be used exclusively for the manufacture of medicines for export.
- <sup>e</sup> In the form of injectable ephedrine sulfate solution.
- <sup>f</sup> Imports of the substance and preparations containing the substance are prohibited, with the exception of the imports of injectable ephedrine preparations and ephedrine as a prime raw material for the manufacture of such ephedrine preparations. Pre-export notification is required for each individual import.
- <sup>g</sup> Imports of the substance and preparations containing the substance are prohibited, with the exception of the imports of injectable ephedrine preparations and ephedrine as a prime raw material for the manufacture of such ephedrine preparations. Such export requires an import permit.
- <sup>h</sup> Includes products containing P-2-P.
- <sup>i</sup> The Board is currently unaware of any legitimate need for the importation of this substance into the country.

# **COUNTRY REPORTS**

# Afghanistan

# A. Introduction

Afghanistan remains the dominant source of the world's illicit opiate supply. The insurgency and widespread corruption present major challenges to the central government's efforts to establish the physical and economic security necessary to bring the narcotics trade under control. The United Nations Office on Drugs and Crime (UNODC) and the Afghan Ministry of Counter Narcotics (MCN) estimate the total area under opium poppy cultivation in Afghanistan for the 2017 season to be approximately 328,304 hectares (ha), yielding an estimated 9,000 metric tons (MT) of raw opium. This represents an increase of 63 percent in area under cultivation and 88 percent in production over last year. Preliminary U.S. government data show a similar trend. Afghan opium is typically refined into heroin or morphine in Afghanistan and neighboring countries for export.

A symbiotic relationship exists between the insurgency and illicit drug trafficking. Traffickers provide weapons, funding, and material support to the insurgency in exchange for protection. Some insurgents traffic drugs or tax their production and transportation to finance their operations. However, trafficking is not limited to insurgent-controlled areas, and the narcotics trade is a primary driver of corruption, which undermines governance and rule of law throughout Afghanistan.

Afghanistan suffers from widespread illicit drug use. The U.S.-supported 2015 Afghanistan National Drug Use Survey profiling urban, rural, and national drug use conservatively estimated that roughly 11 percent of the population tested positive for one or more illicit drugs, including 5.3 percent of the urban population and 13 percent of the rural population. Drug use by women and children is among the highest documented worldwide, and 30.6 percent of rural households tested positive for some form of illicit drug. These statistics portend a massive health crisis that Afghans are gradually acknowledging.

Senior Afghan government officials state that the government recognizes the deleterious impact of illegal drugs and is attempting to address the problem, citing the late 2015 adoption of the National Drug Action Plan (NDAP) as proof. Despite public displays of support for this comprehensive national drug control strategy, the Afghan government has been slow to implement the ambitious plan. The Afghan government will require financial and technical assistance from the international community for the foreseeable future to achieve the NDAP's objectives.

# B. Drug Control Accomplishments, Policies, and Trends

# 1. Institutional Development

The Afghan government is publicly committed to confronting the drug problem in Afghanistan, focusing particularly on what it identifies as the underlying root causes of the drug economy, including instability, poverty, organized crime, and lack of economic opportunity. MCN is the lead agency for developing counter-drug policy and coordinating related government activities.

As part of President Ashraf Ghani's reform agenda, the Afghan Government of National Unity (GNU) has pledged "to intensify efforts to control narcotic production and sale." MCN is also working to "mainstream" drug control into the activities of the entire government. Enlisting the support of other ministries for drug control requires top-level Afghan government support, which has been historically lacking.

To combat drug trafficking, the Afghan government, with assistance from the United States and other donors, operates the Criminal Justice Task Force (CJTF), a self-contained judicial unit established under the 2010 Counternarcotics Law housed at the Counternarcotics Justice Center (CNJC). CNJC also houses the Counternarcotics Tribunal and a detention center. It serves as the central facility for the investigation, prosecution, and trial of major drug and drug-related corruption cases. From December 22, 2016, through September 22, 2017, the CNJC processed 267 cases involving 351 suspects. As a result of these cases, 1.6 MT of heroin were confiscated, along with 28.5 MT of raw opium, 18.4 MT of morphine, and 213.6 MT of hashish.

The United States and Afghanistan have neither a bilateral extradition treaty nor a mutual legal assistance treaty in force, but they do cooperate on investigations on a case-by-case basis. Afghanistan is a party to relevant multilateral law enforcement conventions that have mutual legal assistance provisions.

Afghanistan's new penal code authorizes confiscating assets (including land, structures, and vehicles) used in, or earned through, illicit drug production and trafficking. Once the new penal code goes into effect on February 15, 2018, it is hoped that enforcement of this law may dissuade landowners from supporting the cultivation of poppy or other illicit crops.

# 2. Supply Reduction

According to the 2017 Afghanistan Opium Survey – jointly produced by UNODC and MCN – Afghanistan cultivated 328,304 ha of poppy in 2017, a 63 percent increase from 2016. Afghan poppy crops yielded an estimated potential 9,000 MT of raw opium, up 88 percent from 2016. Helmand, Kandahar, and Badghis provinces accounted for 60 percent of the cultivation. The 2017 poppy cultivation figure for Helmand was 144,000 ha, which was the highest of any province and 44 percent of the 2017 country total. U.S. government estimates for 2017 Afghanistan opium production were not available for this report, but preliminary analysis shows a similar trend. Aside from opium, Afghanistan cultivates cannabis and produces significant amounts of hashish. The latest available cannabis survey (2012) estimates that 10,000 ha of commercial cannabis cultivation is sufficient to potentially produce approximately 1,400 MT of hashish.

Poppy eradication increased in 2017, destroying 750 ha of opium poppy fields, compared to 355 ha in 2016. Nevertheless, this amount remained well short of eradication totals in 2015 (3,760 ha), 2014 (2,692 ha), and 2013 (7,348 ha). The majority of 2017 eradication took place in Badakhshan and Nangarhar provinces (269 and 204 ha, respectively). Fourteen provinces conducted eradication in 2017, compared to only seven provinces in 2016. Deteriorating security conditions, a lack of political will, and MCN's ineffective management of the Afghan inter-ministerial process all contributed to anemic eradication efforts in 2017. The United States

supports the GNU-led eradication efforts through the Governor-Led Eradication (GLE) program that reimburses provincial governors \$250 per every UNODC-verified hectare of eradicated poppy.

The Counter Narcotics Police of Afghanistan (CNPA) are increasingly able to plan and conduct effective counternarcotics operations. The United States supports specialized units within the CNP, including the Sensitive Investigative Unit (SIU) and the National Interdiction Unit (NIU). These units are mentored by the U.S. Drug Enforcement Administration and U.S. Special Operations Forces, a relationship that has increased access to key military enablers and has led to record seizures. During the first nine months of 2017, the NIU and the SIU conducted 84 joint operations and reported the seizure of drugs and chemicals worth more than \$300 million, including 16.8 MT of opium, 5.4 MT of heroin, 132 MT of hashish, and 37.5 MT of morphine base. In addition, the arrest of 118 individuals during this period included three leaders identified as "top 20" targets by the Afghan government.

Primary trafficking routes into and out of Afghanistan are through the Balkan route (Iran to Turkey to Eastern and Western Europe); the southern route (Pakistan and Iran to Africa, Europe, Asia, the Middle East, and Canada); and through the northern route (Central Asia to the Russian Federation). Drug laboratories within Afghanistan and in neighboring countries process a large portion of the country's raw opium into heroin and morphine, illicitly importing large quantities of precursor chemicals to facilitate production. These laboratories and chemicals were targeted in NIU operations, resulting in the destruction of over 105 laboratories and the reported seizure of nearly 28,000 liters of acetic anhydride within Afghanistan during the first nine months of 2017. Additionally, the U.S. Air Force and Afghan Air Force fighter aircraft targeted Talibanassociated drug labs with air strikes.

### 3. Public Information, Prevention, and Treatment

The Afghan government acknowledges that Afghanistan has one of the highest substance abuse rates in the world. The 2015 Afghanistan National Drug Use Survey identified that rural drug use is far higher than urban use, and more than 30 percent of rural Afghan households included at least one member who tested positive for some form of illicit drug. To stem the effects of this public health crisis, the United States funded a new rural treatment pilot project in 2017 to expand substance abuse treatment to the hardest hit local communities, in addition to continuing to support 86 drug treatment centers across the country in conjunction with the Ministry of Public Health. The demand for treatment and prevention services far exceeds the capacity of the centers, most of which have extensive waiting lists for new patients. The United States also supports UNODC's global child addiction program to develop protocols for treating opioid-addicted children, training treatment staff, and delivering services through non-governmental organizations.

The United States engages in robust public information programming through the Counter Narcotics Community Engagement program, which funds communication and outreach programs aimed at discouraging poppy cultivation, preventing drug use, and encouraging licit crop cultivation. The United States also supports an anti-drug curriculum in Afghan schools, which has trained more than 1,900 teachers and reached more than 600,000 students in 900 schools. Surveys indicate that the public messaging campaigns are having an increasing impact on Afghan attitudes about illicit drugs.

# 4. Corruption

As a policy matter, the Government of Afghanistan does not encourage or facilitate illicit drug production or distribution, nor is it involved in laundering illicit proceeds. However, widespread, longstanding, and credible allegations and media reporting suggest that many government officials directly engage in and benefit from the drug trade. Corrupt practices range from facilitating drug activities to benefiting from drug trade revenue streams to thwarting arrests and prosecutions.

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

In October, 2015, President Ghani approved a new four-year National Drug Action Plan (NDAP), establishing three interrelated goals: 1) decrease the cultivation of opium poppy; 2) decrease the production and trafficking of opiates; and 3) reduce the demand for illicit drugs, while increasing the provision of treatment for users. The NDAP targets all facets of the drug trade, from cultivation and production to trafficking and use, by employing incentives such as alternative development and deterrents such as eradication, interdiction, and prosecution. The U.S. government's drug control priorities for Afghanistan include disrupting the drug trade, reducing the demand for drugs, strengthening law enforcement and eradication efforts, reducing the demand for drugs, and building the Afghan government's drug control capacity.

More broadly, the United States seeks to restore Afghanistan's agriculture economy, to strengthen its institutional capacity, and to disrupt the nexus of drugs, insurgents, and corruption. Agriculture accounts for one quarter of Afghanistan's gross domestic product and employs approximately 40 percent of its workforce, so a key challenge to reducing drug production is developing economically viable alternatives to poppy and sustained workforce employment. The United States, in coordination with our Afghan and international partners, promotes licit crop production where poppy is cultivated and funds projects designed to support farmers and agribusinesses in targeted value chains, including wheat, livestock, and high-value horticulture.

The United States is currently implementing alternative development initiatives, within the framework of the Afghanistan Integrated Country Strategy, to reduce illicit drug production and promote sustainable agriculture-led economic growth. The Boost Alternative Development Interventions through Licit Livelihoods (BADILL) project, implemented by UNODC, aims to strengthen and diversify licit livelihoods of small and marginal farmers through alternative development methods in 13 target provinces. The Community-Based Agriculture and Rural Development projects implemented by the United Nations Development Programme (UNDP) work to improve household income while reducing dependency on illicit poppy cultivation for selected communities in six high-poppy cultivating districts in Badghis and Farah provinces. The projects will also develop and strengthen community-based agri-business infrastructure, such as irrigation, transportation, and storage facilities.

# **D.** Conclusion

Illicit cultivation, production, trade, and use of narcotics undermine public health and good governance in Afghanistan, while fueling corruption, providing significant funding for insurgents, and eroding security. Opium poppy cultivation is most prevalent where physical and economic infrastructure is least developed, and where the Afghan government lacks control. Afghanistan will not succeed in combating the illicit drug trade until Afghans view illicit drugs as a domestic problem. That comprehension is slowly building, but will remain incomplete until the Afghan government demonstrates the political will to challenge vested political and economic interests more fully.

The Afghan government must demonstrate the necessary political will and capacity to combat corruption, develop alternative economic livelihoods, and establish security in the poppy cultivating communities controlled by insurgent forces. Afghanistan cannot interdict or eradicate itself out of this problem. However, increased efforts to enforce Afghan laws against illicit poppy cultivation and to arrest traffickers are necessary for success, alongside alternative development and reducing demand for illicit drugs. In addition to mainstreaming drug control efforts into other existing national strategies and programs, Afghanistan must actively combat corruption at all levels of government to regain public trust in its counter-drug campaigns, and ensure that provincial governors and other subnational officials genuinely cooperate on national drug control plans and policies. None of these achievements would be sufficient by itself, and each faces significant challenges in the coming years. Success in countering Afghanistan's place in the global drug trade will not come quickly or easily.

# Albania

# A. Introduction

Albania remains a transit country for drug trafficking and a significant source of cannabis grown mainly in the remote mountain areas of the country. The number of drug seizures and arrests has increased dramatically within the country over the last few years, driven principally by increased enforcement efforts attributable to international pressure and Albania's endeavor to accede to the European Union (EU). Doubts persist, however, regarding the government's enduring commitment to aggressive enforcement. Recent constitutional and legislative reforms to the country's justice institutions are encouraging, and further implementation of these reforms will be necessary to address corruption, its linkages to illicit drug production, and organized crime more broadly.

# B. Drug Control Accomplishments, Policies, and Trends

# 1. Institutional Development

Albania is undertaking major constitutional and legislative reforms to improve the justice system, particularly through reducing corruption and links between organized crime and public officials. This effort included amending one-third of its constitution and passing more than 15 major laws. As a result of these reforms, Albania's 2016 Constitution now includes a mandate to vet judges and prosecutors for corrupt wealth and ties to organized crime. It also envisions Europe's only constitutional anti-corruption and anti-organized crime prosecution office with its own investigators.

Albania and the United States are parties to a 1933 extradition treaty, and in 2017, completed negotiations on a draft, modern extradition treaty that requires ratification. Albania and the United States have enjoyed a cooperative relationship for extraditions and requests for mutual legal assistance, and the Albanian government is generally eager to cooperate with the United States in criminal matters.

Albania is a candidate country for the European Union and a member of the Council of Europe. It is a party to the European Convention on Mutual Assistance in Criminal Matters.

# 2. Supply Reduction

Cannabis continues to be cultivated within Albania, though Albanian authorities reported a marked decrease in cultivation in 2017. Drug arrests and seizures were up significantly. Albanian authorities continued regional cooperation with Italian Police surveillance units, and drug surveillance flights increased from the previous year. With the exception of cannabis, Albania is not a significant producer of illicit drugs, precursor chemicals, or synthetic drugs. The Government of Albania does not maintain drug-use prevalence statistics. Except for marijuana, illicit drug use does not appear to be common.

According to Albanian State Police (ASP), a total of 88.57 metric tons (MT) of marijuana were seized during the first 10 months of 2017, nearly three times as much as was seized during all of 2016, and a total of 208,308 cannabis plants were eradicated –a more than ten-fold reduction from the number of plants destroyed in 2016. Italian Guardia di Finanza surveillance flights identified far fewer suspected cannabis plantations and estimated that cultivation declined overall within the country by 95 percent from the previous year. The ASP also seized 49.96 kilograms (kg) of heroin and 4.2 kg of cocaine.

The ASP, including border police, arrested 1,500 people for offenses linked to drug trafficking during the first 10 months of 2017, surpassing the total number of arrests (1,349) made over the entirety of 2016. The Serious Crimes Prosecutors Office (SCPO) investigated 273 criminal proceedings for illicit drug trafficking. Of this total, 115 investigations were carried over from previous years. In 2016, the SCPO sent 55 cases to court against 81 defendants. The Serious Crimes Court rendered 65 guilty verdicts, to include verdicts in cases already pending in 2016.

# 3. Public Information, Prevention, and Treatment

The Ministry of Health has declared that drug use is on the rise in Albania, but has no reliable data to substantiate the claims. In 2018, the United States plans to work with Community Anti-Drug Coalitions (CADCA) to launch drug demand reduction programming throughout Albania. The project will build a cross-community effort to reduce drug use by engaging schools, law enforcement, businesses, and health providers.

### 4. Corruption

Albania is undertaking major constitutional and legislative reforms with an eye towards improving the justice system, particularly reducing corruption and organized crime ties. While the Government of Albania does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, corruption and the influence of organized crime has been a considerable problem in Albania since the fall of communism in the early 1990s. While there are consistent arrests and prosecutions for those participating in drug trafficking, there have been few prosecutions of those who manage or organize the trafficking or who benefit politically or financially from the support of organized crime figures.

Judicial corruption in particular has remained high. Despite an annual judicial salary equal to less than 10,000 euros per year, Albania's Asset Declaration Agency found in 2015 that 35 percent of judges declared over 250,000 euros of assets while some declared millions.

Despite frequent, public, and, in many cases, credible accusations of corruption and criminal activity against high-level officials across the political spectrum, the Albanian justice system has few successful prosecutions or convictions of high-level corruption. In 2017, Supreme Court Justice Majlinda Andrea, her husband and two others were convicted of accepting a 50,000 euro bribe in a land dispute.

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

The United States provides assistance to the Government of Albania to reform its ineffective and corruption-ridden legal system and strengthen law enforcement capabilities. U.S. assistance focuses on supporting the implementation of Albania's Anti-Corruption Prosecution Office (SPAK), directed toward tackling high-level corruption and organized crime, and the implementation of constitutional judicial reform. U.S. assistance is also helping Albanian authorities to establish a new National Bureau of Investigation, tasked with investigating high-level corruption and organized crime. U.S. assistance continues to support gender integration within the State Police. There was a noticeable increase in EU law enforcement engagement in Albania in 2017 regarding criminal threats posed by Albanian nationals within certain EU member states. U.S. law enforcement authorities continue to work closely with Albanian and EU counterparts to address transnational criminal activity within the Albanian diaspora.

# **D.** Conclusion

Albania continues to receive assistance from the United States and European Union countries to enhance its drug enforcement capacities. The Albanian government implemented 46 joint operations with international law enforcement agencies during the first 10 months of 2017, mostly in cooperation with Italian authorities. The United States continues to provide assistance to support integrated border management utilizing risk analysis to identify potential traffickers, as well as training on drug trafficking investigations and to promote judicial sector reform. It will be critical for the Albanian government to take further steps to implement the country's recent criminal justice sector reforms vigorously in the years to come to erode the influence of organized crime and strengthen the rule of law.

# Algeria

Algeria is a transit country for drug trafficking from other parts of Africa to Europe and the Middle East, and Algerian officials assert that some transit operations are connected to terrorist financing in the region. Algeria also has a growing domestic market for illicit drugs, particularly of cannabis use among youth. According to Algerian media reports, police reportedly seized more than 38 metric tons of cannabis during the first eight months of 2017. Authorities seized approximately 80 percent of these drugs in the western region of the country, according to Algerian officials. Media reports also claimed that 985 grams of heroin and nearly four kilograms of cocaine were seized during this same eight-month period, along with 745,996 psychotropic pills, amounts that are all slightly below what was seized during the same eight-month period in 2016.

Algeria's vast borders make drug-smuggling difficult to monitor and control. Algerian officials assert that Morocco is the principal source of illicit drugs found in Algeria. Algerian officials have also identified the smuggling of illicit substances hidden among licit pharmaceuticals as a potential problem. According to media reports, Algeria is working with the United Nations Office on Drugs and Crime to improve its Customs officers' capacity to recognize new drugs in circulation, and to better screen material entering through ports and airports. The Ministry of Justice claimed that the success of law enforcement and security forces in increasing land border security in 2017 pushed some drug trafficking to maritime routes from Morocco to Algeria. The Algerian Coast Guard and the National Gendarmerie reported increased drug seizures in Algerian waters.

The Algerian government has updated its drug-control regulations pertaining to the incineration of seized narcotics and controls over the legal production and storage of controlled pharmaceutical drugs containing opiates and psychotropic substances, among other issues, to remain in accordance with its international drug control agreements. Algeria is a member of the Euro-Mediterranean cooperation network MedNET, created in 2006 to expand cooperation among countries including France, Egypt, Italy, Lebanon, Morocco, Portugal, and Tunisia in the fight against illicit drugs.

The Algerian government works to prevent illicit drug use through domestic social programs. Algeria has invested in public awareness programs and treatment facilities to educate the public and treat drug users.

The United States sponsored an airport interdiction training class for Algerian security and customs officials and eight Tunisian police officers at an Algerian police training facility in April 2017. The training aimed to build participants' capacity to interdict bulk currency and narcotics passing through passenger or cargo screening.

There is a new mutual legal assistance treaty with Algeria that entered into force on April 20, 2017. No requests have yet been made under this treaty. The United States does not have an extradition treaty with Algeria.

# Argentina

Transnational criminal organizations primarily utilize Argentina and its transportation infrastructure to traffic cocaine produced in Andean countries to European markets. Domestic cocaine processing and consumption are growing concerns, and the consumption of "paco," a domestically produced cocaine base, is a particular problem in poorer neighborhoods.

U.S.-Argentine law enforcement cooperation has strengthened significantly under President Mauricio Macri's administration, and the Ministry of Security has begun to adopt a number of best practices from U.S. law enforcement models, such as encouraging coordination between federal and provincial forces to gather criminal intelligence and increasing investigative collaboration through interagency law enforcement task forces. One such task force began functioning in late 2016 in the northwestern Argentine province of Salta, which borders Bolivia and Chile, and is a key entry point for cocaine originating from Bolivia or Peru.

In 2016, the Argentine government unveiled a new national program to combat drug trafficking that proposed harsher sentences for traffickers, increased deployment of federal law enforcement forces to target drug trafficking organizations, and efforts to reduce the consumption of paco. In response to increased public safety concerns about rising street-level crime, the government deployed federal forces into Buenos Aires and other major urban centers to support crime control efforts. While the deployments have strengthened enforcement efforts in major cities, it has reduced available resources for combating drug trafficking along key smuggling corridors, including at the country's borders.

Seizures of small cocaine conversion laboratories within the country and the widespread availability of paco suggest domestic processing is growing. In 2017, the Macri administration commenced publishing annual seizure statistics after a seven-year hiatus under the previous government. Official statistics indicate seizures of cocaine, marijuana, and synthetic drugs all increased from 2015 to 2016. The Argentine government does not encourage or facilitate the illicit production or distribution of narcotics or laundering of proceeds. The judiciary and the press pursue allegations of corrupt practices involving government authorities.

Argentina has adopted legal and procedural reforms that could improve its ability to target and prosecute drug trafficking and other criminal organizations. These reforms include limited use of informants and undercover officers in investigations and, more recently, the ability of criminal defendants to cooperate in investigations and prosecutions in exchange for a reduced sentence. Argentina is in the nascent stages of transitioning from the inquisitorial system to the accusatorial system. Use of aforementioned tools remained limited because investigators, prosecutors, and judges are unaccustomed to them. However, the government is actively planning training on use of these methods.

Constructive measures Argentina could undertake include increasing resources for border security and interagency law enforcement task forces; focusing interdiction efforts on targeted investigations; improving coordination among federal and provincial entities; boosting judicial efficiency in processing investigations and prosecutions; educating investigative and judicial

authorities on the benefits of legal and procedural reforms; continuing to make comprehensive statistics available; and coordinating strategies for supply and demand reduction.

Argentina has extradition and mutual legal assistance treaties with the United States, which are utilized to the benefit of both countries.

## Armenia

Armenia is a transit route for illicit drugs originating in Southwest Asia and trafficked to markets in Europe and Russia. Illicit opiates and amphetamine-type stimulants are smuggled into Armenia by land over the country's border with Iran and through aerial transshipment. Though the Armenian government maintains authority over the country's law enforcement and criminal justice institutions, the Russian Federation is responsible for border security along Armenia's land borders with Turkey and Iran, and also provides some border control staff at the international airports in Yerevan and Gyumri.

Armenian authorities have taken limited action against organized crime, and official corruption remains an enduring problem. Several investigations in 2017 resulted in arrests of Armenian justice sector and border control officials and illustrated that state institutions remain vulnerable to corruption by organized crime. Authorities typically arrest only the operators of vehicles carrying illicit drugs without further inquiry into trafficking networks or investigating potential links to organized crime. Accordingly, Armenia's relatively low numbers of drug seizures and prosecutions may indicate evidence of official corruption and may not accurately reflect the actual volume of drugs transiting the country.

During the first six months of 2017, 218 people were arrested for drug crimes, and 28.5 kilograms (kg) of illegal drugs and 1.6 kg of precursor chemicals were seized. These seizure totals more than doubled the amount seized over the same period in 2016.

Among notable seizures in 2017, in July, 105 kg of heroin were seized along the Iranian border from a rented Georgian truck entering Armenia. One Turkish citizen was arrested. According to the Armenian police, there is evidence of increased trafficking of illicit and controlled substances into Armenia by mail parcels. In 2017, parcels containing marijuana, methamphetamine, MDMA (ecstasy), and controlled pharmaceutical drugs were intercepted entering Armenia from various countries, including Russia, the United States, and countries in Europe.

# Azerbaijan

Situated along traditional Southern Caucasus smuggling routes, Azerbaijan remains a transit country for illicit drugs trafficked from Southwest Asia to markets in Russia and Europe. Opiates originating from Afghanistan (primarily heroin), psychotropic substances, and precursor chemicals are trafficked through the country, entering Azerbaijan both by sea (primarily from Turkmenistan) and by land (from Iran).

Azerbaijan's interdiction capacity along its land border with Iran is undermined by the continued occupation by ethnic Armenian forces of Nagorno-Karabakh and surrounding Azerbaijani territories. In addition to expressing concern over its inability to secure its international borders due to the long-standing conflict, the Government of Azerbaijan has asserted that the occupied territories host illegal drug cultivation sites.

Azerbaijan's Ministry of Internal Affairs provided drug seizure and arrest statistics covering the first nine months of 2017. During this period, the Ministry of Internal Affairs reported investigations of 2,373 drug-related criminal acts, including 678 separate sales of illicit drugs. These investigations resulted in 1,955 convictions. Of these convictions, 1,726 defendants (89 percent) were unemployed and not enrolled in any educational institution. Recidivists accounted for 764 (39 percent) of the convictions, and 29 convictions (two percent) involved women. During this nine-month period, Azerbaijani security services reportedly detected and destroyed approximately 173.4 metric tons of hemp and opium poppy. During the same period, security services reportedly also seized 180 kilograms (kg) of heroin and 174 kg of opium. Heroin seizures were down significantly from 2016, when approximately 1.17 MT were seized over the first 10 months of the year.

During 2017, the United States funded projects to strengthen Azerbaijani border security to reduce transnational crime. Azerbaijani law enforcement agencies cooperate and implement joint activities with the U.N. Office on Drugs and Crime, Central Asia Regional Information and Coordination Center, and World Customs Organization, among others.

# The Bahamas

### A. Introduction

The Bahamas is not a significant drug producing country, but remains a transit point for illegal drugs bound for the United States and other international markets. The close proximity of The Bahamas to the coast of Florida, as well as its location on Caribbean transshipment routes, makes it a natural conduit for drug smuggling. The 700 islands and cays of The Bahamas, the vast majority of which are uninhabited, provide near-ideal conditions for smuggling. Additionally, The Bahamas boasts 10 international airports, 56 airstrips, and more than 80 marinas. Smugglers readily blend in among numerous pleasure craft traveling throughout the Bahamian archipelago, which covers a nautical area the size of California (nearly 100,000 square miles). Smuggling also occurs through commercial and private plane traffic, often on the remote airfields and through airdrops from South and Central America. Smuggling enables and strengthens organized crime syndicates and gang activity.

The United States and The Bahamas enjoy a long-standing history of drug control cooperation under Operation Bahamas, Turks and Caicos (OPBAT), a tripartite agreement dating back to the 1980s. In 2017, OPBAT operations resulted in significant seizures of cocaine and marijuana, as well as the destruction of cannabis plants on multiple sparsely-populated islands.

A recent Organization of American States' Inter-American Drug Abuse Control Commission (OAS/CICAD) survey on household use of drugs suggests that demand for cocaine within the country continues to decline, though a small domestic market exists. Marijuana use, particularly among men, remains steady at approximately 15 percent of respondents. Experimental and chronic use of marijuana, including among adolescents, remains a concern. The Bahamas' National Anti-Drug Strategy places significant emphasis on drug abuse awareness, demand reduction, and treatment policies.

### B. Drug Control Accomplishments, Policies, and Trends

### **1. Institutional Development**

Bahamian government and law enforcement authorities are committed to combating illicit drug trafficking, and the United States and The Bahamas enjoy strong cooperation on drug control issues. Newly elected in May 2017, the Free National Movement Party has prioritized tackling illegal trafficking of drugs, people, and weapons; addressing public corruption; and reducing levels of violent crime. The new government has increased cooperation and information sharing between Bahamian and U.S. law enforcement agencies, which had waned under the previous government.

While the new government is still developing its agenda, the "Swift Justice Program" to reduce processing time for legal matters continued implementation in 2017. During the year, the Supreme Court assigned defense attorneys from the new Office of the Public Defender to represent defendants who could not afford private representation. The government worked closely with the United States on plans to install digital audio recording equipment in the Magistrate and Supreme Court courtrooms, which should further reduce case processing times. Full implementation of the Swift Justice Program will improve the Bahamian judiciary's capacity to process drug crimes and address the multi-year case backlog.

The United States signed a comprehensive maritime agreement with The Bahamas in 2004 that continues to enable cooperation in drug enforcement and migrant interdiction operations in and around Bahamian territorial waters. The United States and The Bahamas are bilateral parties to both a mutual legal

assistance treaty and an extradition treaty. The United States and The Bahamas have a strong mutual legal assistance relationship, though extradition from the Bahamas often remains a slow process.

### 2. Supply Reduction

Under OPBAT, U.S. law enforcement agencies integrate with the Royal Bahamas Police Force (RBPF) to gather intelligence, conduct investigations, and execute interdictions. These operations are supported by marine, technical, and training resources provided through U.S. assistance programs. With a small population base (353,000 according to the 2010 census) and significant territory to cover, pooling U.S. and local Bahamian resources and knowledge are essential to efficient deterrence and interdiction. The Royal Bahamas Defence Force (RBDF) and law enforcement personnel in the Turks and Caicos Islands also participate in drug enforcement operations.

Between January 1 and October 25, OPBAT operations in The Bahamas led to 60 arrests and the seizure of approximately 772 kilograms of cocaine, 8.32 metric tons of marijuana, \$410,219 in currency, and other assets valued at \$935,500. OPBAT identified and eradicated one marijuana field and 1,501 marijuana plants. U.S. and local law enforcement investigations indicate that illicit trafficking through The Bahamas remains high. The total number of OPBAT operations dropped off significantly from the previous year due to a staff reduction in the local country office of the U.S. Drug Enforcement Administration (DEA) and the cessation in operations during and after Hurricanes Irma and Maria. Operations were suspended from September 6 through October 23, as OPBAT assets were re-directed to Puerto Rico and other areas as part of the recovery operation for Hurricane Maria.

Smugglers exploit the wide distribution of numerous islands and the high number of recreational vessels flowing through The Bahamas. Large loads are split up into smaller loads before entering the southern Bahamas, sometimes bypassing the customs station in Great Inagua, strategically located between the Turks and Caicos Islands, Haiti, the Dominican Republic, and Jamaica. Traffickers move cocaine through The Bahamas via "go-fast" boats, small commercial freighters, maritime shipping containers, and small aircraft. Small sport fishing vessels and pleasure craft also move cocaine from The Bahamas to Florida by blending in with legitimate traffic that transits these areas. Larger "go-fast" and sport fishing vessels transport marijuana from Jamaica both to The Bahamas and through The Bahamas into Florida. Haitian and Haitian-Bahamian drug trafficking organizations, networked between Haiti and the significant Haitian diaspora in The Bahamas, continue to play a role in the movement of cocaine.

Investigations reveal Bahamian drug trafficking organizations use the Turks and Caicos Islands as a transshipment point. Strong familial connections between the Turks and Caicos Islands and The Bahamas, coupled with direct flights between Haiti and the Turks and Caicos Islands, result in many Bahamian smugglers traveling to Haiti via the Turks and Caicos Islands with large amounts of cash for future smuggling ventures.

Aerial drug transshipment remains a cause for concern. Small, privately owned and operated planes carry loads of cocaine from and between significant source countries in South America into the Caribbean. Law enforcement information suggests that drug trafficking organizations utilize airdrops and remote airfields to deliver cocaine shipments to the Turks and Caicos Islands and to The Bahamas from Venezuela and Colombia.

U.S. Customs and Border Protection officers working at preclearance facilities at the Nassau and Freeport international airports have interdicted cocaine, marijuana, steroids, and currency. To attract tourism from its Spanish-speaking neighbors, The Bahamas concluded an agreement in 2011 to allow Panama-based Copa Airlines to begin flights between Nassau and Panama. The four flights a week remain a transshipment route for contraband smuggling.

Bahamian law enforcement agencies leverage their small fleet of vessels by prepositioning them in strategic locations on the archipelago. Effective use of this limited number of vessels over a vast area of coverage depends on effective use of quality intelligence and aviation support during critical interdiction missions. The RBDF operates a fleet of nine offshore patrol vessels, 11 coastal patrol vessels, and various small boats which conduct regular patrols.

### 3. Public Information, Prevention, and Treatment

With U.S. support, the Bahamian government partnered with the Organization of American States to conduct a comprehensive drug use survey in 2017. According to the survey respondents, 20 percent of male and seven percent of female respondents admitted to smoking marijuana. Of the respondents who admitted to smoking, 40 percent admitted to smoking on a daily basis. Only one percent of respondents admitted to cocaine usage. Over 40 percent claimed to know a friend or family member who takes illicit drugs, with most reporting knowing two or more people.

Following the launch of the survey results, the National Anti- Drug Secretariat began a public information campaign, strategically placing billboards around New Providence Island where the problem is most concentrated. The other main institutional bodies are the Bahamas National Drug Council and the Sandilands Rehabilitation Center.

The Sandilands Rehabilitation Center offers residential substance abuse treatment programs, drop-in treatment programs, substance abuse prevention programs, and relapse prevention programs. The United States partnered with the Sandilands Rehabilitation Center to train, mentor, and certify drug treatment professionals both from within and outside government. Following the certification of its professionals, Sandilands and other partners developed a training program for other substance use treatment staff in the country to learn about substance use issues. During 2017, Sandilands trained over 80 staff from local hospitals, the prison, the school for boys and girls, and local emergency rooms on New Providence Island and Grand Bahama Island.

The Bahamas Department of Correctional Services has a small residential drug treatment program, which can accommodate up to 10 inmates at a time. The United States has provided training for the corrections officers that provide drug treatment programs at the facility; several prison guards have also received additional training from Sandilands Rehabilitation Center.

### 4. Corruption

The Government of the Commonwealth of The Bahamas does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. Further, the newly elected government has prioritized addressing public corruption as part of its national agenda. During calendar year 2017, at least three prison officers were arrested and charged with possession with intent to supply. These officials were investigated by the prison management in cooperation with the RBPF.

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

The United States supports a wide range of efforts designed to address crime and violence affecting Bahamian citizens, primarily through the Caribbean Basin Security Initiative (CBSI). CBSI, the security partnership between the United States and nations of the Caribbean, seeks to substantially reduce illicit trafficking, advance public safety and citizen security, and promote justice. To support the development of regional public security capacities, the United States funds RBDF participation in U.S. maritime exercises and training programs in maritime law enforcement, intelligence, small boat operations, port security, engineering, disaster relief, and maintenance. Additionally, the United States provides equipment and training to the RBDF to enhance interoperability with U.S. forces, maritime domain awareness, and command and control. Security cooperation activities are provided by U.S. Northern Command and its components; the U.S. Coast Guard (USCG); the Rhode Island National Guard via the State Partnership Program; and subject matter expert exchanges in conjunction with USCG cutter and U.S. Navy ship visits to The Bahamas.

The United States delivered training, technical assistance, and equipment needed by Bahamian government counterparts to combat transnational organized crime networks and improve citizen security in The Bahamas. In November 2017, the United States signed a contract to install digital recording equipment in the Magistrates and Supreme Court courtrooms in New Providence, Grand Bahama, and Abaco Islands. This equipment will be used to record court proceedings in support of Bahamian plans to increase justice sector efficiency. Additionally, the United States donated ballistics vests and protective gear to the RBPF's Drug Enforcement Unit, Central Detective Unit, and Marine Support Services Unit, as well as the Customs Marine Unit, and provided new locks for the maximum security wing of the Bahamas Department of Corrections.

The United States sponsored officials from the Bahamian police and justice sector to attend the U.S.supported International Law Enforcement Academy to receive training focused on money laundering and asset forfeiture; corruption and ethics; and international financial strategies. The United States organized a workshop for judges and magistrates and court staff to prepare them for the administrational changes involved with the new digital audio recording equipment. Additionally, a senior U.S. justice advisor provided technical assistance to the Ministries of National Security, Legal Affairs, and Finance to help establish practices to address issues with corruption. The advisor provided guidance on draft legislation and established a program for increasing contact between these ministries and U.S. counterparts. The United States also supported Bahamian participation in the International Drug Enforcement Conference (organized by DEA) and other regional counterdrug training opportunities.

U.S. assistance for demand reduction supports the Ministry of National Security, the Sandilands Rehabilitation Center, and nongovernmental organizations. Additionally, the United States supported training focused on drug demand reduction and improved corrections policies addressing drug use and demand within prisons.

The Bahamas participated in the annual Multilateral Maritime Interdiction and Prosecution Summit held in July 2017, which attracted maritime counterdrug professionals from various central and eastern Caribbean nations.

### **D.** Conclusion

The United States and The Bahamas enjoy a long-standing cooperative relationship against drug trafficking and transnational organized crime. Drug trafficking and related smuggling will remain a primary concern for the United States in The Bahamas. The United States will continue to assist Bahamian efforts to counter these networks and increase efficiencies in the administration of justice through a range of assistance, and the CBSI framework will continue to bolster Bahamian drug-control institutions and enhance U.S. and Bahamian law enforcement relationships.

# Belgium

Belgium is a primary entry point for cocaine smuggled into Europe from source countries in South America. The Port of Antwerp is particularly exploited by transnational drug trafficking organizations (some of which are also involved in trafficking to the United States) to reach the lucrative European drug market. Smaller volumes of cocaine and other illicit drugs also enter and exit the country through human couriers at the country's airports.

During the first nine months of 2017, Belgian authorities were on pace to seize a record amount of cocaine at the Port of Antwerp, mostly concealed within containerized cargo arriving at the port. This upsurge in cocaine trafficking is likely due to the combined result of increased cocaine production in Colombia, shifting trafficking patterns caused by successful law enforcement efforts at other European ports, and the port's sprawling geographic scope which is difficult to fully police. Through early October, Belgian authorities had seized approximately 26 metric tons (MT) of cocaine at the Port of Antwerp, on pace to surpass the 30 MT seized in all of 2016 and approximately twice the 15.7 MT seized in 2015. Additionally, South American authorities seized over 40 MT of cocaine destined for Antwerp.

Cannabis products remain the most widely-used illicit drugs in Belgium, according to the European Monitoring Centre for Drugs and Drug Addiction. Belgium remains a source country for MDMA (ecstasy) and other synthetic drugs destined for local use and international markets, primarily in Europe. Synthetic drugs are increasingly trafficked via the internet using virtual currencies, and cyber currency investigations are becoming more common among Belgian police authorities.

Belgium and U.S. law enforcement agencies maintain close operational cooperation, focusing on cocaine trafficking and drug money laundering. The United States and Belgium have fully operational extradition and mutual legal assistance agreements.

# Belize

## A. Introduction

Belize is a transit country for illicit drugs destined for the United States from source countries in South America. Belize is susceptible to the transshipment of illegal drugs due to its position along the Central American isthmus, relatively uninhabited terrain, and the hundreds of cayes (small islands) off its coast. The large stretches of unpopulated jungle on the border with Guatemala also provide a hospitable environment for growing and trafficking marijuana. According to Belizean authorities, marijuana is the most prevalent illicit drug used in Belize. The Belizean national legislature decriminalized personal possession of 10 grams or less of marijuana on November 2, though it remains a crime to cultivate or sell the drug. Belize is bordered by countries where the drug trade is controlled by well-organized and violent drug trafficking organizations. A concerted effort by those organizations to establish themselves in Belize would present serious challenges to the country's law enforcement and justice institutions.

Drug trafficking organizations predominately use maritime and air routes through Belize. Maritime craft avoid law enforcement detection by moving at night and using the hundreds of cayes to conceal their movement. Drug runners primarily use "go-fast" vessels, capitalizing on their small profile and powerful motors to evade law enforcement. Drug trafficking organizations use air routes over Belize to smuggle illicit drugs. The remote and sparsely populated terrain (380,000 persons in 8,867 square miles) is well suited for low-trafficked roads and undetectable airstrips on which planes can quickly land and refuel to continue their flight to countries north or south.

Limited funds, unreliable equipment, and limited human resources hamper the capacity of the Belize Coast Guard (BCG) and the police Anti-Narcotics Unit (ANU) to monitor coastal waters. The BCG lacks adequate boats to effectively patrol Belize's Exclusive Economic Zone. Belize has limited technical capacity to monitor air or sea craft. Belize's drug control efforts are hampered by the same challenges faced by the rest of the country's security sector – corruption, insufficient investigative capacity, an ineffective judicial sector, and a lack of political will.

## B. Drug Control Accomplishment, Policies, and Trends

## 1. Institutional Development

The Government of Belize worked to improve its investigative and enforcement capabilities across the law enforcement spectrum in 2017, in many cases with U.S. support. The United States provided the ANU with three refurbished Colombian patrol vessels and the associated equipment and training, establishing a Belize Police Department (BPD) maritime enforcement capability. The ANU can now collaborate with the BCG on interdiction operations. The U.S. government provided polygraphs for ANU applicants and re-tested ANU staff and others involved in joint operations. The United States provided technical assistance to the Financial Intelligence Unit (FIU), a semi-autonomous interagency group mandated to investigate and prosecute illicit financial transactions. The FIU expanded staffing, training, and interagency cooperation, but did not prosecute any cases in 2017.

Belize and the United States signed an agreement to upgrade Belize's criminal justice information management system. The United States also continued to support Belize's expansion of COMPSTAT, a crime-tracking and management system combining statistical analysis with geographic information to better allocate police resources to high-crime areas. The BPD continued the canine program originally built with U.S. support, and increased community policing programs around the country. The United States continued to support efforts to professionalize the police through training for new recruits through the Police Academy and for the nascent field training officer program.

Belize is one of six countries (along with Costa Rica, the Dominican Republic, France, Guatemala, and the United States) that ratified the Caribbean Regional Maritime Counterdrug Agreement.

## 2. Supply Reduction

Belize is not a source country for illicit drugs or precursor chemicals, but it continues to be used as a transshipment point for both. Belizean and U.S. authorities have identified the coastal areas as rich targets for drug traffickers pushing north from South America. Belizean security organizations have minimal success in limiting this criminal activity. The BCG and BPD receive U.S. assistance in the form of training and equipment, but are unable to routinely utilize assets due to insufficient resources for fuel and maintenance.

In April, with U.S. assistance, Belize carried out a successful interagency eradication mission targeting marijuana cultivation. Authorities eradicated 17,588 cannabis plants in 2017, with over 15,000 of those in the April mission. Belize also seized 856.63 kilograms (kg) of processed marijuana, 58.17 kg of cocaine, and 420 grams of crack cocaine in multiple operations during the first nine months of 2017.

In 2012, the United States assisted Belize in establishing a Mobile Interdiction Team (MIT), an interagency border security unit. It initially consisted of 13 members of the Belize Immigration and Nationality Departments and the BPD. In 2017, the MIT grew to 43 members and focused on interdicting illicit drugs and other contraband trafficked within and across the country's ports of entry. The MIT targeted roads, highways, and clandestine border crossing areas throughout the border regions. MIT members are often detailed to other police units, leaving far less than the full 43 officers actually working border security at any given time.

## 3. Public Information, Prevention, and Treatment

The Belize Ministry of Health's National Drug Abuse Control Council (NDACC) is the central coordinating authority responsible for demand reduction, supply reduction, and control measures. The council had 25 employees and a budget of approximately \$225,000 for the Belize 2018 fiscal year. The NDACC supports special projects such as a training and certification program for personnel specializing in drug and violence prevention, treatment, and rehabilitation. NDACC staff reportedly visited 538 classrooms countrywide and taught prevention education classes to 16,174 students in 2017. The NDACC assisted 20 high schools in hosting "drug

week" activities and 175 community empowerment activities nationwide.

According to the NDACC, marijuana is the most widely used illicit drug in Belize, followed by crack cocaine. In 2016, the NDACC Outreach Unit made referrals for 319 clients to rehabilitation centers, counseling and support groups, a 24.6 percent increase from 2015. Another 44 referrals were made during the first nine months of 2017. Eleven drug educators and seven outreach case workers work for the NDACC countrywide, conducting demand-reduction education programs in schools as well as public education campaigns during community activities.

Belize has three operational drug rehabilitation centers. The primary facility is at the Belize Central Prison and run by the Kolbe Foundation, a non-governmental organization that also manages the prison, and is a residence program open to inmates and members of the public who are willing to overcome addiction. The three-month program can treat up to 120 inmates and 20 non-inmates.

The other two rehabilitation centers are faith-based residential centers. Jacob's Farm has capacity for 15 clients for up to six months. Jacob's Farm treated 48 substance abuse clients in 2016 and an additional 54 clients during the first nine months of 2017. Remar Rehabilitation Center has capacity for approximately 30 clients for up to six months, though NDACC is currently not referring clients to this institution due to the lack of proper rehabilitation standards.

### 4. Corruption

The Government of Belize does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution. However, insufficient resources, weak law enforcement institutions, an ineffective judicial system, and inadequate compensation for civil service employees and public safety officials facilitate corruption.

Belize lacks laws specifically addressing drug-related corruption. The Prevention of Corruption Act, passed in 2000, includes measures to combat corruption related to illicit monetary gains and the misuse of public funds while holding public office. It also provides a code of conduct for civil servants. Belize did not charge anyone under this act in 2017. A Special Audit of the Immigration and Nationality Department found multiple cases of fraud and corruption within the department. After this revelation and other reports of corruption among senior government officials (not related to illicit drugs) and significant public pressure, Belize signed and ratified the United Nations Convention against Corruption (UNCAC) on December 12, 2016. In the course of implementing UNCAC, the government completed a self-assessment check list; participated in a technical exchange visit in Jamaica; and initiated an impact of corruption assessment. Additionally Belize completed the data collection portion of the National Risk Assessment (NRA). The NRA, a terrorist financing and money laundering risk identification exercise, is a component of required activities for the next round of Financial Action Task Force mutual evaluations.

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

The United States supports citizen security, law enforcement, and rule of law programs in Belize, mainly through the Central America Regional Security Initiative (CARSI). Through CARSI, the United States works with Belize to disrupt and decrease the flow of illicit drugs, weapons, and illicit proceeds generated by sales of illicit drugs, and to combat gangs and criminal organizations. Belize partnered with the International Organization for Migration (IOM) to upgrade the Migration Information and Data Analysis System (MIDAS) used to track activity at Ports of Entry in Belize. IOM installed MIDAS as part of a project funded by the United States. In 2018, Belize expects to join the Advanced Passenger Information System (APIS), managed by the Caribbean Community and Common Market (CARICOM). This initiative will provide greater monitoring and control of land, sea, and air based entries.

Other CARSI-funded projects, including the expansion of the MIT, support for justice sector institutions, and the provision of equipment and training for police, resulted in improvements to law enforcement efforts around the country. Through CARSI, the United States funds a full-time Customs and Border Protection Advisor who works with MIT, Customs, Border Patrol, and Immigration.

Belize readily assists in the capture and repatriation of U.S. citizen fugitives. A bilateral extradition treaty between the United States and Belize has been in force since 2001, and a bilateral mutual legal assistance treaty between the United States and Belize has been in force since 2003.

### **D.** Conclusion

Belize faces a challenging battle against the threats of drug trafficking, and continued efforts are necessary to reduce the impact of drug trafficking and crime in the country. The United States will continue to assist Belize by providing training, equipment, and advisory support, as well as support for program development in the law enforcement and justice sectors. The United States encourages Belize to strengthen its public security and law enforcement institutions through more effective anti-corruption legislation, comprehensive background checks and vetting of new and existing personnel, enhanced training, and continuing education programs. The United States states will maintain its strong partnership with Belize and assist in its fight against transnational criminal organizations.

# Benin

Benin is a transit country for cocaine, heroin, methamphetamine, and chemical precursors used to produce illicit drugs. Cocaine from South America and heroin from Southwest Asia via East Africa transit Benin for major markets in Western Europe, as well as a small but growing domestic market in Benin. Locally cultivated cannabis remains the most accessible illicit drug for consumption in Benin. Methamphetamine produced in Nigeria transits Benin for markets in Europe, Southeast Asia, and South Africa. Benin receives registered commercial freight shipments from India of the prescription opioid tramadol, both for local consumption and for further transshipment to the Sahel. Beninese authorities intercept and destroy tramadol imported without a license.

The Central Office for Repression of Illicit Trafficking of Drugs and Precursors (OCERTID) was created in 1999 under the national police to coordinate drug enforcement operations. Information sharing and cooperation between the police, the gendarmerie, and other drug law enforcement units is not systematic.

Benin is reliant on support from the United States and the United Kingdom for drug enforcement activities. Benin continues to make efforts to improve information-sharing and build trust between its domestic agencies, as well as expand cooperation with neighboring countries to pursue complex investigations. Forensic drug chemists and laboratories require additional resources to produce analysis on seized drugs that can be used in criminal prosecutions. With technical assistance from the United States, Benin developed a significant written protocol in 2016 for the handling of illicit drug prosecutions. Since 2015, the United States has provided training to the Benin Navy on maritime vessel maintenance to support its drug interdiction efforts. Benin does not have a bilateral extradition treaty or a mutual legal assistance treaty with the United States, though it is party to multilateral conventions that enable such cooperation.

Benin's Law on Control of Drugs and Precursors provides penalties of up to 20 years in prison for trafficking drugs. The government's coordinating body for national drug issues is the Interministerial Committee for the Control of Drugs and Psychotropic Substances, which has the potential to serve an important role in coordinating, analyzing, and disseminating aggregated data for categories of drugs seized by the country's various enforcement authorities. OCERTID reported seizing 1,167 kilograms of illicit drugs during the first nine months of 2017.

Benin's national anti-drug policy addresses drug abuse through education programs. The United States supports a substance abuse program jointly administered by the UN Office on Drugs and Crime and the World Health Organization that focuses on integrating drug treatment into the public health system.

Between 2014 and 2017 Benin sat on the UN Commission of Narcotic Drugs in Vienna, and participated in the important plenary vote in March 2017 that secured international control of two precursor chemicals (NPP and ANPP) used to make illicit fentanyl.

# Bolivia

## A. Introduction

According to estimates from the United States government and the UN Office on Drugs and Crime (UNODC), Bolivia is the third largest source country of coca in the world. It is also a major transit zone for Peruvian cocaine. The United States estimated coca cultivation increased by 1,000 hectares (ha) from 2015 to 2016 (to 37,500 ha), while UNODC estimated a 2,900 ha increase (to 23,100 ha). The Bolivian government has inadequate controls over its domestic coca cultivation. Most Bolivian cocaine is exported to other Latin American countries, especially Brazil and Argentina, for domestic consumption or for onward transit to West Africa and Europe, rather than to the United States.

In September 2017, the United States again determined that Bolivia "failed demonstrably" to adhere to its obligations under international drug control agreements and the U.S. Foreign Assistance Act of 1961, as amended. This Presidential determination was based, in part, on insufficient justification for the increase in coca production authorized under Bolivian law. Until 2017, Bolivian law permitted 12,000 ha of licit coca production per year. In March, President Evo Morales signed into law a bill increasing the licit area of coca production to 22,000 ha.

According to 2016 data from the latest UNODC report, which was partially funded by the Bolivian government, 97.1 percent of the coca grown in the Yungas region is sold in the legal market. Nearly 90 percent of the coca grown in Cochabamba's Chapare region is diverted away from the legal market. Bolivian President Evo Morales remains the president of the coca growers' federation in the Chapare region. Peruvian officials estimate 42 percent of all Peruvian cocaine departs to or through Bolivia via ground or aerial transshipment, commonly known as the "air bridge." Bolivia reportedly confiscated 17 aircraft involved in drug trafficking in 2017, up from 11 reportedly seized in 2016 by the Special Counter-Narcotics Police Force (FELCN).

In traditional (authorized) coca cultivation areas, Bolivia maintains a "social control" policy to curb illicit coca production. Under this approach, the government usually negotiates with coca growers to obtain their consent for eradication. In nontraditional (unauthorized) areas, including national parks, eradication is officially mandatory.

## B. Drug Control Accomplishments, Policies, and Trends

## 1. Institutional Development

In March 2017, President Morales promulgated two new narcotics laws to replace the Coca and Controlled Substances Law 1008 (1988). In addition to increasing the licit area of coca production from 12,000 ha to 22,000 ha, the General Law on Coca (Law 906) provides a framework for the regulation of the production, circulation, transportation, marketing, consumption, research, industrialization, and promotion of coca in its natural state. The new Controlled Substances Law (Law 913) includes three key enhancements: a procedure for the payment of informants and plea bargaining in drug-related cases; a procedure for asset forfeiture; and a framework for wiretapping in drug-related investigations. It also provides a legal basis for

two studies – one on coca yield per hectare and another to determine coca leaf-to-cocaine yield. The Controlled Substances Law's implementing regulations remained pending as of November 2017, but were anticipated to come into effect before the end of the year.

Bolivia has numerous entities with drug control mandates. The National Drug Control Council (CONALTID), chaired by the Ministry of Government, is the central drug control policy-making body in Bolivia. The Vice Ministry for Social Defense and Controlled Substances (VMSD) is mandated to combat drug trafficking, regulate coca production, advance coca eradication and drug prevention, and execute rehabilitation programs. The General Law on Coca is enforced through a series of regulations that clarify responsibilities between governmental institutions and reinforce the role of the National Council for Revaluation, Production, Marketing, Research and Industrialization of Coca (CONCOCA) as the point for intergovernmental coordination. Biometric registration of all coca producers and sellers is also mandatory by law, and regulations exist to monitor coca transportation routes, markets, and industrial research on coca.

FELCN reports to the VMSD and has approximately 1,600 personnel, and the agency focuses primarily on interdiction and money laundering cases. The Joint Eradication Task Force (FTC) conducts manual coca eradication with approximately 2,300 personnel. The Unit for the Execution of the Fight against Narcotics (UELICN) plans and funds drug enforcement operations. In 2017, UELICN's budget remained unchanged from 2016 at \$48.3 million, and a budget within five percent of this is expected for 2018. In 2016, Bolivia signed or renewed drug control cooperation agreements with Peru, Paraguay, Brazil, Argentina, and Colombia.

Bolivia's 2016-2020 Strategy to Combat Drug Trafficking and Reduction of Excess Cultivation of Coca Leaf prioritizes actions against criminal organizations rather than what the Bolivian government considers legitimate farmers who cultivate coca for traditional uses. The strategy is based on four pillars: reduction of supply; reduction of demand; control of the excess supply of coca; and shared international responsibilities. Current Bolivian coca cultivation far exceeds the country's demand for coca for traditional purposes. The Inter-American Drug Abuse Control Commission of the Organization of American States continues to recommend that Bolivia implement a system to monitor narcotics and psychotropic drugs used in healthcare settings to ensure the medicines are not diverted for illegitimate uses.

Bolivia receives most of its foreign counternarcotic financial support from the European Union (EU). The EU is currently implementing a three-year (2016-2018) assistance program budgeted at \$50 million, and also provides an additional \$10 million to support UNODC drug control programs and technical assistance through a European contractor. The Bolivian government denies that foreign drug cartels operate within its borders, but acknowledges the presence of cartel emissaries.

The United States and Bolivia are parties to a 1995 extradition treaty that permits the extradition of nationals for the most serious offenses, including drug trafficking. Bolivia and the United States do not have a mutual legal assistance treaty, but both countries can request assistance through various multilateral conventions to which both are signatories.

### 2. Supply Reduction

FELCN reported destroying 58 cocaine hydrochloride processing labs and 2,636 rustic cocaine labs during 2017, a 49 percent decrease and 18 percent decrease, respectively, from 2016. According to the Bolivian government, FELCN seized 11.32 metric tons (MT) of cocaine base and 2.93 MT of cocaine hydrochloride through the first 10 months of 2017 – a seven percent decrease in cocaine base seizures and an 83.5 percent decrease in cocaine hydrochloride from what was seized during all of 2016. FELCN arrested 3,285 individuals (including 226 foreign nationals) on narcotics-related offenses during this same 10-month period in 2017. Corruption, interference by other branches of government, and insufficient judicial resources undermine due process and create delays in the administration of justice.

The United States government estimated that coca cultivation was 37,500 ha in 2016, a nearly three percent increase from 2015, and that the production potential of coca has doubled over the last decade, to 275 MT. UNODC estimated that 23,100 ha of coca were cultivated within Bolivia in 2016, a 14 percent increase from 2015. UNODC officials have noted that 90 percent of the Chapare region's coca cultivation is destined for illicit cocaine production and not traditional consumption. According to UNODC's report published in July 2017, there were 7,200 ha of coca cultivated in the Chapare region, an increase of 20 percent over the previous year, when the legal limit for cultivation was lower. According to the most recently available information from the Bolivian government, Bolivian authorities eradicated 6,000 ha of coca as of August 2017, compared to 6,577 during all of 2016.

## 3. Public Information, Prevention, and Treatment

Illicit drug consumption remains low in Bolivia, according to UNODC and the 2016 World Drug Report. According to a joint 2016 CONALTID/UNODC study funded by the European Union on drug use in the university student population, 6.1 percent of Bolivian university students had used illicit drugs in the previous year. Broken down by category, five percent of surveyed students had used marijuana; 0.8 percent used LSD; and 0.4 percent used cocaine. In October 2017, CONALTID, the EU and UNODC launched a "Listen First" campaign aimed at preventing the abuse of drugs by children, focusing on parents, prevention staff, health workers, teachers, and decision makers.

There are approximately 80 drug treatment and rehabilitation centers in Bolivia. According to the Bolivian government's 2016-2020 strategy, 98 percent of those centers are run by non-governmental organizations. There are only two public treatment centers, one in Tarija and one in Santa Cruz.

## 4. Corruption

As a matter of official policy, the Government of Bolivia does not encourage or facilitate illegal activity associated with drug trafficking. However, President Morales and other senior government officials have acknowledged serious corruption problems in the judiciary and police. In 2017, the Ministry of Anticorruption and Transparency was dismantled and its responsibilities transferred to the Ministry of Justice, which was thereafter named the Ministry of Justice and Transparency. Approximately 60 police officers were investigated for corruption associated with

drug trafficking in 2015, the most recent year for which data is available. The Prosecutor's office reported that during the first nine months of 2016, there were 799 narcotics trafficking sentences, resulting in 715 guilty verdicts and 84 acquittals.

FELCN is the only police unit with a known polygraph program. All FELCN members are required to take an annual polygraph test, and those who do not pass are supposed to transfer out of the program. However, reports vary as to whether those two requisites are uniformly applied.

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

The United States Embassy meets periodically with the Vice Ministry for Social Defense and Controlled Substances to discuss Bolivia's drug control efforts. Bolivia sent participants to three courses at the U.S.-funded International Law Enforcement Academy in 2017. The participants represented two Bolivian institutions: FELCN and Bolivian Customs. A customs mutual assistance agreement between the Government of Bolivia and United States to foster improved information sharing was signed in July 2017. The United States does not have a counternarcotics presence in Bolivia, but it consults with international organizations and third-country governments involved in supporting Bolivian drug control goals and efforts to strengthen the rule of law. In August, the U.S. Embassy held a briefing for the international diplomatic community in Bolivia to explain the methodology used by the U.S. to calculate 2016 coca cultivation numbers.

Bolivia participated in the semi-annual Multilateral Maritime Counter Drug Summit held in November 2017, which attracted 125 maritime counterdrug professionals from nearly 25 countries and over 65 international agencies spanning North, Central and South America, and Europe.

### **D.** Conclusion

Bolivia remains the third largest source of coca and cocaine in the world, and a major transit country for Peruvian cocaine. The Government of Bolivia, UNODC, and the United States government agree Bolivian coca cultivation is increasing. For the first time since 2010, UNODC estimates coca cultivation is increasing, an assessment reflected by U.S. data since 2012. More importantly, according to U.S. estimates, potential pure cocaine production in Bolivia has doubled over the past decade, to 275 MT. Neither UNODC nor the Government of Bolivia has presented information that confirms or disputes this conclusion. There also appears to be no data to support the Bolivian government's claims that traditional, cultural, and medicinal coca consumption has increased, which it made in justifying the increase in the legal limit of coca cultivation in the new General Law on Coca from 12,000 ha to 22,000 ha.

Bolivia's inadequate controls over its legal coca markets remain a matter of concern, as is Bolivia's status as a transit country for cocaine trafficking. Bolivia's law allowing the cultivation of 22,000 ha of coca exceeds the amount of coca needed for traditional purposes by approximately 38 percent, per recent EU reporting. In 2013, Bolivia re-acceded to the 1961 U.N. Single Convention on Narcotic Drugs with a reservation permitting coca to be used only within Bolivia for traditional, cultural, and medicinal purposes. Despite these stated conditions, Bolivia continues to promote the use of coca in other countries and discuss potential export opportunities for coca products. These actions undermine Bolivia's commitments to its international drug control obligations.

Bolivia needs to strengthen efforts to stem the diversion of coca to cocaine processing by tightening controls over the coca leaf trade, achieving net reductions in coca cultivation, and improving law enforcement and judicial efforts to investigate and prosecute drug-related criminal activity. Provisions of the new Controlled Substances Law will not be in effect until the Bolivian legislature approves the implementing regulations. The law nonetheless could be a significant advance in the fight against drug trafficking, as it will institutionalize the use of modern investigative techniques previously absent from the Bolivian legal framework.

# **Bosnia and Herzegovina**

Bosnia and Herzegovina is not a major producer or consumer of illicit drugs, nor is it a producer of precursor chemicals. It is primarily a transit country, positioned between drug production and processing centers in Southwest Asia and markets in Western Europe. The Adriatic coast is also a major gateway for South American cocaine en route to European markets. Drugs are trafficked through Bosnia and Herzegovina from Albania, Bulgaria, Croatia, Macedonia, and Montenegro for further distribution throughout Europe. Transnational organized crime groups dominate the drug trade within Bosnia and Herzegovina and in the region. Law enforcement and security institutions in Bosnia and Herzegovina remain limited and do not effectively deter trafficking through the country. The fragmented structure of law enforcement agencies impedes their effective cooperation in detecting drug-related crimes and pursuing joint investigations. There is little political will to create policies and programs to reduce demand for illegal drugs.

Drug demand is increasing within Bosnia and Herzegovina, but is relatively low in comparison with other European countries. During the first 10 months of 2017, the country's police agencies reported seizing 93.5 kilograms (kg) of heroin; 0.8 kg of cocaine; 322.5 kg of marijuana; 1,753 cannabis plants; 7.1 kg of amphetamine-type stimulants; 1,523 tablets of MDMA (ecstasy); and 11,675 tablets of diverted pharmaceutical products. Many of these seizures resulted from joint investigations between Bosnian and Herzegovinian law enforcement agencies and the Ministries of the Interior of the Republics of Serbia and Croatia.

At the state level, the State Investigation and Protection Agency (SIPA, an FBI-equivalent agency) and the Border Police are responsible for drug control enforcement. The Customs Administration, within the Indirect Taxation Authority (ITA), conducts routine drug seizures at border crossing points and inland clearance facilities but does not possess law enforcement investigative or arrest authorities. Drug seizures are transferred to the custody of either the Border Police or SIPA for criminal investigation and prosecutorial referral. At the entity-level, the Federation Ministry of Interior, Republika Srpska Ministry of Interior, Brcko District Police, and the Ministries of Interior of 10 cantons in the Federation are engaged on drug issues. During the first 10 months of 2017, authorities recorded 1,140 felonies related to illicit drug crimes in the country.

Bosnian and Herzegovinian law enforcement agencies face challenges with funding and staffing. However, they continue to work closely with the United States to develop their capacity for strategic planning and resource management in order to overcome some of these challenges. Their ability to conduct complex investigations requires further development.

Bosnia and Herzegovina cooperates with other international partners on drug control issues. Various agencies within the European Union, especially the European Monitoring Centre for Drugs and Drug Addiction, work with Bosnian and Herzegovinian law enforcement agencies and provide various levels of training and institutional support, as do individual European governments and the UN Office on Drugs and Crime.

# Brazil

## A. Introduction

Brazil is a significant transit and destination country for cocaine. The country's borders with the cocaine source countries of Colombia, Peru, and Bolivia are porous and over three times the length of the U.S. border with Mexico. The majority of cocaine transiting Brazil is destined for its domestic market and Europe, sometimes via West Africa. The government views the large, violent, and well-organized drug trafficking organizations operating throughout the country as its primary domestic security threat. Brazil suffers from a substantial and growing domestic drug consumption problem. After the United States, Brazil is the world's second-largest consumer of cocaine hydrochloride and likely the largest consumer of cocaine-base products. The Brazilian government appreciates the gravity of the illicit drugs issue and is committed to combating drug trafficking, but lacks the capacity to fully stem the flow of illicit drugs across its borders.

In 2017, Brazil continued to feel the effects of a deep economic recession and fiscal short-fall, resulting in austerity cuts across the government, including at enforcement and social welfare agencies that address drug flows and substance use disorders. The government continues to prioritize border security and pursues a whole-of-government approach to counter drug trafficking and other forms of organized and violent crime, working in cooperation with international partners.

### B. Drug Control Accomplishments, Policies, and Trends

## 1. Institutional Development

The Brazilian government's lead agency for combating drug trafficking is the Federal Police (DPF). The lead agency for policy on reducing drug demand is the National Secretariat for Drug Policy (SENAD). Both DPF and SENAD are part of the Ministry of Justice, the Brazilian government's lead agency for drug control policy.

The DPF's 2017 budget increased slightly from 2016 levels, but continued to be affected by across-the-board fiscal austerity and deep cuts to some operational budgets. The DPF is capable by global standards, but recognizes that its force of 11,000 agents is insufficient to effectively combat drug trafficking in addition to other duties. SENAD's National Anti-Drug Fund budget was cut by 45 percent from 2016 levels.

Reform of drug sentencing laws is a source of public debate, as nearly a third of the Brazilian prison population is incarcerated for drug-related crimes (180,000-200,000 people), more than any other single crime. The National Justice Council, which oversees Brazil's federal judiciary, is creating standardized sentencing guidelines that better distinguish between drug consumers and traffickers.

Brazil maintains bilateral drug control agreements with the United States and every country in South America, in addition to formal partnerships with the UN Office on Drugs and Crime (UNODC), the Organization of American States' Inter-American Drug Abuse Control

Commission, and INTERPOL. In 2017, Brazil signed an agreement with UNODC to establish a joint Port Control Unit at the port of Santos and to work with the European Union-funded AIRCOP interdiction program. Brazil has extradition and mutual legal assistance treaties with the United States.

## 2. Supply Reduction

Brazil remains a major transit route for cocaine from the source countries of Bolivia, Colombia, and Peru. Cocaine products are smuggled across land borders via small aircraft and trucks, as well as by boats using the Amazon riverine system. Brazil's sea ports play a key role in drug smuggling, and Brazilian law enforcement and customs continue to improve port screening and interdiction. The majority of cocaine entering Brazil is destined for its domestic market and Europe, often through West Africa. In September, DPF seized 1.1 metric tons (MT) of cocaine from an organization utilizing Brazilian ports to transport cocaine to Belgium, thanks in part to improved monitoring techniques and cooperation with United States law enforcement. In October, DPF seized 155 kilograms (kg) of cocaine base and 556 kg of high grade marijuana on the Amazon River in northern Brazil.

Since 2011, Brazil's Strategic Border Plan has confronted drug trafficking and transnational crime, including by supporting periodic operations. Operation Sentinela, supervised by the Ministry of Justice, is an ongoing intelligence-building effort to coordinate state, local, and federal police forces, particularly on the border. Operation Ágata, coordinated by the Ministry of Defense, conducts periodic tactical missions at strategic border points. These operations took place periodically in 2017 with some success, but consolidated seizure statistics were not available at the time of this report. In November 2016, Brazil established the Integrated Border Program to improve cooperation among agencies and with international partners.

During the first six months of 2017, the DPF reported seizures of 22 MT of cocaine and 144.6 MT of marijuana, both figures representing increases over the same period in 2016. Much of this volume was seized at the port in Santos. Consolidated interdiction data from state police is not available.

Brazil conducts recurring marijuana eradication operations in the country's northeast. In a single operation in May, the DPF eradicated 556,000 square feet of marijuana plantings, with an estimated yield of 185 MT. During the first six months of 2017, the DPF eradicated 966,398 marijuana plants.

Synthetic drugs are present in Brazil, though combating them is a lower government priority given the overwhelming cocaine problem. In April, police in Rio de Janeiro seized 1,500 pills of MDMA (ecstasy) during the arrest of a major synthetic drug dealer. Overall in 2017, DPF reported the seizure of 5,448 dosage units of LSD, 186,285 units of MDMA, and 73,983 units of methamphetamine. Complex synthetic drugs such as MDMA and LSD are usually smuggled in small amounts via couriers flying commercial airlines from Europe.

## 3. Public Information, Prevention, and Treatment

There were no new comprehensive drug use surveys in Brazil in 2017. In 2014, SENAD commissioned a national drug use survey, and officials continue to analyze the results for publication.

Brazilian federal and state authorities actively promoted drug threat awareness, demand reduction, and treatment programs in 2017. The government continues to implement its 2005 National Drug Policy via its regular budget process, with emphasis on distance-learning training for drug use disorder professionals and civil society organizations and building social service capacity at the municipal level. SENAD's recently completed five-year, \$1 billion signature program "Crack: It's Possible to Beat It," constructed a national network of treatment and awareness programs. In 2017, SENAD continued to analyze the program's results and developing its next major drug demand reduction effort.

In Sao Paulo, Brazil's largest city, the municipal government replaced a drug harm reduction program that provided social services and healthcare for 400 crack cocaine users with a traditional policing and treatment approach.

Brazil approaches the reintegration of people with substance use disorders into society holistically, providing a range of services from medical care to job training. Brazil's programs are not yet commensurate with the size of the addicted population.

## 4. Corruption

As a matter of government policy, the Brazilian government does not encourage or facilitate illegal activity associated with drug trafficking, and there is little evidence to suggest that senior government officials are engaged in such activity. While there were numerous allegations and examples of political corruption throughout Brazil, including at the highest levels of government, there were no direct links between political corruption and drug trafficking at the national level. Delays in judicial proceedings often resulted in cases being dismissed.

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

The 2008 U.S.-Brazil Memorandum of Understanding on Narcotics Control and Law Enforcement supports capacity building in Brazilian federal and state agencies to combat illicit drug trafficking. In 2017, the United States provided significant training support to Brazilian law enforcement through 23 courses reaching nearly 1,000 officers on topics ranging from money laundering to community policing. Cooperation between Brazilian and U.S. law enforcement is excellent.

### **D.** Conclusion

Brazil has institutionalized its commitment to combating illicit drug trafficking and addressing a growing domestic consumption problem. Brazil would benefit from comprehensive population surveys to determine the scope of its domestic drug consumption, consolidated nationwide data on drug interdiction, increased monitoring of its sea ports, and greater cooperation with neighboring countries.

## Burma

## A. Introduction

Burma is the world's second largest source of illicit opiates and a major source of amphetaminetype stimulants (ATS). Production of heroin, crystal methamphetamine, and "yaba" pills (methamphetamine mixed with caffeine) generally takes place in areas controlled by ethnic armed groups along the country's eastern borders, most notably in parts of Shan State, where Burmese authorities have little control. Burma's porous borders with India, China, Laos, Bangladesh, and Thailand provide ample routes for the flow of precursor chemicals into Burma and illegal drugs out to regional markets. Domestic consumption of illicit drugs is widespread and growing within Burma. While significant volumes of illicit drugs originating from Burma reach international markets, Burma is not a major source or transit country for drugs entering the United States. The illicit revenue generated by Burma's drug trade is estimated to be in the tens of billions of dollars annually.

Government institutions engaged in drug control activities generally do not have sufficient resources or technical capacity to effectively address the scope of the problem. Events in 2017 in northern Rakhine State and the ongoing peace process continue to take precedence in the country, posing further challenges to coordinating effective drug control efforts.

## B. Drug Control Accomplishments, Policies, and Trends

## 1. Institutional Development

The Central Committee for Drug Abuse Control (CCDAC) is Burma's interagency mechanism for coordinating efforts against illicit drugs. While the CCDAC is committed to its mission, the government's focus on arresting and prosecuting lower-level users and traffickers has placed undue burdens on law enforcement, justice, and correctional institutions. Information about the overall prison population is incomplete, but some officials have estimated that 70 percent of current inmates have been incarcerated for drug offenses. The Union Attorney General's Office (UAGO) has estimated that as many as 50 percent of all cases prosecuted in the country relate to drug offenses. However, few major drug trafficking figures or organizations have been prosecuted. Insufficient resources, corruption, and regularly scheduled rotations by police and prosecutors all present challenges to developing highly skilled, effective police and justice practitioners specialized in drug-related crimes.

The Drug Enforcement Division (DED), a constituent element of the Myanmar Police Force (MPF) within the Ministry of Home Affairs, has three sub-divisions (in Rangoon, Mandalay, and Taung Gyi) and runs 50 Anti-Narcotics Task Force (ANTF) units throughout the country. The DED continues to make major drug seizures, particularly near key drug producing areas in Shan State, but is under-resourced in terms of personnel and equipment. The DED is supposed to have 3,994 employees; however, as of August 2017, there were only 1,118. The country's antiquated criminal legislation does not permit law enforcement actions that are essential for sophisticated narcotics investigations, such as controlled deliveries.

Burma's justice system is underdeveloped, and judicial and prosecutorial institutions lack the legal framework to effectively prosecute the volume of drug-related crimes and complex drug networks. The UAGO oversees all prosecutions in the country, and consults on legislation in the criminal justice field. Prosecutors (known as "law officers") in the 71 district- and 330 township-level law offices handle the bulk of drug prosecutions. Law officers are generally given drug cases after the police have already completed their investigations, with little or no engagement beforehand. The UAGO also oversees prosecutorial training, but specialized narcotics prosecution training has not been fully institutionalized. There are similar dynamics in the country's court system.

Burma's law enforcement and justice institutions have the capacity to cooperate internationally, but outdated regulations need to be amended or updated. A "central authority" to make and receive mutual legal assistance requests is underdeveloped. Burma passed an extradition law in July 2017 that lays out procedures more specifically than outlined in the criminal procedure code, and thus facilitates some cross-border criminal justice cooperation. On a working level, DED officers and commanders maintain relationships with counterparts in neighboring countries, most notably Thailand and China.

The Ministries of Health and Sports; Social Welfare, Relief and Resettlement; and Education are responsible for drug use treatment and prevention. There is a small, but growing, cadre of health and education professionals in the drug control field; however, training programs are relatively new in the country, and there are few resources for rehabilitation programs.

### 2. Supply Reduction

Most opium cultivation and drug production takes place in territory that is not under the control of the Burmese government, complicating efforts to reduce supplies. In 2015, the most recent year for which data is available, the UN Office on Drugs and Crime (UNODC) estimated 55,500 hectares (ha) of opium poppy cultivation, a slight decrease from the prior year. Heroin and ATS production occurs mainly along the country's eastern border with China and Laos and southern border with Thailand. The introduction of small pill presses has created a cottage industry in those areas, making it easy for trafficking organizations to recruit individuals, supply them with pill presses, and mass produce tens of millions of pills. A small pill press operation can reportedly produce up to a million tablets a day.

Between January 1 and October 12, 2017, Burmese authorities seized 59,638,430 ATS tablets; 854.59 kilograms (kg) of crystal methamphetamine; approximately 1.272 metric tons of various grades of opium; 2.74 liters of opium liquid; and 322.19 kg of heroin. The U.S. Drug Enforcement Administration (DEA) estimates that these seizures represent a small fraction of the illicit drugs actually produced within the country. At three drug destruction ceremonies marking the annual International Day against Drug Abuse on June 26, Burmese law enforcement officers destroyed \$386 million worth of seized illicit drugs, compared to \$56.31 million in 2016. Two of the largest individual seizures were in July in Mandalay, where police seized a single shipment worth \$44 million, and in August in Tachileik (Shan State), where the authorities seized close to 30 million yaba pills destined for Thailand. Overall, the varieties of drugs seized

increased from 37 last year to 51 this year, and the data points to a marked increase in the production, consumption, and export of ATS.

From January 1 to October 12, 2017, there were 10,973 drug-related arrests from 7,422 cases, a statistically similar number of arrests that arose from 8,800 cases in 2016. The majority of those arrested were small-time users or traffickers.

### 3. Public Information, Prevention, and Treatment

The CCDAC is partnering with UNODC to develop Burma's first National Drug Use Survey, but UNODC had not received permission from the Ministry of Home Affairs to begin collecting data at the conclusion of 2017. Anecdotal information suggests domestic consumption of illicit drugs is extremely high, and the country's existing capacity falls far short of accommodating those who seek or need treatment.

The Ministry of Health officially oversees 85 drug treatment facilities, though regional officials have indicated that at least some of these facilities are not actually functional. The Ministry's official statistic of 83,000 intravenous drug users is believed to be a significant underestimation. The incidence of intravenous drug users contracting HIV is believed to be very high, and access to treatment and rehabilitation services is very limited.

The Ministry of Health and Sports and the Ministry of Social Welfare, Relief and Resettlement rely heavily on the international community to provide training on drug treatment and prevention for health and education professionals. With U.S. funding, the Colombo Plan provided training to Burmese health professionals on the U.S.-developed Universal Treatment Curriculum for Substance Use Disorders in 2017, and 20 passed the International Certified Addictions Professional (ICAP) Exam in June. This is the first group of ICAP-credentialed professionals in the country. In October, the Colombo Plan launched its Universal Prevention Curriculum training series for 30 national trainers, mainly from the Ministry of Education.

The Ministry of Health's National Methadone Maintenance Therapy (MMT) Program has 51 sites across Burma, five of which were opened in 2017. More than 13,000 patients take MMT daily, with the two northernmost states of Kachin and Sagaing accounting for 65 percent of patients.

CCDAC coordination with civil society is an important element of its awareness-raising campaigns. Non-governmental organizations (NGOs) and international organizations conduct training on demand reduction, but there are still significant challenges in reaching rural or remote communities. The United States funds a local NGO, the Substance Abuse Research Association (SARA), to provide drug demand reduction training. In September, SARA conducted its first training to community leaders in Myitkyina, Kachin State. The local government and civil society groups actively supported the program, in recognition of the overwhelming problems posed by domestic drug consumption.

### 4. Corruption

The Government of Burma does not, as a matter of policy, encourage or facilitate the illicit production or distribution of drugs, or the laundering of proceeds from illegal drug transactions. However, corruption is widespread in Burma, and illicit proceeds from the drug trade fuel that corruption. There are no concrete details on the dollar value and flow of illicit proceeds because transactions are in cash, the banking system is underdeveloped, and the informal "hundi" system facilitates financial transactions outside of the banking system. There are reports that members of the military profit directly and indirectly from drug trafficking, but such information has not resulted in significant investigations or prosecutions.

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

Burma is in the process of amending its drug laws and policy in light of these massive challenges. Parliament is considering amendments to the 1993 narcotic law to focus less on first-time users, and to clearly define thresholds for personal use and trafficking. Proposed amendments would give serious consideration to treatment as an alternative to imprisonment. The CCDAC is working with UNODC to develop a new drug control policy that can be used to more effectively identify priorities and allocate resources. The CCDAC would roll out the new policy when the new drug law is passed. Even if additional resources are allocated, the lack of government control of drug-producing areas will remain an enormous obstacle to preventing the flow of illicit drugs in and out of the country.

U.S. assistance to Burma supports drug control efforts within the country. In August 2017, Burma signed an amended letter of agreement with the United States that facilitates broadened engagement in law enforcement, drug control, and rule of law.

DEA continues to work closely with the DED on operations and building interdiction capacity. The United States provides assistance to law enforcement and justice sector officials on drug enforcement and related topics. In 2017, approximately 60 officials from the MPF, Anti-Corruption Commission (ACC), Bureau of Special Investigation, Fire Services Department, and Forest Department benefited from instruction in 27 courses at the U.S.-funded International Law Enforcement Academy (ILEA) in Bangkok. In May 2017, the United States organized the visit of the Deputy Minister of Home Affairs to the United States, which included consultations with senior U.S. officials, federal and local law enforcement officials, and NGOs.

In May, the United States provided in-country training for Burma's ACC. Following the training, the ACC Chairman requested case management assistance, which will continue to be provided in 2018. The United States also supported Burmese officials' participation in public corruption and financial investigations courses at ILEA Bangkok.

During 2017, Burmese officials from the UAGO and the Supreme Court participated in U.S.-led regional trainings on cybercrime, intellectual property violations, and law enforcement coordination. Additional assistance is planned for 2018 to develop a specialized prosecutorial unit within the UAGO for sophisticated crimes with international dimensions, including drug trafficking. The United States is one of the major international partners engaged with the Government of Burma on drug treatment and demand reduction.

### **D.** Conclusion

The scope of Burma's drug problem – the consumption and trafficking of illicit opiates and ATS – is enormous. Domestic consumption is widespread and degrades communities. Burma is a major source of illicit drugs throughout the region, and illicit profits feed corruption and fund non-governmental armed groups. The resources currently allocated to the problem by Burma's government are insufficient to achieve major improvements in the near term. The United States remains a close partner with the Government of Burma on all elements of the country's drug control policy, and will continue to work with regional and international partners to help the Burmese government's efforts to address its challenges.

## **Cabo Verde**

Cabo Verde remains an important transit hub for cocaine, cannabis, and small amounts of other drugs trafficked from Latin America to Europe. The major international airports on Santiago and Sal continue to experience increasing tourist and business travel each year, expanding opportunities for drug trafficking via human couriers. Cargo and cruise ship traffic through the major ports on Santiago, Sao Vicente, and Sal, and Cabo Verde's historic and cultural ties to Guinea-Bissau – a significant transshipment point for cocaine – also increase opportunities for drug trafficking. The archipelago's large maritime territory and minimal interdiction resources make Cabo Verde attractive to traffickers using air and maritime routes. The UN Office on Drugs and Crime reports that cannabis, cocaine, hashish, heroin, and methamphetamines are the most commonly used drugs in Cabo Verde. There are reports that synthetic drugs including MDMA (ecstasy) are available on the popular tourist islands of Sal and Boa Vista.

Corruption is relatively low in Cabo Verde. The Government of Cabo Verde is engaged in fighting drug trafficking and domestic drug use. Support from the United States and other international donors is helping to improve the competency of Cabo Verdean law enforcement agencies to identify and interdict illicit drug shipments. U.S. support has also increased Cabo Verde's ability to combat money laundering and other financial crimes often associated with drug trafficking. There are few drug demand reduction programs active in the country, and recidivism for drug crimes is a major problem.

In August 2017, police seized a reported 1,157 kilogram shipment of cocaine from a private yacht in Mindelo. The yacht had sailed from Fortaleza, Brazil, and was bound for Europe.

The United States and other partners support Cabo Verde in combating illicit drug trafficking and associated crime, providing robust and varied training to law enforcement and armed forces in Cabo Verde. The Center for Maritime Security Operations (COSMAR) in Praia and the Joint Operations Center in Mindelo provide oversight of Cabo Verde's maritime territory. U.S. Africa Command partners with Cabo Verdean authorities on periodic patrols in the region to interdict suspected drug transshipments and other illicit activities, as well as provide training and build capacity within Cabo Verdean security sector institutions.

The United States and Cabo Verde do not have a bilateral mutual legal assistance treaty or an extradition treaty. Cabo Verde is a party to relevant multilateral law enforcement conventions that have mutual legal assistance provisions.

# Canada

## A. Introduction

In 2017, the Canadian government continued to combat the production, distribution, and consumption of illicit drugs. Canada is a supplier of MDMA (ecstasy), marijuana, and fentanyl to the United States. Canada targets the trafficking of synthetic drugs, particularly fentanyl and fentanyl precursors. Canada and the United States cooperate extensively in drug control efforts by sharing information and conducting coordinated operations.

## B. Drug Control Accomplishments, Policies, and Trends

## 1. Institutional Development

Funding under Canada's National Anti-drug Strategy (NADS) is approximately \$430 million over 2012-2017 for prevention, treatment, and enforcement. Additional drug control activities are funded outside the NADS; provinces and territories have significant budgets for prevention and treatment. In June, two government-approved supervised drug injection centers and a mobile unit began operation in Montreal. Vancouver and Ottawa have similar facilities and federal regulator Health Canada approved three sites in Toronto in September and is studying applications for additional sites in British Columbia.

In April, the Justice Minister introduced legislation (Bill C-45) to provide legal access to cannabis and to control and regulate its production, distribution, and sale by July 1, 2018. The bill remains in Parliament and has not yet become law. The government stated the bill's purpose as preventing young persons from accessing cannabis, protecting public health and public safety by establishing strict safety and quality requirements, deterring criminal activity, and reducing the burden on the criminal justice system. Also in April, the government introduced legislation (Bill C-46) to enact new criminal offenses for drug-impaired driving and to provide law enforcement with enhanced authority to detect and detain suspected impaired drivers by July 1, 2018. This bill also remains in Parliament and has not yet become law.

In June, the Minister of Health announced an Opioid Action Plan to educate Canadians about risks of opioid use; improve prescribing practices; reduce access to unnecessary opioids; improve treatment options; and strengthen data collection.

In August, Health Canada announced the new Access to Cannabis for Medical Purposes Regulations (ACMPR) to replace regulations struck down by Federal Court. The court ruled the new regulations allowed Canadians to produce limited amounts of cannabis for their own use for medical purposes, or designate someone to produce cannabis for them.

Canada is party to the Inter-American Convention on Mutual Legal Assistance in Criminal Matters, and the Inter-American Convention against Corruption. The Royal Canadian Mounted Police (RCMP) is a member of the International Narcotics Control Board's (INCB) Task Forces, which includes Project ION (International Operation on New Psychoactive Substances).

## 2. Supply Reduction

Canada is a primary source country of high-potency marijuana and MDMA to the United States and of synthetic drugs and amphetamine-type stimulants to Asia and Australia. Synthetic opioids have also reached the United States from Canada. Cannabis cultivation and synthetic drug manufacture are concentrated in British Columbia, Quebec, and Ontario. Methamphetamine continues to be produced in large quantities. South America remains Canada's primary source for cocaine, some of which transits the United States, while Afghanistan remains Canada's primary source of heroin.

Canadian officials also report increasing imports of fentanyl from China, largely via mail courier. Recent seizures of multi-kilogram quantities of fentanyl and carfentanil in powder form indicate these substances are increasingly manufactured within Canada. No Canadian government drug seizure statistics for 2017 were available at the time of this report.

### 3. Public Information, Prevention, and Treatment

Health Canada provides approximately \$15.7 million annually to support the NADS Prevention and Treatment Action Plans. This funding supported 47 projects under the Substance Use and Addictions Program (SUAP) in 2016. The SUAP supports evidence-based initiatives in health promotion, prevention, harm reduction, and treatment.

Canada is providing approximately \$8.6 million over five years from the NADS to enhance prevention and treatment within First Nations communities, including to address prescription drug abuse.

Canada supports various harm reduction initiatives, including supervised consumption sites, the use of naloxone to reverse overdoses, and the medical use of diacetylmorphine and other medication-assisted therapies for the treatment of opioid dependence. Between 2012 and 2017, Justice Canada is providing approximately \$10.6 million per year to evaluate if drug treatment courts are an effective method of deterring recidivism among drug offenders.

The most recent data show the prevalence of cannabis use among Canadians aged 15 years and older was 11 percent in 2013, up slightly from 2012, but lower than in 2004 (14.1 percent). Among students in grades 7-12, 17 percent reported using cannabis in 2014-15. Use of other illicit drugs such as MDMA (0.4 percent), hallucinogens (0.6 percent), cocaine or crack (0.9 percent) and speed/methamphetamine (0.2 percent) remained largely unchanged since 2004. Use of heroin was not reported. New data will be available in January 2018.

According to the INCB, Canada is the second largest per capita consumer of prescription opioids in the world. In 2013, 15 percent of Canadians aged 15 years and older reported using an opioid pain reliever in the past year. Among them, two percent reported abusing opioids, a decrease from 2012 (five percent).

## 4. Corruption

Canada has strong anti-corruption laws and policies and holds its officials to a high standard of conduct. The Canadian government pursues malfeasant civil servants and subjects them to prosecution. No government officials are known to engage in, encourage, or facilitate illegal activity associated with drug trafficking. Corruption among law enforcement officials is rare.

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

The United States and Canada exchange forfeited assets through a bilateral asset-sharing agreement and share information on customs offenses through a customs mutual assistance agreement. Judicial assistance and extradition matters operate under a mutual legal assistance treaty, an extradition treaty, and related law-enforcement protocols, including the long-standing memorandum of understanding between the DEA and RCMP by which their representatives work with each other on drug-related matters.

Various U.S. federal, state, local, and tribal entities collaborate with RCMP, Canada Border Services Agency (CBSA), provincial and local police, and other Canadian law enforcement authorities to combat illicit drugs. Cooperation is coordinated through the Cross Border Law Enforcement Advisory Committee, Joint Management Teams, and other bilateral fora. Integrated teams of Canadian and U.S. law enforcement authorities operate in several locations along the Northern Border across a variety of structures, including Border Enforcement Security Taskforces (BEST), Integrated Border Enforcement Teams (IBET), and the Integrated Crossborder Maritime Law Enforcement Operations (aka "Shiprider").

Canada participates with the United States and Mexico in the North American Dialogue on Drug Policy. Canada and the United States also continue to exercise a memorandum of understanding regarding deployment of U.S. Coast Guard detachments on Canadian Navy ships in the Caribbean Sea and Eastern Pacific Ocean, which during the first 10 months of 2017 resulted in the seizure of over 5.25 metric tons of cocaine.

### **D.** Conclusion

The United States cooperates extensively with Canada on law enforcement matters and acknowledges the strong and consistent anti-drug efforts of Canada's federal government.

The United States will continue to work with Canada to stem the flow of illegal drugs across our shared border and enhance regulatory frameworks to prevent access to precursor chemicals and lab equipment for criminal use.

# China

## A. Introduction

China's geographical location, vast land area, massive population, and expanding economy have all contributed to it becoming a hub for drug and precursor chemical production and trafficking. China also faces significant illicit drug consumption challenges, including synthetic drugs. China shares borders with drug source countries in both Southeast and Southwest Asia and remains a major destination and transit country for heroin produced in these areas. Its numerous coastal cities with high-volume seaports and its vast network of major international airports make China an ideal destination and transit country for illicit drugs, as well as a major source of synthetic drugs, new psychoactive substances (NPS), and precursor chemicals used to produce illicit drugs. Domestic Chinese criminal organizations traffic illicit drugs within China as well as to international markets, and Chinese authorities have noted the presence of international drug trafficking organizations originating from Africa and Mexico operating within the country. China's role as a major international financial center has also fueled an increase in illicit drug and precursor chemical-related money laundering activities.

China is a major source of NPS and other synthetic drugs, including fentanyl and methamphetamine, and domestic use of synthetic drugs (primarily methamphetamine and ketamine) is becoming increasingly prevalent. China's large chemical and pharmaceutical industries provide an ideal environment for the illicit production and export of these drugs. According to U.S. and international law enforcement sources, a majority of the NPS seized in North America and Europe originate from China and can be purchased via the internet and shipped or mailed to overseas customers. Chemical alterations of scheduled drugs to circumvent existing anti-drug laws have hampered efforts to stem the flow of these drugs.

The current opioid crisis in the United States underlines the importance of bilateral U.S.-Chinese drug control cooperation. Based on U.S. Customs and Border Protection seizure data, China is the principal source country of illicit fentanyl and fentanyl-related compounds in the United States, including both scheduled and non-scheduled substances. The challenges posed by trafficking via the internet and small parcel trafficking patterns are formidable and will test the cooperative spirit and ingenuity of the law enforcement authorities in both countries.

## B. Drug Control Accomplishments, Policies, and Trends

## 1. Institutional Development

China's drug control strategy focuses on prevention, education, illicit crop eradication, interdiction, rehabilitation, commercial regulation, and law enforcement. The Ministry of Public Security (MPS) Narcotics Control Bureau is the primary national drug enforcement entity and works in conjunction with provincial public security bureau offices. The Anti-Smuggling Bureau within the General Administration of Customs is responsible for the enforcement of China's drug control laws at seaports, airports, and land border checkpoints. China maintains bilateral drug control agreements with many countries and international organizations, including

the United Nations Office on Drugs and Crime, and participates in a variety of international drug conferences and bilateral meetings.

## 2. Supply Reduction

According to the National Narcotics Control Commission (NNCC)'s 2017 Annual Drug Report, Chinese law enforcement conducted 140,000 drug trafficking-related investigations and made 168,000 drug related arrests in 2016 (the most recent year for which data is available). Authorities also seized a total of 82.1 metric tons (MT) of illicit drugs during this period, including 8.8 MT of heroin, 29 MT of methamphetamine, and 10.4 MT of ketamine. Chinese authorities also targeted clandestine labs used to produce NPS and other synthetic drugs, illicit drugs, and precursors, destroying 438 clandestine laboratories, and arresting 2,089 suspects in 2016, as well as seizing 1,584.6 MT tons of precursor chemicals.

In October 2015, China enacted wide-reaching legislation granting MPS the authority to more quickly schedule new and emerging drugs deemed to have no identified medical use, including substances not used within China. The legislation also established immediate controls over 116 NPS. China's enactment of this legislation provides a mechanism for enhanced cooperation with the United States and other international partners to control the spread of NPS. China and the United States continue to work together to reduce the supply of synthetic opioids such as fentanyl and fentanyl analogues from China to the Unites States. In 2017, China added the synthetic opioid U-47700 along with carfentanil and three other fentanyl-type substances to their list of controlled substances.

## 3. Public Information, Prevention, and Treatment

According to NNCC, synthetic drugs – primarily methamphetamine and ketamine – have surpassed heroin and other opioids as China's primary domestic drug threat. NNCC has an outreach program to raise awareness of the negative health effects of illicit drug use and promote drug demand reduction. According to the NNCC's 2017 Annual Drug Report, the total number of registered illegal drug users in China is 2.505 million, but the actual number of drug abusers is estimated to be at least 14 million, according to media reports. Of the reported registered drug users, 1.51 million (60 percent) reportedly use synthetic drugs, while 955,000 (38.1 percent) reportedly use opiates and 35,000 (1.4 percent) reportedly use other drugs. According to NNCC, 60.6 percent of the registered users in China are between 18 and 35 years old. During this reporting period, 445,000 new drug users were identified, a 16.2 percent increase from 2015.

In 2016, NNCC formulated and distributed its "Work Plan on Community-based Drug Treatment and Rehabilitation, 2016-2020" to further the development of a community-based drug treatment and recovery system. The Plan supports NNCC efforts to combine methadone maintenance treatment and community-based drug treatment and recovery. In addition to 770 clinics offering methadone maintenance treatment, China has in place 3,258 job placement sites and 29,000 township level offices responsible for community-based drug treatment and recovery work, employing 31,000 full-time community workers.

## 4. Corruption

The Ministry of Public Security takes allegations of drug-related corruption seriously, and launches investigations when deemed appropriate. Despite efforts to stem drug-related corruption, financial corruption among provincial, prefectural, county, and district government officials continues to be a concern. The Government of China does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. Based on publicly available information, no senior Chinese official at the central government level is known to have facilitated the illicit production or distribution of drugs in 2017. Similarly, no senior Chinese official from the central government is known to have laundered proceeds from drug-related activities.

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

The Bilateral Drug Intelligence Working Group (BDIWG) and the Counter Narcotics Working Group (CNWG), which reports to the U.S.-China Joint Liaison Group on Law Enforcement (JLG), meet annually to exchange views and information on trends in drug abuse and trafficking; discuss pertinent laws, regulations, policies and procedures in the respective countries; seek progress and address challenges in precursor chemical control; and find mechanisms to cooperate on investigations and cases of mutual interest. At the Law Enforcement and Cybersecurity Dialogue in 2017, the United States and China agreed to enhance cooperation and information sharing to support mutual consideration of controls on additional NPS, including fentanyl analogues. China and the United States signed a bilateral mutual legal assistance agreement in 2000, which entered into force in 2001.

### **D.** Conclusion

Drug control cooperation between the United States and China continues to improve through law enforcement operational cooperation and various working groups and consultative mechanisms. While drug trafficking, manufacturing, diversion, and other drug-related crimes remain significant problems in China, the central government continues to take steps to integrate China into regional and global drug control efforts, as well as to address the country's domestic drug problem through enforcement and rehabilitation. U.S. law enforcement has made inroads in building working relationships with provincial public security bureaus, with oversight by central authorities, and relations continue to strengthen.

# Colombia

## A. Introduction

Colombia is the world's top producer of cocaine, as well as a source country of heroin and marijuana. Although the Colombian government continues to counter the production and trafficking of illicit drugs through aggressive eradication, interdiction, and counter-organized crime operations, Colombian coca cultivation and cocaine production exceeded all-time record levels during 2016. The United States estimates potential pure cocaine production surged by 37 percent, from 520 metric tons (MT) in 2015 to 710 MT in 2016 (the most recent year for which data is available). The United States further estimates coca cultivation increased 18 percent from 159,000 hectares (ha) in 2015 to 188,000 ha in 2016, exceeding the previously recorded high of approximately 170,000 ha in 2001.

The Colombian government reported seizing a total of 405 MT of pure cocaine and cocaine base during 2016, an increase of approximately 37 percent over the previous record high of 295 MT of pure cocaine and cocaine based seized in 2015. As of early December 2017, the Colombian government reported seizing approximately 449 MT of pure cocaine and cocaine base. The Colombian government is eliminating tons of potential cocaine through manual eradication of coca, reporting 17,642 ha of coca eradicated during 2016 and 52,283 ha of coca eradicated through mid-December. Complementary to its forced eradication programs, the Colombian government separately sought to eradicate approximately 50,000 via their crop substitution program in 2017. Due to delays in implementing this program, the Colombian government extended the deadline to meet this goal to May 2018. There was insufficient data available to analyze the results of these efforts at the time of this report.

According to the U.S. Drug Enforcement Administration (DEA), approximately 92 percent of the cocaine samples seized in the United States in 2016 and subject to laboratory analysis were of Colombian origin.

## B. Drug Control Accomplishments, Policies, and Trends

## 1. Institutional Development

Despite signing a historic peace accord with the Revolutionary Armed Forces of Colombia (FARC) that set in motion a disarmament, demobilization, and reintegration process for FARC ex-combatants, the Colombian government continues to have difficulty providing government services to Colombia's neglected rural regions. In 2015, the Government of Colombia announced a drug control strategy with three lines of effort: rural development programs to reduce drug cultivation; law enforcement to dismantle organized crime groups; and public health approaches to address domestic drug consumption. The Colombian government recognizes the illicit drug trade and the organized criminal groups it empowers are the greatest threats to peace and security in Colombia, and the 2015 drug control strategy constitutes a major component of its plan for the implementation of its 2016 peace accord with the FARC.

The Colombian government suspended aerial eradication of coca in October 2015, but conducts a forced manual eradication program that targets larger areas of cultivation known as "industrial plots," cultivation in the national parks, and smaller coca cultivators that refuse to voluntarily eradicate their coca crops.

With the shift in focus under the new strategy, the government maintains a strong interdiction and law enforcement focus by aggressively targeting organized criminal groups. These efforts include: improved coordination among security forces on investigations and operations; enhanced initiatives to seize precursor chemicals used to produce cocaine; targeted anti-money laundering efforts; and legal reforms to facilitate the arrest, prosecution, and sentencing of members of organized criminal groups. The extradition relationship between Colombia and the United States is robust and productive.

## 2. Supply Reduction

The United States estimates the area devoted to coca cultivation in Colombia increased 18 percent from 159,000 hectares (ha) in 2015 to 188,000 ha in 2016, surpassing cultivation levels last seen in 2007. In 2016, the Department of Nariño became the leading source of coca cultivation in Colombia, with a more than a 50 percent increase to 39,500 ha. Coca cultivation also experienced significant increases in the departments of Antioquia (to 18,000 ha, a 33 percent increase), Cauca (to 32,000 ha, an 18.5 percent increase), and Norte de Santander (to 36,000 ha, an 18 percent increase).

Several factors contributed to the surge in coca cultivation in Colombia since 2013, including the end of aerial spraying and indications that FARC elements urged farmers to plant coca, purportedly to take advantage of the Colombian government's peace accord coca crop substitution program. Furthermore, counter-eradication tactics employed by coca growers have impeded the government's manual eradication efforts, including blocking eradicators from accessing fields; placing improvised explosive devices in coca fields to kill, injure, and demoralize eradicators and slow eradication operations; and planting fields in inaccessible areas, including national parks, indigenous areas, and remote regions.

The Colombian Ministry of Defense reports that police and military forces have forcibly manually eradicated 50,100 ha of coca through December 6, 2017, which was more than double the amount forcibly eradicated during 2016 and exceeded the Colombian government's 50,000 ha goal for 2017. The United States estimates that 1,100 ha of opium poppy were under cultivation in Colombia in 2015, the most recent year for which data is available.

Colombia continued to make drug interdiction one of its drug control priorities, linking it to a stable post-peace accord environment, the extension of citizen security and rule of law throughout Colombia, and the countering of illegal armed groups that have plagued Colombia for decades. Colombian authorities reported seizing approximately 390 MT of pure cocaine and cocaine base during the first 10 months of 2017, as well as 197 MT of marijuana, and 348 kilograms of heroin, and destroyed 3,186 cocaine base laboratories and 248 cocaine hydrochloride (HCl) laboratories.

### 3. Public Information, Prevention, and Treatment

There are indications that drug use has increased among Colombian youth, with marijuana the substance of choice. Use of inhalants and a cocaine by-product called "basuco" is high among those displaced by years of internal conflict in Colombia.

In 2015, Colombia reevaluated its approach to drug demand reduction. It de-criminalized and regulated the production, possession, and use of marijuana for medical purposes. It launched a new national demand reduction plan for 2015 – 2021, which addresses consumption as a preventable and treatable public health issue instead of as a criminal matter. Acknowledging severe criminal sanctions disproportionately impact the most vulnerable in the drug-trafficking chain and contribute to prison overcrowding, the Colombian government is exploring alternatives to incarceration, especially within the juvenile justice system. The Colombian government created a juvenile drug court in Medellin and is planning juvenile drug courts in three other departments. Colombia focuses treatment on youth substance abusers. The Colombian government is also working to expand restorative justice programs and programs that teach life, leadership, and cultural skills to youth treatment and detention centers. The Colombian government will soon begin training treatment professionals in the U.S.-developed treatment and prevention curriculum.

The Colombian National Police has a prevention unit of 2,000 instructors who teach drug use prevention to vulnerable school children nationwide.

### 4. Corruption

As a matter of policy, the Government of Colombia does not encourage or facilitate illicit drug production or distribution, nor the laundering of proceeds of illicit drugs. Colombia's independent attorney general and inspector general have both publicly identified anti-corruption efforts as a priority for their institutions. A series of high-profile corruption scandals in 2017 revealed serious institutional vulnerabilities, including in the justice sector, though they also demonstrated the government's willingness to pursue corruption cases wherever they may lead, and a political climate that increasingly enables such sensitive prosecutions.

Despite stated government interest in strengthening the capabilities of its institutions against corruption, it faces challenges effectively implementing the 2011 anti-corruption statute, including difficulty securing strong penalties. Of 2,458 sanctions issued for public corruption since 2011, one quarter resulted in imprisonment, one quarter involved house arrest, and half did not receive any detention. In 2016, the number of criminal sanctions for public corruption increased more than 45 percent compared to 2012, the first year of application of the anti-corruption statute.

Notwithstanding the challenges, the Colombian government has made significant strides in implementing its 2013 anti-corruption strategy to improve transparency of, and public confidence in, government institutions. The Secretary for Transparency estimated the government was close to meeting 80 percent of its commitments under this strategy. The 2014 transparency and access to public information law was implemented in 2016, requiring all

government entities to release information pertaining to salaries, management evaluations, the hiring processes, and the public budget.

Additionally, the Colombian government made efforts to build inter-agency partnerships that address corruption, such as the creation of the Anti-Corruption Coordination Committee, comprised of the Colombian National Police (CNP), the Financial Information and Analysis Unit, and the office of the president.

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

The United States provides counter-drug assistance to the CNP, the Colombian military, and judicial institutions that investigate, prosecute, and incarcerate drug traffickers, including the offices of the attorney general and inspector general, the judiciary, and the corrections system.

The United States supports programs designed to expand Colombia's rural policing capabilities and enable the transition of rural communities out of coca-based economies by expanding the presence of the state in post-conflict regions, strengthening licit market linkages, and promoting the rule of law and protection of human rights. The United States supports the Government of Colombia's deployment of Strategic Operational Centers ("CEOs" in Spanish) comprising security forces and civilian government agencies to coordinate voluntary and forced eradication programs and improve rural security. CEOs also support interdiction efforts against drug trafficking organizations with a focus on high-value targets, and increase access to government services and economic opportunities. In conflict-affected areas where the Colombian government has only established minimum security, the United States works with Colombian government institutions to respond rapidly to community-identified needs, strengthen local institutions and security presence, develop social capital and encourage greater civil-society participation, promote land restitution and formalization, and support longer-term economic development opportunities.

Through the U.S.-Colombia Action Plan on Regional Security Cooperation, Colombia's security forces export law enforcement capabilities and build regional connections by training Central America and the Caribbean counterparts in countering transnational organized crime and drug trafficking. The Action Plan expanded to include more than 341 activities in six countries during 2016. Bilateral maritime counterdrug cooperation, exercised under the ship-boarding agreement signed in 1997, continues to be one of the most effective in the region, enabling the seizure of over 146 MT of cocaine in 2016.

# **D.** Conclusion

Colombia continues to take steps to combat the drug trade. These efforts prevent hundreds of metric tons of drugs from reaching the United States each year. The United States government believes Colombia's current drug control strategy can have a lasting impact in curbing coca cultivation and cocaine production if the Government of Colombia properly resources the strategy; improves coordination between security forces and civilian programs; implements enhanced eradication efforts in areas of high coca growth, including areas previously off-limits to forced eradication; develops and implements a strategy to deal with coca growers who disrupt

law enforcement officials' access to coca fields; and re-doubles its commitment to use extradition as a tool against individuals involved in drug trafficking.

As stated in the Presidential Determination on Major Drug Transit or Major Illicit Drug Producing Countries for Fiscal Year 2018, the U.S. government will continue to closely monitor implementation of Colombia's drug control strategy to ensure progress is made in reducing coca cultivation and the production of cocaine.

# **Costa Rica**

# A. Introduction

Costa Rica's strategic location, vast maritime territory, and the small size of its security forces combine to make it an attractive transit and logistics hub for illicit drug trafficking. In 2017, U.S. authorities estimated Costa Rica was among the most heavily transited countries for cocaine shipments entering the United States. During the first 10 months of 2017, Costa Rican authorities seized a total of 22.4 metric tons (MT) of cocaine, on par with 2016. Bulk cash seizures from drug proceeds totaled over \$26 million over this same period, a three-fold increase from 2016.

Though low for the region, the total number of homicides in Costa Rica was on pace to surpass 600 in 2017, overtaking the record 577 homicides in 2016. Continued turf-war related shootings and cartel-style assassinations have exacerbated heightened public concern and intensified the Costa Rican government's sharp focus on the fight against illicit drug trafficking.

The government significantly increased its security spending in 2017, resulting in important increases in law enforcement staffing and transformational equipment purchases. Institutional reforms enabled increased police professionalization, major advances in investigations and prosecutions, and improved success in drug interdiction and disruption of drug trafficking organizations, as well as drug prevention programs.

# B. Drug Control Accomplishments, Policies, and Trends

# 1. Institutional Development

Costa Rica enacted encouraging institutional changes in 2017 to combat the heightened threats from illicit drugs. The Ministry of Public Security's (MPS) budget increased by 11 percent in 2017, and a reinstated security tax on companies provided a new annual stream of extrabudgetary resources for law enforcement. These new resources allowed the hiring of 1,500 new police (over 10 percent of the current force) in 2017; another 1,000 officers are scheduled to be added in 2018. Additional personnel increases are also scheduled by mid-2018 for the Coast Guard (SNG, by 30 percent); the Border Police (by 20 percent); and the Air Surveillance Service (SVA, by 10 percent). The Specialized Counter Drug Police (PCD) are also in line for more officers. This represents a significant jump in the capacity of the Costa Rican entities responsible for the majority drug seizures.

The government continued important police professionalization efforts in 2017, including construction of a new police academy, upgrades in the tactical training sites, and began additional cooperation between national law enforcement agencies and those of local governments.

The reinstated security tax will also allow investment in new capabilities. The government is using the 2017 funds to purchase the country's first maritime patrol aircraft (\$7.5 million). Costa Rica used its own funds to initiate a \$9 million purchase from the United States of four highly-

capable patrol boats for its Coast Guard, and has plans in place to purchase radar and other key enablers to address an increasing number of illicit flights suspected of trafficking drugs and money.

The SNG remained a highly effective regional partner for maritime interdiction, including via joint patrols with the U.S. Coast Guard (USCG). The SNG increased staffing, training and maintenance capacity to prepare for the scheduled April 2018 arrival of two 110-foot cutters donated by the United States.

The Costa Rican Judicial Investigative Police (OIJ) established a new Organized Crime Section in 2017. The section's leadership seeks additional opportunities to build its capacity in cooperation with the United States and implemented a heavy schedule of U.S.-provided training in 2017. After two years of intensive efforts to strengthen its investigatory capacity, in October 2017 the Costa Rican National Forensics lab received international accreditation for chemical analysis, toxicology, and biochemistry (including DNA testing); the lab is working toward accreditation in ballistics in 2018. The lab is the first in Central America to attain this top-level rating and only the third in the Latin America (joining labs in Chile and Mexico).

The five-year old Border Police improved control of Costa Rica's porous land border with Panama, including through expanded use of biometrics and cooperation with Panama. The Air Surveillance Service (SVA) pushed to better control its airspace with additional radar, training and operations capacity. SVA's support for the Coast Guard will expand significantly in 2018 with acquisition of the maritime patrol aircraft and improved capability for night operations. After a favorable constitutional court ruling, the government expanded use of the Judicial Wire Intercept Program (JWIP) in 2017, resulting in notable convictions. For example, largely based on JWIP intercepts, Costa Rican prosecutors convicted a Sinaloa Cartel-affiliated trafficking network estimated to have trafficked more than 70 MT of cocaine.

# 2. Supply Reduction

During the first 10 months of 2017, Costa Rica seized 22.4 MT of cocaine, on course to match the volume confiscated in 2016. In addition, the Costa Rican government, working closely with the U.S. Drug Enforcement Administration and regional partners, reported disrupting 22 international drug trafficking rings in Costa Rica in 2017.

Costa Rica is a regional leader in eradicating and seizing cannabis. During the first 10 months of 2017, Costa Rican authorities destroyed 1.5 million cannabis plants and seized an additional 5.2 MT of loose marijuana. Local marijuana is produced primarily for domestic use, and additional volumes of marijuana are trafficked into the country from Jamaica. To combat a growing cocaine-for-marijuana/arms trade between Jamaica and Costa Rica, the SNG is purchasing more capable boats to deploy in the Caribbean.

The Costa Rican government expanded cooperation on maritime interdiction and information exchange with Panama and Colombia in 2017, and initiated contacts with Jamaica. A diplomatic push to gain more adherents to the San Jose Treaty – which facilitates information exchange and cooperation on interdiction operations in the Caribbean area – gained momentum in late 2017.

Seizure totals of illegal drugs other than cocaine and marijuana, including synthetic drugs, remained minimal in 2017. For example, only seven kilograms of heroin were seized in Costa Rica through October 2017. OIJ and the Costa Rican Drug Institute monitor for signs of synthetic drugs in Costa Rica, which remain rare.

# 3. Public Information, Prevention, and Treatment

The production, trafficking, and sale of illicit drugs remain serious criminal offenses in Costa Rica, even if laws against personal consumption are rarely enforced. The Costa Rican Drug Institute oversees government drug prevention programs, including publicity campaigns and materials for schools. The Institute on Alcohol and Drug Abuse offers treatment and prevention programs, though considerable gaps remain. With the uptick in violence, the MPS increasingly focuses on prevention programs. The National Police implement the Drug Abuse Resistance and Education (DARE) program and the Gang Resistance Education and Training (GREAT) program. GREAT began in August 2013, and has grown from 800 graduates in 2014 to over 12,000 in 2017.

# 4. Corruption

The Costa Rican government does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. The growing presence of transnational criminal organizations and the harm they inflict on Costa Rican society, including corruption, is a chief concern. The government generally implements a 2006 law that penalizes official corruption; however, there are frequent reports of low- and mid-level corruption, and periodic cases of high-level corruption. The Costa Rican government estimates about seven percent of the country's GDP is lost to corruption.

The new Chief Justice of the Supreme Court approved and launched in November a two-year effort to strengthen ethics controls within the judiciary. The United States actively supports efforts to stem corruption. A corruption and influence peddling scandal that broke in July 2017 triggered investigations and suspensions of officials – across the three branches of government and a state-owned bank – who may have aided a cement importer in obtaining large loans without collateral, and receiving import permits among other benefits. The Attorney General, the banking sector supervisor, and the National Assembly are pursuing three separate sets of legal proceedings as a result of this scandal.

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

Costa Rica shares the U.S. priorities of disrupting the flow of illicit drugs and dismantling organized crime. The United States supports Costa Rican efforts to investigate and prosecute crimes more effectively, to make its borders more secure, and to increase the safety of its citizens, consistent with the Central America Regional Security Initiative (CARSI).

The United States supports police professionalization through a range of training, police academy reform, and expanded tactical training capacity. In 2017, MPS began implementing in

15 pilot municipalities an intelligence-based citizen security initiative (AISEC) based on the Colombian model designed to expand cooperation between law enforcement and local government to enhance citizen security. Central to implementation of AISEC is the National Police's expansion of the police intelligence platform (SIMEP) and COMPSTAT crime-tracking system developed with U.S. assistance. The result is a whole-of-government preventative effort focused on addressing the drivers of insecurity and criminality in Costa Rica's most problematic neighborhoods. Costa Rica plans to expand AISEC to all 82 municipalities in 2018.

In the justice sector, the United States supports training programs for investigators, prosecutors, and judges on a broad range of topics, including trafficking in persons, money laundering, and undercover operations. In 2017, this led to the publishing of specialized manuals for the investigation of drug trafficking and organized crime. The United States supports a highly-successful restorative juvenile justice program, the second phase of which will be launched in early 2018.

The United States continues to support Costa Rican efforts to further strengthen the SNG and SVA's interdiction capabilities, providing boats with greater reach, a ground-based radar, equipment, training, and professional exchanges. These increasingly professional and capable forces are willing partners with still greater potential.

A U.S.-supported Maritime Interdiction Vetted Unit (MIVU) comprised of representatives from a specialized law enforcement unit and the SNG was organizationally revamped in 2016, retooled with new and better equipment in 2017, and will expand to two units in early 2018. The MIVU, for the second year in a row, netted 20 percent of total cocaine interdictions during the first 10 months of 2017.

The United States maintains a bilateral agreement with Costa Rica to suppress illicit traffic by sea, which include provisions regarding ship boarding, shipriders, pursuit, entry into territorial waters, overflight, order to land, and international maritime interdiction support. Costa Rica participated in the semi-annual Multilateral Maritime Counter Drug Summit held in November 2017, which attracted 125 maritime counterdrug professionals from nearly 25 countries and over 65 international agencies spanning North, Central and South America, and Europe.

# **D.** Conclusion

Costa Rica took a sizeable step forward in 2017 in its efforts to strengthen its ability to combat drug trafficking and tackle the rising presence of transnational criminal organizations. In addition to key investments in human capital and equipment, the government's enactment of a security tax will provide an annual source of resources dedicated to security. That said, Costa Rica must maintain its planned security sector growth over 2018 and beyond if it hopes to keep up with the rapid increase in drug flows and associated criminality now permeating its territory.

Top priorities for increasing effectiveness and efficiency should continue to include: 1) professionalizing police and judicial institutions, with an emphasis on anti-corruption; 2) augmenting the use of advanced investigative techniques aimed at organized crime; 3) further investment in border security, to include Border and Custom's Police, and the continued build-up

of the Coast Guard and Air Surveillance Service capabilities to control the country's sovereign territory; and 4) passing laws that specifically target organized crime and its proceeds. Finally, Costa Rica should continue to strengthen its cooperation with regional partners. Its successful engagement with Panama and Colombia, for example, has already yielded results and holds great potential.

# Cuba

Despite its location between the largest exporters of illegal drugs in the hemisphere and the U.S. market, Cuba is not a major consumer, producer, or transit point of illicit drugs. Cuba's domestic production and consumption remain low due to active policing, strict sentencing, and nationwide prevention and public information programs. Cuba's intensive security presence and interdiction efforts have kept supply down and prevented traffickers from establishing a foothold. Cuba concentrates supply reduction efforts on preventing smuggling through territorial waters, rapidly collecting abandoned drugs found washed up on coastal shores, and conducting thorough airport searches. Cuba dedicates significant resources to prevent illegal drugs and their use from spreading, and regional traffickers typically avoid Cuba.

The most recent maritime seizure statistics cover 2016, during which the Cuban government seized 2.72 metric tons (MT) of illicit drugs (2.5 MT of marijuana and 225 kilograms (kg) of cocaine) and detected the territorial incursion of 35 suspect "go-fast" boats. While most maritime seizures are found washed up on the shores of Cuba's southeastern coast, Cuban authorities reported an increase in drugs found washed up on shores in the western provinces of Pinar del Rio and Isla Juventud. Cuban customs reported seizing a total of 32 kg of illicit drugs during the first six months of 2017, the majority in the possession of arriving tourists (small quantities for personal use). In comparison, Cuban customs seized 30 kg of illicit drugs during calendar year 2016. The United States and Cuba continue to hold expanded bilateral discussions on law enforcement and drug control cooperation. Enhanced communication and cooperation between the United States, international partners, and Cuba, particularly in terms of real-time information-sharing, would likely lead to increased interdictions and disruptions of illegal drug trafficking.

With respect to international cooperation, the Cuban government reports 40 bilateral agreements for counterdrug cooperation, including the U.S.-Cuba counternarcotics arrangement (signed in July 2016). The U.S. Embassy maintains a U.S. Coast Guard (USCG) liaison to coordinate with Cuban law enforcement. USCG and Cuban authorities share tactical information related to boats transiting Cuban territorial waters suspected of trafficking and coordinate responses between operational command centers. In addition, the U.S. Drug Enforcement Administration (DEA) established direct communications with Cuba's National Anti-drug Directorate in July 2016. Since then, DEA has received approximately 20 requests for information related to drug investigations, as well as cooperation leading to Cuba's successful arrest of a fugitive wanted in the United States.

Cuba has not yet demonstrated a willingness to turn over certain U.S. fugitives of high interest. However, within the context of the U.S.-Cuba Law Enforcement Dialogue, Cuba and the United States have reestablished communication between the national central authorities of both countries, which has greatly enhanced bilateral cooperation in the law enforcement area. Cuba has provided assistance to U.S. state and federal prosecutions by providing evidence and information. Cuba continues to demonstrate a willingness to cooperate on law enforcement matters.

# **Dominican Republic**

### A. Introduction

The Dominican Republic is an important transit country for illicit drugs from South America destined for North America and Europe. The Dominican Republic is the top transshipment hub for cocaine passing through the Caribbean, and the U.S. government estimates approximately six percent of the cocaine bound for North America and Europe transits through the Dominican Republic. Maritime routes, involving the use of "go-fast" boats and commercial containers, continue to be the primary method of smuggling drugs into and out of the country. The country is experiencing an increase in drug-related violence, especially as local groups engage in violent turf battles to control domestic drug distribution.

To combat the influence of drug traffickers, the Dominican Republic continued its cooperation with the U.S. government in 2017 to interdict illicit drug shipments and extradite criminals. The United States works actively with the Dominican Republic to plan and conduct international operations to seize illicit drugs and dismantle criminal organizations; however, corruption continues to hamper these efforts. The Dominican government conducts outreach efforts to warn youth about the dangers of drugs.

#### B. Drug Control Accomplishments, Policies, and Trends

# 1. Institutional Development

Cooperation remains strong between the Dominican and U.S. governments to combat drug trafficking and related transnational crime. The U.S. government's primary partners are the National Directorate for the Control of Drugs (DNCD); the Dominican National Police (DNP); the National Council on Drugs (CND); the Office of the Attorney General; the National Intelligence Directorate (DNI); and the Dominican Armed Forces. The Dominican Specialized Corps for Port Security, working in conjunction with U.S. authorities and private port operators, continued efforts to improve security at key ports. The participation of the Dominican government in the Cooperative Situational Information Integration system, the Caribbean Basin Security Initiative (CBSI), and the Central America Integration System (SICA) enhanced relations with the United States and regional Caribbean partners. Dominican authorities continued joint efforts with the Haitian National Police to exchange information by establishing liaison officers in their respective headquarters.

The Dominican Republic is a party to the Inter-American Convention against Corruption. In 1985, the United States and the Dominican Republic signed an agreement on international narcotics control cooperation. The Dominican Republic signed and ratified the Caribbean Regional Maritime Agreement and has a maritime counter-drug agreement with the United States that entered into force in 1995. The United States and the Dominican Republic signed an extradition treaty in 2015 that entered into force in December 2016, replacing the 1909 treaty, and provides for extradition on a much broader scope of crimes. In 2012, the United States and the Dominican Republic entered into a Permanent Forfeited Asset-Sharing Agreement. To date, approximately \$4 million in assets have been shared under this agreement.

The Dominican Republic continues to be one of the most active extradition partners in the world for the United States. Although there is no formal bilateral mutual legal assistance treaty between the Dominican Republic and the United States, requests for legal assistance are made through informal channels and formal means pursuant to multilateral law enforcement cooperation treaties and conventions to which the United States and the Dominican Republic are parties. The Dominican Republic processes U.S. requests for legal and judicial assistance in a timely manner.

# 2. Supply Reduction

Illicit drugs are seized throughout the country, but the majority of seizures are made through operations targeting vessels from South America. During the first nine months of 2017, 10.1 metric tons (MT) of cocaine were seized directly by Dominican forces within the territory of the Dominican Republic. The Dominican government contributed to the seizure of over two MT of drugs entering and exiting the Dominican Republic by U.S. authorities and other international partners. On April 30, Dominican authorities, in conjunction with U.S. law enforcement agencies, seized five clandestine laboratories that were producing fentanyl from precursor chemicals. This marks the first time that such facilities have been found in the Dominican Republic.

Illicit drugs remain available for local consumption and are transshipped to the United States and Europe, primarily through maritime routes. The DNCD and Dominican military continue to cooperate with the United States and international partners in planning and conducting operations to interdict "go-fast" vessels attempting to deliver illicit narcotics to the southern coast, as well as to interdict drugs exiting the Dominican Republic. One Dominican port, Caucedo, is certified under the Container Security Initiative (CSI), a U.S. initiative to help increase security for maritime containerized cargo shipped to the United States. However, the other 15 Dominican ports, including Rio Haina, the other major Dominican port handling container traffic destined for the United States, are not CSI certified. The DNCD is increasing efforts to combat contraband at the ports.

# 3. Public Information, Prevention, and Treatment

Local drug use is concentrated in tourist centers and major metropolitan areas, although drug use and associated violence occurs throughout the country. The CND conducted demand reduction efforts in 2017 to warn Dominican youth of the negative effects of illicit drug use under the Strategic National University Plan on the Prevention and Use of Drugs. The DNP promoted community-based policing as an effective way to deal with crime locally. With the publication of its Community Policing manual, the DNP began outreach at the command level to implement community policing concepts more fully in the capital and other major population centers around the country.

# 4. Corruption

As a matter of policy, the Dominican government does not encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. However, corruption remains endemic. The Government of the Dominican Republic has taken some steps to address corruption among military and law enforcement forces, but corruption remains a significant impediment to law enforcement efforts in the country and prosecution of corrupt high-level officials is not the norm. The judiciary is politicized and riddled with corruption, and the legal system offers little recourse to those who lack money or influence.

In early 2017, a popular movement, called the Green Movement, developed in response to the increased perception of corruption in the government. The movement was spurred into action by the release of information that Brazilian company Odebrecht admitted to paying \$92 million in bribes in the Dominican Republic. The ensuing investigation led the Attorney General to bring charges against 14 individuals, including a sitting minister. However, the case remains pending and none of the accused was detained at year's end. Other anti-corruption investigations have been initiated against both elected and appointed officials in the executive, Congress, and the judiciary but there have been no convictions in these cases to date.

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

The United States supports a wide range of efforts designed to address crime and violence affecting Dominican citizens, primarily through CBSI. With CBSI funds, the United States government implements programs designed to enhance existing Dominican law enforcement capabilities by improving technical and professional abilities to conduct investigations, to enable effective prosecution, and to coordinate and participate in drug control efforts with the United States and neighboring countries' law enforcement agencies. The U.S. law enforcement community has strong relationships with its Dominican colleagues, as evidenced by the high number of extraditions and deportations of fugitives to the United States.

The United States provided equipment and training in 2017 to increase the capabilities of Dominican law enforcement entities, including support for the DNCD drug-detection canine units, and other specialized DNCD investigative and reactive units. The United States enhanced DNCD's computer training, database expansion, and systems maintenance support. Dominican authorities work with neighboring countries to expand the use of a U.S.-supported canine facility as a regional training center. The United States continues efforts to strengthen maritime capabilities through training in maritime law enforcement, search and rescue, port security, crisis management, and professional development for the Dominican Navy's officer and enlisted corps. The United States provides tactical training, equipment, and other assistance to both the DNCD and Dominican military involved in illicit trafficking interdiction.

The United States assists the DNP with its transformation into a professional, civilian-oriented organization by providing training at the entry and officer levels as well as technical assistance to strengthen strategic planning and communication, operations management and human resource systems. Colombian National Police officers conducted over 50 training activities for DNP officers under the U.S.-funded Colombia Action Plan in 2017. An additional 50 activities are planned for 2018 under this trilateral initiative. The programs provided training for approximately 1,000 DNP officers of all ranks in 2017. The Dominican legislature ratified a

Police Organic Law in 2016 that has the potential to bring about significant institutional improvements to the DNP if fully implemented. The Dominican Republic continues to work towards passing legislative proposals related to illicit enrichment and anti-corruption by public officials. Efforts to strengthen the infrastructure of the Financial Analysis Unit remain ongoing.

The United States supports the Dominican Republic's efforts to establish a transparent and effective justice sector. U.S. assistance promotes justice sector reforms by strengthening Dominican government capacity to manage and prosecute complex money laundering, fraud, public corruption, and illicit trafficking cases, as well as to establish internal controls to prevent corruption. The United States works with the Offices of the Attorney General, Prosecutorial Training School, Judiciary, Public Ministry, Public Defense, Supreme Court of Justice, and Constitutional Tribunal. These CBSI programs strengthen justice sector career, integrity, and accountability systems, and contribute to building the capacity of the national police and prosecutors to develop stronger cases and coordinate efforts leading to more successful prosecutions. As part of CBSI, U.S. assistance strengthens Dominican civil society coalitions for citizen security and criminal justice reform, supports community justice houses which increase access to justice for vulnerable populations, and provides technical assistance for the implementation of the new organic law on police reform. CBSI funds crime prevention programs that help at-risk youth pursue education, vocational training, and employment.

# **D.** Conclusion

Combating pervasive corruption, restoring public confidence in law enforcement, addressing illicit maritime drug smuggling, and confronting rising levels of drug-fueled violence are major challenges facing the Dominican Republic. The Dominican Republic's aerial and maritime interdiction efforts demonstrate institutional capacity and political will to help stem the flow of drugs into the country. The Dominican government must continue to improve its efforts to build a coherent, multifaceted drug control program. Key to that effort will be increased domestic cooperation between the DNP, DNCD, and military units, combined with greater cooperation with law enforcement agencies in other countries in the region.

# **Dutch Caribbean**

# A. Introduction

The Dutch Caribbean consists of the six entities of the former Netherlands Antilles: Aruba; Curacao; Sint Maarten; Bonaire; St. Eustatius; and Saba. Curaçao, Sint Maarten, and Aruba have "autonomous" country status within the Kingdom of the Netherlands. The three smallest islands – Bonaire, St. Eustatius, and Saba – are part of the country of the Netherlands.

Aruba and Curacao are located 30 to 40 miles north of Venezuela and continue to serve as northbound transshipment points for cocaine originating from Colombia and transiting Venezuela. Cocaine is transported via fishing boats and inter-coastal freighters for transshipment to the United States, other Caribbean islands, Africa, and Europe. Sint Maarten, the Dutch half of the island of the same name (the French side is called Saint Martin), is located in the Eastern Caribbean and is a transshipment hub for cocaine, heroin, and marijuana destined for Puerto Rico, the U.S. Virgin Islands, and Europe.

#### B. Drug Control Accomplishments, Policies, and Trends

#### 1. Institutional Development

Aruba, Curaçao, and Sint Maarten have a high degree of autonomy over their internal affairs, with the right to exercise independent decision-making in a number of drug control areas. The Kingdom of the Netherlands is responsible for the islands' defense and foreign affairs, and assists the governments in their efforts to combat illicit drug trafficking through its support for the RST (Dutch acronym for "Special Police Task Force"). Curacao, Aruba, and Sint Maarten have adopted the BOP (Dutch acronym for "law on special investigative techniques"), which governs the use of techniques such as electronic surveillance and the infiltration of criminal organizations by the police on those islands. No new drug control programs were initiated in 2017.

In 2016, the United States, the Kingdom of the Netherlands, Aruba, Sint Maarten, and Curacao signed a memorandum of understanding regarding the enhancement of existing cooperation and strengthening of law enforcement and the criminal justice system in the Caribbean parts of the Kingdom of the Netherlands. Among the shared law enforcement objectives being pursued under the memorandum are efforts to strengthen security at airport, harbors and cruise terminals to reduce drug trafficking.

#### Aruba

Aruba's police force, the Korps Politie Aruba (KPA), continues to evolve into a regional leader in the fight against illicit drug trafficking and transnational criminal organizations. The KPA is at the forefront in collecting and sharing intelligence with regional law enforcement partners. Despite systemic problems of prison overcrowding and insufficient resources, the KPA continues to investigate trafficking organizations effectively.

### Curaçao

Curacao has improved its effectiveness and efficiency in addressing endemic drug-related crime, violence, and corruption. Currently, the Korps Politie Curaçao (KPC) is staffed with approximately 400 police officers. In 2015, the KPC appointed a new police chief dedicated to enhancing the leadership and stability of the KPC, which in turn has led to continuing successful drug enforcement operations.

#### St. Maarten

Situated in close proximity to the U.S. Virgin Islands (approximately 100 nautical miles away) and Puerto Rico (approximately 200 nautical miles away), St. Maarten/St. Martin is a transshipment point for cocaine destined for the United States and Europe. This small two-nation island is a challenging place for law enforcement to combat drug trafficking, due in part to its separate legal jurisdictions. In 2015, authorities in St. Maarten lifted the visa requirement for Colombian and Venezuelan nationals to travel to St. Maarten. Colombian and Venezuelan drug trafficking organizations operating in St. Maarten/St. Martin mostly utilize Dominican nationals to transport large cocaine shipments, via "go-fast" vessels to the United States. Many of the go-fast vessels are stored at unlicensed marinas and boatyards located on the French side of St. Martin.

According to the U.S. Drug Enforcement Administration (DEA), multi-ton quantities of cocaine are smuggled into Puerto Rico and the U.S. Virgin Islands, on a monthly basis. In 2017, U.S. authorities worked effectively with the Korps Politie St. Maarten (KPSM), RST, and Dutch and French authorities to seize multi-ton quantities of cocaine destined for Puerto Rico and the U.S. Virgin Islands in international waters in the vicinity of St. Maarten/St. Martin.

#### Bonaire, St. Eustatius, Saba

The National Office for the Caribbean in the Netherlands Ministry of Interior Affairs and Kingdom Relations assumes the responsibilities of law enforcement, security, and other administrative functions on behalf of the Government of the Netherlands for Bonaire, St. Eustatius, and Saba.

# 2. Supply Reduction

Due to increased information sharing and cooperation between U.S. and Dutch Caribbean law enforcement agencies, the opportunity to further disrupt drug trafficking is improving. According to DEA reporting, in fiscal year 2017, Dutch Caribbean law enforcement agencies (often with U.S. law enforcement support) seized approximately1.9 metric tons (MT) of cocaine and approximately 1.22 MT of marijuana; arrested 51major drug traffickers; and seized approximately \$18,709,978 in illicit assets from drug traffickers. These statistics do not include drug seizures in international waters and seizures by the Royal Netherlands Navy.

# 3. Public Information, Prevention, and Treatment

United States military volunteers continue to conduct outreach to warn youth on the dangers of illicit drugs through ad hoc sports programs. There is one drug treatment center on Curacao which is run by a non-governmental organization, but it is underfunded. A second treatment center operates in Aruba. Additionally, on Curacao both a shelter for persons suffering from substance use disorders and the local DARE program have been discontinued due to lack of funding. Regionally, authorities have identified rehabilitation and treatment as a priority for future cooperation with the United States under the 2016 memorandum of understanding.

### 4. Corruption

None of the Dutch Caribbean countries encourage or facilitate illegal activity associated with drug trafficking, nor has any senior government official engaged in such activity, although a former Curacao prime minister's conviction in 2017 for money laundering and fraud is being appealed.

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

The objectives of U.S. drug control policy in the Dutch Caribbean are to promote cooperation between law enforcement and military partners, and to reduce illicit drug trafficking. DEA works with their island counterparts to advance joint investigations, both within the Dutch Caribbean and the United States.

The Kingdom of the Netherlands supports drug enforcement efforts by continuing to support U.S. Air Force Forward Operating Locations in Curaçao and Aruba. U.S. military aircraft conduct detection and monitoring flights over the southern Caribbean Sea. In addition, the Royal Netherlands Navy, as a member of the U.S. Joint Interagency Task Force South (JIATF-S) has the lead for JIATF-S drug interdiction operations in the central Caribbean. The Navy regularly conducts interdiction operations in the region, and with the support from the U.S. Coast Guard, intercepted approximately two MT of cocaine and approximately 2.48 MT of other drugs during the first 10 months of 2017.

The United States maintains bilateral agreements to suppress illicit traffic by sea with the Dutch Caribbean nations, which includes provisions regarding ship boarding, shiprider, pursuit, technical assistance, over flight, and order to land.

# **D.** Conclusion

Curaçao and Sint Maarten are still establishing counter-drug organizational structures among their various agencies. It is imperative that both islands embrace regional cooperation and intelligence sharing efforts. Both Curaçao and Sint Maarten can look to Aruba as an example of how this is accomplished.

# Eastern Caribbean

# A. Introduction

The seven independent countries of Antigua and Barbuda, Barbados, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines are collectively referred to in this report as the Eastern Caribbean (EC).

The region hosts transshipment points for illicit drugs originating from South America and destined for North American, European, and Caribbean markets. Local law enforcement agencies estimate that approximately 60 percent of the cocaine transiting the region is bound for Europe, while most of the remaining cocaine is ultimately destined for North America. The majority of the marijuana produced in the region is trafficked for local consumption.

Local and international law enforcement authorities believe traffickers are increasingly using yachts for drug transit, though "go-fast" boats, fishing trawlers, and cargo ships continue to play major transit roles. Homicide rates and drug-related violent and non-violent crimes (including money laundering and bulk cash smuggling) increased throughout the region in 2017. The majority of the homicides are likely a result of turf wars between organized criminal groups fighting for control of drug distribution. Regional law enforcement entities report an increase of illicit trafficking in firearms from the United States, Trinidad and Tobago, and Venezuela, and see this development as one of the deadliest emerging trends.

Nine consecutive years of declining macroeconomic growth leave EC law enforcement capacity increasingly beleaguered. At the same time, some EC governments are taking steps to improve antiquated criminal codes. In 2017, Antigua and Barbuda passed legislation to require mandatory prison sentences for firearm offenses. St. Lucia is poised to introduce legislation to enable special investigative measures, ensure witness anonymity, and enable authorized electronic monitoring in early 2018. However, in some countries, leaders failed to address public concerns about official corruption.

# B. Drug Control Accomplishments, Policies, and Trends

# 1. Institutional Development

The EC countries are parties to the Inter-American Convention Against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives and Other Related Materials. All have an extradition treaty and a mutual legal assistance treaty in force with the United States. Several are signatories to Inter-American Conventions such as the Convention Against Corruption, the Convention on Extradition, the Convention on Mutual Assistance in Criminal Matters, and the Convention Against Terrorism.

The United States and Canada completed an \$11.25 million refurbishment of the Regional Security System's (RSS) two Maritime Patrol Aircraft in August 2016. The RSS is a treatybased collective defense organization of which the seven EC countries are members, which is under-resourced. These aircraft are used to interdict drug shipments and continue to produce quantifiable results, including the interruption of many drug trafficking operations and resultant arrests of dozens of drug traffickers in 2017. Grenada, St. Vincent and the Grenadines, Antigua and Barbuda, and Dominica have laws that facilitate the prosecution of illicit drug cases, including comprehensive civil asset forfeiture laws with a dedicated forfeiture fund to attack transnational organized crime by seizing illicit assets. The laws require forfeited funds are channeled to support police, prosecutors, RSS contributions, victim restitution, and drug abuse prevention and treatment. All regional police forces have dedicated drug squads, and several receive support from the U.S. Drug Enforcement Administration (DEA). The Antiguan Government established a Drug Information Network of Antigua and Barbuda in 2016 for the purposes of monitoring drug trends, developing policy, and implementing appropriate solutions.

# 2. Supply Reduction

Venezuela-based drug traffickers use the region's many uninhabited islands to move cocaine shipments up the island chain for onward transit to North America and Europe. Cannabis cultivation occurs in the mountainous regions of St. Vincent, St. Lucia, Grenada, and Dominica, and cultivation appeared to increase on Antigua and Barbuda in 2017. St. Vincent continues to be a primary source for cannabis in the Eastern Caribbean. Almost all countries in the EC report growing traffic from Colombia of a form of cannabis with elevated THC levels known locally as "creepy."

Barbados authorities reported a reduction in maritime seizures during 2017, though it remains unclear if this suggests a reduced flow of drugs via Barbados or increased sophistication of traffickers in evading detection. For two years in a row, the St. Vincent Drug Squad reported an increase in the transshipment of cocaine from Venezuela, Trinidad and Tobago, and to a lesser extent, Colombia. These shipments involve the use of "mother vessels" that remain off-shore (50 nautical miles or beyond), which offload smaller loads of cocaine typically ranging from between 20 and 200 kilograms (kg) to local boats. Traffickers have also been detected intermixing shipments of cocaine on boats transporting local produce and construction material to northern Caribbean islands.

During the first nine months of 2017, drug seizures in the Eastern Caribbean totaled 658.18 kg of cocaine and 267 metric tons of marijuana, according to data shared by local governments with DEA. In the same time period, there were 194 arrests in connection with drug trafficking, and the seizure of \$1.3 million in illicit drug proceeds. Although there were some seizures of synthetic drugs, the small quantities involved do not represent a new consumption trend.

# 3. Public Information, Prevention, and Treatment

The region's drug of choice is marijuana, although abuse of over-the-counter pharmaceutical drugs is on the rise. According to statistics provided by local government entities, almost 90 percent of the marijuana transiting through the region is for local consumption. The Government of Barbados operates an active Drug Treatment Court. St. Kitts and Nevis has several programs credited by its officials as successful. Grenada operates several drug treatment programs through its Drug Control Secretariat. Barbados, Grenada, and St. Lucia have drug rehabilitation clinics, and Barbados has one that specifically serves youth.

#### 4. Corruption

As a matter of policy, the region's governments do not encourage or facilitate the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. No senior government officials in the Eastern Caribbean were prosecuted for engaging in or facilitating the illicit production or distribution of controlled drugs or laundering of proceeds from illegal drug transactions. Nonetheless, many observers believe that drug trafficking organizations sometimes elude law enforcement through bribery, influence, or coercion.

The United States funded the establishment of an RSS Polygraph Corps in 2014, which certified 25 polygraphists in the Eastern Caribbean that year. Regional governments use the corps of polygraphists to monitor sensitive police and other institutions. Eastern Caribbean governments have established bilateral agreements allowing polygraph examiners from one EC country to conduct polygraph examinations in another EC country.

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

The United States supports a wide range of efforts designed to address crime and violence affecting EC citizens, primarily through the Caribbean Basin Security Initiative (CBSI). CBSI is a security partnership between the United States and Caribbean nations that seeks to substantially reduce illicit trafficking, advance public safety and citizen security, and promote justice. CBSI programming in the Eastern Caribbean strengthens the capacity of law enforcement institutions to detect, interdict, prosecute, convict, and incarcerate criminals. The programs support information sharing networks, joint interagency operations, and regional training initiatives to promote interoperability.

CBSI projects are also underway in maritime and aerial domain awareness; criminal justice reform; preventing financial crimes; reducing demand for illegal drugs; and reducing illicit trafficking of firearms. The EC governments and RSS participate fully in CBSI.

The United States maintains bilateral agreements to suppress illicit traffic by sea with Antigua and Barbuda, Barbados, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines, which include provisions regarding ship boarding, shipriders, pursuit, entry into territorial waters, overflight, and order to land. These countries participated in the annual Multilateral Maritime Interdiction and Prosecution Summit held in July 2017, which attracted maritime counterdrug professionals from various central and eastern Caribbean nations.

#### **D.** Conclusion

The United States encourages the countries of the Eastern Caribbean to continue to embrace CBSI partnership and to fulfill their budgetary commitments to the RSS. The United States also encourages the Eastern Caribbean countries to support programming to increase regional drug enforcement operations and build regional capacity, through joint training and cooperation. The

United States further encourages the seven countries to continue to pass legislation to modernize their criminal codes, making use of regional best practices in fighting transnational organized crime.

# Ecuador

# A. Introduction

Situated between two of the world's largest cocaine producing countries, Ecuador is a major transit country for illicit drugs. Cocaine and heroin from Colombia and Peru are trafficked through porous land borders and via maritime routes for distribution to the United States and Europe. While not a major drug producing country, Ecuador is a major transit country for chemical precursors to process illegal narcotics and is vulnerable to transnational organized crime due to permeable borders and corruption. While committed to combatting drug trafficking, Ecuador's police, military, and judiciary lack sufficient resources to confront transnational criminal challenges.

The new administration of President Lenín Moreno, who took office in May 2017, is committed to reducing both drug supply and drug demand, including addressing the public health aspect of the issue. Domestic drug consumption is rising and public treatment facilities are insufficient to treat the country's population with substance use disorders. The growing drug consumption problem was compounded by a 2014 law that decriminalized personal use, possession, and consumption of small quantities of most narcotics, hallucinogens, and stimulants.

# B. Drug Control Accomplishments, Policies, and Trends

# 1. Institutional Development

The Ecuadorian government is cognizant of the detrimental effects of drug trafficking and transnational organized crime throughout the country. However, during the first 10 months of 2017, 9,054 individuals were arrested for trafficking-related crimes, compared to a total of 10,181 during the same period in 2016, a decrease of 11 percent. In May 2017, the Technical Secretariat of Drugs instituted a policy called "Bodegas Vacias" ("Empty Warehouses") to strengthen the drug destruction process and reduce the risks posed by seized illegal substances. During the first nine months of 2017, the Technical Secretariat of Drugs said it destroyed 105 metric tons (MT) of seized illegal substances.

Ecuador's 2008 constitution categorizes drug abuse as a public health problem and mandates that the government develop prevention programs and provide treatment and rehabilitation options for persons with substance use disorders. A criminal code (COIP) that went into effect in 2014 increased penalties for most crimes, while decriminalizing personal use, possession, and consumption of relatively small amounts of narcotics.

The COIP created a tiered approach to drug trafficking and possession with larger amounts carrying longer prison sentences. To improve the efficacy of this tiered approach, in 2015 the National Council for the Control of Narcotic Drugs and Psychotropic Substances drastically reduced the minimum amount of illicit drugs required to trigger each tier of punishment. Ecuador's Ministry of Interior has invested in developing technological capacities to target drug traffickers, including the improvement of a special crime laboratory in Quito. The laboratory

provides police with tools to catalog and search fingerprint records and conduct DNA tests and toxicology screening. A second laboratory was opened in Guayaquil in March 2016.

The Government of Ecuador has bilateral drug control agreements with many countries in the region, including the United States. The United States and Ecuador have agreements on measures to prevent the diversion of precursor chemicals, the sharing of information for currency transactions over \$10,000, and a customs mutual assistance agreement. The U.S. Coast Guard and Ecuadorian maritime authorities also exercise Maritime Operational Procedures that coordinate the boarding of vessels claiming Ecuadorian nationality and stateless vessels in international waters.

The United States and Ecuador are parties to an extradition treaty entered into force in 1873 and a supplementary treaty entered into force in 1941. However, Ecuador's constitution prohibits the extradition of Ecuadorian citizens. Since March 2016, the United States and Ecuador have worked to improve administrative processes related to extradition requests. The United States and Ecuador do not have a bilateral mutual legal assistance treaty, but do cooperate under the Inter-American Convention on Mutual Assistance in Criminal Matters, as well as relevant UN conventions.

# 2. Supply Reduction

Ecuador remains a major transit country for cocaine shipments via air, land, and maritime routes, and heroin shipments via air and mail. Drug traffickers use various methods to move shipments, including containerized cargo ships, small fishing boats, self-propelled semi-submersible and fully-submersible submarines, "go-fast" boats, aircraft, human couriers, and mail. Transnational criminal organizations continue to operate in Ecuador.

Official police statistics indicate cocaine seizures decreased in 2017 from 2016, while heroin seizures increased significantly. Cocaine seizures during the first 10 months of 2017 totaled 54 MT, including base cocaine, an 11 percent decrease compared to 61 MT of cocaine seized during the same period in 2016. Over this 10-month period, police seized 305 kilograms (kg) of heroin compared with 110 kg during all of 2016, and 10 MT of marijuana compared with 12 MT in 2016.

Maritime seizures by the Ecuadorian Coast Guard decreased significantly in 2017, from a record 20 MT seized during all of 2016 to approximately four MT over the first nine months of 2017. This was largely due to the disbanding of a successful Coast Guard Intelligence Unit that coordinated intel-driven operations directly with tactical units. However, there was a large individual bust by the Ecuadorian National Police, in coordination with U.S. government agencies, of 5.5 MT of cocaine seized from a merchant vessel refueling in a Santa Elena port.

Ecuadorian National Police, in conjunction with the U.S. Drug Enforcement Administration (DEA), seized and destroyed a clandestine cocaine laboratory in September 2017 near the Colombian border in northern Ecuador. In addition to eight arrests, approximately 1.25 MT of calcium chloride, 1.2 MT of sodium hydroxide, 1,280 liters of N-propyl acetate, and 700 kg of

pre-packaged cocaine were seized. The laboratory reportedly was equipped to produce two MT of cocaine every 15 days.

Drug traffickers use containerized cargo and shipping containers to smuggle drugs out of Ecuador, often concealing drugs in licit cargo. The Port of Guayaquil is a major South American transshipment hub for cocaine concealed in containerized cargo to Europe. The port authority, Contecon, employs security measures at its facility. However, only seven percent of containerized exports are inspected. Traffickers continue to smuggle liquid chemicals, including ether, from Ecuador to Colombia and Peru for cocaine processing.

In 2016, the United Nations Office on Drugs and Crime (UNODC) reported no significant coca cultivation in Ecuador. Ecuadorian authorities detected small-scale coca cultivation along the northern border. The police or military immediately eradicate coca or opium poppy plants when discovered, although nearly all poppy plants are wild and not cultivated for heroin production. During the first 10 months of 2017, the government eradicated 145,074 opium poppy plants, a significant increase compared to the 31,227 plants eradicated in first eight months of 2016. Comparing these same periods in 2016 and 2017, eradication of coca plants decreased from 20,896 to 10,100.

Production and consumption of synthetic drugs is not a major issue of concern for Ecuadorian authorities, though the government made arrests of organized groups involved in trafficking synthetic drugs. In April 2016, the police arrested 10 Ecuadorian and Colombian members of a drug trafficking organization that distributed synthetic drugs in Quito. In June 2017, the police fully dismantled this same drug trafficking group, raiding four locations, arresting five additional members, and seizing 68 packs of genetically modified marijuana known locally as "creepy." Ecuador reported the emergence of new psychoactive substances to UNODC. The future of synthetic drugs in Ecuador remains uncertain.

# 3. Public Information, Prevention, and Treatment

Domestic drug abuse is a growing challenge in Ecuador. UNODC carries out demand reduction and drug prevention programs in Ecuador with funding from the European Union and other international donors. According to UNODC data, 12.7 percent of university students used some type of illicit drug in 2016. The fourth national survey of student drug use conducted in 2014, among ages 12 to 17, indicated the average age of first-time drug users in Quito and Guayaquil rose from 13.8 in 2010 to 14.3 in 2014. All drug offenders are entitled to drug treatment under the Ecuadorian constitution, but there is a lack of adequate resources and facilities to treat addicts. As of October 2017, there were 15 publicly funded outpatient drug treatment facilities and no public inpatient drug treatment facilities in Ecuador. Other drug treatment options, such as the 198 private facilities that provide drug treatment alternatives, are often prohibitively expensive.

Coordination of abuse prevention programs is the responsibility of the Technical Secretariat for Drugs. This government agency, which began its operations in January 2016, is responsible for coordinating the overall drug control policy in Ecuador and answers directly to the presidency. In 2017, the Technical Secretariat of Drugs conducted drug abuse public awareness campaigns in

schools, as well as training in drug prevention for doctors, psychologists, and social workers. It also promoted a national agreement on drug prevention with local governments and communities to foster an integrated approach to the problem.

#### 4. Corruption

As a matter of policy, the Ecuadorian government does not encourage or facilitate the illicit production or distribution of narcotic or other controlled substances, or the laundering of proceeds from illegal drug transactions. President Moreno has made anti-corruption a priority of the new administration. Ecuador's 2015 revisions to its penal code increased penalties for government officials who impede the prosecution of drug traffickers and strengthens the definition of conspiracy.

Narcotics-related corruption remains a problem within the public security forces. On September 27, two police officers and a former police officer were arrested in Guayaquil for transporting 85 kg of cocaine in a police vehicle. A joint operation between U.S. and Ecuadorian law enforcement agencies resulted in the seizure of approximately 1.18 MT of cocaine and the arrest of three Ecuadorian Navy officials and five Ecuadorian nationals on September 10 after intercepting "go-fast" vessels near the coastline of El Oro.

Several government entities are responsible for receiving and investigating corruption complaints, but resource constraints and political pressure generally lead to a lack of prosecution.

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

Before 2014, the primary focus of U.S. government assistance and training was to enhance the capabilities and resources of Ecuador's police, military, and judicial agencies, enabling them to combat transnational criminal organizations involved in drug trafficking and money laundering. These coordinated operations resulted in sustained damages to drug trafficking rings, and helped strengthen Ecuador's sovereignty and national security.

The previous Ecuadorian government's closure of the U.S. Embassy's Office of Security Cooperation in 2014 reduced bilateral collaboration against illicit drugs. In 2014, the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL) closed its security assistance office in Ecuador. Despite these setbacks, the United States continued to support Ecuador's security forces in limited ways. Ecuador participated in the May 2017 U.S. Coast Guard-sponsored Multilateral Maritime Counterdrug Summit, which enhanced bilateral cooperation in combating maritime drug trafficking. In 2017, the United States provided ongoing logistical and operational support for Ecuadorian drug enforcement operations. The new Moreno administration expressed interest in enhancing this cooperation. In June 2017, the U.S. Interdiction Committee visited Ecuador and held productive ministerial-level meetings with the Government of Ecuador, which reaffirmed the mutual commitment to expand drug control cooperation. In 2017, the United States supported Ecuador's drug prevention efforts in coordination with Ecuador's Technical Secretariat for Drugs, Ministry of Interior, and National Assembly, and other governmental and multilateral entities that address drug abuse awareness. U.S. experts in drug prevention and demand reduction visited Ecuador to share best practices and identify areas for future collaboration with government officials, police, legislators, students, educators, and social and health workers,

Ecuador is making efforts to improve cross border drug control cooperation with Colombia and Peru, and Ecuador and Colombia successfully coordinated a number of operations in 2017. One regional success involved cooperation between DEA and its counterpart law enforcement units in both Ecuador and Colombia, which led to the indictment in Florida of Edison Prado Alava, a U.S. Government Consolidated Priority Organization Target, the highest level drug trafficking violator designation. As a result of regional law enforcement cooperation, Ecuadorian officials in April 2017 discovered approximately \$14.5 million hidden under the cement floors of Prado's residences in Guayaquil. Ecuador also increased maritime information sharing with both Colombia and Peru in 2017. The United States will continue to work with Ecuadorian police and security officials to increase their interdiction capacity at sea and in port facilities.

The United States maintains a non-binding operational agreement with Ecuador to suppress illicit traffic by sea, which includes ship boarding and expedited communications. Ecuador was a participant in the semi-annual Multilateral Maritime Counter Drug Summit in November 2017, which attracted 125 maritime counterdrug professionals from nearly 25 countries and over 65 international agencies spanning North, Central and South America, and Europe.

# **D.** Conclusion

The United States supports Ecuador's drug control efforts and strongly encourages Ecuador to place a high priority on the interdiction of illicit drugs and the control of chemical precursors, both on land and at sea. To address the growing challenges of drug trafficking resulting from record cocaine production levels in Colombia, the Ecuadorian government needs to devote additional resources to augment the capacity of the police and military through the acquisition of drug interdiction equipment, technology to facilitate investigations, and provision of additional training. The Ecuadorian government should focus on ways to secure containerized, maritime cargo from illicit use and increase maritime interdiction capacity.

While the implementation of Ecuador's 2014 penal code provided new tools to law enforcement personnel to conduct surveillance and operations, the lack of regimented investigative training continues to hinder Ecuador's ability to successfully prosecute transnational crime. The 2015 revisions to the penal code show Ecuador's commitment to combatting and reducing drug trafficking, but in order to increase interdiction, investigation, and prosecution of transnational crime, Ecuador must provide greater resources for implementing the penal code changes into its legal system.

# Egypt

While Egypt is not a major producer or supplier of illicit drugs or precursor chemicals, there is a significant market within the country for hashish and tramadol (a prescription opioid). Egypt also serves as a transshipment point for illicit drugs trafficked from Africa to Europe and is developing into a significant smuggling route for fenethylline (an amphetamine-type stimulant) produced in Lebanon and Syria destined for Saudi Arabia and other Gulf countries. The Government of Egypt does not encourage or facilitate illicit production or distribution of narcotic drugs or other controlled substances, nor does it encourage the laundering of proceeds from illegal transactions. Egypt has strict laws and penalties for officials convicted of involvement in illicit drug trafficking activities.

The Anti-Narcotics General Administration (ANGA), under the Ministry of Interior, oversees counterdrug operations and cooperates with U.S. law enforcement authorities to identify, detect, disrupt, and dismantle national and international drug trafficking organizations. While ANGA works on a limited budget, its equipment is updated on a systematic basis. Cooperation between ANGA, the Egyptian Armed Forces' Special Forces, and Border Guard units remains good, including on large-scale anti-drug campaigns.

ANGA continued to seize large quantities of cannabis and psychotropic pills in 2017. During the first eight months of the year, ANGA and U.S. law enforcement authorities coordinated on investigations that resulted in the seizure of nearly 18 metric tons of hashish, 166,260,000 tramadol tablets, and over 4,820,000 fenethylline tablets. Most seized cannabis originated in Morocco and Lebanon. The volume of cocaine seized at Cairo International Airport remained low at 2.5 kilograms and seizures of MDMA (ecstasy) decreased significantly, totaling less than 3,000 tablets during the first six months of 2017.

A U.S.-Egyptian mutual legal assistance treaty has been in force since 2001, and extradition between the two countries is governed in principle by an 1875 convention, though Egyptian cooperation under these instruments has been limited.

# **El Salvador**

# A. Introduction

El Salvador remains a transit country for illicit drugs originating from source countries in South America destined for the United States. In 2017, increased maritime interdiction operations by the Salvadoran Navy and increased information-sharing with international partners served to push most maritime traffic beyond the 200 nautical mile mark El Salvador claims as its territorial waters. Analysis of drug trafficking trends suggests drug trafficking organizations are trafficking cocaine shipments by maritime conveyance deeper into the Pacific Ocean, beyond the operational capacity of the Salvadoran Navy to avoid detection.

Transnational cocaine-trafficking organizations use private vehicles to transport cocaine to the Guatemalan border along the Pan-American Highway.

In 2017, the Salvadoran government continued implementing Plan El Salvador Seguro (PESS), a geographically-targeted approach to reducing crime that targets drug trafficking in the most violent municipalities and includes drug prevention components. The Salvadoran government also continued a series of emergency measures launched in 2016 aimed at securing the nation's prisons and dismantling gang leadership structures that play a role in local drug distribution. In 2017, the National Civil Police (PNC) of El Salvador dismantled the logistical networks of several transnational cocaine trafficking organizations based in Guatemala and operating in El Salvador. A lack of reliable information on the severity of drug consumption and internal distribution within El Salvador continues to present a challenge.

# B. Drug Control Accomplishments, Policies, and Trends

# 1. Institutional Development

The Anti-Narcotics Division (DAN) of the PNC is the primary agency responsible for combating drug-related crimes throughout El Salvador. The vetted Grupo Especial Anti-Narcoticos unit (GEAN) within the DAN is responsible for conducting sensitive drug investigations. In 2017, the GEAN continued to build institutional links with more advanced Sensitive Investigation Units (SIUs) in Guatemala and Colombia, greatly expanding El Salvador's ability to respond to drug trafficking alerts and investigate larger criminal organizations. El Salvador supports a full-time liaison officer within the U.S. Joint Interagency Task Force South (JIATF-S) to support regional drug control coordination.

El Salvador's National Electronic Monitoring Center began operations in June 2012 with support from the United States. The center allows Salvadoran law enforcement authorities with judicial warrants to intercept electronic communications to support drug trafficking investigations, increasing operational coordination between the DAN, GEAN, other Salvadoran investigative authorities, and international partners. This improved intelligence sharing led to the dismantling of a Salvadoran drug-trafficking cell with links to Guatemala on February 7, 2017. A decline in maritime drug trafficking within Salvadoran territorial waters led to decreased littoral interdiction operations by the Joint Interagency Task Force "Grupo Conjunto Cuscatlán" (GCC). The unit, equipped for patrols along coastal waterways, saw little drug trafficking in 2017, and thus focused its operations toward supporting the arrest of gang members operating from remote estuarine and coastal safe havens. The Salvadoran Navy assumed primary responsibility for maritime interdiction at or beyond 200 nautical miles from El Salvador's coastline. In August, the GCC moved its primary headquarters away from military facilities and began a transition to a fully civilian police unit focused on anti-gang efforts, but remains equipped to coordinate with the Navy on littoral interdiction if maritime trafficking trends shift back to where they were in previous years.

El Salvador is party to the Central American Convention for the Prevention of Money Laundering Related to Drug-Trafficking and Similar Crimes, the Inter-American Convention Against Corruption, the Inter-American Convention on Extradition, and the Inter-American Convention on Mutual Assistance in Criminal Matters.

# 2. Supply Reduction

Between January 1 and October 26, 2017, Salvadoran authorities seized approximately 5.67 metric tons (MT) of cocaine; 599 kilograms (kg) of marijuana; 1.93 kg of crack cocaine; and 8.36 kg of heroin. Cocaine seizures declined 54 percent in 2017, after an increase of 230 percent in 2016. The reduced seizures could indicate traffickers are moving maritime loads farther offshore and relying less on overland routes. The diversion of human and material resources from the DAN to support anti-gang operations in 2017 played a limited factor in reduced seizures. Salvadoran authorities also seized \$802,733 in bulk currency, and arrested 2,949 individuals on drug-related crimes.

#### 3. Public Information, Prevention, and Treatment

Drug use among Salvadorans is a growing concern, particularly among youth. The government has not kept reliable statistics for illegal consumption since 2012. The PNC has been successfully implementing the Gang Resistance Education and Training (GREAT) program in public schools throughout Model Police Precinct (MPP) locations, which combine training and police-community relation activities. In 2017, the United States trained and certified 104 Salvadoran PNC officers as full-time GREAT instructors, raising the total trained since the program began in 2010 to 395. These officers delivered GREAT to 14,323 at-risk youth throughout the country. In addition to the GREAT program, the PNC has established Police Athletic leagues in 12 high-crime municipalities, benefitting over 11,000 at-risk youth. In 2017, the United States' partnership with the PNC continued to support citizen security and prevention activities in 37 municipal districts through the MPP Program, with four additional communities reaching MPP status by the end of the year.

In 2017, the United States continued to support the Salvadoran Government in the implementation of PESS and its geographically-targeted approach to high-crime areas. As part of the sustained support to the MPPs, 1,031 PNC officers were trained and equipped to

implement best practices in effective crime prevention, community policing, intelligence collection, and citizen engagement.

# 4. Corruption

The Government of El Salvador does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. However, corruption within the Salvadoran political system remains a serious problem. The United States continues to utilize U.S.-trained Colombian polygraphists via the trilateral U.S.- Colombia Action Planto assist El Salvador's security forces with anti-corruption efforts. During the first 10 months of 2017, Colombian polygraphists completed 569 exams of PNC investigative units, DAN, GCC, Attorney General staff, and U.S.-supported task forces. The Attorney General continued building cases and preparing for trial against former officials arrested in 2016, including former Attorney General Luis Martinez and former President Antonio Saca, who remain in pre-trial detention, and former President Mauricio Funes, who sought and received political asylum in Nicaragua in 2016.

In July, El Salvador's Legislative Assembly passed reforms to the 2013 Asset Forfeiture law which made it more difficult for the Attorney General's Office to investigate and prosecute illicit enrichment and public corruption cases. The legislation added a statute of limitations and heightened evidentiary requirements for all illicit enrichment cases not involving gangs, potentially making it more difficult for the Attorney General to prosecute money laundering cases related to official corruption and drug trafficking. In August, the Constitutional Chamber of El Salvador's Supreme Court placed a temporary injunction on the Asset Forfeiture reforms while it reviews the constitutionality of these reforms.

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

The United States supports citizen security, law enforcement, and rule-of-law programs in El Salvador through the U.S. Strategy for Central America and the Central America Regional Security Initiative (CARSI), supporting El Salvador's implementation of PESS and the Plan of the Alliance for Prosperity, a regional plan developed by the governments of El Salvador, Guatemala, and Honduras. These programs aim to expand Salvadoran capabilities to interdict, investigate, and prosecute illegal drug trafficking and other transnational crimes, implement prevention programs, and strengthen El Salvador's justice sector. The United States also supports anti-gang and community policing in El Salvador with equipment, vehicles, training, and social and economic programs. The United States provided Salvadoran law enforcement the ability to use COMPSTAT, a statistical analysis tool that tracks the type and location of crime reports to more efficiently allocate law enforcement resources; AFIS, an automated fingerprint database; and IBIS, a ballistics database.

In 2017, U.S. assistance focused on enhancing the operational capacity of Salvadoran law enforcement agencies to interdict drug shipments and combat money laundering and public corruption. Assistance also promoted transparency, efficiency, and institutional respect for human and civil rights within law enforcement agencies and the criminal justice system, including efforts to professionalize the PNC and reduce the role of the military in civilian

policing. The United States supported efforts to combat transnational criminal organizations, particularly the Mara Salvatrucha (MS-13) and 18th Street gangs, while developing and implementing integrated initiatives to disrupt drug trafficking and other criminal activity.

In 2017, U.S. assistance included specialized training for 361 PNC officers in areas such as intelligence-led policing, community relations, and complex investigations. The United States also helped strengthen the effectiveness of criminal justice procedures and practices by training 283 justice sector personnel in asset forfeiture, advanced investigation, and trial skills over the first half of the year. The United States also provided technical assistance to increase coordination between justice sector agents and institutions; improve criminal investigations using scientific evidence; and build the capacity of the police and prosecutor's offices.

El Salvador was a participant in the semi-annual Multilateral Maritime Counter Drug Summit held in November 2017, which attracted 125 maritime counterdrug professionals from nearly 25 countries and over 65 international agencies spanning North, Central and South America, and Europe.

# **D.** Conclusion

El Salvador strengthened its capacity to fight transnational crime in 2017, even as drug traffickers seemed to shift their maritime routes farther from El Salvador's coast. Authorities demonstrated increased capacity to lead complex investigations, coordinate and share intelligence between agencies and with overseas counterparts, and dismantle organized crime structures. El Salvador still faces formidable challenges, including geographical vulnerability to drug trafficking that might cause transit routes to shift back in the future, and must take steps to promote sustainable and effective law enforcement institutions.

The successes of 2017 can only be sustained if the Government of El Salvador demonstrates continued commitment to crime prevention, security, and rule of law. Progress in these fields, and the emergence of law enforcement actors capable of sharing information and coordinating effectively with international partners, likely contributed to the 2017 decline in maritime drug trafficking, but the entire continuum of El Salvador's criminal justice institutions must continue to be strengthened to prevent the return of trafficking routes if interdiction efforts in neighboring countries continue to advance. Political will to confront corruption and maintain adequate resources for the DAN and Attorney General's Office, including adequate pay and physical protection, remains a challenge, and the corrections system remains overcrowded and mismanaged.

# Georgia

Georgia's location along traditional smuggling routes in the Black Sea region leaves it vulnerable to transnational criminal organizations that continue to traffic opiates and synthetic drugs from Southwest Asia to European markets. Georgian authorities did not report seizing significant amounts of illicit drugs in 2017, however.

The Georgian government and non-governmental organizations report substantial drug and substance abuse challenges with an estimated 50,000 illicit drug users. Methadone, heroin, and buprenorphine, a synthetic opioid, remain the most commonly used drugs in Georgia, and intravenous drug use is reportedly rising.

A 2017 survey revealed a rise in drug consumption by youth with 11 percent of Georgian youth reporting marijuana consumption. The International Organization for Migration, in partnership with the Ministry of Education and Science and with U.S. support, launched a drug abuse information and prevention campaign targeting Georgian youth in Tbilisi, Shida Kartli, and Samegrelo-Zemo Svaneti regions. The campaign reached 4,067 schoolchildren in eight at-risk schools and established substance abuse dialogue between students, educators, and families.

In 2017, a consortium of 40 non-governmental organizations called the National Drug Policy Platform worked with the Georgian Parliament's Health and Social Protection Committee to draft proposed amendments to Georgia's drug law. If enacted, the amendments would enact reforms to treat drug use as a public health issue, including prison treatment programs and alternative penalties to incarceration for drug crimes. While drug trafficking and distribution would remain criminal offenses if the amendments are enacted, recreational marijuana use would be liberalized, and detention for the purchase, possession, and personal use of marijuana would be abolished.

To counter transnational organized crime and support drug-related investigations, Georgia has developed intelligence-led policing programs and deployed police attachés to 13 countries to assist in investigations. The United States continued efforts to strengthen Georgia's drug control capacity in 2017 by expanding the existing Tbilisi-based canine interdiction program. The program deployed six additional U.S.-trained canines and Georgian handlers to Kutaisi and Batumi. U.S. trainers have helped the canines to identify marijuana, heroin, cocaine, methamphetamine, and synthetic drugs.

The Government of Georgia actively cooperates with a wide range of actors to combat drug trafficking and consumption and to develop comprehensive responses to drug dependency. These partners include civil society, academia, the UN Office on Drugs and Crime and other international organizations, regional partner states, and the European Union.

The United States continues to support Georgia's fight against crime and illicit drug use and trafficking. The U.S. Drug Enforcement Administration continues to work proactive investigations with Georgian law enforcement counterparts and continues to exchange law enforcement information. The Government of Georgia continues to show a strong interest in further collaboration with the United States.

# Ghana

Ghana remains a transit point for illegal drugs trafficked from South America and Asia to Europe and Africa. Cocaine from Latin America and heroin from Asia are smuggled into the country for onward shipment to Europe and the United States. Cannabis is also produced in substantial quantities within Ghana. Drug trafficking in Ghana has created fertile ground for organized crime. Ghana law enforcement and intelligence agencies have alleged that transnational drug trafficking networks operating in the country have links to terrorist organizations, which in turn rely heavily on proceeds from the drug trade to finance their activities. Preliminary reports indicate that the volume of cocaine and marijuana seized during the first 10 months of 2017 declined from the previous year, and the amount of heroin and methamphetamine seized over the same period increased. However, data collection and information sharing with the Government of Ghana remain a challenge, making accurate figures difficult to obtain. In July 2017, Ghana reported the largest seizure of methamphetamine in its history when Narcotics Control Board Officers working at Kotoka International Airport seized 42 kilograms of methamphetamine from a passenger arriving from Johannesburg, South Africa.

Increasing drug use is a public health concern. Ghana's government was expected to pass legislation at the end of 2017 that would change the penalties for the personal use of narcotics. Assuming it passes into law, the Narcotics Control Commission Bill would reduce the stringent mandatory five year imprisonment for possession and personal use of illicit drugs. Under the new legislation, personal use would be punishable with a fine of up to approximately \$1,400 or 15 months imprisonment. The mandatory minimum sentence of 10 years would remain for trafficking.

Ghana maintained a high degree of cooperation with the United States and other international partners on drug control issues in 2017. The United States and Ghana continued successful law enforcement cooperation under the U.S. Drug Enforcement Administration's Sensitive Investigative Unit program. Supported by U.S. funding, the United Nations Office on Drugs and Crime continued to implement a two-year old program to provide training and equipment to new drug enforcement units in four regions. Ghana continues to work productively with international partners on law enforcement operations targeting transnational drug trafficking organizations.

There is no mutual legal assistance treaty between Ghana and the United States, although mutual legal assistance can be provided on a reciprocal basis through letters of request. Extradition between Ghana and the United States is governed by the 1931 U.S.-U.K. Extradition Treaty.

# Guatemala

# A. Introduction

Guatemala remains a major transit country for illicit drugs destined for the United States. U.S. authorities estimate over 1400 metric tons (MT) of cocaine were smuggled through Guatemala in 2017. Most of the cocaine smuggled to Guatemala comes directly from South America by boat. Mexican drug cartels rely on Guatemalan trafficking networks for receiving, storing, and transporting product to the United States through Mexico.

Guatemala's porous borders and overburdened law enforcement agencies allow criminal organizations to traffic illicit drugs, cultivate cannabis and opium poppy, and smuggle precursor chemicals. The virtual absence of a permanent law enforcement presence in many areas of the country allow other forms of transnational crime to flourish, including migrant smuggling and trafficking in persons, weapons, counterfeit goods, and other contraband.

Key Guatemalan officials relevant to drug control demonstrated political will to counter drug trafficking, corruption, and violence. Guatemala achieved some notable successes in 2017, including high levels of drug seizures, the capture of high-profile criminals, improved interagency coordination, and enhanced regional cooperation. However, Guatemala's fight against criminal organizations continues to be hindered by endemic corruption, weak public institutions, and inadequate budget resources.

Guatemala is concerned over rising domestic drug consumption, especially among adolescents. Authorities are attempting to respond to this emerging trend through expanded drug prevention and treatment programs, but are impeded by a lack of sufficient funds, personnel, and technical expertise.

# B. Drug Control Accomplishments, Policies, and Trends

# 1. Institutional Development

Guatemala is experiencing dramatic increases of cocaine trafficking by maritime and aerial conveyance to its Pacific coast bordering Mexico. To counter this threat, the Guatemalan Defense Ministry expanded operations of the Naval Special Forces (FEN) and increased its maritime presence along its pacific coastline and Economic Exclusion Zone (EEZ). The vast majority of the cocaine trafficked into Guatemala originates from Colombia and is shipped directly to the Guatemalan coastline. Considering its limited resources, the FEN achieved notable results through both its unilateral and its joint maritime interdiction operations with the United States, Mexico, and El Salvador. The FEN, however, continues to be challenged by the myriad maritime smuggling methods used by traffickers, including semi-submersible vessels, small fishing boats, and parasitic devices attached to freight ships.

The Guatemalan Air Force plays a critical role in detecting and monitoring aircraft suspected of trafficking illegal drugs in and out of Guatemala through its Caribbean and Pacific corridors. During the first 10 months of 2017, there were 44 suspected aerial trafficking events, a 238

percent increase from the same period in 2016. The Air Force does not directly interdict suspected drug flights, but shares information with Guatemalan law enforcement to support interdiction operations; these coordinated operations saw modest success in 2017.

Thanks in part to U.S. training and assistance, Guatemala made strides in 2017 in improving coordination between and among its law enforcement agencies. The Guatemalan Tax Administration (SAT) embedded border police within its units, and plans were developed to position complete interagency teams at each port of entry comprising members of the Anti-Narcotics Police, SAT, and the National Civil Police's border security force. U.S. support to the border police (DIPAFRONT) led to a doubling in size of the force and successful operations with Mexico, Honduras, and El Salvador. Guatemala's enhanced border security capacity helped deter migrant smuggling, as evidenced by a marked decrease in the arrival of unaccompanied children from Honduras in 2017. Insufficient equipment and supplies remain a challenge, and additional personnel remain needed to effectively patrol Guatemala's borders.

Guatemala is a party to several relevant regional agreements, including the Organization of American States' Inter-American Drug Abuse Control Commission (CICAD), the Caribbean Regional Agreement on Maritime Counter narcotics, and the Inter-American Convention on Mutual Assistance in Criminal Matters. A maritime drug control agreement with the United States is fully implemented.

Guatemala continues to work closely with U.S. authorities on extradition matters and regularly extradites its own citizens, including high-level drug traffickers, to the United States for prosecution.

# 2. Supply Reduction

As evidenced by record drug seizures in 2017, Guatemala remains a major transit corridor. During the first 10 months of 2017, authorities seized more than 16 MT of cocaine, on track to meet or exceed the total volume seized during all of 2016 (18.5 MT). Guatemalan law enforcement agencies also reportedly confiscated 13 kilograms of heroin; seized more than \$3.5 million in bulk cash; and destroyed 5.3 million cannabis plants and 417 million opium poppy plants. A total of 106 high-profile drug traffickers were arrested through October, and included leaders of criminal organizations responsible for trafficking millions of dollars' worth of cocaine through Central America.

In 2016, the government initiated a multifaceted approach to eradicating opium poppy by supplementing eradication efforts with community development programs, including efforts to promote health, education, and long-term economic development. Major challenges remain in the western highlands, where opium poppy cultivation takes place. Due to unrest in the region, a three-month State of Emergency was declared in the San Marcos region. This allowed Guatemalan officials to resume eradication operations that revealed a steep increase in opium poppy cultivation since the last major eradication efforts were undertaken in 2015. Following 83 days of eradication operations, government forces reported eradicating 780 hectares (ha) of opium poppy cultivated to supply Mexican-based traffickers. This number includes fields that

were eradicated multiple times because farmers immediately replanted some areas during the course of the eradication mission.

The Guatemalan government continues to struggle with estimating the number of hectares under poppy cultivation. The State of Emergency's extended eradication efforts developed the most comprehensive data available to date on poppy cultivation sites, but eradication operations were limited by inaccessible mountain roads, and some cultivation was likely missed.

# 3. Public Information, Prevention, and Treatment

Guatemalan authorities are concerned by domestic drug consumption, and the Guatemalan government demonstrated its commitment to confronting the challenge by doubling its budget for demand reduction activities in 2017. A U.S.-funded national survey released by the Guatemalan government in 2014 is still the most recent national survey of drug consumption trends within the country. This report estimated that young people aged 11 to 20 used marijuana and cocaine at higher rates than their counterparts in countries such as Mexico, Colombia, and Costa Rica. The study identified specific risk factors for Guatemalan adolescents, including easy access to illicit drugs, as well as low risk perception associated with the use of marijuana, cocaine, and MDMA (ecstasy). The United States supported Guatemalan efforts to address these trends in 2017, helping to promote drug abuse awareness and prevention among municipal leaders, teachers, students, parents, and the private sector.

Drug treatment centers in Guatemala are administered under the Ministry of Health. According to government sources, in 2016, approximately 15,000 adults were in residential treatment, the majority for marijuana and/or cocaine use. In 2016, a U.S.-funded study of 30 of the country's 100 treatment centers concluded that the majority of drug treatment providers, directors, and counselors lacked the technical expertise to meet patient needs. Further, most centers lack basic equipment and do not apply a formal therapeutic model to drug treatment.

U.S. assistance in 2017 took a variety of forms and included a large-scale campaign to raise awareness of the health risks and negative social consequences of illegal drugs, coordinated by a U.S.-supported Community Antidrug Coalition. Support was also provided to universal prevention workshops to educate students and adults about the neuroscience of drug addiction that reached almost 25,000 students and over 2,000 teachers and parents in five different departments in Guatemala.

# 4. Corruption

The Government of Guatemala does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering of the proceeds of the sale illicit drugs. However, widespread corruption permeates public and private institutions and exacerbates the country's security, governmental, and economic challenges. Guatemala's Attorney General and the International Commission Against Impunity in Guatemela (CICIG) have investigated hundreds of government officials suspected of corruption since 2013. U.S. assistance supports anti-corruption efforts by developing and training specialized vetted units, particularly those tasked with countering drug trafficking, money laundering, and criminal gangs.

Accomplishments in the broader fight against corruption in 2017 included the creation of an internal affairs office and a polygraph team within the SAT, which historically suffered from high levels of corruption. Special prosecutors were embedded within the Ministry of Finances and the General Comptroller Office allowing for more efficient processing of corruption charges. U.S.-provided training assisted in strengthening the capacity of police and prosecutor units to investigate corruption using special investigative methods. Several high-level government officials and their relatives were arrested on corruption-related charges in 2017. As a consequence of these types of investigations, several asset forfeiture cases allowed Guatemala to recover more than \$5.5 million stolen by corrupt officials.

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

Consistent with the U.S. Strategy for Engagement in Central America, as well as the Central American governments' Alliance for Prosperity initiative, the United States continues to be a key provider of assistance aimed at improving the professional capabilities and integrity of Guatemala's police forces and judicial institutions, mainly through the Central America Regional Security Initiative (CARSI). The overall objective of U.S. assistance efforts is to create effective and accountable institutions in partnership with the Guatemalan government.

By November 1, 2017, an ongoing U.S. initiative established 74 Model Police Precincts (MPPs) across Guatemala, and was on pace to complete the initiative's goal of establishing 99 MPPs by year's end. Each precinct is coordinating with municipal authorities and the National Civil Police on violence prevention, community policing, security monitoring, and joint patrols. Small sample size surveys have indicated increased trust in the police following implementation of MPPs. The MPP model also led to increased coordination between the Guatemalan National Police (PNC) and the municipal police (PMT), which was lacking before.

The United States maintains a bilateral agreement with Guatemala to suppress illicit traffic by sea, which include provisions regarding ship boarding, shipriders, pursuit, entry into territorial waters, overflight, order to land, and international maritime interdiction support. Guatemala participated in the semi-annual Multilateral Maritime Counter Drug Summit held in November 2017, which attracted 125 maritime counterdrug professionals from nearly 25 countries and over 65 international agencies spanning North, Central and South America, and Europe.

#### **D.** Conclusion

The United States works closely with Guatemalan authorities to improve the government's capacity to provide security and justice to its citizens. In 2017, Guatemala made notable progress in the fight against criminal organizations, including enhanced institutional capacity, improved interagency and regional cooperation, and record interdiction and enforcement gains. However, significant challenges remain. Corruption levels remain high and public confidence in government institutions is low. Limited budget resources hinder the government's effectiveness. Despite Guatemala's many successes in 2017, the government needs to take additional steps to further build sustainable drug control mechanisms, including support for anti-corruption efforts,

accelerated judicial processes, improved interagency cooperation, and adequate financial resources for relevant agencies and government ministries.

# Guinea-Bissau

Guinea-Bissau is not a significant source country of illicit drugs, but is a significant transit country for drug trafficking from South America to Europe. The country's weak law enforcement capabilities, corruption, porous borders, and convenient location make it susceptible to drug trafficking. Guinea-Bissau's political system has historically been vulnerable to influence by a variety of criminal elements. The complicity of government officials at all levels in this criminal activity inhibits a complete assessment and resolution of the problem.

Following the 2014 elections, the UN Office on Drugs and Crime (UNODC) and the UN Integrated Peace-Building Office in Guinea-Bissau initiated Security Sector Reform programming. The United States Coast Guard's International Port Security Program conducted two assessments in 2016 of the Port of Bissau, noting serious efforts to maintain security, yet containers continue to enter and leave the country without inspection. The European Union, Portugal, France, Spain, and Brazil have delivered bilateral assistance in years past and maintain bilateral cooperation on security issues. However, efforts at security and law enforcement reform continue to be hampered by chronic political instability and lack of robust government institutions.

Neither domestic nor international organizations collect data on the quantity of illegal drugs that transit Guinea-Bissau. The country's borders are poorly controlled. Inadequate resources, high levels of corruption, and lack of professionalism among law enforcement and judicial authorities have hampered efforts to seize drug shipments and investigate drug trafficking. Law enforcement and judicial officers are involved in drug trafficking, as are elements of the military. Members of the customs service take money to allow passengers and articles to pass through border posts without inspection. Government salaries are inadequate, further encouraging corruption at all levels.

UNODC reports that drug abuse is a growing problem in Guinea-Bissau, though still at a relatively low level by global standards. No organization has conducted a systematic study of the problem to determine its scope; all assessments are based on anecdotal evidence. There are no government-funded treatment centers in Guinea-Bissau. The few operational centers are privately funded.

Guinea-Bissau does not have a bilateral extradition treaty or a mutual legal assistance Treaty with the United States, though it is party to multilateral conventions that enable such cooperation.

# Guyana

# A. Introduction

Guyana is a transit country for cocaine destined for the United States, Canada, the Caribbean, Europe, and West Africa. Cocaine originating in Colombia is smuggled to Venezuela and onward to Guyana by sea and air. Smugglers also transit land borders and the shared river network with Brazil, Venezuela, and Suriname. Cocaine is concealed in legitimate commodities and smuggled through commercial and private air transport, maritime vessels, human couriers, "go-fast" boats, and various postal systems.

Drug-related corruption is evident in the country's criminal justice system and other sectors. Drug traffickers are attracted by the country's poorly monitored ports, remote airstrips, intricate river networks, porous land borders, corruption, and weak security sector capacity. Despite these challenges, the Government of Guyana has demonstrated a strong political will to combat the trafficking of narcotics in and through Guyana.

# B. Drug Control Accomplishments, Policies, and Trends

### 1. Institutional Development

Guyana has a comprehensive legal framework in place to support drug-related investigations and prosecutions. Relevant laws include the Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) Act of 2009; the Interception of Communications Act 2008; the Criminal Law Procedure Act (revised in 1998); the Narcotic Drug and Psychotropic Substances (Control) Act 1988; and the Maritime Drug Trafficking (Suppression) Act 2003. In August, the Guyanese government amended its AML/CFT law to provide for harsher penalties for anyone found to be laundering money. As a result of this reform, Guyana was removed from the Caribbean Financial Action Task Force list of high-risk and non-cooperative jurisdictions.

In December 2016, the Guyanese government launched a National Drug Strategy Masterplan and announced the creation of a National Anti-Narcotics Agency (NANA). NANA coordinates and ensures collaboration among the five anti-narcotics agencies, which are the Guyana Police Force (GPF), Guyana Revenue Authority (GRA), the Customs Anti-Narcotics Unit (CANU), the Special Organized Crime Unit (SOCU), and the Guyana Defense Force (GDF). The GDF supports law enforcement agencies with boats, aircraft, and personnel but has limited capacity and lacks law enforcement authority.

The Financial Intelligence Unit (FIU) has the mandate to detect, prevent, and deter money laundering and financing of terrorist activities in Guyana. FIU prepares suspicious transactions reports for the SOCU to investigate. In July, the FIU purchased updated software to detect illegal financial activities and was in the process of hiring a financial analyst and a legal advisor at the close of 2017.

In 2008 Guyana acceded to, and has submitted requests pursuant to, the Inter-American Convention on Mutual Assistance in Criminal Matters, to which the United States is also a party.

Guyana has bilateral counternarcotics agreements with its neighbors and the United Kingdom. Guyana is a member of the Organization of American States' Inter-American Drug Abuse Control Commission (OAS/CICAD). Guyana signed a maritime counternarcotics bilateral agreement with the United States in 2001 but has yet to take the necessary domestic action to bring the agreement into effect. The 1931 Extradition Treaty between the United States and the United Kingdom is applicable to the United States and Guyana. In 2017, the United States and Guyana each made extradition requests to the other pursuant to this Treaty.

# 2. Supply Reduction

Guyana has a drug enforcement presence at its international airports, post offices, and, to a lesser extent, at port and land-border entry points. During the first six months of 2017, the GPF reported seizing 22 kilograms (kg) of cocaine and approximately 12 kg of cannabis, while CANU reported seizing approximately 248 kg of cocaine and approximately 66 kg of cannabis. Guyanese authorities initiated 503 prosecutions and convicted 227 individuals for drug trafficking during this six-month period.

# 3. Public Information, Prevention, and Treatment

Guyana has a comprehensive demand reduction strategy that adequately addresses drug rehabilitation. Marijuana is the most widely used illicit drug in Guyana, followed by cocaine. The Guyana National Council for Drug Education, Rehabilitation, and Treatment, within the Ministry of Public Health, is the only government body responsible for addressing demand reduction. Non-governmental organizations also offer rehabilitation services, with the Government of Guyana providing financial assistance. The Georgetown Public Hospital also provides free rehabilitation services for drug users. The University of Guyana has a demand reduction curriculum in place through OAS/CICAD funding. The Guyanese government also conducts anti-drug awareness sessions in secondary schools and has plans to create drug treatment courts. As part of the Caribbean Basin Security Initiative (CBSI), the United States supports Guyana by providing targeted training for law enforcement and maritime officers.

#### 4. Corruption

As a matter of policy, the Government of Guyana does not encourage or facilitate the illicit production or distribution of narcotics or psychotropic drugs or other controlled substances or the laundering of proceeds from illegal drug transactions. However, a lack of resources, weak law enforcement institutions, an ineffective judicial system, and inadequate compensation for civil service employees and public safety officials facilitate corruption throughout all sectors.

The Guyanese government has strict policies against corruption, but has difficulty in investigating and successfully prosecuting corruption cases. In May, the government passed the State Asset Recovery Act and created the State Asset Recovery Agency, bringing the government in full compliance with the United Nation Convention against Corruption. In September, the United Nations Office on Drugs and Crime, supported by U.S. funding, appointed a representative to Guyana to support and strengthen the national capacity to fight anti-corruption and money laundering activities.

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

The United States supports a wide range of efforts designed to address crime and violence affecting Guyanese citizens, primarily through CBSI. CBSI is a security partnership between the United States and Caribbean nations that seeks to substantially reduce illicit trafficking, advance public safety and citizen security, and promote justice. Efforts to increase law enforcement capabilities, protect borders and ports, strengthen workforce development, and promote anti-money laundering effectiveness directly address priority concerns shared by Guyana and the United States.

The Guyanese government cooperates closely with all relevant U.S. agencies but is limited by resource constraints. The current administration (which took office in May 2015) has expressed a strong willingness to cooperate further with the United States on drug control, extradition, mutual legal assistance, and other international crime issues.

CBSI-funded programs support Guyana's maritime operations by providing interdiction assets, relevant command and control systems, and associated logistical support and training. In 2017, the United States provided port and maritime training to Guyana's Coast Guard. U.S. assistance programs also promote law enforcement professionalization and more effective drug investigations. By strengthening Guyana's drug enforcement capabilities, the United States seeks to enhance interagency coordination and help gather better information on drug trafficking routes.

#### **D.** Conclusion

The United States enjoys strong cooperation with Guyana in advancing mutual interests against the threat of international drug trafficking. Guyana has shown strong interest in furthering collaboration under CBSI. The United States looks forward to tangible progress on investigations, prosecutions, extraditions, security sector capacity enhancement, the engagement of at-risk communities, and enforcement of laws against money laundering and financial crimes. The major limiting factor is a lack of resources.

# Haiti

# A. Introduction

Haiti remains a transit point for cocaine originating in South America and marijuana originating in Jamaica, traversing the country's porous borders en route to the United States and other markets. Traffickers take advantage of Haiti's severely under-patrolled maritime borders, particularly on the northern and southern coasts. Haiti is not a significant producer of illicit drugs for export, although some cannabis is cultivated for local consumption. Haiti's primarily subsistence-level economy does not provide an environment conducive to high levels of domestic drug use.

In 2017, the Haitian government continued to strengthen the Haitian National Police (HNP) and its drug enforcement unit (Bureau for the Fight Against Narcotics Trafficking, or BLTS) with additional human resources, and officials at the highest levels of government have repeatedly committed to fight drug trafficking. However, seizures of illicit drugs and smuggled cash declined in 2017 and the government was unable to adequately secure the borders to reduce the flow of illegal drugs. Principal land border crossings with the Dominican Republic are largely uncontrolled and the southern coastline remains virtually law enforcement-free. The minimal interdiction capacity of the Haitian Coast Guard creates a low-risk environment for drug traffickers to operate. While Haiti's domestic law enforcement interdiction capacity improved marginally, a largely ineffective judicial system continues to impede successful prosecution of apprehended drug traffickers.

# B. Drug Control Accomplishments, Policies, and Trends

# 1. Institutional Development

The HNP's 27<sup>th</sup> Promotion Class of police cadets graduated in early 2017, and included 84 women. The 28<sup>th</sup> HNP class of 1,050 recruits graduated in December 2017, bringing the total number of HNP officers to over 15,400 and exceeding the HNP's five-year goal (set in 2013) of a 15,000 member force. A larger force will enable the HNP to assume increasing responsibility for security, in the wake of the transition from the United Nations Stabilization Mission in Haiti (MINUSTAH) to the UN Mission for Justice Support in Haiti (MINUJUSTH), which occurred on October 16.

The HNP's counter-drug unit, BLTS, remains the domestic institution dedicated to interdicting drug traffic. In 2017, the HNP deployed BLTS officers to regional outposts in Malpasse, near the border crossing with the Dominican Republic. Haitian Coast Guard (HCG) officers were also deployed to the outpost in Port-de-Paix (north west region), supporting a force of BLTS officers already stationed at this post. In 2018, HNP is planning to add BLTS officers to the newly constructed outpost in Jacmel (south east region) and Terrier Rouge (north east region).

U.S.-provided training in 2017 further increased the operational capacities of the Maritime Counter Narcotic BLTS-HCG task force, and a partially-vetted BLTS unit participated in

sensitive operations led by the U.S. Drug Enforcement Administration (DEA). Infrastructure support for canine units was also installed in Port-au-Prince, Les Cayes, and Cap Haitien.

The HNP faces challenges regulating its internal affairs, particularly in the south and in remote provinces, though it continues to work to address the problem. The HNP's Office of the Inspector General (OIG) investigates reports of officer misconduct, including participation in drug trafficking. In 2017, the HNP took steps toward imposing systematic discipline on officers found to have committed abuses or fraud, but civil society continued to allege widespread impunity. The HNP held monthly press conferences that served as awareness campaigns to inform the public of their roles and responsibilities, and to report on cases of misconduct. The OIG maintained a 24-hour hotline to receive public reports of police corruption or misconduct. As of August 2017, the OIG recommended 11 officers for dismissal, compared with 27 such recommendations during the same period in 2016.

The HCG is the sole maritime enforcement agency in the country, responsible for securing the country's maritime borders. HCG added an additional 42 officers from the 26<sup>th</sup> HNP class, bringing the overall staffing of the unit to 202 officers. The HCG has operating bases in Cap Haitien, Killick (Port-au-Prince), and Les Cayes. While the HCG has a total of 11 maritime vessels, only five are currently operational. Maritime domain awareness and enforcement are daunting tasks for the HCG, considering Haiti's 1,100 miles of coastline and seven international ports. Operational capacity remains low due to insufficient funding, management deficiencies, an inability to refuel, and unavailability of locally procured parts to maintain the vessels reliably. These issues prevented the HCG from serving as an effective deterrent force to maritime drug trafficking.

Haiti maintains several international agreements on drug control commitments and often cooperates effectively with the United States on drug-related cases. A 1997 bilateral letter of agreement on Cooperation to Suppress Illicit Maritime Drug Traffic allows U.S. law enforcement agencies to enter Haitian territorial waters and airspace in pursuit of suspect vessels or aircraft; to board and search suspect vessels; to patrol Haitian airspace; and to carry members of the HCG as ship riders. Although there is no mutual legal assistance treaty between Haiti and the United States, the Haitian government has cooperated on many cases within the limits of Haitian law. A bilateral extradition treaty entered into force in 1905 and, the Government of Haiti surrendered persons under indictment in the United States to United States law enforcement agencies.

# 2. Supply Reduction

BLTS executed several successful operations in 2017 that resulted in the seizure of approximately 1.02 metric tons of marijuana and 47.85 kilograms (kg) of cocaine during the first 10 months of the year. A total of 110 suspects were arrested for drug-related crimes during this period, and one high-value target was surrendered to U.S. authorities and prosecuted on drug related charges. DEA and the U.S. Coast Guard (USCG) routinely conduct joint operations with BLTS and provide assistance in operational planning and intelligence gathering. A total of 83 kg of cocaine was seized coming out of Haiti in joint operations involving Bahamian law

enforcement and DEA. There is no significant availability or traffic of illegal synthetic drugs in Haiti.

# 3. Public Information, Prevention, and Treatment

Illicit drug abuse is uncommon in Haiti, as the population's minimal discretionary income mitigates against a widespread drug abuse problem. The Government of Haiti runs small-scale public awareness and demand reduction programs funded through the counternarcotics policy commission (CONALD), but there is no data on these programs' impact or utility. The United States provides funding for the Community Anti-Drug Coalitions of America, which carries out drug abuse prevention training with local non-government organizations, and a Haitian private sector association called APAAC receives funds from CONALD and conducts prevention and awareness activities.

# 4. Corruption

As a matter of policy, the Haitian government does not encourage or facilitate illegal activity associated with drug trafficking, or the laundering of proceeds from illicit drug transactions. Effective government action to fight corruption, however, particularly related to illicit drugs, is constrained by two major factors. The first is a historically weak legal framework. Haiti did not specifically codify corruption as a crime until 2014, when a law formally criminalized public corruption and set penalties for bribery and illegal procurement. Implementation of this law remains a challenge, but training of judicial personnel on the law's requirements is underway. Haiti's asset seizure laws have enabled the financial intelligence unit (Central Unit of Financial Investigations) and the HNP's financial crimes unit (Financial and Economic Affairs Bureau) to seize the assets of drug traffickers convicted outside of Haiti. The Haitian constitution's grant of blanket immunity from prosecution to members of Parliament, however, is a point of concern for anti-corruption and drug enforcement efforts.

The second constraining factor is systematically poor judicial performance, due to antiquated penal and criminal procedure codes, opaque court proceedings, lack of oversight, and widespread judicial corruption. To date, there have been no successful convictions for drug trafficking, and only one conviction on corruption-related charges in Haitian courts. The Haitian Unit for Combatting Corruption advanced 32 corruption-related cases to the judiciary since its inception in 2005, but without tangible results.

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

U.S. drug control initiatives in Haiti focus on improving the capacity of the HNP, BLTS, and the HCG to detect, investigate, and deter the flow of illegal drugs. A 2004 letter of agreement (as amended) between the United States and Haiti and a second agreement signed in 2013 (amended annually) govern these activities. Core goals enshrined in the agreements are to increase overall counter-drug capabilities, interdict drug shipments, and develop cases against traffickers and criminal organizations. The continued growth of BLTS's staffing, strong coordination on executing drug enforcement operations in conjunction with U.S. agencies, and total seizures of

drugs in 2017 were all positive signs for its operational record. Still, the continued absence of convictions in narcotics cases underscored the ongoing under-performance of the judicial system.

U.S. assistance is directed to the general development of the HNP and the targeted support of the BLTS via complementary programs. Support to the HNP covers a broad range of activities, including infrastructure, equipment, and training. Improved operational capacity and professionalism of the HNP are necessary for effective drug enforcement activity in Haiti.

Specific U.S. support to the BLTS includes provision of communications equipment, vehicles, non-lethal operational gear, and canine unit training. U.S. support includes multiple training opportunities for BLTS officers, including trainings both in the United States and in third countries, such as at the U.S.-supported International Law Enforcement Academy (ILEA) in El Salvador. The United States also funds joint enforcement operations between DEA, the USCG, and the HNP/BLTS.

The United States provided training and assistance for the establishment of the joint Maritime Counter Narcotic BLTS-HCG task force conducting maritime interdiction operations from its base in Les Cayes. The task force is now looking to increase its patrol and operational capabilities in Jacmel. If successful, this pilot program will expand to other jurisdictions, such as Cap-Haitien.

The United States will continue to support training of high ranking HNP officials within the United States, including in cooperation with various U.S. police agencies, to develop leaders that can serve as agents of change within the HNP.

U.S. assistance also supports refurbishment and maintenance of two INL-purchased vessels and one boat donated by the Government of Canada at the Cap Haitien base; law enforcement training; mobile training teams and professional development; vessel refurbishment and maintenance; electronic equipment; and HCG facility modernization.

# **D.** Conclusion

The continued institutional development of both the HNP and the BLTS are positive trends that have helped to improve public security and have marginally increased Haiti's ability to interdict drug trafficking. Continued strong cooperation between Haitian and U.S. law enforcement yielded important drug seizures and enabled the apprehension and return of an individual indicted in the United States to stand trial. However, the dysfunctional Haitian judicial system drastically limits domestic prosecution of drug cases and thus reduces disincentives to trafficking operations. Drug seizures still remain low, and Haiti's minimal capacity to police its sea and land borders continues to be a particular point of concern.

Continued engagement from the United States, particularly in support of BLTS operations and general HNP development, will help Haitian law enforcement to capitalize on marginal gains in drug interdiction capacity. The benefits of such gains will be limited if the judicial system remains weak and fails to convict drug traffickers. Only the concurrent strengthening of the

judiciary, law enforcement, and border security will enable Haiti to make real progress in combatting drug trafficking.

# Honduras

# A. Introduction

Honduras is a transit country for cocaine and precursor chemicals used to produce illicit drugs. According to U.S. government estimates, the volume of cocaine transiting Honduras in 2017 was lower than in 2016, and the number of aircraft suspected of smuggling cocaine into Honduras from South America decreased for the second-consecutive year. However, Honduras remains a primary destination country in Central America for cocaine-laden aircraft departing from South America. The Caribbean coast of Central America is vulnerable to drug trafficking due to its remoteness, limited infrastructure, lack of government presence, and weak law enforcement institutions.

Criminal street gangs responsible for a significant portion of the homicides committed in Honduras, such as Mara Salvatrucha (MS-13) and 18th Street, do not appear to be a significant part of the transnational drug logistics chain, except as facilitators of trafficking through Honduras. These gangs are typically involved in local drug distribution, extortion, kidnapping, and human trafficking. Nevertheless, their participation in transshipment leads to an increasing likelihood of cocaine entering the Honduran drug retail market, as they are often paid in product for their services.

# B. Drug Control Accomplishments, Policies, and Trends

# 1. Institutional Development

Honduran law enforcement institutions, courts, and other agencies demonstrated greater effectiveness against drug trafficking in 2017. This includes both the Honduran National Police (HNP) and the Public Ministry, which have dedicated counternarcotic units. U.S. assistance to Honduras in the areas of criminal justice capacity building, information sharing, and training led to enhanced coordination, more arrests, and extraditions in 2017.

In 2017, the Honduran government initiated a comprehensive restructuring of the HNP that will include establishing new divisions, more direct command and control, new disciplinary guidelines, and vetting requirements. The restructuring effort includes plans to create a 400-person HNP Antinarcotics Directorate focused exclusively on drug enforcement operations and investigations. While this directorate is not yet operational, the U.S. government provided training and advice on design and function.

The Honduran Public Ministry (which includes all prosecutors) demonstrated commitment to expanding operations targeting drug trafficking by expanding the Technical Agency of Criminal Investigation (ATIC) from 170 to 340 agents, and the Antinarcotic unit (DLCN) from 50 to 285 agents.

The U.S.-supported HNP Criminal Investigation School (EIC) augmented its curricula to include several counternarcotic courses, which provided training to over 300 justice sector officials in 2017. The advanced training included coursework on the classification of illegal drugs,

pharmacology, clandestine laboratories, chemical precursors, and trafficking methods. The EIC now incorporates drug control topics in all its courses.

Major challenges for drug control agencies and institutions include corruption, inadequate budget resources, and persistent violence. Corruption, combined with a historically low tax collection rate, deprives law enforcement agencies, courts, and prosecutors of critical resources. The Government of Honduras implemented a ten-year security tax in 2014, and while it helped key law enforcement institutions, it is widely viewed as inadequate. Crime continues to be unacceptably high in many communities.

Honduras made significant strides in reducing the country's homicide rate in 2017, which declined to an estimated 45 per 100,000 people from its peak of 86 per 100,000 in 2011. A significant portion of the homicides appear linked to turf conflicts between criminal organizations involved in drug trafficking and extortion that undermine greater citizen security within the country.

Honduras is a party to several regional agreements that focus on drug trafficking, including the Organization of American States' Inter-American Drug Abuse Control Commission and the Caribbean Regional Agreement on Maritime Counternarcotics. Honduras has ratified the Inter-American Convention on Mutual Assistance in Criminal Matters.

# 2. Supply Reduction

With support from U.S. law enforcement, the Government of Honduras achieved some success in arresting leaders of drug-trafficking organizations in 2017, surrendering many to the United States through the extradition process. These efforts contributed substantially to the dismantlement of drug trafficking organizations. Nevertheless, new criminal bosses and syndicate leaders constantly emerge to fill the voids caused by arrests and extraditions, and continue to smuggle cocaine and participate in other forms of crime.

The Honduran military made few improvements in 2017 to increase its capabilities to degrade and disrupt illicit trafficking. Although the Honduran Navy responded to over 50 suspected maritime trafficking events, only 850 kilograms of cocaine were seized, and significant volumes of cocaine continued to reach Honduran shores.

The low success rate in interdicting drug shipments off the Honduran coast appears primarily a result of long distances between command and control nodes and the lack of an efficient mechanism for the Honduran military to share operational intelligence with Honduran civilian security forces in a timely and secure manner. The Navy also attributes their low seizure rate to their lack of access to Honduras' only Maritime Patrol Aircraft, which is under the jurisdiction of Honduras' National Inter-Agency Security Force (FUSINA). Alleged corruption within some military units further impedes progress in active drug corridors, such as the Gracias a Dios Department and northern Caribbean coast. Wiretapping facilities are controlled by the military and access to wiretapping results for civilian law enforcement remains inadequate, resulting in a significant loss of actionable intelligence.

### 3. Public Information, Prevention, and Treatment

The HNP continued to host targeted community outreach activities in 2017 to foster closer relations between the police and citizens, reaching an estimated 100,000 citizens during the year. These events were held primarily in the most violence-prone districts of San Pedro Sula and Tegucigalpa, where the U.S. government is implementing comprehensive violence-reduction programming and often included free medical care from non-governmental organizations and police medics. Indicators of increased public trust include the sustained attendance at these events over the year, positive informal polling results, and an increase in calls to 911 and local police "tip" lines.

In 2017, through a bilateral agreement, the United States continued to support comprehensive, balanced, and coordinated approaches to increase the capacity of the Government of Honduras to address and counter the demand for illegal drugs. Assistance included continuing support to the U.S. Gang Resistance Education and Training (GREAT) program, which trained nearly 80,000 students in 2017. Other U.S.-supported grants provided support to host country institutions that deal with drug treatment and prevention in the highest risk areas of Honduras.

#### 4. Corruption

The Government of Honduras does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. However, corruption remains widespread in public institutions. In 2017, the Special Commission for the Purging and Restructuring of the HNP completed its original mission to expunge corrupt police officers from the force, and simultaneously, pursued extensive legislation on police reform. In just over a year, the Special Commission identified and removed more than 4,400 police officers. During the same period, the HNP hired nearly 4,000 new officers, and report being on target to reach 26,000 officers by 2022.

In April 2017, the OAS Mission to Support the Fight Against Corruption and Impunity in Honduras (MACCIH) completed one year of operations with a series of successes. These included the implementation of an anti-corruption court with national jurisdiction, assisting the Public Ministry to create a fully-vetted anti-corruption investigative unit, and conviction of several emblematic cases including those involving the theft of funds from the Honduran Social Security Institute. In September, the Honduran congress adopted a reform law proposed by the MACCIH. The new law establishes a commission to supervise electoral campaigns and sets out penalties for violations. These can range from fines to the termination of the candidacy of individuals and even parties. MACCIH plans to continue its work on corruption into 2018, with a focus on large scale emblematic case investigations.

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

The United States continues to provide assistance through the Central America Regional Security Initiative (CARSI) aimed at improving the professional capabilities and integrity of Honduran justice sector officials, consistent with the U.S. Strategy for Engagement in Central America, and the Central American governments' Alliance for Prosperity initiative. The overall objective of U.S. assistance efforts is to reinforce Honduran security and justice sector institutions so they are able to fully account for their nation's security, stability, and prosperity.

The Government of Honduras passed two new police laws in 2017 aimed at overhauling the entire national police force – the Police Organic Law and the Police Career Law. Signature articles of the laws include the creation of an internal investigative body (DIDAPOL) aimed to eliminate the need for any future purges of the force, and the designation of specialized directorates in charge of policing priorities such as transit, special operations, border/frontier police, and dignitary protection, among others. Once implemented, these new laws will support mutual goals of increasing the size and quality of the professional civil police force.

With U.S. government assistance, the HNP established a total of 24 Model Police Precincts (MPP) in Honduras since 2014. These MPPs operate in the highest-crimes areas of Tegucigalpa and San Pedro Sula. The MPP program works with the HNP to operationalize the Honduran Model for Community Policing. The model advocates elevated policing in high-crime areas, proactive patrol, and community outreach and relationship building. The HNP also approved the Field Officer Training concept which ensures officers have the necessary skill sets to support this model.

Honduras made significant progress in reforming and enhancing its border security and increasing regional cooperation on border security issues. In 2017, the Border Police Directorate was reformed and now consists of 180 police officers trained by graduates of the U.S. Customs and Border Patrol training program. In 2017, the U.S. facilitated the exchange of Honduran and Guatemala officers to participate in reciprocal training by both law enforcement and border academies, creating an atmosphere of cooperation and information sharing. The Honduran Border Police Directorate's special operations unit (GOET) conducts border and tactical support missions for the HNP and the Honduran Public Ministry, as well as training for the Directorate.

Honduras participated in the semi-annual Multilateral Maritime Counter Drug Summit held in November 2017, which attracted 125 maritime counterdrug professionals from nearly 25 countries and over 65 international agencies spanning North, Central and South America, and Europe.

# **D.** Conclusion

The United States works closely with Honduran authorities to improve the host government's capacity to provide security and justice to its citizens. In 2017, Honduras made notable progress in the fight against criminal organizations through enhanced institutional capacity, improved interagency and regional cooperation, and passage of key pieces of legislation. These achievements are often challenged by significantly high rates of violent crime, inadequate budget, and a national police that is in the midst of transformation. Honduras had many successes in 2017, but will need to continue to reform its institutions, accelerate judicial processes, pass and implement key legislation, and provide adequate resources to its justice sector operators to continue to improve citizen security and strengthen national institutions.

# India

# A. Introduction

India's geographic location and transport links make it an attractive transshipment area for illicit drugs bound for Europe, Africa, Southeast Asia, and North America. Cross-border heroin trafficking from Pakistan to India continues to be a major problem due to India's porous borders and limited enforcement capacity that have prevented the Indian Border Security Forces (BSF) from reducing smuggling. There is also evidence that opium poppy is grown illicitly in India, especially in the northeastern region.

Given India's size and large population, accurate estimates of the extent, pattern, and nature of the drug problem in India are difficult. India suffers from the abuse of pharmaceutical drugs with a ready supply of drugs easily available over the counter at most pharmacies. India is estimated to legally export twice the amount of pharmaceutical drugs as China, presenting widespread opportunity for illicit diversion. In 2016, India was estimated to legitimately export \$13 billion worth of pharmaceutical drugs.

India is authorized by the international community to produce licit opium for pharmaceutical uses, and is a major producer of precursor chemicals. India also manufactures organic and synthetic licit opiate/psychotropic pharmaceuticals (LOPPS). India's large pharmaceutical industry is faced with increasing diversion of pharmaceuticals for illicit purposes to the United States and other countries.

Trafficking of the opioid tramadol from India is a significant problem. Seizures of millions of tramadol pills originating in India have been made in Asia, Africa, and Europe. Tramadol is currently not a controlled substance in India.

U.S.-based persons illegally obtain controlled pharmaceutical drugs from India via online purchase (through both open and restricted "dark web" internet sites) or through traditional call centers. Thousands of illegal mail shipments of pharmaceutical drugs are sent to the United States, feeding the current opioid epidemic.

Neighboring countries including Nepal and Bhutan have also identified Indian pharmaceutical drugs as a major problem contributing to drug abuse.

India seeks to enhance its law enforcement capacity through increased training for law enforcement officers and continues to pursue opportunities for international cooperation in an effort to improve the effectiveness of both demand and supply control efforts. This effort is hampered by a lack of resources for law enforcement agencies, particularly human resources. Indian law enforcement agencies are much smaller than needed to effectively counter narcotics trafficking. Insufficient information technology, including integrated networks and case management software, hamper the day-to-day enforcement of Indian drug laws.

# B. Drug Control Accomplishments, Policies, and Trends

### 1. Institutional Development

India continues to tighten regulations and increase training of law enforcement officers. However, the capacity of India's drug law enforcement personnel to collect and analyze data and to initiate and conduct complex investigations against criminal drug manufacturing and trafficking remains limited by inadequate training, a lack of modern equipment, insufficient staffing, and poor interagency coordination.

The Narcotics Control Bureau (NCB) is India's primary national drug control agency, established to prevent and combat the abuse of narcotic drugs and psychotropic substances. Under India's stringent Narcotic Drugs and Psychotropic Substances (NDPS) Act of 1985, the Directorate of Revenue Intelligence (DRI) and the Indian Customs Service also have responsibility for illicit drug investigations. In 2017, NCB successfully coordinated multiple investigations targeting international drug trafficking syndicates and continued expansion of its geographic presence across India.

The Central Bureau of Narcotics (CBN) supervises licit cultivation of opium poppy in India. CBN is responsible for abuse prevention and law enforcement functions; investigations of violations of the NDPS Act including illicit cultivation and production; the issuance of licenses for the manufacture of synthetic narcotic drugs; export authorizations; import/export certificates for narcotic drugs and psychotropic substances; issuing No Objection Certificates for select precursor chemicals; and the import of poppy seeds used in licit poppy cultivation. CBN interacts with the International Narcotics Control Board (INCB) and the governments of other countries to supervise international transactions.

The Border Security Force (BSF) and Central Board of Excise Customs (CBEC) share primary responsibility for monitoring India's borders. CBEC manages official border crossing checkpoints with Pakistan and is responsible for checking all cargo and persons entering India. Porous borders and capacity limitations limit the effectiveness of BSF and CBEC, complicating efforts to combat illegal smuggling. This porous border contributes to the movement of Afghan-produced opiates throughout the region. BSF and CBEC continue to lack the technology necessary to keep pace with traffickers using advanced communications systems.

India's various national and state-level law enforcement agencies face challenges in institutionalizing effective coordination. Poor intelligence exploitation during drug seizures results in few investigative leads. Lengthy delays between drug seizures and prosecutions complicate efforts to develop an effective enforcement and prosecution strategy. The lack of modern drug legislation and effective drug courts severely hampers the ability of Indian law enforcement agencies to conduct complex drug conspiracy investigations.

The Government of India has entered into bilateral agreements with 23 countries on demand reduction and the prevention of illicit trafficking in drugs, psychotropic substances, and precursor chemicals. India has an extradition treaty and a mutual legal assistance treaty with the United States, and both are used routinely.

#### 2. Supply Reduction

The diversion of precursor chemicals from licit producers to illicit brokers is a serious problem. India-based precursor trafficking organizations are involved in the illicit exportation and domestic sale of precursor chemicals such as ephedrine and pseudoephedrine, both of which are used in the manufacture of methamphetamine. In April 2016, approximately 20.5 metric tons (MT) of ephedrine were seized in the Mumbai metropolitan area that was to be shipped to Mombasa, Kenya.

In light of this challenge, India has undertaken significant efforts to control precursor chemicals produced in its large chemical industry and actively participates in international precursor control initiatives as Project Cohesion and Project Prism.

Supplies of MDMA and ketamine manufactured in India have also been seized. In October 2016, approximately 23.5 MT of methaqualone produced in India were seized in northern India in a joint operation between the U.S. Drug Enforcement Administration (DEA) and DRI investigation.

India issues pre-export notifications for exports of precursors using an online system developed by the INCB, and administers a sophisticated licensing regime to control dual use pharmaceutical products. India regulates 17 of 23 precursor chemicals listed by the 1988 UN Convention. Of the 17 chemicals, India's NDPS Act designates five as "Schedule A" substances subject to the most stringent controls: acetic anhydride, ephedrine, pseudoephedrine, n-acetylanthranilic acid, and anthranilic acid. India is a source for acetic anhydride, a necessary precursor material in clandestine heroin conversion laboratories.

NCB continues to use satellite imagery and other intelligence methods to track and reduce illicit opium poppy cultivation. Because of the poor quality of satellite imagery, NCB has had to rely on visual verification of illicit opium poppy cultivation sites across India. In India's northeast states, where illicit poppy production is widespread, insurgent groups reportedly protect the poppy sites in exchange for compensation from traffickers and cultivators, complicating NCB efforts to identify and eradicate illicit cultivation.

# 3. Public Information, Prevention, and Treatment

India's demand reduction strategy is under the purview of India's Ministry of Social Justice and Empowerment (MSJE), but NCB acts as a primary coordinator of the strategy. The MSJE operates a three-pronged strategy for demand reduction, including promoting drug abuse awareness and education, counseling and treatment programs, and training demand reduction volunteers. India observed the United Nations-sponsored International Day against Drug Abuse and Illicit Trafficking on June 26, 2017, with programs focusing on raising awareness of the harmful effects of drug abuse. Drug treatment and rehabilitation services are mainly provided by non-governmental organizations. Accurate information on the national prevalence of drug abuse is not available as India has not conducted a national household survey on substance abuse since 2000-2001.

In July 2016, the Ministry of Social Justice and Empowerment of India, in collaboration with the National Drug Dependence Treatment Centre of the All India Institute of Medical Sciences, began conducting a survey to compile national and state-level estimates of the numbers of persons abusing drugs. The two-year-long survey will map the presence of treatment and rehabilitation services for drug-dependent individuals and identify the gaps in service delivery. An opioid dependence survey carried out in Punjab in 2015 found that of the state's population of 28 million, 230,000 persons, mostly male, were opioid dependent and 860,000 were opioid users.

# 4. Corruption

The Government of India does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. In 1964, the Central Vigilance Commission (CVC) was established by law as an independent body to issue guidelines and conduct inquiries regarding government corruption. The CVC reports to the President of India through the Indian Parliament. Corruption is pervasive across police forces at all levels of government, and officers are rarely held accountable for illegal actions. Official corruption has historically undermined the effectiveness of government control regimes for illicit drugs. Indian media reports allege widespread official corruption, with bribes paid to rural police stations and local governance bodies to ignore illicit opium poppy and cannabis fields under their jurisdiction. Corrupt border officials have also enabled international trafficking of illicit drugs and precursor chemicals.

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

Law enforcement agencies in India continued extensive cooperation in 2017 with DEA that led to arrests and seizures of significant amounts of narcotics. Indian law enforcement authorities continue to work with DEA to target international drug organizations based in the United States and other locations with extensive ties to India. Investigations have shown that India-based informal monetary transfer ("hawala") organizations have transferred proceeds on behalf of multiple drug trafficking organizations.

# **D.** Conclusion

Significant drug-related challenges facing the Indian government include rising methamphetamine manufacturing and trafficking; diversion of controlled substances from both licit and illicit channels; smuggling of pharmaceuticals containing narcotic drugs and psychotropic substances from India to neighboring countries; and capability deficits and poor coordination among India's various drug enforcement agencies.

The profitability of manufacturing and distribution of methamphetamine and other drugs has transformed India from a drug transit country into a significant source of precursor chemicals and drugs. Global demand for methamphetamine, heroin, and drug precursors has given rise to precursor chemical entrepreneurs in India who are retooling commercial chemical factories to produce ephedrine, methamphetamine, and other drugs illicitly in staggering quantities. As the

global price and demand for high quality methamphetamine and other drugs continue to grow, so too will illicit precursor chemical manufacturing and trafficking networks operating in India.

Indian law enforcement efforts continue to be hampered by an inefficient court system and ineffective legal framework for law enforcement and investigative agencies. Further efforts are required to address these institutional challenges, as well as to address official corruption, improve interagency coordination, and strengthen law enforcement capacity.

# Indonesia

# A. Introduction

Indonesia is both a destination and a transshipment point for illicit drugs. The sprawling archipelago nation faces ongoing drug control challenges due to the country's long coastlines, porous borders and endemic corruption. Drug trafficking networks also operate at dozens of the country's poorly administered prisons. Marijuana and methamphetamine are the most widely used illicit drugs within Indonesia, and crystal methamphetamine (known locally as "shabu") has become increasingly popular. Much of the crystal methamphetamine available in Indonesia is produced in China and trafficked to Indonesia by maritime conveyance. A "National Drug Emergency" first declared by President Joko Widodo in 2015 remained in effect in 2017. According to the National Narcotics Board (BNN), 148 persons convicted for drug offenses were on death row in 2017, although none of the planned executions had been carried out.

# B. Drug Control Accomplishments, Policies, and Trends

# 1. Institutional Development

In 2017, officers of BNN and the Indonesian National Police (INP) continued to move aggressively against drug-trafficking suspects. Indonesian media reported that during the first 10 months of 2017, 64 drug suspects were killed by law enforcement officers for reportedly endangering law enforcement personnel, resisting arrest, or attempting to flee from arrest. Police officials asserted that law enforcement personnel used proportional force and claimed that incidents resulting in death were subject to internal review. The INP chief stated in July that his officers would take "firm actions" to deal with international drug syndicates, of which BNN estimated there were 72 operating within the country. Prisons are a key center for drug trafficking organizations to coordinate operations. In February 2017, BNN announced that it had found inmates orchestrating the sale of illegal drugs at 39 prisons. Endemic corruption, including in prisons, remained a challenge. The Indonesian government announced plans in 2017 to establish maximum-security prisons exclusively for serious drug criminals.

Indonesia continued to coordinate with international partners on drug interdiction, including the United States and China. The United States continued to provide counternarcotics training to BNN and the INP, including for more than 45 law enforcement officers at a workshop held in January 2017 in Nusa Dua, Bali. Participants received training in such areas as financial analysis, internet investigations, graphic analysis and confidential sources. U.S. law enforcement agencies also continued to share information on international trafficking investigations with Indonesian counterparts. No mutual legal assistance treaty or extradition treaty exists between Indonesia and the United States.

# 2. Supply Reduction

Indonesian law enforcement agencies made a number of significant seizures during 2017. The largest, in July, was assisted by the Jakarta country office of the U.S. Drug Enforcement Administration and involved the seizure of approximately one metric ton of crystal

methamphetamine. This seizure represented the largest to date by Indonesian law enforcement. Nevertheless, senior Indonesian drug control officials concede that interdiction efforts are not keeping pace with growing drug traffic through the country. During the first four months of 2017, BNN reported seizing assets totaling \$1.3 million from drug traffickers.

The Government identified 66 new psychoactive substances in Indonesia in 2017. In mid-2017, the Ministry of Health, on the recommendation of BNN, issued a ministerial regulation that rendered 43 of these 66 substances illegal.

# 3. Public Information, Prevention, and Treatment

In February 2017, BNN published a national survey on drug abuse among students aged 11 to 27, including those at institutes of higher education. The survey results indicated that the number of drug users was four out of every 100 students. Jakarta, the country's capital and largest city, had the greatest number of student drug users. Male drug users outnumbered female drug users four to one. The survey found that the most widely used drugs were marijuana, methamphetamine and heroin. According to the study, student drug users showed a 28 percent higher incidence of "social aggressiveness" (as defined by brawling with other students and carrying out petty crimes).

Rehabilitative services are provided by the Indonesian Government, but supply does not meet demand. BNN was one of the government agencies that provided rehabilitative services, and has the capacity to offer treatment to up to 20,000 drug users annually. However, Indonesia's total drug-using population topped four million, according to BNN estimates. In 2017, BNN announced plans to open hundreds of new medical and social rehabilitation facilities for drug users all over Indonesia.

#### 4. Corruption

As a matter of public policy, the Government of Indonesia does not encourage or facilitate any illegal activity related to drug trafficking, and no senior government officials were known to be institutionally involved in any such activity in 2017. However, corruption at all levels of government and society remain endemic, and continues to undermine the country's drug control efforts. In May 2017, BNN discovered a lavish, air-conditioned prison cell used by a drug convict who was able to operate his narcotics business using a phone and a wireless connection. Nevertheless, Indonesia made some progress in 2017 in combating official corruption, primarily through the actions of the Corruption Eradication Commission.

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

In 2017, the United States and Indonesia collaborated to establish a number of drug prevention and rehabilitation facilities in accordance with an agreement reached at a February 2016 U.S.-Indonesia Drug Demand Reduction Workshop held in Jakarta. In 2017, the two countries collaborated to open three drug Outreach and Drop In Centers (in Palembang, South Sumatra; Karawang, West Java; and Kendari, Southeast Sulawesi); established two Community Anti-Drug Coalitions (in Jakarta and Surabaya); expanded training on U.S.-developed Universal Treatment Curriculum training for at least 91 drug counselors, doctors and treatment practitioners; and credentialed at least 70 people as International Certified Addiction Professionals. Separately, U.S. experts shared experiences with Indonesian judges, prosecutors, and drug professionals on how the use of drug courts in the United States had saved money, reduced recidivism, and contributed to rehabilitation.

### **D.** Conclusion

Despite the efforts of the Indonesian government, demand for illicit drugs is believed to be growing in Indonesia, and transnational syndicates face little difficulty in moving illicit drugs into Indonesia. The United States will continue to help Indonesian law enforcement interdict illicit drugs and disrupt the international drug trade, while also helping Indonesia embrace a wide range of interventions aimed at reducing drug use and associated problems.

# Iran

Iran is a significant transit and destination country for opiates and cannabis products originating in Southwest Asia, as well as a source of methamphetamine for both international and domestic consumption. Most opiates and cannabis products are smuggled into Iran across its land borders with Afghanistan and Pakistan, though maritime smuggling has increased over the past several years. Iran is a major transit point for Afghan-produced opiates destined for Europe. The Iranian government claims to allocate more than \$700 million annually for border security. Although Iran's interdiction efforts along its eastern border with Afghanistan and Pakistan are extensive, joint investigations with international law enforcement partners remain rare.

Iran's Drug Control Headquarters (DCHQ) is the country's leading drug policy coordination body and reports directly to the president. The country's Law Enforcement Force (LEF) comprises the country's uniformed police units, including the Anti-Narcotics Police and border interdiction forces. In May, Iranian authorities claimed that LEF seizures of all illicit drugs climbed to 631 metric tons during the 2016-2017 Iranian fiscal year (ending on March 20), a 15 percent increase over the previous fiscal year. According to data collected by the UN Office on Drugs and Crime, Iran's total annual seizures of opium, morphine, heroin and hashish have regularly ranked among the world's highest, though no data was available for 2017 at the time of this report.

Opium is widely available in Iran, largely as a result of Iran's status as a major opium transit country, and the country has one of the highest opiate addiction rates in the world. According to official Iranian government press statements, there are 2.8 million drug users in Iran. Other non-governmental observers claim that the real number of users is higher, and continues to grow. Opiates account for the majority of substance use disorders, according to DCHQ. Methamphetamine and hashish are also widely used.

Non-governmental organizations and the private sector implement the vast majority of demand reduction and treatment programs in the country, including opioid substitution treatment, voluntary counseling centers, prison-based treatment, and school-based prevention campaigns. Over the course of 2017, Iranian drug control and public health officials publicly emphasized the government's commitment to drug addiction treatment and rehabilitation, claiming to endorse a more prevention-based model than Iran's traditional reliance on harsh punishments. In October, the Iranian government approved legislation limiting the use of the death penalty for drug trafficking. Methadone clinics are increasingly prevalent, and in August, Iran opened its first hospital for high-school students suffering from substance use disorders. The scale of the availability of treatment and rehabilitation programs.

# Italy

Italy remains an important transit country and market for illegal drugs. Synthetic drugs, cocaine, hashish, and marijuana are the most commonly consumed illicit drugs within the country. Law enforcement cooperation between the United States and Italy against drug trafficking and other forms of transnational crime continues to be excellent. Throughout 2016, Italian Financial Police Guardia di Finanza (GDF) and the U.S. Drug Enforcement Administration (DEA) collaborated on drug seizures and investigations.

Southwest Asian heroin is trafficked into Italy via Middle Eastern and Balkan routes. Transit routes for heroin include the Port of Ancona in Bari and the Bergamo Airport. Cocaine from South America reaches Italy directly via Spain and other transit countries. The majority of cocaine found in Italy originates with Colombian and other South American criminal groups and is primarily managed in Italy by the 'Ndrangheta and Camorra crime syndicates based largely in Calabria and Campania. Italy's numerous seaports enable the importation of multi-hundred kilogram (kg) shipments concealed in commercial cargo or aboard private vessels. South American and Mexican cocaine traffickers use Italy to repatriate drug proceeds via bulk currency shipments to Colombia and Mexico and wire transfers throughout the world.

In 2016 (the most recent year for which information is available), Italian authorities seized over 71 metric tons (MT) of illegal drugs. This included 4.7 MT of cocaine, primarily from Colombia; 496 kg of heroin, mostly from Afghanistan and trafficked via Bulgaria, Greece and Albania; 23.9 MT of hashish, mostly smuggled from Morocco and Libya; 41 MT of marijuana from Albania; 12,825 doses of amphetamine-type stimulants; and 44.85 kg of amphetamine powder. In 2016, 23,384 people were arrested in Italy on drug-related charges, an 18 percent increase from 2015. Heroin and hashish seizures declined in 2016 from the previous year, but cocaine seizures increased by 16 percent, and marijuana seizures jumped by 347 percent.

Since August 2016, the GDF has collaborated with DEA and U.S. Immigration and Customs Enforcement (ICE)/Homeland Security Investigations (HSI) on an ongoing transnational drug trafficking investigation targeting the 'Ndrangheta and Camorra crime organizations. A joint DEA-GDF investigation, spanning nine countries and several cities throughout the United States, is being carried out in partnership with the U.S. Customs Border Protection (CBP). To date, this investigation has resulted in the seizure of three MT of containerized cocaine entering Italian seaports, the seizure of \$18,572,470 in bulk currency, and the arrests of 170 'Ndrangheta members.

# Jamaica

# A. Introduction

Jamaica remains the largest Caribbean supplier of marijuana to the United States and a significant transit point for cocaine trafficked from South America to North America and other international markets. Traffickers also export Jamaican-grown marijuana to other Caribbean countries in return for illicit firearms and other contraband. Jamaica's geographic position in the western Caribbean and its difficult-to-patrol coastline, high volume of tourist travel, and status as a major containerized cargo transshipment hub contribute to its use for drug trafficking via commercial shipping, small watercraft, air freight, human couriers, and private aircraft.

Jamaican authorities, supported by U.S. government assistance, increased the frequency of landbased cocaine seizures in 2017 and made significant investments in capabilities to detect and interdict maritime trafficking. The U.S. and Jamaican governments successfully utilized their bilateral mutual legal assistance and extradition treaties, as well as agreements on maritime law enforcement cooperation and sharing forfeited assets. Additionally, the U.S. and Jamaica made progress in 2017 toward an agreement to formalize information sharing between customs agencies.

Jamaica's drug control efforts face significant challenges from corruption, organized crime, gang activity, resource constraints, and an inefficient criminal justice system. On the positive side, the Jamaican government passed legislation in 2017 aimed at reducing court backlogs and neared passage of a bill to create a free-standing, independently-resourced organized crime and corruption investigative agency.

# B. Drug Control Accomplishments, Policies, and Trends

# 1. Institutional Development

Cooperation between the United States and Jamaica against illicit drugs and related transnational crime remains strong. The U.S. government's primary Jamaican partners are the Jamaica Constabulary Force (JCF, police), the Jamaica Defense Force (JDF, military), the Jamaica Customs Agency, the Major Organized Crime and Anti-corruption Agency (MOCA), the Financial Investigation Division of the Ministry of Finance, and the Office of the Director of Public Prosecutions. Jamaica's Caribbean Regional Drug Law Enforcement Training Center, housed at the JCF's police college, provides drug enforcement training to several regional partners.

The United States and Jamaica are bilateral parties to both a mutual legal assistance treaty and an extradition treaty. The countries have a strong extradition and mutual assistance relationship, and both treaties were actively and successfully used in 2017. The United States and Jamaica also utilized a reciprocal agreement to share forfeited criminal assets and a bilateral agreement on law enforcement cooperation on maritime interdiction of illicit traffickers, including boarding of suspicious vessels and embarkation of law enforcement officials on the other country's ships.

In 2017, the U.S. and Jamaican governments made significant progress toward finalizing a bilateral customs mutual assistance agreement (CMAA). The CMAA will provide a legal framework for the exchange of trade information between U.S. and Jamaican customs agencies, which in the long term will assist in targeting the flow of drugs, guns, and other contraband through U.S. and Jamaican ports of entry. The CMAA is expected to be signed and in effect by early 2018.

The Jamaican government made substantial improvements to its capacity to detect and interdict maritime traffickers in 2017, and the Government of Jamaica has identified border protection as a top security priority. The JDF Coast Guard, which is responsible for maritime law enforcement in Jamaica's over 92,000 square mile maritime domain, acquired two new offshore patrol vessels capable of remaining at sea for up to two weeks. The Jamaican military also signed an agreement to purchase its first fixed-wing intelligence, surveillance, and reconnaissance aircraft, with delivery expected in 2018. The Jamaican government plans to assign a military officer to serve as a liaison at the U.S. Joint Interagency Task Force-South in Key West, Florida, for coordination of operations against maritime traffickers.

Jamaica's efforts to bring traffickers to justice are hobbled by an under-resourced, overburdened judicial system. Repeated delays and trial postponements contribute to growing case backlogs; frustration among police, witnesses, jurors, and the public; and ultimately impunity for many offenders. In response, the Jamaican government passed a plea bargain reform bill in July, drafted with U.S. support, designed to incentivize plea bargaining to increase the courts' efficiency and reduce the backlog of criminal cases. The Jamaican government also announced in September its intention to hire 10 additional prosecutors.

# 2. Supply Reduction

Jamaican police and customs agencies continued to carry out land-based cocaine seizures in 2017. According to the JCF, authorities seized over 657 kilograms (kg) of cocaine during the first nine months of 2017. Jamaican authorities seized 1,019 kg during the same period in 2016, bolstered by a single 800 kg seizure in April 2016.

Significant cocaine seizures at or near the Port of Kingston in 2017 indicated large shipments reached Jamaica via commercial shipping containers from South America. Cocaine also arrives in Jamaica via small "go-fast" watercraft from Central and South America, likely with the assistance of larger fishing vessels that serve as mother ships. After reaching Jamaica, some cocaine shipments are transshipped in containers through the Port of Kingston onto vessels bound for the United States and other international markets. Other shipments enter the country and are divided into smaller quantities for outbound shipment via other means, including concealment in luggage, human couriers, air freight, or small watercraft.

In 2015, Jamaica passed legislation to decriminalize the possession and use of small amounts of marijuana for personal use, while possession and use of marijuana for medical purposes was legalized. In October, Jamaica's Cannabis Licensing Authority issued two licenses for legal operation in the medical marijuana industry, the first in the country's history.

During the first nine months of 2017, Jamaican authorities eradicated 191 hectares (ha) of cannabis plants and seized approximately 14.34 metric tons (MT) of cured marijuana, according to police data. Jamaican farmers cultivate an estimated 15,000 ha of cannabis every year, according to Jamaican law enforcement authorities. The police, supported by the United States, employ an eradication team to cut growing plants, seize seedlings and cured marijuana, and burn them in the field. The team conducts only manual eradication, since Jamaican law prohibits the use of herbicides.

Traffickers smuggle Jamaican-grown marijuana out of the country via commercial shipping and small watercraft. Small fishing vessels and speed boats carry marijuana to Haiti, the Cayman Islands, and the Bahamas. A thriving "guns for ganja (marijuana)" trade continues between Jamaica and Haiti, as evidenced by seizures in 2017 of illegal firearms traced to Haiti and marijuana shipments prepared for embarkation from coastal Jamaica. In August, Jamaican police seized a shipment of over 1.68 MT of marijuana believed destined for Haiti and onward to the United States via small watercraft. Police and customs officials also target marijuana shipments smuggled via commercial shipping directly to the United States.

Jamaica prohibits the manufacture, sale, transport, and possession of MDMA (ecstasy) and methamphetamine and regulates the precursor chemicals used to produce them. There were no reports of synthetic drugs or precursor chemicals produced or trafficked in Jamaica in 2017. The National Council on Drug Abuse, the Pharmacy Council, and the Ministry of Health work to expand awareness among health professionals of the potential for diversion of ephedrine and pseudoephedrine to produce methamphetamine.

U.S. law enforcement agencies work closely with Jamaican police and customs officials to develop leads, share information, and facilitate interdiction of drug shipments originating in or transiting through Jamaica. The U.S. government has supported the Jamaican police Narcotics Division with equipment, including 17 donated vehicles and a training room, as well as training.

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

The Ministry of Health's National Council on Drug Abuse (NCDA), working through the primary care system and mental health clinics, provides assessment, counseling, and treatment services for substance abusers. The Jamaican government operates one detoxification center located at the University Hospital of the West Indies (UHWI) in Kingston and also offers services at Kingston's Bellevue Hospital (a mental health institution). In collaboration with the Organization of American States' Inter-American Drug Abuse Control Commission, Jamaica offers a university-level certificate program in drug addiction and drug prevention. The UN Office on Drugs and Crime works directly with the Jamaican government and non-governmental organizations on demand reduction.

#### 4. Corruption

As a matter of policy, the Jamaican government does not encourage or facilitate illegal activity associated with drug trafficking or the laundering of proceeds from illicit drug transactions. Jamaican law penalizes corruption, but in practice, corruption remains entrenched and

widespread, and the judicial system has a poor record of prosecuting corruption cases against law enforcement and government officials. The last time a Member of Parliament or similarly highranking official was tried or convicted on corruption charges was in 1990, when a former minister of labor was convicted for diverting money from a farm worker program for personal gain. Corruption at Jamaica's airports and seaports allegedly facilitates the movement of drug shipments across borders, and organized crime leaders have historically had ties to government officials, creating a permissive environment for drug trafficking.

In 2017, the Jamaican government neared passage of a bill to make the existing Major Organized Crime and Anticorruption Agency (MOCA), which investigates organized crime and official corruption, fully independent of the police. MOCA is currently a task force within the JCF; the new legislation would make it a free-standing entity with its own dedicated resources, potentially increasing its freedom to investigate corruption cases throughout the government.

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

The U.S. and Jamaican governments coordinate closely on shared priorities related to drug control, including investigative capacity, customs cooperation, maritime security, and support to the judicial system. In June 2017, the United States, United Kingdom, Canada, Colombia, European Union, and Jamaica collaborated to host a multilateral summit in Jamaica on combating transnational crime, which focused on promoting local and regional information and intelligence sharing.

The United States supports a wide range of efforts designed to reduce illicit trafficking, advance public safety and citizen security, and promote justice through the Caribbean Basin Security Initiative (CBSI). CBSI support to Jamaica includes training, equipment, and logistical assistance for interdiction of narcotics and firearms trafficking; combatting cyber-crime, money laundering, financial fraud, and other organized crime; improving Jamaica's efforts to seize and forfeit criminally-acquired assets; and enhancing Jamaica's maritime law enforcement capabilities. The United States funds projects to improve the effectiveness of prosecutors and the courts, the National Forensic Sciences Laboratory, and the Financial Investigation Division.

The Jamaican government historically lacked swift and reliable vessels to intercept drug traffickers at sea. To remedy this, the U.S. government donated four interceptor boats to the Jamaican Coast Guard in 2017, bringing the total number of vessels donated to Jamaica by the United States between 2015 and 2017 to 18, and giving Jamaica one of the Caribbean's largest maritime interdiction fleets.

To increase public and government attention on the need for anti-corruption reforms, the United States provides support to Jamaica through the non-governmental organization National Integrity Action (NIA). NIA provides training to government, civil society, and media partners to increase awareness and conducts campaigns to increase public demand for more effective action against corruption.

The United States supports the establishment of a police polygraph unit to screen all incoming police recruits. The United States provided polygraph certification courses for police officers

and equipped six polygraph exam suites, in cooperation with the Canadian government. Jamaican police polygraph examiners began administering tests directly in 2017 and disqualified 85 recruits during the year.

Jamaica participated in the annual Multilateral Maritime Interdiction and Prosecution Summit in July 2017, which attracted maritime counterdrug professionals from various central and eastern Caribbean nations.

### **D.** Conclusion

Cooperation between Jamaica and the United States related to drug trafficking and transnational crime strengthened in 2017, as evidenced by continued drug and arms seizures and an increase in high-level extraditions of wanted criminals to the United States from Jamaica. Supported by U.S. assistance, Jamaican patrol vessels and aircraft are increasingly well-equipped to police Jamaica's waters, but to ensure that new equipment increases interdiction capacity, additional investment in training, maintenance, and information sharing will be necessary.

Progress against drug trafficking will also significantly depend on efforts to combat corruption and strengthen the judicial system so traffickers and their political patrons are held criminally accountable. New legislation to create an independent anti-corruption investigation agency and U.S.-supported programs to weed out corrupt police officials may represent a step forward in this regard.

# Kazakhstan

# A. Introduction

Kazakhstan is a transit country for Afghan heroin and other opiates destined mainly for Russia and Europe. In addition to growing imports of synthetic drugs, Kazakhstan faces cultivation and trafficking of cannabis within the country, mostly from the Chu valley of the Zhambyl region on the southern border with Kyrgyzstan. Kazakhstani officials are also concerned about internet sales of illicit drugs.

In keeping with trends seen elsewhere in Central Asia, the volume of heroin seized within Kazakhstan and along its borders declined in 2017. The reported street-price of heroin in Kazakhstan has increased by approximately six-fold since 2008.

### B. Drug Control Accomplishments, Policies, and Trends

### 1. Institutional Development

The fight against drug addiction and drug trafficking is a priority for Kazakhstan. Kazakhstan has historically used four-year programs to combat drug trafficking and addiction; the last such program finished in 2016. In 2017, Kazakhstan's anti-narcotics law enforcement activities were integrated into a National Security Strategy. Drug Demand Reduction and Treatment projects are implemented in line with the National Program of Healthcare "Densaulyk" (Health) for 2016-2019.

Kazakhstan embraces regional cooperation to counter drug trafficking, including by hosting the Central Asia Regional Information and Coordination Center (CARICC) in Almaty, which is mandated to promote regional information sharing and cooperative operations to combat transnational drug trafficking. It also cooperates with several countries on a bilateral basis and through multilateral fora such as the Shanghai Cooperation Organization (SCO), Collective Security Treaty Organization (CSTO), Commonwealth of Independent States (CIS), and the Eurasian Group on Combating Money Laundering and Terrorism Financing (EAG). Kazakhstan provides training assistance to Afghanistan and other states in the region. Several cadets from Afghanistan currently study at the Academies of the Ministry of Internal Affairs (MVD) and the Border Guard Service.

In April, the Prosecutor General's Office (PGO) signed a memorandum of understanding with the United Nations to establish a Regional Hub to serve as a training and research platform for Central Asian countries on threats including illicit drug trafficking.

A mutual legal assistance treaty was ratified by the U.S. Senate on September 15, 2016 and went into force following the exchange of instruments of ratification on December 6, 2016.

Kazakhstan withdrew customs control on the Kazakhstan-Kyrgyzstan border on August 12, 2015, due to the Kyrgyz Republic's accession to the Eurasian Economic Union (EAEU). A new freight rail line that opened in 2016 from Gorgan, Iran through Turkmenistan to Beineu in

western Kazakhstan may provide new opportunities for trafficking in the future. New methods of drug trafficking are also being utilized, including sales through bank payment systems, internet sales, and mail services.

Kazakhstan faces an emerging threat from the production, trafficking and abuse of new psychoactive substances (NPS). Draft amendments to improve current legislation pertaining to NPS and their precursors were in development in late 2017. Kazakhstan previously introduced criminal liability for trafficking of narcotic analogues in a new Criminal Code which entered into force in 2015.

# 2. Supply Reduction

During the first nine months of 2017, law enforcement agencies seized 38.5 metric tons (MT) of illegal drugs, an increase from the 36.7 MT seized in the same period in 2016, although seizures of opiates decreased. This included 126.6 kilograms (kg) of heroin (down from 196.6 kg in 2016), 439.6 kg of hashish (an increase from 431.7 kg in 2016), and 32.2 MT marijuana (32.3 MT in 2016).

Law enforcement and special services registered 3,101 drug-related crimes in 2017 (a decrease from the 3,657 in 2016), including 242 cases of drug smuggling (down from 260 in 2016), 1,885 cases related to drug sales (2,213 in 2016), and 23 drug-related crimes committed by organized criminal groups (50 in 2016). The Ministry of Internal Affairs (MVD) claimed to have disrupted 10 drug trafficking organizations in 2017 (down from 11 in 2016), and initiated 33 criminal cases against members of those drug trafficking organizations (a significant drop-off from the 51 in 2016). The MVD conducted 26 internal controlled delivery operations in 2017 (30 of 2016).

# 3. Public Information, Prevention, and Treatment

The MVD Counternarcotics Department cooperates with 73 NGOs on drug demand reduction and the medical and social rehabilitation of persons suffering from substance abuse disorders. New narcology standards, treatment methods, prison addict rehabilitation, and harm reduction programs are in development but remain antiquated.

The MVD worked with NGO and youth organizations to organize 18,000 demand reduction events (compared to 10,391 in 2016), reaching over 400,000 people (510,000 in 2016).

The government reported 25,000 registered persons with substance abuse disorders in 2017, down from 27,269 in 2016. The number of heroin users appears to be decreasing in Kazakhstan, though contacts report an increase in the number of people addicted to new psychoactive substances. However, official statistics on registered drug users likely drastically undercounts the total number of actual users, as there a negative social and economic repercussions for anyone that registers with the government as an illicit drug user.

# 4. Corruption

The Government of Kazakhstan does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. However, there are instances of corruption among law enforcement agencies, particularly among front line border guards, whose low salaries incentivize bribe requests. The government rewards citizens for reporting police corruption.

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

Kazakhstan is committed to continuing drug demand and supply reduction efforts and strengthening international cooperation. To reduce the illicit inflow of drugs, Kazakhstan plans to revise its border procedures for foreign nationals, especially from countries identified as illicit drug trafficking threats. The government is also developing measures to identify and combat sea-based supply channels.

The United States continues to support counternarcotics capacity building with relevant authorities. The U.S. Drug Enforcement Administration signed a memorandum of understanding with the MVD in November 2016 to support bilateral drug control efforts and information sharing, allowing a closer relationship, information sharing, and joint operations. The United States supports efforts to strengthen Kazakhstan's border security, including efforts to expand Kazakhstan's Coast Guard capacity on the Caspian Sea. In 2017, the United States organized thirty programs for Kazakhstani drug enforcement officers. All U.S. government programs aim to improve Kazakhstan's capacity to combat drug-trafficking and drug demand, and enjoy full host government support and shared funding.

#### **D.** Conclusion

Kazakhstan remains concerned about regional drug trafficking trends linked to illicit drug production in Afghanistan. To confront an increasing synthetic drug threat, Kazakhstan is taking steps to assess the situation, identify fentanyl-related products, counter new methods of shipping and trafficking, and conduct demand reduction campaigns, including measures to more effectively identify drug users. The government is seeking to expand its drug control cooperation with international partners, especially the United States, and is also taking steps to combat existing and emerging public health and national security threats posed by drug trafficking and addiction.

# Kyrgyz Republic

# A. Introduction

The Kyrgyz Republic lies along a significant transit route for illicit drugs moving north from Afghanistan to Russia and other international markets. Opiates originating from Afghanistan, as well as other illicit drugs, are smuggled into the country from Tajikistan across the porous border. The Kyrgyz Republic's geographic location, limited resources, and weak criminal justice system make it a prime transshipment location. The country's membership in the Eurasian Economic Union, and ongoing interstate highway construction, may increase the Kyrgyz Republic's vulnerability as a transit route for Russia-bound drug trafficking. The reform of the state's law enforcement system that started in 2016 remains ongoing. The State Service on Drug Control of the Kyrgyz Republic (SSDC) and the Main Directorate on Combating Illicit Drug Trafficking under the Kyrgyz Ministry of Interior were merged into the new Counter Narcotics Service (CNS) under the jurisdiction of the Kyrgyz Ministry of Interior (MOI). As a result of the merger, the CNS is now responsible for coordinating national efforts to combat illicit trafficking of drugs and precursor chemicals, while the Ministry of Health remains responsible for monitoring the legal trade in controlled drugs.

# B. Drug Control Accomplishments, Policies, and Trends

# 1. Institutional Development

The SSDC was officially dissolved on November 30, 2016, and the new CNS was launched on January 1, 2017, with the appointment of Azamat Araev as Chief of the new institution. Only approximately 15 percent of the SSDC's 300-person staff joined CNS, as the majority transferred to MOI or other law enforcement institutions, and others retired or were dismissed. CNS staffing numbered approximately 190 at the end of 2017. Approximately 30 percent of the equipment accumulated by the SSDC was transferred to MOI units and other law enforcement agencies.

The Kyrgyz Republic is a member of the Central Asia Regional Information and Coordination Center (CARICC), which promotes regional information sharing and coordinated operations to combat transnational drug trafficking. In October 2017, Grigorii Pustovitov, the former representative of the Russian MOI to the Kyrgyz Republic, was appointed as the new director of CARICC. The Kyrgyz Republic does not have an extradition agreement with the United States. Although the Kyrgyz Republic does not have a mutual legal assistance agreement with the United States, it is a signatory to multilateral legal instruments that could be used to facilitate such cooperation.

# 2. Supply Reduction

During the first eight months of 2017, there was an overall decrease in drug seizures and criminal cases involving drugs compared to the same period in 2016. The country's law enforcement agencies registered 1,157 drug-related criminal cases – versus 1,840 cases in 2016 – and of these cases, 967 were investigated and 870 were sent to court. The total amount of illegal drug seized by all law enforcement agencies was approximately 12 metric tons (MT), including

psychotropic substances and precursor chemicals. These seizure totals were down from the same period in 2016 (18.16 MT) and significantly below totals from 2015 (over 28 MT for the year). According to the MOI, the categories of seized drugs included: 62.7 kilograms (kg) of heroin; 21 kg of opium; approximately 10.7 MT of cannabis products; and approximately 1.17 MT of precursor chemicals.

### 3. Public Information, Prevention, and Treatment

The Kyrgyz Republic works to reduce demand for illegal drugs and improve treatment through cooperation with international partners, including the United Nations Office on Drugs and Crime (UNODC) and the U.S.-sponsored Community Anti-Drug Coalition. Programs focus on improving the capacity of treatment professionals, as well as educating youth and communities on the dangers of illegal drugs. The United States supports UNODC efforts to reverse or neutralizing policies that criminalize behavior of key populations and limit access to treatment services. The activities include organizing high-level advocacy meetings, supporting technical experts groups, reviewing policy and legal documents, and building the capacity of health care workers, law enforcement agencies and civil society organizations.

According to the country's national HIV monitoring center, HIV continues to rise among injecting drug users. HIV among people who inject drugs has risen from 12.4 percent in 2013 to 14.3 percent in 2016. There are an estimated 18,000 to 20,000 injecting drug users in the country, according to a joint study conducted by Kyrgyz authorities and the United Nations in 2016.

#### 4. Corruption

The Government of Kyrgyz Republic does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. However, corruption continues to exist within the country's law enforcement agencies. While Kyrgyz law provides criminal penalties for public officials convicted of corruption, the government does not implement the law effectively. Bribery to avoid investigation or prosecution is problematic at all levels. Likewise, law enforcement officers, particularly in the southern part of the country, use arbitrary arrest, detainee abuse, and the threat of criminal prosecution to extort citizens.

The only government body empowered to investigate corruption is the anticorruption branch of the State Committee for National Security (GKNB). It is not an independent government entity. The agency's cooperation with civil society is limited, and its investigations lead to very few prosecutions.

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

U.S. policy objectives focus on strengthening the existing capacity of the country's law enforcement bodies, expanding their ability to investigate and prosecute criminal cases, enhancing anti-corruption efforts, and increasing overall security in the country.

In 2017, officers from the MOI and Customs service attended a series of training courses in the Kyrgyz Republic by the U.S. Drug Enforcement Administration (DEA). The DEA training covered basic and advanced drug investigation techniques, airport interdictions, and drug unit management. Outside of the training program there has been little engagement from the MOI and Customs on drug control efforts. For nearly a year a memorandum between the MOI and DEA, which is needed to replace the memorandum between the DEA and SSDC, has yet to be approved by the MOI.

### **D.** Conclusion

The Kyrgyz Republic's need for international drug control cooperation is likely to continue given the lack of resources within Kyrgyz law enforcement institutions. The United States remains committed to assisting the Kyrgyz government's efforts to reform and strengthen its law enforcement institutions.

# Laos

# A. Introduction

Laos is a significant transshipment hub for amphetamine-type stimulants (ATS), and is a major source country of opium. Located in the heart of the regional drug trade in Southeast Asia, Laos shares 3,000 miles of porous land borders with Myanmar, Thailand, China, Cambodia, and Vietnam. Although infrastructure remains rudimentary in Laos, improving road, bridge, and communication networks have increased opportunities for drug trafficking throughout the country.

Poppy cultivation in Laos decreased 96 percent between 1998 and 2007 due to aggressive government action and international cooperation, particularly U.S. alternative development assistance. Although significant amounts of opium poppy are still grown in Laos, often in remote and difficult to access areas, overall cultivation appears to have been relatively stable over the last decade, if not declining marginally. According to the most recent UN Office on Drugs and Crime (UNODC) opium survey, an estimated 6,200 hectares (ha) of opium poppy were cultivated within Laos in 2014 and 5,700 ha in 2015. A survey completed by Lao and Chinese technical staff estimated that 5,328 ha of opium poppy were cultivated within the country in 2017.

Most of the opium produced in Laos is destined for export and refinement into heroin, with only a small percentage consumed in Laos. Laos is not a significant source of opiates trafficked to the United States.

Laos has a significant domestic market for illicit drugs, especially ATS. While ATS production within Laos appears to be minor, drug seizure data suggests that ATS may be transiting through Laos from neighboring countries in increasing quantities.

# B. Drug Control Accomplishments, Policies, and Trends

# 1. Institutional Development

Since 1989, the United States has provided Laos approximately \$45 million in law enforcement and counter-drug assistance, which helped to eliminate much of Laos' opium poppy cultivation. The Lao Bureau for Drug Control and Supervision (LBDC) and the Counternarcotics Police Department (DCD), both under the Ministry of Public Security, are the main coordinating bodies for the implementation of drug demand reduction, crop control, alternative development, and law enforcement activities. The top policy-making body for drug control is the National Steering Committee to Combat Drugs (NSCCD), chaired by the Prime Minister. Lao drug police are organized into 18 provincial counter-drug police divisions known as Counter Narcotics Units (CNUs), one for each province and the Vientiane Capital.

Laos does not have a bilateral extradition or a mutual legal assistance treaty with the United States, though Laos has acceded to multilateral conventions that enable mutual legal assistance

cooperation. While Lao authorities are receptive to training opportunities, bilateral cooperation with the United States on international drug trafficking investigations has been rare to date.

# 2. Supply Reduction

Lao drug control authorities have recently been increasing their cooperation on border control and interdiction with counterparts in neighboring countries.

In January 2017, Laos joined other Association of Southeast Asian Nations (ASEAN) Member States in adopting the ASEAN Cooperation Plan to Tackle Illicit Drug Production and Trafficking in the Golden Triangle (2017-2019). The Plan is a concerted effort to solve drug problems in Southeast Asia, and builds on both the Safe Mekong Joint Operation Project, which began in 2013, and the ASEAN Work Plan on Securing Communities Against Illicit Drugs (2016-2025).

As a result of this increased collaboration, three major Lao drug lords were arrested in 2017. A five-year hunt for suspected drug lord, Xaysana Keophimpha, ended in his arrest at Suvarnabhumi airport in Bangkok in January. Khonpasong Soukkaseum, known as Xiengther, and three of his associates were arrested near the Lao capital of Vientiane in February. In April, Sisouk Daoheuang was arrested in the northern Lao city of Luang Prabang.

During the first six months of 2017, the DCD reportedly seized 68.35 kilograms (kg) of heroin; 84.2 kg of opium; 2.97 metric tons of cannabis; 93 kg of crystal methamphetamine; 1.9 million ATS tablets; and 55.9 kg of precursor chemicals. The DCD investigated 1,403 drug cases and arrested 2,141 people for suspected drug crimes, including 40 foreigners. Statistics for the second half of the year have not yet been released.

The Lao government continues to support longstanding efforts to assist former poppy-growing farmers by fostering alternative livelihoods, mostly financed by donors. In 2016, the U.S. government launched a three-year, \$1.5 million alternative development program with the UNODC in Houaphan province. The project includes the development of coffee plantations, improved technology for livestock production, opium detoxification, and building the management skills and capacities of local organizations.

# 3. Public Information, Prevention, and Treatment

The Lao government raises awareness of the risks and negative consequences of illicit drugs through mass media such as television, radio, newspaper, and other channels.

ATS use is thought to be concentrated among Laos' youth population, mostly consumed as "yaba," a mixture of methamphetamine and caffeine also popular in Thailand. The Lao government estimates 40,000 users of the drug within the country, although this figure is likely an underestimate.

Government drug treatment facilities lack the resources to provide evidence-based treatment and post-discharge follow-up. To support demand reduction efforts, the United States supports

adoption of community-based, voluntary treatment. The United States has provided approximately \$600,000 to the UNODC and the World Health Organization to establish and operate 28 community-based treatment centers providing screening and counseling services at district hospitals across six provinces. The United States is also funding the translation and training for Lao National Trainers on the U.S.-developed Universal Prevention Curriculum.

## 4. Corruption

The Government of Laos does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. However, salaries for police, military, and civil servants are low, and corruption in Laos is endemic.

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

The Lao government's guiding drug control strategy document, the "National Drug Control Master Plan 2016-2020," was approved in May 2016. The Master Plan, which was developed with support from the United States and the UNODC, articulates nine priorities for the Lao government, including:

- Formulation and improvement of legal instruments concerning drug problems;
- Data/information collection and analysis;
- Education/training/dissemination of the laws and adverse consequences from drug abuse;
- Treatment and vocational training for persons suffering from substance use disorders;
- Alternative development, replacing opium poppy and cannabis cultivation;
- Law enforcement;
- Precursor chemical control, analysis, and testing of drug use;
- International cooperation; and
- Streamlining the organizational machinery of the national commission for drug control and supervision at the central and local levels.

The Master Plan implements the country's National Drug Law (promulgated in 2015), and calls for a budget of \$18 million over five years from 2016-2020. Funds for implementing the plan are expected to come from the Lao government and international donors.

The United States supports the Lao government's efforts to strengthen the rule of law and capacities for combating transnational crime. Most U.S. drug control assistance to Laos supports law enforcement efforts, including training for the DCD, CNUs, and Customs Department.

#### **D.** Conclusion

Drug control cooperation between Laos and the United States continues to evolve and prioritizes border security and anti-corruption. Transnational drug trafficking networks in Southeast Asia must be countered by strong regional law enforcement capacity and cross-border cooperation.

Laos' justice, law enforcement, and security systems lack the resources necessary to counter the increased sophistication of drug-related crime that has accompanied the country's growing economic development. Continued support for institution-building within the Lao government, as well as basic law enforcement training emphasizing interdiction, investigation, and prosecution is needed.

# Lebanon

Lebanon serves as a transit point for cocaine and heroin and serves as a production hub for fenethylline, an amphetamine-type stimulant commonly known by the former brand name "captagon." Cannabis and hashish are also cultivated within Lebanon, mostly produced in the Bekaa region. The primary illicit drugs consumed in Lebanon are hashish, cocaine, fenethylline, and MDMA (ecstasy).

The main drug control goals of the Lebanese government remain eradication of illegallycultivated cannabis, and stemming the production and trafficking of fenethylline in the Bekaa region. Fenethylline continues to be smuggled through Lebanon to Gulf region states. Little significant eradication activity occurred in 2017, due in large part to instability along the border with Syria, combined with a lack of logistical support and equipment for the Internal Security Forces' (ISF's) eradication efforts.

The Lebanese Armed Forces (LAF) units routinely conduct drug seizures in the course of border security and counterterrorism operations. Law enforcement cooperation and coordination mechanisms for information sharing and the disposition of seized materials continue to develop between the LAF and partner Lebanese security agencies.

The volume of cocaine entering Lebanon via commercial aircraft in 2017 was estimated to be consistent with 2016 levels. Individual smugglers typically depart from South America and transit through other countries en route to Lebanon, usually carrying between three and five kilograms of cocaine in their luggage.

The ISF has made strides in combating fenethylline trafficking over the past several years, though seizure totals declined in 2017 from 2016. The ISF seized a total of 7.5 million fenethylline tablets during the first nine months of 2017, compared to 10.8 million tablets seized over period in 2016. The ISF also seized production labs and arrested numerous fenethylline smugglers. Lebanese government reports indicate that a total of 2,538 drug seizure events occurred during the first nine months of 2017. During this period, heroin seizures totaled approximately two kilograms (kg), down from three kg from the same period in 2016. Cocaine seizures amounted to 113 kg during the same nine-month period, compared to 164 kg seized in 2016. Approximately 6.2 metric tons (MT) of hashish were seized, compared to 6.3 MT seized in 2016.

The United States does not have a mutual legal assistance treaty or extradition agreement with Lebanon, although Lebanon has acceded to multilateral conventions that enable law enforcement cooperation. In 2013, the United States discontinued all material assistance to Lebanon's Internal Security Force's counter-narcotics unit, based on reports of human rights violations. There has been no U.S. material assistance to this unit within the last four fiscal years. However, U.S. law enforcement entities continue to exchange information with Lebanese counterparts on narcotics matters.

# Liberia

## A. Introduction

While Liberia is not a significant international transit route for illicit drugs, the country's nascent law enforcement capacity, porous border controls, and proximity to major drug transit routes contribute to increasing drug traffic to and through Liberia. Liberia is also not a significant producer of illicit drugs, though domestic drug use, particularly of marijuana, is very common. Other drug usage includes heroin (mostly smoked) and cocaine (snorted). Local authorities have reported increasing prevalence of amphetamine-type stimulants and intravenous drugs. There is no reliable data on drug consumption or overall trends within Liberia due to poor transportation and communications infrastructure coupled with a lack of interest to collect such data. Other than marijuana, drugs consumed within Liberia enter the country via commercial aircraft, maritime vessels, and across land borders by foot and vehicle traffic.

#### B. Drug Control Accomplishments, Policies, and Trends

#### 1. Institutional Development

Local law enforcement agencies, including the Liberia National Police (LNP), Coast Guard, National Security Agency, and the Liberia Drug Enforcement Agency (LDEA), work in concert to fight illicit drug trafficking in Liberia. Established Nigerian criminal networks operate within Liberia, some of which are involved in drug trafficking, and local authorities are aware of the threat and are working with the United States to prevent these illicit criminal networks from gaining a stronger foothold.

In 2017 the LDEA made a number of interdictions and arrests of drug traffickers based upon intelligence and international liaison. Prior to 2014, the LDEA did not have the capacity to perform the basic investigations and surveillance necessary to obtain warrants, maintain chain of custody, and present a proper case in court. Drug enforcement operations have since progressed to multi-kilogram seizures and arrests of international drug traffickers.

Improvements to Liberia's enforcement capacity began in 2014 when the LDEA was reorganized and the country's Controlled Drugs and Substances Act came into effect. In 2017, 88 suspected drug traffickers were arrested in 11 separate indictments that led to prison sentences totaling 76 years. An LDEA court liaison team works directly with judges to promote effective implementation of the law. Many of the successful interdictions and seizures during 2017 resulted from LDEA's international ties, which led to greater intelligence capabilities and intelligence sharing, and resulted in several successful and significant operations.

The LDEA continues to improve its operational capacity and professionalism, including through effectively working across the Liberian interagency and outreach to private businesses. The LDEA is increasingly successful using advanced investigative measures including confidential sources, controlled deliveries, and international investigations targeting organized criminal groups. The U.S.-Liberia extradition treaty dates from 1939 and is still in effect. Although a

mutual legal assistance treaty between Liberia and the United States does not exist, Liberia is a party to multilateral conventions that enable such cooperation.

#### 2. Supply Reduction

Local marijuana production takes place within Liberia, there is little information available on the extent of cannabis cultivation or the trafficking networks involved in distributing it.

During the first 10 months of 2017, the LDEA seized approximately 8.7 metric tons (MT) of marijuana; 2.6 kilograms (kg) of cocaine; 11.5 kg of heroin; and 2 kg of methamphetamine. The seizure of methamphetamine was the first within Liberia. Also in 2017, the LDEA made significant progress in its fight to counter international drug trafficking through air couriers and successfully interdicted five foreign nationals and seized 9 kg of heroin and cocaine at Roberts International Airport. Also, three foreign nationals were arrested and 4 kg of heroin were seized during two significant cross-border cases.

#### 3. Public Information, Prevention, and Treatment

The UN Office on Drugs and Crime's (UNODC) 2012 Preliminary Drug Use Assessment Report indicated increased drug use among youths, particularly ex-combatants from Liberia's 1989-2003 civil conflict. Drug use is growing among the emerging middle class and exists in expat communities.

The government has conducted very little drug prevention, rehabilitation, or treatment since the pre-war era, due to a lack of resources and capacity. Persons with substance use disorders are referred to the only psychiatric hospital in Liberia or to one of the few non-governmental organizations (NGOs) working in the field. One highlight from 2017 was the LDEA- hosted 2017 International Day Against Illicit Drugs-World Drug Day event that was logistically supported by the United States. The annual event has steadily grown since first being held in 2003, and promotes drug demand reduction, notes various enforcement efforts, and highlights the collaboration between each. The LDEA also held events to commemorate World Drug Day on June 26, stressing the importance of community involvement in the fight against drug abuse. As in past years, the event culminated in the public destruction (burning) of confiscated drugs, which generated positive media attention and underscored the improved transparency of the LDEA. This year the LDEA destroyed approximately 9.37 MT of marijuana, 7.94 kg of cocaine, and 19.32 kg of heroin.

#### 4. Corruption

The Government of Liberia does not encourage or facilitate the production or distribution of illicit drugs, nor the laundering of proceeds from illegal drug transactions as a matter of policy.

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

The United States is working with the Government of Liberia to fight international drug trafficking and reduce local demand for illicit drugs. As part of these efforts, the United States

is providing assistance to build the Government of Liberia's capacity to develop criminal cases against international trafficking organizations active in the country and encouraging judicial and prosecutorial application of the country's relevant drug control laws. Many of the seizures and successful cases recorded in 2017 are a direct result of U.S.-provided training and international cooperation in countering international drug trafficking.

## **D.** Conclusion

The Government of Liberia is committed to preventing transnational criminal organizations from gaining a major foothold in its territory, but lacks the resources and capacity to respond adequately to this challenge. Despite significant constraints, the LDEA is also working with other regional drug enforcement entities to exchange intelligence and information, which has led to the interdiction of international traffickers within Liberia's borders in 2017. After four years of effort to overcome institutional and political resistance, the LDEA has deployed to all Liberian Ports of Entry, and given the advancements in LDEA capacity, judicial acceptance, and successful prosecutions, it is anticipated that there will be meaningful results in 2018. The United States will continue to support and assist Liberia's efforts to strengthen its law enforcement capacities and fulfill its international drug control commitments.

# Malaysia

#### A. Introduction

Malaysia is not a significant source country or transit point for U.S.-bound illicit drugs. Nevertheless, drug trafficking networks exploit Malaysia as a transit state to supply regional markets, and transnational criminal organizations are attempting to expand crystal methamphetamine production within the country. Drugs smuggled into Malaysia from China, Thailand, Burma, and Laos include marijuana, heroin, and amphetamine-type stimulants. Synthetic drugs originating from China, Iran, Nigeria and India are also trafficked through Malaysia including MDMA (ecstasy), nimetazepam (a diverted pharmaceutical drug), and crystal methamphetamine. Nigerian and Iranian traffickers use Kuala Lumpur as a hub, and have used commercial courier services to ship drugs into and from Malaysia. There is no notable cultivation of illicit drug crops in Malaysia and local consumption of illicit drugs is limited.

#### B. Drug Control Accomplishments, Policies, and Trends

#### 1. Institutional Development

Although the Royal Malaysian Police are generally effective in arresting drug offenders, Malaysian prosecutors have shown limited success in prosecuting and convicting drug traffickers as Malaysia does not have an effective drug conspiracy law. Coupled with the high burden of proof required for a drug trafficking conviction, which in many cases leads to a mandatory death sentence, prosecutors are limited in their ability to charge and prosecute such cases. Consequently, drug offenders are often held under Malaysia's preventive detention laws, which allows for detention without trial for up to two years.

Since early 2017, Malaysia has been considering an amendment to the country's drug laws which would allow judges to impose jail terms instead of the mandatory death sentence for drug traffickers. Alternative sentences could encourage drug charges against traffickers by those prosecutors who might have deemed the death penalty excessive.

Malaysia has an extradition treaty and mutual legal assistance treaty with the United States and bilateral cooperation under these agreements is generally productive. Malaysia remains an active participant in multilateral drug control venues, including to implement commitments under the Association of South East Asian Nations (ASEAN) and the UN drug control treaties.

#### 2. Supply Reduction

According to Malaysian authorities, drug trafficking patterns through Malaysia in 2017 remained relatively consistent with previous years. Most drugs entering Malaysia come across the border with Thailand, through all available means of conveyance (air, ground, maritime, and human couriers). Drug trafficking organizations have begun using more local nationals as couriers, particularly women, to avoid law enforcement profiling.

U.S. assistance and information sharing has played a valuable role in assisting Malaysia to combat drug trafficking in the country. As an example, in 2017, Malaysian police uncovered illicit ketamine labs in central Malaysia based on information sharing with U.S. law enforcement. The United States helped to facilitate communication between Malaysia and other Southeast Asian countries that identified the source of the precursors used in these labs and the foreign chemists hired to produce the ketamine. The clandestine laboratory was capable of producing several hundred kilograms (kg) of ketamine for export and limited local consumption.

Malaysian authorities seized approximately \$30 million worth of illicit drugs during the first six months of 2017, according to the latest Malaysian government statistics available, putting authorities on course to exceed the \$47 million seized in 2016. Synthetic drugs comprised the majority of seizures and may indicate increased trafficking through the country. Arrests for supplying and possessing drugs increased 23 percent and 22 percent, respectively, compared to the first half of 2016, while arrests for drug use, based on urinalysis, fell by 28 percent.

#### 3. Public Information, Prevention, and Treatment

Illicit drug consumption remains relatively low in Malaysia, and overdoses are rare. Malaysia promotes drug abuse awareness and prevention via the National Anti-Drug Agency. Drug treatment and rehabilitation clinics exist, but are under-funded and lack of the ability to provide comprehensive follow-up care to patients once they leave the clinic.

#### 4. Corruption

Corruption is an endemic issue in Malaysia and touches nearly every government agency. However, there are no indications that drug-related corruption is systematic or widespread. As a matter of government policy, Malaysia does not encourage or facilitate illegal activity associated with drug trafficking and there are no known senior government officials engaged in such activity.

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

U.S. training continued to play an important role in assisting Malaysian authorities against international drug trafficking networks. The United States continues to send Malaysian police for counter-narcotics training at the International Law Enforcement Academy (ILEA) in Bangkok. The U.S. Coast Guard continued its maritime law enforcement training program with the Malaysian Maritime Enforcement Agency. The United States also conducted a one-week course on criminal conspiracy and complex investigations in Malaysia in April. Course attendees included officers from the Royal Malaysian Police, who received instruction on how to build complex conspiracy investigations, exploit intelligence effectively, and build cases from the ground up to ultimately dismantle drug organizations as a whole. This training proved effective in September, when trained authorities seized 300 kg of crystal methamphetamine, valued at \$5.5 million, and arrested six individuals in three different states.

Senior Malaysian drug control officials also traveled to the United States in 2017 to meet with their counterparts at the U.S. Drug Enforcement Administration to expand U.S.-Malaysia cooperation.

#### **D.** Conclusion

With U.S. support, Malaysia is engaged in a long-term process to further professionalize substance use treatment staff in the country through the Colombo Plan's International Center for Certification and Education of Addiction Professionals. In 2018, the United States will seek to promote further coordination between Malaysian and U.S. law enforcement authorities, including joint interdiction efforts, information sharing, and training to further improve Malaysia's investigative and prosecutorial capacity.

# Mexico

# A. Introduction

Mexico is a significant source and transit country for heroin, marijuana, and synthetic drugs including methamphetamine destined for the United States and the main transit country for cocaine from South America. Mexico is a source of illicit opium poppy and the primary supplier of heroin to the U.S. domestic market. Narcotics trafficking, corruption, and related violence in Mexico pose considerable problems to citizen security and economic development. According to the Government of Mexico, murders increased 26 percent nationally during the first nine months of 2017 compared to the same period in 2016.

The Merida Initiative is the U.S. government's primary mechanism to implement security assistance in Mexico. Merida projects have expanded to disrupt the business model of transnational criminal organizations and stem the flow of drugs into the United States. Projects include training and equipment to dismantle clandestine drug labs; a precursor chemical tracking program; advanced airport security training; inspection equipment for border crossings and checkpoints; and a national information sharing system and telecommunications network along Mexico's southern border to improve law enforcement operations. Since 2009 the United States has provided security assistance program funding specifically for drug interdiction equipment and training to law enforcement and military personnel engaged in drug control efforts.

## B. Drug Control Accomplishments, Policies, and Trends

# **1. Institutional Development**

Despite continued fiscal austerity, Mexico's approved 2018 budget allocates an additional \$470 million (for a total of nearly \$8 billion) to crime prevention and drug demand reduction and treatment programs. The Interior Secretariat will receive a 5.4 percent (real) budget increase, with the bulk of the increase dedicated to strengthening Federal Police operations at the state level. Mexico's Army (SEDENA) and Navy (SEMAR) will see 13.4 percent and 11.4 percent real budget increases, respectively, with most of those new assets dedicated to strengthening military and naval infrastructure, much of which will be dedicated to combating transnational criminal organizations.

Mexico participates in the Inter-American Convention on Mutual Assistance in Criminal Matters and subscribes to the 1996 Anti-Drug Strategy in the Hemisphere and the 1990 Declaration and Program of Action of Ixtapa. Mexico is a regional observer in the Central American Integration System and collaborates with Central American countries to improve regional security. Mexico participates with Canada and the United States in the North American Maritime Security Initiative in which naval authorities meet regularly to share information, improve response to transnational threats, and develop protocols for maritime interdictions.

The current U.S.–Mexico extradition treaty has been in force since 1980 and Mexico remains one of the United States' strongest extradition partners. Moreover, a bilateral mutual legal assistance treaty in force since 1991 fosters a broad range of cooperation in criminal matters.

#### 2. Supply Reduction

The U.S. government estimates opium poppy cultivation in Mexico reached 32,000 hectares (ha) in 2016, an increase from 28,000 ha in 2015. Most opium poppy cultivation occurred in the states of Sinaloa, Chihuahua, Durango, and Guerrero. The Mexican Attorney General's Office (PGR), SEDENA, SEMAR, Foreign Ministry (SRE), and the United Nations Office on Drugs and Crime (UNODC) began an opium yield study in 2017 to better estimate the quantity of heroin produced in Mexico. Collection of field samples will continue through the opium poppy growing season of early 2018, with analysis planned for spring 2018.

The Mexican military conducts the majority of eradication efforts. PGR's National Center for Planning, Analysis, and Information to Combat Organized Crime (PGR/CENAPI) publishes drug seizure and eradication statistics. According to PGR/CENAPI, in calendar year 2016 Mexico reportedly eradicated 5,478.42 ha of marijuana and 22,436.59 ha of opium poppy. During the first six months of 2017, Mexico reportedly eradicated 1,979.21 ha of marijuana and 20,248.95 ha of opium poppy.

According to PGR/CENAPI, in calendar year 2016 Mexico seized approximately 13.04 metric tons (MT) of cocaine; 841 MT of marijuana; 38,432 cannabis fields; 234.73 kilograms (kg) of opium gum; 164,010 opium poppy fields; 26.19 MT of methamphetamine; and 136 clandestine laboratories. During the first six months of 2017, Mexico reportedly seized 7.61 MT of cocaine; 265.15 MT of marijuana; 14,670 cannabis fields; 251.03 kg of opium gum; 135,244 poppy fields; 4.29 MT of methamphetamine; and 70 clandestine laboratories. PGR/CENAPI has not yet provided heroin seizure information for 2016 and 2017.

Increased seizures at the U.S.–Mexico border suggest a rise in fentanyl trafficking. Synthetic drugs are increasingly transported in poly-drug loads and sometimes pressed into pills disguised as prescription medications for sale in illicit markets. In August, using Merida Initiative-funded non-intrusive inspection equipment, SEMAR seized 64 kg of material containing fentanyl and 30,000 fentanyl-laced counterfeit pills at a checkpoint near the Arizona border. During the first nine months of 2017, U.S. Customs and Border Protection had seized 224 kg of fentanyl at U.S. southwest border ports of entry, all from privately owned vehicles. The United States supports SEMAR, SEDENA, Federal Police, Customs (SAT), and PGR with information sharing, training, and specialized equipment. In January, SEMAR captured two Sinaloa Cartel "superlabs," seizing over four MT of methamphetamine and thousands of liters of precursor chemicals.

In January, Mexico extradited Joaquin "El Chapo" Guzman, former head of the Sinaloa Cartel, to the United States to stand trial. In May, Mexican officials arrested Damaso Lopez Nunez, Guzman's likely successor as the leader of the Sinaloa Cartel. In addition to Lopez Nunez's arrest, his son Damaso Lopez Serrano surrendered to law enforcement authorities in July at the U.S.–Mexico border, the first time a high-ranking cartel leader ever voluntarily surrendered to law enforcement authorities in the United States.

In July, Mexico's General Health Council (Consejo de Salubridad General) officially added two primary fentanyl precursors, ANPP and NPP, to its list of controlled substances. The United States and UNODC are providing upgrades to Mexico's National Drug Control System software to track precursor chemicals entering Mexico and avoid diversion to illicit use.

The Merida Initiative-funded "Clandestine Laboratory Initiative" trained and equipped Mexican law enforcement units to identify and safely dismantle clandestine drug laboratories that produce heroin, fentanyl, and methamphetamine. The Mexican units trained by the United States have seized more than 300 clandestine laboratories since 2015. Between June and August, SEMAR reported seizing over 26 MT of methamphetamine, over 38,000 liters of methamphetamine precursors, and 16 clandestine methamphetamine laboratories. The Merida Initiative-funded "Fentanyl Training and Protection Initiative" will train and equip Mexican fentanyl response teams to safely identify and seize fentanyl.

Canines donated by the Merida Initiative to Mexico made significant seizures of illicit drugs in 2017, including fentanyl. At the port of Manzanillo, Merida-donated canines located 1,500 fentanyl pills hidden inside shoes destined to the United States. A Merida-donated canine detected 120 ten milliliter (ml) vials of ketamine, a 10 ml vial of fentanyl, and another 2 ml vial of fentanyl at the Tijuana Airport. A Merida-donated canine detected over 600 fentanyl tablets hidden in a box of coffee at the DHL office in Guadalajara Airport. From 2012 to 2016, Merida-donated canines to the Mexican Customs and Federal Police contributed to the detection and seizure of 39.84 MT of marijuana and 1.3 MT of cocaine.

In 2017, the Royal Canadian Mounted Police – the first police force in the world to train their dogs in fentanyl detection – began training U.S. and Mexican canine units in fentanyl detection.

#### 3. Public Information, Prevention, and Treatment

Mexico's National Commission Against Addictions (CONADIC) released preliminary data in June showing an increase in overall marijuana use, up from six percent in 2011 to 8.6 percent in 2016, and stable use of cocaine (3.5 percent), inhalants (glue, aerosols, markers, etc., 1.1 percent), and amphetamine-type stimulants (0.9 percent). There is no indication fentanyl is being used domestically in Mexico.

The United States has supported implementation of court-supervised treatment for criminal offenders with drug use problems in Mexico since 2009. Currently, five Mexican states operate 29 drug treatment courts including five juvenile courts, all of which received training and assistance from the United States.

#### 4. Corruption

The Government of Mexico does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. Although federal anti-corruption standards are improving, corruption continues to impede Mexican drug control efforts.

Mexico's Attorney General Raul Cervantes announced his resignation on October 16, 2017 after one year in office, following a push by the ruling Institutional Revolutionary Party to appoint him as Mexico's next Prosecutor General, a new position with a nine-year term that would replace the Attorney General. The Peña Nieto administration announced the appointment of the new Prosecutor General would be delayed until after the July 2018 presidential elections.

At the federal level, the Senate has not yet appointed a special anti-corruption prosecutor as mandated by Mexico's National Anti-Corruption System, or approved the selection of the 18 administrative judges charged with ruling on corruption cases.

Mexico arrested several high-profile former government officials linked to corruption in 2017. In July, PGR took custody of former governor of Veracruz Javier Duarte, who went into hiding in Guatemala and faces federal and state corruption charges. Mexico also seeks the extradition from Panama of former governor of Quintana Roo Roberto Borge. Nayarit state officials opened an investigation against current governor Roberto Sandoval. In October, former Governor of Tamaulipas Eugenio Hernandez Flores was arrested on Mexican charges of misuse of public funds and use of illicit funds.

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

Through the Merida Initiative, in 2017 the United States launched a program to create an information sharing system for Mexico that will be interoperable with U.S. law enforcement systems. The program vastly improves Mexico's capability to partner with U.S. law enforcement to counter terrorism, dismantle transnational criminal organizations (TCOs), curtail irregular migration, and identify criminals and special interest aliens.

The United States and Mexico held the first-ever trilateral National Fentanyl Conference in May for forensic chemists from Mexico, the United States, and Canada to share best practices on the detection, analysis, and handling of fentanyl. On August 10, the U.S.–Mexico Bilateral Drug Policy Working Group met for the third time and shared progress reports in the effort to combat illicit drugs, and highlighted avenues for sustained future cooperation.

In May, the United States and Mexico held the first Cabinet-level Strategic Dialogue on Disrupting TCOs to define a new approach to addressing the business model of TCOs, with emphasis on drug production, drug distribution, cross-border movement of cash and weapons, drug demand markets, and illicit revenue. The second Cabinet-level Dialogue in December continued to advance this bilateral approach.

The fourth Security Cooperation Group was held in Mexico City in October as a sub-Cabinet level working group of the Strategic Dialogue on TCOs. The meeting reviewed joint U.S.– Mexico efforts to weaken TCO networks; stem opium poppy cultivation and heroin production; combat the movement of fentanyl and other illicit opioids; reduce demand for illicit drugs in the United States; enhance border security; and increase efforts to deny transnational criminals revenue and involvement in money laundering, human smuggling, and human trafficking.

## **D.** Conclusion

Drug trafficking, corruption, and related violence remain substantial challenges to citizen security in Mexico. Illicit drug cultivation is a particular challenge, with data trends suggesting illicit opium poppy cultivation will continue to grow. The United States will increase bilateral cooperation to work toward achieving security goals shared by both nations, to include denying TCOs illicit revenue from drug trafficking.

# Morocco

Morocco remains one of the top cannabis-producing countries in the world, with Europe being a primary market. Moroccan authorities' enhanced deployment of x-ray scanners at the port of Tangier, as well as enhanced use of canine interdiction units and other border controls, appears to be deterring traffickers from the use of commercialized containers for smuggling activity, and drug trafficking networks are increasingly turning to the use of "go-fast" boats and non-commercial airplanes to smuggle cannabis products into Spain. Moroccan hashish is also smuggled south into Mauritania, where it is further trafficked across Mali and into Libya for onward transshipment and distribution. In an emerging trend, hashish is also smuggled to South America and the Caribbean where it is being exchanged for cocaine that is then transported to Europe for distribution. Traffickers are also expanding trafficking routes within the country by moving hashish south and then to Morocco's coast for non-commercial maritime shipment to Europe or overland shipment to African markets.

Over the past decade, Moroccan cannabis farmers have been substituting traditional seeds with hybrid strains capable of producing larger yields and higher THC levels. Yields obtained from hybrid seeds and improved agricultural techniques are three to five times higher than those obtained from traditional cannabis farming methods. THC levels have increased from approximately 15 percent to an estimated 23 percent, on average. Open source research indicates that European demand for higher potency THC products drove the switch to hybrid seeds. Accurate cannabis cultivation and hashish production estimates are not available.

Morocco also remains a transit point for the maritime shipment of cocaine smuggled into Europe but has made progress in countering trafficking activity. Cocaine seizures increased in 2017, which Moroccan authorities attribute to increased surveillance, border controls and to continued cooperation with Spanish and other European partners. On October 4, Moroccan authorities reported seizing approximately 2,588 kilograms of cocaine having a street value estimated between \$40 and1\$100 million. This cocaine was stored at multiple locations near Rabat, Bouznika, and Nador, awaiting further transshipment to Europe. It was reported that the cocaine was 93 percent pure, thus enabling traffickers to add cutting agents and diluents that increase volume thereby maximizing profits. The government announced that 13 suspects were arrested in connection with the coordinated operation, and the ringleaders appeared to be of Dutch and Moroccan origin. In January and February 2017, Moroccan police also conducted operations that resulted in the confiscation of more than 200,000 MDMA (ecstasy) tablets.

The United States has a mutual legal assistance treaty with Morocco that entered into force in 1993. The U.S. does not have an extradition treaty with Morocco, but Morocco has been willing to surrender fugitives to the U.S. via extradition, deportation, expulsion, or otherwise lawful removal pursuant to its domestic law.

# Mozambique

Mozambique is increasingly being used as a transit point for heroin and the precursor chemicals required for its production, as well as for hashish. South Asian drug trafficking networks are increasingly exploiting Mozambique as a transit hub both to access the South African market and to move products through neighboring countries to markets in Europe, and North America. Drug interdiction efforts in Kenya and Tanzania, coupled with the Combined Maritime Forces operations in the Indian Ocean, may have encouraged traffickers to develop these alternative southern routes through Mozambique. Drug control efforts in Mozambique are hampered by financial constraints, endemic corruption, the country's long coastline, and relatively unguarded land border.

Mozambique has a vast coastline, similar in size to the American west coast, which is largely unpatrolled by maritime and land forces. Heroin and hashish primarily arrive in the country via maritime shipment from South Asia. Shipments are either hidden in containerized cargo or arrive on ships, which anchor illegally off Mozambique's northern coastline and utilize smaller watercraft to transport their cargo to informal, isolated beach landing sites. Once in the country, heroin and hashish can easily be warehoused and transported via the national highway system to any of six neighboring countries. Access to major international air and cargo hubs in South Africa allow for further distribution. A smaller quantity of heroin and hashish exits the country on direct flights to South Africa and Portugal hidden in either personal baggage or air cargo.

Mozambique would benefit from additional efforts to strengthen its insufficient law enforcement capacity. The government is receptive to increased border security and law enforcement engagement. The U.S. Drug Enforcement Administration has established a positive working relationship with the office of the Attorney General and the Republic of Mozambique Police to enhance cooperation and information sharing. Mozambique also signed memorandums of understanding with Vietnam and Belarus in 2017 to promote greater law enforcement cooperation.

The United States has neither a bilateral mutual legal assistance treaty nor an extradition treaty with Mozambique. Some mutual legal assistance requests are processed under multilateral conventions that enable such cooperation.

# The Netherlands

The Netherlands is a significant transit country for illicit drugs, especially cocaine, entering through the port of Rotterdam. The Netherlands also remains an important source country of synthetic drugs, primarily MDMA (ecstasy), primarily for international markets. The volume of internet-facilitated trafficking of synthetic drugs has increased significantly. Usage of new psychoactive substances is reportedly limited, though para-fluoroamphetamine (4-FA) is growing in popularity.

The Dutch Opium Act prohibits the possession, commercial distribution, production, import, and export of all illicit drugs. The act distinguishes between "hard" drugs (e.g., heroin, cocaine, MDMA), and "soft" drugs (cannabis products). Sales of less than five grams of cannabis products are "tolerated" (illegal but not prosecuted) in regulated establishments called "coffee shops." Since 2015, the Opium Act also criminalizes preparation of cannabis cultivation. The national government encourages local governments to implement a residency requirement that limits coffee shop purchases to residents of the Netherlands. Enforcement is a local matter, with most municipalities adhering to this requirement except in a few cities, including Amsterdam.

Dutch police and mail delivery companies established a Mail/Parcel Intervention Team (PIT) in 2017 to intercept outbound envelopes and parcels containing small amounts of drugs often purchased through both open and restricted ("dark web") internet sites

Authorities in the port of Rotterdam arrested several port employees for suspected involvement in drug smuggling in 2017. In 2016, the most recent year for which data is available, authorities seized 43 metric tons (MT) of cocaine destined for the Netherlands, including 14 MT at the country's ports. Cocaine traffickers consider the Netherlands a reliable transportation hub. Passengers on flights from the Dutch Caribbean, Suriname, and Venezuela are subject to "100 percent screening" for drugs.

Historically, Dutch and U.S. law enforcement agencies have maintained close operational cooperation, but due to a recent reorganization of the Dutch police and capacity issues, there has been a significant decrease in the exchange of information. The United States and the Netherlands have fully operational extradition and mutual legal assistance agreements.

The Royal Netherlands Navy patrols the Dutch Caribbean for drug interdiction operations. The Netherlands has a memorandum of understanding with the United States, which enables the deployment of U.S. Coast Guard Law Enforcement Detachment Teams and Airborne Use of Force Detachments on Royal Netherlands Navy vessels to suppress illicit trafficking in the waters of the Caribbean. The Netherlands is a party to the Caribbean Regional Maritime Agreement and a partner in the U.S. Joint Interagency Task Force South. The Netherlands is a member of the Maritime Analysis and Operation Centre-Narcotics.

# Nicaragua

## A. Introduction

Nicaragua remains a transit route for illicit drug trafficking. Nicaragua's long Atlantic and Pacific coasts, large inland lakes, porous border crossings, and sparsely-populated and underdeveloped Caribbean coastal region provide a favorable environment for international criminal groups to exploit – smuggling contraband, including drugs, weapons, currency, and people. Domestic production of marijuana also occurs and Nicaragua faces a growing domestic market for illegal drugs.

The Government of Nicaragua's Strategic Plan for 2016-2022 and three national strategies include lines of effort to strengthen the fight against organized crime, drug trafficking, and drug use. Its "Retaining Wall" (Muro de Contención) strategy endorses a coordinated effort to stop drug traffickers from entering the country; however Nicaragua does not have sufficient resources to exercise complete control over its air, land, and sea borders. Nicaragua's limited technical and logistical capacity to conduct successful interdiction operations, including a lack of dedicated air assets, is further challenged by limited mobility and communications to patrol the sparsely populated regions in the Caribbean region where some traffickers operate freely.

Widespread corruption and a lack of transparency at all levels of government hinders Nicaragua's efforts to fight drug trafficking.

#### B. Drug Control Accomplishments, Policies, and Trends

#### 1. Institutional Development

In 2017, Nicaragua took steps toward regional integration and cooperation with international bodies to support the fight against drug trafficking; however, limited information sharing, a lack of transparency, and limited working-level cooperation constrained the efficacy of Nicaragua's outreach. Nicaragua does not have any vetted units, which hinders its participation in bilateral and regional operations against organized crime and drug trafficking.

Nicaragua maintains close ties with Russia. In April, officials of both countries inaugurated a Global Navigation Satellite System ground station in Managua that they claim will support the fight against drug trafficking and organized crime. In October, the Russian-funded international police counternarcotics training facility was inaugurated with a regional training mission.

The Government of Nicaragua signed two memorandums of understanding in 2017 with Taiwan and Mexico dealing with security and military cooperation.

The National Nicaraguan Police and Nicaraguan military are the primary institutions countering drug trafficking in the country. There is limited information sharing between the

two institutions and there is limited coverage of the country particularly in the sparselypopulated Caribbean Coast. The Nicaraguan government reported it is developing a new national counter-drug intelligence system to improve the flow of information at the national level, and 600 officers were added to the police force in 2017 to strengthen citizen security and expand police presence.

The Cooperative Situational and Information Integration System, which enables greater international law enforcement intelligence sharing, remains in effect, as does the maritime counterdrug bilateral agreement signed in November 2001. Information sharing from Nicaragua is limited, however, and often not accurate or timely.

The Inter-American Convention on Mutual Legal Assistance in Criminal Matters, to which Nicaragua and the United States are both parties, facilitates the sharing of legal information between countries. However, cooperation in this area is not robust due to the low volume of requests. In the past, the Government of Nicaragua has rarely provided assistance within requested timeframes.

The United States and Nicaragua are parties to an extradition treaty signed in 1905 and ratified in 1907, but the Nicaraguan constitution bars the extradition of Nicaraguan citizens. An International Criminal Police Organization Red Notice is usually required for wanted individuals in order for the Government of Nicaragua to cooperate with the United States in expelling non-Nicaraguan citizen fugitives.

#### 2. Supply Reduction

There was no discernible change in the volume of drugs transiting Nicaragua in 2017. However, there continued to be evidence of increased domestic drug use, increased illegal drug production (mainly of marijuana), and the existence of clandestine airstrips in remote areas of the country. Though some traffickers continue to smuggle illicit drugs through the isolated Caribbean Coast, many trafficking organizations have shifted their operations to deep-water routes in the Pacific Coast using larger, longer-range transportation. This allows larger quantities of drugs to travel further out to sea, avoiding detection by law enforcement and the threat of pirates in the Caribbean regions. Drug traffickers are also adapting equipment and technology such as GPS to submerge and later locate drug loads. Illicit drugs are also trafficked via land and air. There were several seizures of cocaine at the land border crossing with Honduras in 2017.

The Government of Nicaragua reported that authorities seized 4.8 metric tons (MT) of cocaine during the first 10 months of 2017, an increase over the 4.17 MT seized in all of 2016. Authorities reported seizing 1.17 MT of marijuana over this same 10-month period in 2017, compared to 1.96 MT seized during all of 2016. Nicaraguan authorities reportedly destroyed, both on their own and in joint operations with Honduras, 994,787 cannabis plants growing in the country's north central regions and along the Caribbean Coast, significantly higher than the 275,000 destroyed in 2016. Authorities reported seizing \$5,134,993 in cash, vehicles and boats worth \$506,000, arresting 3,181 people for drug crimes, and conducting 7,833 operations targeting local and international drug trafficking.

Nicaragua inconsistently shared information on seizures with the United States in 2017, including evidence about the destruction of illicit drugs.

## 3. Public Information, Prevention, and Treatment

There are no reliable national statistics on drug consumption within Nicaragua, but there are anecdotal reports of increased use of marijuana, crack, and cocaine, especially in the Caribbean Coast regions and among adolescents. The lack of statistics makes it difficult to measure the impact of prevention and treatment programs.

The Government of Nicaragua reports the Nicaraguan National Police, in coordination with the Ministry of Education and the Institute Against Alcoholism and Drug Addiction, provided drug prevention education for more than 240,000 youths in 165 schools, technical institutes, and universities in 2017. Due to continued resource constraints, however, these programs only reached 15 percent of the school age population. The Nicaraguan government also reported offering drug prevention activities for 748 public servants and 5,905 juvenile offenders, and at-risk youth not attending school, to include educational movie screenings, prevention talks, neighborhood meetings, marches to raise awareness, and sports and cultural activities to raise awareness and to prevent violence and drug use.

The police have cooperation agreements with 12 of Nicaragua's 22 drug rehabilitation centers, all of which are privately run by non-governmental organizations (NGOs), to which they refer persons with substance use disorders. In 2017, the 11 centers that provided information reported serving 9,054 people, of which 48.6 percent consumed illicit drugs, mainly marijuana, inhalants, cocaine, and crack. Private treatment centers in Nicaragua offer two models of patient service: out-patient and residential. Free treatment centers are scarce in Nicaragua, and some treatment centers charge a high monthly fee between \$2,000 and \$3,000 per patient.

NGOs continue efforts to prevent drug use and provide treatment to those suffering from substance use disorders. The United States provides support to fund programs focused on citizen security, drug prevention, and life skills for at-risk youth, including a grant for a multi-media drug and violence prevention campaign that has reached more than one million people.

# 4. Corruption

The Government of Nicaragua does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. However, Nicaragua's close relationship with Venezuela, reports of institutional corruption at all levels, and international claims that officials in Nicaragua were complicit in money laundering are of concern. During 2017 several police officers were arrested for corruption, and more than 60 were dishonorably discharged, but there were no official corruption cases directly linked to drug trafficking. Independent security

analysts note that prosecution of police corruption cases has been isolated to low-ranked officers, despite allegations of involvement by middle and high-ranking officials.

During the year an alleged international drug trafficker from Colombia and a wanted MS-13 member from El Salvador were arrested in Nicaragua on drug trafficking charges. Both of these foreign suspects carried Nicaraguan national identification cards and one was allegedly assisted by a local judge. The judge and her son are under investigation for allegedly receiving money to free a Nicaraguan accused of organized crime and for facilitating issuance of the identification card.

The Managua Appeals Court absolved two people previously convicted of drug trafficking and organized crime in a high profile 2012 case linked to the death of Argentinian singer Facundo Cabral in Guatemala. The court significantly reduced their prison sentences, but confirmed the sentences of the other 20 people convicted in the case.

Nicaragua's criminal law contains provisions against corruption such as bribery, abuse of authority, influence peddling, and embezzlement. There is also a law regarding the investigation and prosecution of organized crime (Law 735). Law 735 provides for the establishment of a unit to administer seized assets, but there is little transparency or public accountability in how seized assets are managed. In addition, a lack of checks and balances within the judicial system and corruption hinder meaningful prosecution of serious crimes in the country.

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

The Nicaraguan government has demonstrated some willingness to investigate and take action against drug-related activities. In 2017, in line with U.S. policy to reduce the flow of illegal drugs to the United States and improve security in Central America, the United States assisted Nicaragua by supporting drug control efforts, including infrastructure, targeted equipping and training of Nicaraguan security forces, and funding prevention programs with NGOs.

The United States cooperates with the Nicaraguan Navy to enhance maritime interdiction capacity. In 2017, the United States donated a Forward Operating Post at a strategic transshipment point in the northeastern Caribbean in support of the Nicaraguan Navy efforts. Refurbished boats and communication equipment provided through U.S. assistance have been used in significant seizures. The United States trained the Nicaraguan Navy special reaction team and others in areas such as tactical and strategic communications, maritime engine overhaul, maintenance and operations of boats, and combat lifesaving to enhance the Nicaraguan Navy's capacity. The Nicaraguan Navy has approved joint patrols with the U.S. Coast Guard. Coordination between the U.S. Drug Enforcement Administration, the U.S. Joint Interagency Task Force South, and Tactical Analysis Teams with Nicaraguan authorities resulted in successful interdictions of one metric ton of cocaine, \$1.6 million in cash, and the seizure of a "go-fast" boat in 2017. The United States also supported the participation of a police commissioner at the International Drug Enforcement Conference in 2017 to strengthen regional interoperability, and continues to support the

integration of Nicaragua into the Cooperative Situational and Information Integration System.

The United States continues to provide resources to non-governmental drug demand reduction programs in the North and South Caribbean Autonomous Regions and the Managua area, where populations are vulnerable to drugs and violence. These grant projects have served to increase citizen security through drug prevention awareness campaigns, community development, youth leadership training, and alternative education intervention programs for at-risk youth in Nicaragua.

The United States maintains a bilateral agreement with Nicaragua to suppress illicit traffic by sea, which include provisions regarding ship boarding, shipriders, pursuit, entry into territorial waters, overflight, order to land, and international maritime interdiction support. Nicaragua was a participant in the semi-annual Multilateral Maritime Counter Drug Summit held in November 2017, which attracted 125 maritime counterdrug professionals from nearly 25 countries and over 65 international agencies spanning North, Central and South America, and Europe.

#### **D.** Conclusion

The Government of Nicaragua has developed policies and programs to combat drug trafficking, reduce drug demand, and enhance institutional coordination. The Nicaraguan government should improve its efforts to combat organized crime by expanding its capacity to monitor air, land, and maritime space within the vulnerable Caribbean coast and Pacific border regions of the country. Attention should also be increased to broadening coverage of drug prevention programs and drug rehabilitation facilities.

# Nigeria

## A. Introduction

Nigeria is a significant transit country for heroin and cocaine destined for Europe, and to a much lesser degree, the United States. Nigerian organized criminal networks remain major actors in trafficking cocaine and heroin worldwide, facilitated by the extended Nigerian diaspora, and have become major producers and traffickers of methamphetamine primarily to and around Southeast Asia. Widespread corruption in Nigeria facilitates criminal activity, and, combined with Nigeria's central location along major trafficking routes, enables criminal groups to flourish and make Nigeria an important trafficking hub.

The Nigeria Drug Law Enforcement Agency (NDLEA) enforces laws against drug trafficking and abuse and leads in demand reduction and drug control policy development. Weak interagency cooperation, insufficient criminal enterprise investigative capacity, and inadequate electronic evidence collection all contribute to a dearth of apprehensions of major traffickers. Although all Nigerian law enforcement agencies have representatives at Nigeria's ports of entry, joint operations among them have been historically rare – a situation improved somewhat in 2017 due to the inception of a new joint agency task force sponsored by the United Kingdom with U.S. assistance.

## B. Drug Control Accomplishments, Policies, and Trends

#### 4. Institutional Development

In 2017, the NDLEA introduced a new interagency task force to target drug trafficking and other crimes, sponsored by assistance the United Kingdom with U.S. assistance. The Joint Border Task Force (JBTF), funded and overseen by the United Kingdom's National Crime Agency (NCA) and based in Lagos, is a multi-agency effort to target, interdict, disrupt, dismantle, and prosecute Nigerian based transnational criminal organizations. The task force, developed in consultation with NCA and the U.S. Drug Enforcement Administration (DEA), is a fully-vetted and well-trained Nigerian law enforcement and criminal intelligence unit based at the Murtala Muhammed International Airport (MMIA) in Lagos, Nigeria. The airport is viewed as the gateway for Nigerian criminal organizations involved in drug smuggling and an array of other illegal cross border activity.

The NDLEA leads the JBTF, contributing 140 officers. The officers receive mentoring and investigative assistance by NCA officers embedded in the unit. The task force also includes 20 investigative officers from the National Agency for the Prohibition of Trafficking of Persons (NAPTIP), along with two NAPTIP prosecutors and four NDLEA prosecutors.

In addition to establishing the unit, NCA refurbished the NDLEA MMIA Airport Command office building. The United States provided airport interdiction training for the unit and donated two generators for the newly refurbished command center. Drug seizures at MMIA totaled approximately 1.22 metric tons (MT) during the first nine months of 2017, an increase of approximately 600 percent in comparison to the same period in 2016.

Extradition between Nigeria and the United States is governed by the 1931 U.S.-U.K. Extradition Treaty. There is a bilateral mutual legal assistance treaty in force between Nigeria and the United States. In addition, the United States and Nigeria are parties to various multilateral conventions that contain provisions for mutual legal assistance.

## 5. Supply Reduction

In 2017, the United States continued to provide mentoring and investigative support to assist in reforming the NDLEA from a reactive investigative agency to an intelligence-led, proactive force. During the first 10 months of 2017, the NDLEA reported seizing approximately 376.8 MT of cannabis; 359.25 kilograms (kg) of methamphetamine; 80.66 kg of cocaine; 51.48 kg of heroin; 2.9 kg of amphetamine-type stimulants; 124.6 kg of ephedrine; and over 22.77 MT of other psychotropic substances.

The U.S.-supported Sensitive Investigative Unit (SIU) is credited with seizing 18.45 kg of cannabis, 18.2 kg of methamphetamine and 4 kg of heroin. Additionally, the SIU provided intelligence to other international drug agencies that led to the seizure of 9.2 kg of cocaine and 62.82 kg of methamphetamine.

In 2017, the NDLEA's budget was approximately \$25.5 million, which represented no incremental change in funding from 2016. Of this amount, \$46,760 was allocated for NDLEA staff training, an increase of \$5,000 from the previous year.

Since 2011, 11 clandestine methamphetamine laboratories have been detected in Nigeria, making Nigeria an emerging major producing country for methamphetamine. In February 2016, the NDLEA discovered one clandestine laboratory capable of producing between three and four metric tons (MT) of methamphetamine every seven to 10 days. One kg of 99 percent pure Nigerian-produced methamphetamine sells for as little as \$7,500 in Lagos and over \$150,000 in Southeast Asian countries such as Malaysia.

#### 3. Public Information, Prevention, and Treatment

There were frequent media reports citing government officials warning of increased drug use in Nigeria in 2017. Anecdotal reporting suggests there is a growing local market for drugs, such as cocaine, that have traditionally only been trafficked through the country to international destinations. While cocaine remains accessible only for the wealthy, prescription drugs such as codeine, tranquilizers and tramadol are easily accessible on the streets of Lagos despite the best efforts of the government.

The NDLEA's Demand Reduction Directorate has reinvigorated its programs targeting youth, sex workers, community leaders, and transport workers. In 2017, the NDLEA counseled and rehabilitated 1,602 persons suffering from substance use disorders, a decrease of 46 percent from the previous year.

#### 5. Corruption

The Government of Nigeria does not encourage or facilitate the production or distribution of illicit drugs, nor the laundering of proceeds from illegal drug transactions as a matter of policy. Corruption remains an endemic problem within Nigeria, however, and to reduce corruption's impact on drug trafficking, the NDLEA has partnered with the United States and the United Kingdom in the creation of fully vetted units within the agency. The three units operating within the NDLEA are the U.S.-supported SIU; the U.K.-supported Combined Inter-Agency Task Force (CIATF); and the JBTF. The vetting process involves a complete background check, annual polygraph examinations and a structured interview of each candidate. The objective is to recruit trusted members, who have no history of previous corrupt activity and are capable of handling and processing sensitive intelligence and working high profile investigations.

In June 2017, the NDLEA arrested an Inspector of Police, Bola Adigun, attached to the Economic and Financial Crimes Commission, for transporting cannabis. In August and September 2017, the JBTF arrested 13 individuals, including staff members of two airport ground handling companies at the MMIA for drug trafficking through the airport.

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

The NDLEA had two primary national goals for 2017; the passage of a Drug Sentencing Bill requesting a mandatory minimum five-year sentence for drug possession and an increase of 15,000 personnel. The sentencing bill had not passed through the National Assembly as of November, and, although the President approved the agency's request for an increase in personnel, funding has not been allocated to begin recruitment.

#### **D.** Conclusion

The United States will continue to engage the Government of Nigeria to combat drug trafficking, corruption, money laundering, and other criminal issues. The institutional and societal factors that contribute to these activities remain deeply rooted and will require a comprehensive and collaborative effort. Progress will require sustained Nigerian government efforts and political will.

# Pakistan

## A. Introduction

Pakistan continues to be one of the world's top transit corridors for opiates and cannabis products, which are trafficked through the porous borders with Afghanistan and Iran. Illicit drugs are then distributed globally through Pakistan's seaports, airports, postal services, and unpatrolled coastal areas. The United Nations Office on Drugs and Crime (UNODC) estimates Pakistan is the destination and transit country for approximately 40 percent of the opiates produced in Afghanistan. Pakistan is also a major transit country for precursor chemicals used to produce heroin and methamphetamine, though Pakistan is only able to interdict a fraction of the chemicals diverted through the country.

Overall opium poppy cultivation within Pakistan increased by an estimated 51 percent from 2015 to 2016, according to the most recent available U.S. estimates. Most opium poppy cultivation continues to take place within the Federally Administered Tribal Areas (FATA) and Khyber Pakhtunkhwa (KP) province, enabled by low levels of economic development and civilian security in the regions.

In 2017, Pakistan's law enforcement agencies reported multiple noteworthy seizures and claim to have disrupted eight drug trafficking organizations identified by Pakistan. Pakistan's Anti-Narcotics Force (ANF), the country's lead drug enforcement agency, reported that during the first 10 months of 2017, it seized approximately 26.65 metric tons (MT) of morphine and heroin; 31.78 MT of opium; 386 kilograms of cocaine; and 97.46 MT of hashish. Overall 2017 seizures represent a 28 percent decrease from 2016, and the total volume of cocaine seized in 2017 decreased nearly two-fold. The Government of Pakistan's budget limitations and, in some cases, lack of political will hindered drug control efforts. As poppy cultivation and opiate production increase in Afghanistan, Pakistan's limited resources and law enforcement capacity will be further strained.

Domestic drug consumption continues to be an area of concern. According to a 2013 UNODC nationwide survey, Pakistan is home to 6.7 million drug users, and approximately 20 MT of heroin is consumed within the country annually. Pakistan currently lacks the capacity to provide effective, non-residential substance use disorder treatment and to systematically incorporate a scientific-based approach to drug prevention education.

# B. Drug Control Accomplishments, Policies, and Trends

#### 1. Institutional Development

In 2017, the Ministry of Narcotics Control (MNC) was reestablished as a cabinet-level ministry, with organizational oversight of ANF. The reorganization raised the profile of the MNC and reinforced the Government of Pakistan's commitment to counter illicit drugs, but it remains to be seen what practical consequences result from the change. The Government of Pakistan has also indicated that it plans to increase the ANF's budget and resources in 2018. By June 2018, the

ANF anticipates establishing a new coastal Regional Directorate in Balochistan, to more than double the agency's capacity in the province by adding 32 officers and 704 officials.

ANF coordinated illicit drug investigations with multiple foreign counterparts in 2017, including the United States, United Kingdom, Canada, Sri Lanka, Malaysia, and the United Arab Emirates. Pakistan hosts at least 32 foreign Drug Liaison Officers as part of its Paris Pact obligations. ANF also partnered with the U.S. Drug Enforcement Administration (DEA) and the United Kingdom's National Crime Agency to operate the Special Investigation Cells (SICs). However, in 2017, DEA was unable to obtain any drug samples for forensic analysis in the United States, as the ANF claims seized drugs are the property of the courts, which alone may determine whether to provide such samples.

In 2017, ANF chaired the 10th Inter-Agency Task Force meeting, comprising 27 Pakistani agencies and intended to enhance coordination and communication on drug control. Staffed at senior levels by Pakistan Army officers, ANF is a civilian law enforcement agency constitutionally mandated to serve as Pakistan's lead drug control entity.

ANF's 2017 federal budget was \$20.2 million, while its budget for 2018 is projected to increase to \$21.6 million. Nevertheless, even taking the 2018 budget increase into account, the funds are insufficient to support ANF's daunting mission and limit its capacity to adequately perform key sustainability functions, such as operational maintenance of vehicles and equipment. Over 65 percent of ANF's budget is used to pay the salaries of its 3,100 employees, who are thinly deployed across 40 stations and field offices. These posts span every province and territory, except the FATA. In 2017, the ANF Academy provided instruction to over 1,000 trainees across Pakistan's law enforcement community. Pakistan Customs is the only federal law enforcement agency conducting routine drug control operations in every province and territory, including the FATA.

The United States and Pakistan do not have a bilateral mutual legal assistance treaty. Pakistan is a party to relevant multilateral law enforcement conventions that have mutual legal assistance provisions. The U.S. and Pakistan can also make and receive requests for assistance on the basis of domestic laws. Enforcement of the 1931 Extradition Treaty between the United States and the United Kingdom (adopted by Pakistan upon independence) has been problematic.

#### 2. Supply Reduction

Pakistan's main opium poppy growing areas are in FATA and Khyber Pakhtunkhwa (KP). Insecurity and extremist activity in these regions have prevented reliable ground surveying to determine precise cultivation levels. During the first 10 months in 2017, ANF reported that 240 hectares (ha) of poppy were cultivated during the 2016-2017 growing season, of which 149 ha were eradicated. However, 2016 U.S. government estimates indicated that approximately 1,400 ha were under cultivation in traditional poppy growing areas. Alternative livelihood and development programs for farmers, including distribution of seeds, agricultural training, and construction of small scale roads and irrigation projects, have discouraged poppy cultivation in some communities of KP and FATA. However, Pakistan depends heavily on foreign assistance

to implement and monitor such programs. Absent continued assistance, the economic viability and sustainability of these alternative crops remain in question.

According to a 2009 UNODC study, the most recent available, 160 to 200 MT of Afghan heroin and 350 to 400 MT of opium were trafficked from Afghanistan to Pakistan annually. Despite its best efforts, Pakistan is only able to interdict a fraction of that traffic. ANF represents 0.5 percent of Pakistan law enforcement and the rest of the nearly 600,000 police and paramilitary forces in Pakistan lack rigorous drug interdiction training and most do not address it as part of their core mission.

ANF is responsible for conducting complex drug investigations with a small staff, while working within a judicial system where prosecutors and judges are overworked, underpaid, and illprepared to successfully prosecute cases that involve modern investigative techniques. During the first 10 months of 2017, ANF registered 1,029 drug arrest cases. Pakistan does not have a conspiracy law and dictates that a suspect must be caught in the act to be apprehended. These legal limitations have hindered ANF's ability to apprehend high-value targets or kingpins. The vast majority of prosecuted cases were low-level possession or small quantity courier trafficking. ANF reported that 96 percent of the total cases brought to trial resulted in convictions, with 20 percent of the convictions overturned on appeal. Suspects arrested by ANF are tried in special narcotics courts that hear only those cases brought by ANF's own prosecutor corps. ANF does not provide the United States with any documentation to support the high conviction rate claim, and ANF officials suggest that lengthy trial and appeal processes mean that suspects can spend years in pre-trial or under-trial detention before a final verdict is reached.

Since passage of the Fair Trial Act in 2013, ANF can submit evidence gathered from telephone intercepts so long as they first receive permission from a judge to conduct the wiretap. However, since the process for initiating judicial wire intercept takes six months at a minimum, the target telephone number is nearly always dropped by the target before the wiretap can be initiated. For ANF to meet its mandate, it and the associated elements of the judicial system that try illicit drug cases will require greater public resources. The Government of Pakistan would benefit from a comprehensive review of the country's 2010 Counternarcotics Strategy, last amended in 2011, to facilitate improved coordination of provincial drug control efforts. Though the ANF is a federal agency, Pakistan devolved considerable authority to its provinces under a 2010 amendment for responsibilities including health and social welfare. Enhanced coordination between provincial and federal efforts would benefit overall drug control performance within the country.

#### 3. Public Information, Prevention, and Treatment

UNODC's 2013 nationwide drug use survey indicated that 6.7 million Pakistanis aged 15 to 64 had used drugs for non-medical purposes at least once in the previous 12 months. In total, the survey classified 4.25 million drug users aged 15 to 64 as suffering from substance use disorders. Cannabis and opioids were the most prevalent drugs consumed, with 4 million and 2.7 million users, respectively. The survey results also showed that for the 1.5 million female drug users, the majority reported misuse of opioid-based painkillers or synthetic tranquilizers and sedatives, rather than the cannabis, heroin, and opium used by male drug users. Clinics and the ANF indicate an increased use of Iran-sourced crystal methamphetamine.

In 2017, Pakistan continued efforts to raise public awareness about the dangers of illicit drug use. ANF conducted 230 public awareness raising activities and lectured frequently at universities, colleges, and schools about drug awareness. In 2017, ANF also launched the ANF Youth Ambassador program and worked to develop standardized treatment protocols. Evidence-based, donor-funded training is increasing the impact of these campaigns.

Pakistan could make better use of provincial-level institutions, such as hospitals and schools, to provide non-residential treatment options for patients with substance use disorders. In 2017, Pakistan's drug treatment capacity, with fewer than 100 clinics operating nationwide, remained insufficient. Very few public hospitals offer either residential or non-residential substance use disorder treatment services. Due to insufficient government resources, non-governmental organizations (NGOs) operate more than 90 percent of Pakistan's detoxification centers. As a result, cost remains the primary obstacle preventing widespread access to treatment, leaving the vast majority of those suffering from opioid addiction without help. According to the most recent UNODC estimate, fewer than 30,000 drug users receive detoxification therapy annually. Because Pakistan lacks the institutional capacity to serve women, the majority of drug users receiving treatment are men. Donor-funded "train-the-trainer" programs have increased the number of addiction centers that provide evidence-based treatment. These efforts could reduce remission rates, which currently approach 80 percent.

#### 4. Corruption

The Government of Pakistan does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. However, corruption remains a challenge, undermining the country's criminal justice system. The National Accountability Board (NAB) is Pakistan's apex anti-graft agency responsible for eliminating corruption. Since it was established more than 16 years ago, the NAB has recovered more than \$2 billion and has received and taken action on more than 320,000 complaints. However, despite parliamentary oversight committees, an independent judicial system, and a critical free press that exposes corrupt practices, the consequences for convicted perpetrators are rarely severe. Corruption corrodes the government's ability to address illicit drugs, as bribed public servants may facilitate movement of contraband or otherwise interfere with the arrest and prosecution of suspects.

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

The United States remains strongly committed to a comprehensive approach to drug control assistance in Pakistan. U.S. supply reduction assistance builds Pakistani capacity to interdict drug shipments and dismantle criminal organizations. The United States strives to help all relevant Pakistani law enforcement entities develop their capacity to conduct sophisticated operations, such as controlled deliveries, financial crime investigations, and container profiling. To effectively counter illicit drug trafficking and transnational organized crime, the United States aims to help Pakistan cultivate a model for collaborative, intelligence-driven, and corruption-free law enforcement by facilitating interagency, cross border, and international coordination. The United States also provides alternative means for farmers to grow licit crops

instead of poppy, including the distribution of seeds, the construction of small roads, and alternative livelihood irrigation projects.

Over the past five years, U.S. supply reduction assistance has mainly funded poppy reduction programs and ANF interdiction activities. In 2017, bilateral cooperation on interdiction programs between the United States and Pakistan shifted to a more strategic framework, including monthly assessment meetings and cross-border training with Afghan counterparts. To promote an effective and self-sustaining interdiction capability, the United States continues to work on strengthening and diversifying cooperation with ANF, Pakistani Customs, and other law enforcement agencies with a drug control mandate.

To support demand reduction and recovery efforts, the United States funds various drug treatment and practitioner training programs. In 2017, the U.S. government continued its assistance to NGOs operating free-of-charge drug treatment centers and prevention activities, prioritizing the funding of projects benefitting women and children, and providing training for drug treatment professionals to improve evidence-based protocols. Working with the Colombo Plan and UNODC, the U.S. government funded 411 drug awareness campaigns, reaching over 49,000 people throughout Pakistan, and provided free of cost residential treatment for 866 patients with substance use disorders, including 64 women and 245 adolescents. In 2018, planned U.S. assistance will facilitate a greater focus on scientific-based approaches to treatment and prevention and increased capacity-building and utilization of provincial-level institutions, particularly in the health, social-welfare, and education sectors.

#### **D.** Conclusion

Although Pakistan continues to face enormous economic and security challenges that often supersede drug trafficking in national security priorities, the challenges posed by transnational organized crime are interconnected with the country's security and stability. By utilizing the existing Inter-Agency Task Force and encouraging greater information sharing among its law enforcement and military entities, Pakistan could more effectively reduce drug trafficking and encourage its law enforcement agencies to coordinate engagement, share information more readily, and expend limited resources more efficiently. This would also combat the nexus between drug trafficking and transnational organized crime, including funding of terrorist networks. Increased public awareness about the drug trade and its negative societal influences would further solidify concerted government action across law enforcement agencies. Similarly, greater mobilization of provincial institutions could provide an important multiplier effect for interdiction, prevention, and service-delivery, in the context of increasing risk and insufficient public funds.

# Panama

## A. Introduction

With cocaine production more than doubling in neighboring Colombia since 2013, Panama has witnessed an increased flow of illicit drugs through its land borders and territorial waters.

Although Panama is not a major source country of illicit drugs, transnational criminal organizations, principally Colombian and Mexican groups, move drugs and other contraband through Panama's remote Darien jungle region as well as its coastal areas. Panama is a global transit hub, and its canal and robust transportation infrastructure are exploited by drug traffickers to smuggle cocaine to the United States and across the globe. Although Panama does not suffer from extensive domestic drug consumption, the flow of drugs from Colombia presents an increased risk for domestic drug abuse as local traffickers are more frequently paid with product instead of cash.

Despite these challenges, Panama is an emerging regional leader in the fight against the international drug trade and transnational criminal organizations. Panama is a regional, strategic ally and a committed partner for U.S. interdiction and drug control efforts. The United States enjoys strong partnerships with all of Panama's security services, which demonstrate increasing resolve and capacity to confront drug trafficking. In 2017, the U.S. and Panama established a bilateral High-Level Security Dialogue to address the commitments by both countries to confront transnational drug trafficking organizations.

#### B. Drug Control Accomplishments, Policies, and Trends

#### 1. Institutional Developments

Panama significantly strengthened its drug interdiction efforts in 2017. At the same time, U.S. assistance to Panama in the areas of training, operational capacity enhancement, and support for vetted units led to better interagency coordination, more arrests, and record-level drug seizures. Panama is increasingly capable of conducting operations against transnational criminal organizations and proactively targeting drug trafficking.

With the support of U.S.-provided aviation assets and training, Panama's Coast Guard (SENAN) is developing the cadre of pilots necessary for future counter-narcotic air operations. The steady development of SENAN's aviation program also directly supports the operations of Panama's border force (SENAFRONT), allowing for an extended presence in remote parts of the Darién jungle – a traditional haven for drug smugglers. In 2017, SENAFRONT used U.S. aviation support to expand its operations against drug trafficking, establishing two new border outposts on the Panama/Colombia border to deter drug trafficking and other transnational threats. This increased presence in the Darién allowed SENAFRONT to expand the number, scope, and complexity of operations in 2017 to combat drug trafficking in the jungle region.

Panama continues to improve training for its National Police (PNP) and security forces with its National Security University (NSU). In 2017, Panama continued integrating training for all of its

security forces into this single institution. The NSU also made progress on obtaining international certification which will improve professionalization, recruiting, and retention for all of the services while providing a shared baseline experience to promote joint operations. Panama's professional security forces training practices is a best practice in the region, and the country is becoming a regional hub for training.

Panama's significant reduction of homicides in 2017 was attributed to its adoption of an U.S.style "intelligence-led policing" model. Panama uses COMPSTAT (comparative statistics) to better understand crime trends, and in 2017, implemented the U.S.-style "Real-Time Crime Centers" (RTCC) model nationwide. New policies within the PNP ensure the proper use of both data systems across all of Panama's police districts. While some challenges remain, the centers are operational and cement a major U.S.-backed effort to reduce violent crime in Panama. The centers have already yielded results against gangs and drug trafficking. Four other Central America countries are considering similar centers.

September 2017 marked the first anniversary of Panama's nationwide implementation of the accusatory justice system. This reform changed how criminals are prosecuted, making it more like the U.S. system with witness testimony, cross examination, and plea bargaining. The United States continues to support the transition through training judges, prosecutors, forensic analysts, and investigators. Despite its progress, Panama still has difficulty pursuing cases involving money laundering, organized crime, complex financial crimes, and criminal forfeiture, and Panamanian officials remain susceptible to corruption. Numerous arrests in drug cases still produce too few successful prosecutions of high-level leaders of drug trafficking organizations.

The United States and Panama are parties to a mutual legal assistance treaty and an extradition treaty, but Panama's constitution does not permit extradition of Panamanian nationals. The 2002 Salas-Becker Agreement enables cooperation on bilateral maritime interdiction. This includes the use of "ship-riders," allowing Panamanian security officers to go aboard U.S. air and maritime assets. In 2017, Panama and the United States conducted training to enhance the effectiveness of the agreement and counter-trafficking operations by improving detection, monitoring, interdiction, and apprehension of traffickers.

Panama's Ministry of Public Security budget increased in 2017 for the ninth consecutive year. However, its security institutions continue to face challenges involving inter-agency cooperation, effective management of their procurement processes, and limited budget resources. Panama's security forces are often hampered by their inability to pay for basic costs associated with core security and drug enforcement missions.

#### 2. Supply Reduction

Panama seized approximately 42 metric tons (MT) of illicit drugs during the first nine months of 2017, reflecting the increasing ability of Panama's security services to act on operational intelligence. With U.S. assistance, SENAN routinely interdicted drug traffickers at sea. The United States partners with Colombia's Navy to help SENAN develop its maintenance and operational capacities. In 2017, the United States provided training and equipment for SENAN that enabled it to successfully interdict more illicit drugs. The United States and Panama

continue exploring options for Panama to obtain maritime patrol aircraft (MPA) to increase the effectiveness of maritime interdiction. When cued by MPA or intelligence from the U.S. Joint Interagency Task Force South (JIATF-S), SENAN acted upon 90 percent of reports and interdicted 80 percent of targeted vessels. During the first nine months of 2017, SENAN successfully conducted 63 maritime drug interdictions and seized more than 19.7 MT of drugs.

U.S. and Panamanian law enforcement units collaborate closely on drug trafficking, which, in 2017, included several high-profile investigations involving a nexus to U.S. cases. Panamanian units vetted by the U.S. government and working in partnership with U.S. law enforcement agencies conducted sensitive investigations and operations related to drug trafficking, money laundering, migrant smuggling, and other transnational crimes. Between January and mid-October 2017, investigations and operations by these vetted units resulted in 310 arrests and the seizure of over 12.5 MT of cocaine and 2.3 MT of marijuana, \$2.25 million in cash, and counterfeit items with a street value of approximately \$8.5 million. These figures represent a marked increase over 2016, demonstrating significant progress.

#### 3. Public Information, Prevention, and Treatment

Unlike some other Central American countries, Panama has not seen high levels of drug usage or gang activity from international groups like MS-13. However, local gangs are involved in criminal activity, particularly in the Caribbean port city of Colón, and Panamanian officials have expressed concerned that instability in nearby countries could lead to increased drug usage and gang activity in Panama. The increased flow of drugs from Colombia presents the greatest consumption risk within Panama, as local traffickers are increasingly paid with product in lieu of cash.

Panama funds some drug demand reduction programs in schools and the Ministry of Health supports a drug-counseling program. The United States, in collaboration with NGOs, funds drug treatment and prevention training for treatment service professionals in Panama. The United States continues to partner with the PNP and SENAFRONT to implement programs such as Drug Awareness and Resistance Education (DARE), the Gang Resistance Education and Training program (GREAT), and the Community Policing Strategy to help at-risk youth. Panama has not conducted a drug-demand study since 2008 and has not updated its published strategy on drug demand reduction since 2007, making it difficult to assess current trends.

The Government of Panama has not reported significant problems associated with synthetic drug use, though synthetics have reached the streets of Panama and government officials have expressed concern.

#### 4. Corruption

The Government of Panama does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. However, transnational criminal organizations target the security services, customs, and justice sector to facilitate drug trafficking, and as a result, official corruption at all levels remains a concern. Panamanian authorities recognize the threat and actively investigate officials

for corruption. As a sign of progress, investigations, arrests, and prosecutions of officials and members of the security forces increased in 2017. Additionally, in 2017 SENAN began establishing an internal affairs unit to monitor its own ranks for signs of corruption. Panama will need to continue to institutionalize these aggressive steps to reduce the threat of drug trafficking-fueled corruption.

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

The United States supports citizen security, law enforcement, and rule-of-law programs in Panama to expand Panamanian capabilities to interdict, investigate, and prosecute illegal drug trafficking, money laundering, and other transnational crimes while strengthening Panama's justice sector. The United States maintains a binding operational agreement with Panama to suppress illicit traffic by sea, which includes ship boarding and expedited communications.

In 2017, the United States continued to provide assistance to modernize and maintain SENAN, SENAFRONT, and PNP vessels, equipment, and facilities in support of interdiction efforts in 2017. U.S.-provided aviation assets have helped SENAN expand its ability to support joint drug enforcement operations. The United States supports trilateral cooperation with Panama and Colombia, whereby Colombian law enforcement, justice sector, and military experts train their Panamanian counterparts.

In March 2017, the United States and Panama, together with Costa Rica and Colombia, executed Operation Kraken, a month-long multinational surge of drug interdiction operations with enhanced joint and combined efforts among the participating nations. The operation served as a proof of concept on the efficacy of MPA in Panama's littoral waters, resulting in increased seizures and arrests, while simultaneously demonstrating Panama's ability to collaborate and coordinate with the United States on high-intensity operations. Panama's performance also underscored the need for Panama to acquire its own MPA capable of detecting drug trafficking vessels far off the country's coast. The commitment and competency demonstrated by Panama's security forces lays an important foundation for future combined efforts. Kraken also infused a sense of confidence in Panama's security forces that has led them to develop increasingly assertive and complex operations to disrupt the transnational criminal organizations that threaten the U.S. homeland.

In 2017, in order to fortify strong bilateral cooperation and ensure implementation of the shared security agenda efficiently, expeditiously, and consistently, the United States and Panama established the High Level Security Dialogue (HLSD). While Panama's government has been a faithful and eager partner, its bureaucracy often lacks authority to advance reforms without executive-level guidance. The HLSD allows Panama and the United States to consolidate a shared strategic vision for strengthening combined counternarcotic operations.

#### **D.** Conclusion

Panama has established itself as a regional leader in drug interdiction and seizures, and a regional strategic ally in the global effort to fight transnational criminal organizations and the flow of drugs into the United States. 2017 witnessed a significant improvement in Panama's capabilities

and its aggressiveness in fighting the drug trade. Nevertheless, the increasing volume of drug trafficking through and around Panama exceeds its security services capacity to manage the challenge alone.

While Panama is laying the groundwork for systemic improvements, lingering bureaucratic and institutional incapacities hinder its ability to dismantle and prosecute transnational criminal organizations. The United States continues to support Panama's implementation of systemic reforms and is committed to working with all Panamanian security services to encourage stronger and more organized support for drug control efforts.

# Paraguay

Paraguay made significant increases in drug seizures and illicit crop eradication in 2017. Nevertheless, Paraguay remains among the largest source countries for marijuana in the Western Hemisphere, and a transit country for Andean cocaine. Traffickers exploit the country's porous land borders, clandestine airstrips, lack of air radar, extensive internal waterways, and underresourced, often corrupt law enforcement and judicial officials to transit cocaine, mainly to Brazil and through Brazil to overseas markets, though rarely the United States. Transnational criminal organizations engage in drug trafficking and other illicit activities, aided by corruption and legal impunity, including ongoing allegations of senior-level government involvement.

During the first nine months of 2017, the National Anti-Drug Secretariat (SENAD) seized and destroyed 996 metric tons (MT) of processed marijuana (compared to 276 in all of 2016) and 1.2 MT of cocaine (compared to 1.57 in all of 2016) and eradicated 1,343 hectares (ha) of cannabis (compared to 1,298 ha in all of 2016). Also during the first nine months of 2017, the Paraguayan National Police (PNP) seized and destroyed 350.5 MT of processed marijuana (compared to 137.6 in all of 2016), eradicated 794 ha of cannabis (compared to 413 in all of 2016) and seized 91 kilograms of cocaine (compared to 19 in all of 2016). Authorities uncovered and destroyed two marijuana and two cocaine clandestine drug laboratories. Internationally, two of Germany's largest-ever cocaine seizures (1.5 MT in March and 1.6 MT in April) were hidden in shipping containers originating from Paraguay. In December, Paraguayan authorities, with U.S. and Brazilian assistance, arrested Brazil's most wanted alleged drug trafficker.

The United States and Paraguay are parties to a 2001 extradition treaty that remains in force. There is no bilateral mutual legal assistance treaty, though both countries are party to multilateral conventions providing for cooperation in criminal matters. In October, Paraguayan President Cartes issued a decree approving a national drug policy that was drafted in 2016 with assistance from the UN Office on Drugs and Crime.

Drug treatment specialists report an increase in domestic drug consumption. Paraguay conducted its last national study on drug use in 2014. Outpatient community-based drug treatment programs, supported by the United States and other donors, supplement the Ministry of Health's single 27-bed inpatient detoxification facility. Paraguay's new asset forfeiture legislation, signed in September, allocates 50 percent of proceeds to demand reduction and crime prevention efforts.

U.S. law enforcement cooperation continues to help facilitate drug seizures, arrests, and the presentation of cases for prosecution by Paraguayan authorities. Increased efforts by the Government of Paraguay to enhance interagency coordination, improve the judicial system's ability to prosecute cases quickly and effectively, and reduce corruption would help further deter narcotics production and trafficking.

# Peru

# A. Introduction

Peru remained the second-largest producer of cocaine and cultivator of coca in 2016, the most recent year for which data is available, with an estimated 44,000 hectares (ha) of coca under cultivation. Peruvian cocaine is transported to South American countries for domestic consumption or for onward shipment to Europe, East Asia, Mexico, and the United States. Peru is a major importer of precursor chemicals used for cocaine production. President Pedro Pablo Kuczynski's administration released Peru's 2017-2021 drug control strategy in May 2017. Peru's coca eradication organization (CORAH) eradicated 20,735 ha of coca during the first 10 months of 2017. The Ministry of Defense maintained authority of the Valley of the Rivers Apurimac, Ene, and Mantaro (VRAEM)'s emergency zone. The military and the Peruvian National Police (PNP) anti-drug unit, DIREJANDRO, conducted autonomous and joint drug enforcement operations in the VRAEM. Sendero Luminoso (Shining Path) continues to operate in the VRAEM and relies on cocaine trafficking for funding. The group killed four military personnel and 17 police officers in 2017. Domestic consumption of illicit drugs is growing, particularly in major coastal cities and mid-sized cities east of the Andes where drug production occurs. Additional drug rehabilitation centers are needed to treat the estimated 200,000 illicit substance abusers.

# B. Drug Control Accomplishments, Policies, and Trends

## 1. Institutional Development

The Peruvian government's drug control strategy includes goals for eradication, interdiction, and alternative development. It also addresses associated issues such as the control of precursor chemicals, organized crime, money laundering, and the rule of law. The Kuczynski administration released Peru's 2017-2021 drug control strategy in May, and dedicated \$214 million toward implementation in 2017, a \$3 million increase over 2016. Peru contributed \$21.2 million toward eradication efforts and concomitant aviation support, \$1.3 million more than the 2016 contribution.

A 2015 law authorized the Peruvian Air Force to conduct intercepts of suspicious aircraft entering Peruvian airspace without appropriate flight clearance authorization. The law is in effect and includes a 'last resort' measure that allows for lethal intercepts in the case of noncompliance. However, both U.S. and international law prohibit using lethal force against civil aircraft, regardless of whether the aircraft is being used for drug trafficking.

Peru approved the National Anti-Money Laundering and Terrorist Financing policy in September, which charges government entities with implementing policies to prevent, detect, and sanction money laundering and terrorist financing. In December 2017, the Ministry of Justice's (MOJ) Anti-Money Laundering and Terrorist Finance Working Group planned to issue the National Plan Against Money Laundering and Terrorist Financing; however, government entities will not receive additional funding for implementation. The former National Commission for Seized Assets (CONABI) was relaunched as a national program (PRONABI) under the MOJ in May.

The MOJ announced it intends to complete implementation of the New Criminal Procedure Code (NCPC), which transitions the legal system from an inquisitorial to an accusatory system, by July 2020. In 2017, 29 out of 33 districts were operating under the NCPC, with 16 districts operating exclusively under the new system. All districts are required to adjudicate corruption and organized crime cases under the NCPC. Four districts in Lima, handling approximately 40 percent of the national caseload, have not yet implemented the NCPC.

Peru and the United States have an international bilateral extradition treaty. Drug control authorities have observed the presence of synthetic cannabinoids entering Peru from the country's northern border with Ecuador. The drug is produced in Colombia and trafficked through Ecuador and Peru for distribution in Chile.

## 2. Supply Reduction

The U.S. government estimates that 44,000 ha of coca were under cultivation in Peru in 2016, a 16 percent decrease from the 2015 estimate of 53,000 ha. The U.S. 2016 estimate for potential pure cocaine production remained steady at 410 metric tons (MT) due to coca yield and maturity.

In 2017, CORAH conducted eradication operations in Peru's Ucayali, Pasco, Huanuco, and Loreto regions. Peru eradicated 20,735 ha through the first 10 months of 2017, completing 83 percent of its annual goal of 25,000 ha. The GOP began working on an integrated alternative development plan for the VRAEM, a region accounting for an estimated 65 percent of Peru's total potential pure cocaine production.

DIREJANDRO received a \$12.3 million budget in 2017. During the first 10 months of 2017, this unit seized 31.7 MT of cocaine product, including 11.5 MT of cocaine base and 20 MT of cocaine hydrochloride. It also seized 12.2 MT of marijuana, destroyed 308 cocaine laboratories, and seized 92.5 MT of coca leaf.

The movement of cocaine by small aircraft from Peru remains a threat; however, the number of illicit drug flights remained constant in 2017. Illicit flights continue to originate from the areas of Ciudad Constitucion and the Junin-Huancavelica border zone. Large cocaine seizures continue to occur in source zone areas and the coastal, northern border between Peru and Ecuador. Law enforcement confiscated one aircraft in 2017. The police and military continued to destroy clandestine runways – 78 runways as of October 31, 2017, compared to 74 runways during all of 2016.

Peruvian, Colombian, Mexican, and Eastern European traffickers maintain sophisticated networks within Peru to ship cocaine to Europe, East Asia, Mexico, the Caribbean, the United States, and other Western Hemispheric countries. Peru and the United States undertake joint maritime operations that permit U.S. authorities to board Peruvian flagged vessels in international waters. In joint investigations with U.S. law enforcement, DIREJANDRO identified and disrupted major international cocaine trafficking organizations using maritime and air conveyances to ship cocaine for export.

During the first 10 months of 2017, officials at Lima's Jorge Chavez International Airport seized 800 kilograms (kg) of cocaine. Joint PNP and Customs operations at the Port of Callao led to the seizure of approximately 3.69 MT of cocaine. Cusco International Airport officials seized 12.98 kg of cocaine.

Several PNP investigations resulted in the seizure of financial assets. One case resulted in the seizure of \$65 million from an organization tied to corruption, money laundering, and drug trafficking. In a second case, the PNP seized \$15 million in assets from a drug trafficking organization responsible for smuggling 100 kg of cocaine through the Port of Callao. In another case, the PNP seized \$4 million in aircraft and vehicles linked to the incarcerated former Governor of Ucayali.

## 3. Public Information, Prevention, and Treatment

Peru's anti-drug agency (DEVIDA) estimates there are approximately 200,000 persons addicted to illicit substances nationwide: 60,000 cocaine users, 130,000 marijuana users, and 10,000 users of other illicit substances. Abuse of inexpensive, highly addictive coca paste is increasing. Drug abuse is increasing, particularly along drug trafficking routes in midsized cities east of the Andes and in transit cities along the coast.

DEVIDA's budget for drug abuse prevention increased from \$14.9 million in 2016 to \$15.2 million in 2017. DEVIDA operates a drug counseling services hotline and a prevention program for parents and children aged 10-14.

Public treatment facilities in Peru remain insufficient, providing only 160 beds for persons with substance use disorders. Fewer than 10 percent of women addicted to drugs seek and receive drug treatment. Peruvian mental health hospitals added five additional beds for inpatient drug treatment services for women, bringing the total number of beds for women to 20 nationwide. DEVIDA and the Ministry of Health operate 180 mental health and drug services facilities. Peru has approximately 400 privately-run therapeutic community centers, but only 24 meet public health legal standards. In 2017, the Ministry of Health opened three community mental health centers, bringing the national total to 32. Of Peru's 66 prisons nationwide, few offer inmate treatment programs.

## 4. Corruption

The Government of Peru does not encourage or facilitate the illicit production or distribution of drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Corruption is widespread, however, eroding faith in Peru's institutions and damaging Peru's generally positive investment climate. According to September 2017 polling, Peruvians view security and corruption as the country's most pressing problems, and listed the Judiciary, Congress, and the PNP as the country's most corrupt institutions. Corruption scandals have

ensnarled many of Peru's political figures, including former Presidents, members of Congress, regional governors, and ministry officials.

The National Anti-Corruption Court launched in March. Peru's High-level Anti-corruption Commission (CAN) issued the National Integrity and Anti-Corruption Policy in September, setting guidelines and standards for all entities in the public sector, private sector, and civil society. The CAN issued the National Plan on Integrity and Combating Corruption (2017-2021) in November.

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

The United States funds projects to support Peru's drug control strategy through training, technical assistance, capacity building, intelligence, and the targeted provision of equipment to the Peruvian government and through international organizations and non-governmental implementers.

The United States and Peru jointly finance manual coca eradication and alternative development (AD) efforts. The United States provides aviation support to eradication and interdiction activities. While Peru has not made the decision to commence eradication operations in the VRAEM, the PNP has increased interdiction operations there.

In communities where AD followed eradication, coca cultivation dropped by 90 percent according to 2015 UNODC data. To reduce dependence on illicit coca cultivation, the United States partners with Peru to implement AD projects. With U.S. technical and institutional assistance, DEVIDA invested approximately \$32 million in 2016 towards AD. U.S.-supported efforts created over 20,700 new jobs in 2016, assisted over 37,500 families, and planted 9,179 new ha of cacao and coffee.

U.S. support to the PNP helped to enhance law enforcement capabilities and support citizen security. Interdiction programs increased seizures of illicit drugs and precursor chemicals, disrupting the flow of illegal substances leaving Peru via commercial and non-commercial routes. The U.S.-supported Model Police Station program in Callao's Juan Ingunza precinct, focusing on community policing, led to a 12 percent reduction in crime in the district.

U.S. assistance helped Peruvian Customs launch a Tactical Command Center and Immigration Intelligence Unit at Jorge Chavez International Airport in 2017 to modernize customs and immigration practices. The program implemented the Automated Targeting System-Global, began the Biometrics Identification Transnational Migration Alert Program (BITMAP), and funded multiple trainings on drug concealment methods, impostor detection, fraudulent documents, cybercrimes, and passenger risk analysis.

The United States continued to support Peru's transition to the accusatory system by providing training to judicial operators and judges. The United States also provided specialized training and study tours on anti-corruption.

To support treatment and recovery for persons suffering from drug addiction, the United States sponsored the Guiding the Recovery of Women (GROW) training program to certify trainers on specialized drug treatment for female patients. In total, 840 healthcare professionals have received GROW training.

The United States provided assistance to the Public Ministry's specialized unit on environmental crimes to strengthen their investigations into transnational criminal organizations' involvement in illegal mining and illegal logging. The United States supported the launch of the Public Ministry's Office of Strategic Criminal Analysis, which commenced operations in November. The office will include one financial crimes analyst.

## **D.** Conclusion

The Kuczynski government demonstrates the political will to address drug production and trafficking, including eradication and interdiction programs. Peru increased resources to treat those addicted to illegal drugs. The U.S. partnership with Peru to implement its drug control strategy remains critical in combating the production and trafficking of illicit drugs.

# Philippines

# A. Introduction

Following the May 2016 election of President Rodrigo Duterte, the Philippine Government has prioritized the fight against illicit drugs. This campaign has involved every law enforcement agency and multiple other government agencies in efforts to carry out supply and demand reduction programming. There has been controversy over the conduct of the campaign, with accusations of vigilante killings and "extra-judicial killings" allegedly conducted by law enforcement, coupled with denials from Philippine government officials. The Philippine Government now estimates approximately 4.7 million people are involved in the use and trafficking of illicit drugs.

Use of "shabu," the street name for methamphetamine, continues to grow and addiction to methamphetamine remains the most significant drug problem in the Philippines. Marijuana is the second most widely used drug and there is limited but growing cannabis cultivation within the Philippines, mostly for local consumption. Inhalants are the third most abused controlled substance according to the Dangerous Drug Board (DDB). Cocaine is rare in the Philippines, due to high prices and limited demand, but club drugs, such as MDMA (ecstasy) and controlled pharmaceuticals, have become more prevalent. Systemic poverty, public corruption, and porous borders create an environment where drug trafficking is very lucrative, with a relatively low risk of successful interdiction or prosecution. Transnational organized criminal organizations have established operational elements throughout the urban areas of the Philippines. The Philippine Drug Enforcement Agency (PDEA) claimed that 24,848 of 42,036 villages or barangays in the country reported drug-related crimes during the first 10 months of 2017.

The Philippines is a regional transit route for drug trafficking and remains a destination for diverted chemicals used in the production of methamphetamine due to weak chemical controls and a lack of port security. The primary source country for these methamphetamine precursors is China.

## B. Drug Control Accomplishments, Policies, and Trends

## 1. Institutional Development

Philippine law enforcement and justice sector agencies lack sufficient resources, personnel, and effective tools to identify, investigate, and prosecute members of transnational drug trafficking organizations. Restrictions imposed by the Anti-Wiretapping Act of 1965 continue to bar the use of judicially authorized interception of criminal communications. Legal constraints prevent plea bargaining, and drug-related asset forfeiture laws are rarely used. Many drug-related cases are dismissed for failure to follow the strict evidentiary procedures in the Comprehensive Dangerous Drugs Act of 2002. Despite the ongoing anti-drug campaign and the potential for reform, prosecution and adjudication of drug-related cases continue to face significant procedural and administrative delays.

Responsibility for the drug campaign has alternated between PDEA and the Philippine National Police (PNP). On March 6, Executive Order 15 created the Inter-Agency Committee on Anti-Illegal Drugs (ICAD). Chaired by PDEA, ICAD is a collection of 20 member agencies divided into four categories: environment; justice; advocacy; and rehabilitation and reintegration. On October 10, President Duterte issued an interagency memorandum designating PDEA as the "sole agency" for conducting operations in the government's war on drugs, shifting responsibility for the drug campaign from PNP to PDEA over concerns of corruption within the PNP. On December 5, President Duterte lifted the suspension on PNP involvement, directing them to support PDEA's counterdrug operations.

The Philippines has extradition and mutual legal assistance treaties with the United States, and regularly coordinates extradition and mutual legal assistance requests with the United States. Cooperation is excellent, although bureaucratic procedures slow execution of the requests.

### 2. Supply Reduction

During the first 10 months of 2017, PDEA conducted 34,744 drug enforcement operations. This included dismantling two clandestine methamphetamine laboratories, one drug storage warehouse, and several cannabis cultivation facilities. These operations resulted in PDEA filing 17,776 cases and arresting 66,672 individuals.

The Philippines produces and consumes cannabis, with cultivation occurring primarily in the remote, mountainous regions of Luzon and Mindanao. During the first nine months of 2017, PDEA reported the seizure of approximately 464.3 kilograms (kg) of cannabis products; 948.2 kg of methamphetamine; 8.7 kg of cocaine; 275 MDMA tablets; and trace amounts of ephedrine, a precursor chemical that can be used to produce methamphetamine. PDEA completed six marijuana interdiction operations, which resulted in the seizure of marijuana valued at \$534,000.

While significant amounts of high purity methamphetamine originating in Mexico were seized in 2017, China remains the primary source of methamphetamine bulk shipments trafficked into the Philippines via cargo ships and fishing vessels largely controlled by Chinese organized criminal groups. Philippine law enforcement agencies continue to monitor the potential presence of Latin American drug trafficking groups in the country.

Drugs are also smuggled into the country by drug couriers exploiting international flights to the Philippines, both as a method for importing drugs into the country and for transshipment elsewhere. Philippine law enforcement agencies note an increasing number of West African drug syndicates smuggling methamphetamine and cocaine into the Philippines for transshipment and distribution throughout Southeast Asia.

U.S. assistance has supported the development of PDEA's Airport Inter-Agency Drug Interdiction Task Group (AIDITG). The AIDITG promotes interagency coordination to address transnational threats by bringing together officials from PDEA, the PNP, the National Bureau of Investigation, the Bureau of Customs, and Bureau of Immigration at the three largest international airports. AIDITG was responsible for several drug courier arrests and the interdiction of multiple parcels containing drug shipments during 2017.

## 3. Public Information, Prevention, and Treatment

The DDB is developing comprehensive and integrated national drug abuse prevention and control programs. Along with its partner agencies, DDB continues to formulate policies on drug prevention and control; develop and implement preventive education programs; adopt and utilize effective treatment and rehabilitation programs; and conduct research on vital aspects of the drug abuse problem.

The DDB's preventive education, training, and information division implements programs aimed at increasing public awareness on substance use disorder. In 2017, the DDB initiated drug demand reduction programs through partnerships with international development donors. PDEA also launched a preventive education and community involvement service to implement the agency's drug prevention campaign and community involvement initiatives. Activities include seminars, photo exhibits, and conferences on preventive drug education in partnership with 14 accredited non-governmental organization partner agencies.

The Department of Health (DOH) is establishing in-patient drug treatment centers, including infrastructure and health care professional training. Additionally, DOH is developing an outpatient drug treatment program, which includes a voluntary, community-based treatment model to be piloted in six facilities at the local government unit level.

### 4. Corruption

From the beginning of the Duterte administration's drug campaign, numerous politicians have been accused of involvement in the drug trade. PDEA reports that during the first nine months of 2017, it arrested numerous high-value targets, including 114 elected officials, government employees, and law enforcement officials. Insufficient resources and judicial mechanisms often lead to the dismissal of drug cases due to technicalities associated with the custody and disposition of evidence. Despite the dismissals, a large number of low-level drug cases remain active in the system, clogging court dockets and delaying justice for all cases, not just drug defendants.

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

Philippine authorities have eagerly sought to cooperate with foreign governments on international drug trafficking investigations, most significantly the United States, the People's Republic of China, the Republic of Korea, and Australia. The Philippines is also a member of various international enforcement organizations, including INTERPOL, the Customs Cooperation Council, and the Association of Southeast Asian Nations-Police. U.S. assistance continued to bolster the AIDITG and PDEA airport units by providing both equipment and training.

In September, the United States and the Philippines signed an amendment to a bilateral agreement to support drug demand reduction efforts in the Philippines. This amended agreement will provide additional funding to develop a comprehensive drug demand reduction program

covering community-based and national capacity-building interventions. The United States also provided drug education kits to PDEA in 2017 to assist in their community outreach and school-based demand reduction programs.

### **D.** Conclusion

The Philippine government's prioritization on reducing drug trafficking and use resulted in a surge of enforcement actions in 2017. However, the capability of Philippine law enforcement and criminal justice institutions to prosecute significant drug traffickers successfully remains hampered, due to the inability to use judicially authorized intercepts of criminal communications, limited use of plea bargaining, and an inefficient drug asset forfeiture system. Continued U.S.-Philippine collaboration on drug demand reduction programs has the potential to help develop the community-based interventions needed to reduce drug use and lessen the burden on the country's overstretched law enforcement agencies and criminal justice system.

# Portugal

Portugal is a transshipment point for illicit drugs originating from South America destined for other European countries, but is neither a center of drug production nor a significant source of drugs destined for the United States. Revenues garnered from in the illicit drug trade in Portugal are repatriated to drug traffickers in South America. In addition to direct shipments from South America, transnational drug trafficking networks consistently use Portuguese-speaking Guinea-Bissau and Cabo Verde in West Africa as transshipment, refueling, and storage points for cocaine-laden vessels from South America en route to Europe.

The Government of Portugal vigorously investigates and prosecutes drug traffickers traversing Portuguese territory. It also continues to enforce 2013 legislation criminalizing the possession and sale of certain analogue chemicals used to produce psychoactive substances. In 2017, Portuguese law enforcement authorities continued to prioritize interdiction efforts targeting cocaine trafficking into the country. In addition to cocaine, MDMA (ecstasy), hashish, and heroin remain accessible to users within the country.

Portugal focuses much of its drug control effort on treatment and prevention. Since 2001, "personal use" quantities of drugs have been decriminalized. Drug possession is still prohibited, however, and those individuals found by law enforcement to have personal use amounts are referred to the Drug Addiction Dissuasion Commission, consisting of multi-disciplinary teams charged with assessing users and deciding the appropriate sanction and referral to educational or treatment programs. The Portuguese Ministry of Health's Institute on Drugs and Drug Addiction operates numerous drug treatment centers. Universal drug use prevention is part of the Portuguese school curriculum. Law enforcement entities patrol the areas surrounding schools to prevent and protect students from drug trafficking, as part of the "Safe Schools" initiative. Law enforcement also participates in community awareness and training activities.

Portugal's law enforcement cooperation with the United States and other international partners to combat drug trafficking continues to be outstanding. The U.S. Drug Enforcement Administration and the Portuguese Judicial Police conducted multiple, successful joint investigations throughout 2017.

A customs mutual assistance agreement is in force between Portugal and the United States, as are protocols to the 2003 U.S.-EU extradition and mutual legal assistance agreements. Lisbon is also home to the European Monitoring Center for Drugs and Drug Addiction (EMCDDA). Portugal is also a member country of the Maritime Analysis and Operations Center-Narcotics (MAOC-N), headquartered in Lisbon. The United States is a permanent observer to MAOC-N.

# Russia

Russia remains a major destination country for heroin and other Afghan opiates. Smuggled opiates are primarily trafficked into Russia through Central Asian countries. Other illicit drugs, including cocaine, are typically smuggled in via St. Petersburg and Black Sea ports by drug couriers or concealed within maritime shipments originating largely in the Caribbean and South America.

The Ministry of Internal Affairs (MVD) and the Federal Security Service (FSB) are Russia's two federal agencies responsible for drug-related investigations. In an October 2017 press release, General Andrei Khrapov, Head of the MVD Main Directorate for Drug Control, reported that synthetic drugs have surpassed heroin in the Russian drug market. The rise in the manufacture, trafficking, and use of synthetic drugs, including cathinones, cannabinoids, and synthetic opioids, represent a troubling epidemic. The MVD has reported targeting synthetic drugs sold via the internet and restricted internet sites (commonly referred to as the "dark web"), and in September 2017, they effectively shut down the Russian Anonymous Marketplace, a dark web hub which included over 1,300 websites selling illegal drugs. In 2016, the most recent year for which statistics are available, Russian law enforcement seized 21.7 MT of illegal drugs. Of this total amount, 1.4 MT were opiates (including 965 kilograms of heroin); four MT were synthetic drugs; 15 MT were cannabis products; and 1.4 MT were psychotropics.

In April 2016, the government disbanded the Federal Narcotics Control Service (FSKN) and assigned its functions largely to the MVD, which absorbed many of FSKN's employees. The Ministries of Health and Labor were slated to assume responsibility for drug user rehabilitation. It is not yet known which agency will be responsible for domestic demand reduction. The MVD took over management of statistical information about illicit drugs, but released very little new data.

According to multiple sources, drug users in Russia have numbered between 7.3 to 8.5 million for the past several years. At an October 2017 Saint Petersburg conference, experts reported that in 2016, there were 637,482 people incarcerated in Russia, for which 63 percent were for drug offenses, and 10 percent of whom are HIV positive. In addition, 54.5 percent of Russian narcologists list religion as "the most suitable therapy" for drug addiction, and as a result, drug addiction in Russia is typically treated with antipsychotic drugs suited to treat schizophrenia, instead of agonist and antagonist agents. Analysts have also ascribed spotty progress and metrics to poor interagency and inter-sectoral cooperation, and to the lack of a cohesive national rehabilitation program.

In 2013, Russia terminated its letter of agreement with the United States that funded counternarcotic capacity-building programs. In December 2016, President Putin appointed Vladimir Kolokoltsev, Minister of Internal Affairs, as Chair of the State Anti-Drug Committee which coordinates Russia's drug control policy. The U.S. Drug Enforcement Administration currently has working relationships with the FSB and the Federal Customs Service, and to a lesser degree with the MVD.

# Senegal

Senegal's location and transportation infrastructure make it a transit point for drug traffickers moving illicit drugs into Europe and across West Africa. Cocaine is trafficked into and through Senegal by land and sea from neighboring countries including Guinea-Bissau and Mali, then on to Europe by sea and air. Locally, cannabis is cultivated in the southern Casamance region for domestic use and to supply markets across West Africa. Anecdotal evidence suggests that transnational drug trafficking networks are less active in Senegal than in some other West African countries due to Senegal's comparatively stronger enforcement efforts.

In 2017, Senegalese seizures of the Catha Edulis (khat) plant, already slowing in 2016, ceased completely. Seizures of multi-ton quantities of marijuana continued. The lack of khat seizures is likely the result of its low prioritization by Senegalese authorities given the difficulty in successfully prosecuting criminal cases.

Senegal's 1997 Drug Law was amended in 2006 with tougher penalties for drug trafficking. Senegal's latest drug control plan, drafted in 2016 and launched in March 2017, aims to reduce the cultivation, production, and trafficking of drugs, as well as to inform the population of the dangers of illicit drug use, and the need to rehabilitate persons with substance use disorders. While Senegal continues to lack the resources to reliably identify and seize illicit drugs, the capabilities and professionalism of Senegalese authorities are slowly improving, particularly with assistance from international partners.

Senegal collaborates with partners from the Economic Community of West African States (ECOWAS) to combat drug trafficking. In addition, Senegal participates in regional conferences that address prosecuting drug trafficking cases. For example, in October 2017, Senegal hosted the 7th Plenary Meeting of the West African Network of Central Authorities and Prosecutors against Organized Crime, sponsored by the United Nations Office on Drugs and Crime. In 2017, the United States continued to provide assistance to strengthen the capacities of the Gendarmerie, the Marine Nationale, and the Senegalese National Police to monitor, detect, and interdict drug traffickers in Senegal's maritime approaches and territory.

The United States and Senegal do not have a bilateral mutual legal assistance treaty or an extradition treaty. Senegal is a party to multilateral law enforcement conventions that have mutual legal assistance provisions.

The Government of Senegal has the political will to fight drug trafficking, but limited infrastructure and funding impede its efforts. Incremental improvement is taking place, but continued support from the United States and other international partners remains critical.

# Serbia

Serbia is not a significant source or consumer country of illicit drugs but remains a transit area for drugs smuggled through its territory to other European markets, including opiates originating in Afghanistan and cocaine originating in South America. Some small clandestine laboratories produce synthetic drugs within the country for local use, and cannabis is the most widely used illicit drug domestically.

Amphetamine-type stimulants and new psychoactive substances (NPS) are produced in small quantities in clandestine labs throughout Serbia (primarily synthetic cannabinoids). These drugs are mainly exported to Western Europe, but also supply a small but growing domestic market. In 2017, the authorities investigated and raided the first large clandestine laboratory detected within the country used to produce MDMA (ecstasy), seizing 52 kilograms (kg) of tablets and 80 kg of raw production materials. This clandestine laboratory was in Belgrade, and a five member group was arrested and charged with the crime of illegal drug production and trafficking. Fifty hashish processing labs, varying from small to large, were raided in 2017. Cocaine is not widely consumed in Serbia due to its high cost, and the volume of cocaine seized during the first half of 2017 was notably below that of previous years. While Serbian authorities believe heroin and MDMA use is declining within the country, NPS use is believed to be rising. According to the Counter-Narcotics Unit of the Ministry of the Interior (MOI), fentanyl, fentanyl analogues, and ketamine have not been detected in Serbia, and precursor chemical diversion through the country has not been significant.

Serbia established the MOI Service for Abuse of Drugs and Drug Trafficking in 2014 which is responsible for drug-related investigations and addiction prevention programs. Treatment and prevention of drug addiction is mainly the responsibility of the Ministry of Health, but non-governmental organizations also provide services. Bigger cities such as Belgrade, Nis, and Novi Sad have police units dedicated to curbing the use of illicit drugs and investigating drug-related crimes. Serbian law enforcement has been shifting to a more centralized approach by creating a database of criminals and investigations that can be accessed by all 27 departments throughout the country. The MOI plans on standing up new narcotics interdiction and intervention units – comprised of counternarcotics police and border police – to better meet operational needs along the country's borders.

The United States provides ongoing assistance to the MOI to support criminal justice capacity building. The Serbian government also seeks to amplify its cooperation with regional partners to address drug trafficking throughout the Western Balkans, in line with European Union standards.

# **South Africa**

South Africa is the largest market for illicit drugs in sub-Saharan Africa, and serves as a transshipment point for cocaine and heroin primarily destined for Europe. South American cocaine enters South Africa primarily via air to Johannesburg's O.R. Tambo International Airport. A portion is distributed for local consumption and the remainder is trafficked internationally, often controlled by Nigerian criminal organizations. Heroin, primarily of Afghan origin, typically arrives in ports in Tanzania, Kenya, and Mozambique from South West Asia before being subsequently smuggled by land into South Africa, often transiting Zambia and Botswana. Heroin not consumed within South Africa is then trafficked via air to Europe, although a small percentage is shipped to the United States. Methamphetamine (known locally as "tik"), methcathinone ("cat"), and methaqualone are synthesized from precursor chemicals imported primarily from India and China.

Cannabis is the most commonly used illicit drug in South Africa. A dangerous trend that has emerged in poorer communities is the use of a combination of heroin and marijuana called "nyaope." Such drugs are often adulterated with other substances. Quantification of domestic drug use is difficult. The South Africa Police Service (SAPS) annual crime statistics indicate that drug-related crime continued to rise between April 2016 and March 2017. The stated goals of South Africa's National Drug Master Plan are to "reduce illicit drug supply, demand, and harm," but insufficient resources and limited capacity challenge implementation. An ongoing nationwide anti-crime operation, Operation Fiela, focuses enforcement efforts on geographic areas identified as havens of illegal drugs, weapons, and other illegal activities, but has attracted controversy for its alleged targeting of foreign nationals. The nation-wide operation involves South African police and military raids, and has resulted in the arrest of an estimated 10,000 suspects and the seizure of large quantities of weapons and drugs.

South Africa cooperates with international counterparts to increase the impact of its efforts against transnational drug trafficking and other forms of crime. U.S. law enforcement agencies effectively coordinate with South African counterparts on investigations and operations, and provide training to build capacity. In 2017, coordinated U.S.-South African operations led to the arrests of individuals involved in criminal activity linked to the United States and the identification of conspirators in transnational crime syndicates. South Africa also investigates shipments suspected by the United States to contain drugs and other illicit contraband. U.S.-sponsored training has helped to strengthen the ability of South Africa's law enforcement agencies to conduct complex criminal investigations and cooperate with international counterparts.

The United States and South Africa regularly exchange mutual legal assistance and extradition requests under bilateral treaties.

# Spain

Spain remains an important transit point in Europe for cocaine originating from South America and for hashish from Morocco, especially across the Strait of Gibraltar. Cocaine arrives in Spain in large containerized shipments and in lower-volume shipments via recreational boats, sailboats, and within parasitic devices attached to cargo ships. Spanish law enforcement efforts continued to be effective in 2017, combining strong border control and coastal monitoring, sophisticated geospatial detection technology, domestic police action, anti-corruption and internal affairs investigations, and international cooperation.

The Spanish government is preparing to launch a new national drug strategy for 2017-2024 that will focus on prevention, risk reduction, treatment, and supply reduction. In evaluating outcomes from its 2008-2016 strategy, Spanish authorities observed slight reductions in experimental and occasional use of cannabis and cocaine by its domestic population.

Domestic drug production is minor, save for localized cannabis cultivation. There are a small number of illegal labs involved in cutting, mixing, and reconstituting cocaine and heroin. Transnational criminal organizations frequently ship cocaine in raw form mixed within cargo to avoid detection. In 2016, the most recent year for which data is available, law enforcement seizures of cocaine decreased by 28 percent from 2015, totaling 15.63 metric tons (MT). Heroin seizures remained stable at 253 kilograms in 2016. Hashish seizures declined 14.7 percent to 324.4 MT. Seizures of MDMA (ecstasy) increased by more than 150 percent, to 346,848 dosage units in 2016. Marijuana seizures increased by 32 percent to 21.1 MT.

Spain continued to enjoy excellent bilateral and multilateral law enforcement cooperation with international partners in 2017. Cooperation on EU operations in the Mediterranean continued, and U.S. law enforcement agencies maintained strong working relationships with Spanish police and customs authorities, leading to significant drug seizures and arrests. For example, in a February 2017 joint operation with the U.S. Drug Enforcement Administration targeting members of a Colombian drug trafficking organization operating in Spain, the Spanish National Police made 24 arrests and seized 2.45 MT of cocaine. In a May 2017 operation coordinated with U.S. law enforcement, a Spanish customs ship interdicted a Venezuelan-flagged ship 800 nautical miles from Cape Verde, seizing over 2,2 MT of cocaine and arresting seven Venezuelan crew members. In a July 2017 coordinated operation with U.S. Homeland Security Investigations, Spanish Customs arrested a Spanish citizen following a successful international controlled delivery of a parcel containing approximately 600 grams of cocaine concealed within vehicle alternators.

# Suriname

# A. Introduction

Suriname is a transit zone for South American cocaine en route to Europe, Africa, and, to a lesser extent, the United States. Cargo containers carry most illicit drugs smuggled through Suriname, but smaller fishing vessels also carry drugs out to sea for transfer to larger freighters. The 2016 introduction of seasonal direct commercial flights between the United States and Suriname could create additional opportunities for drug trafficking. Suriname's sparsely populated coastal region and isolated jungle interior, together with weak border controls and infrastructure, make illicit drug detection and interdiction efforts difficult. There is little evidence of illicit drug production within Suriname.

# B. Drug Control Accomplishments, Policies, and Trends

# 1. Institutional Development

The Government of Suriname is officially opposed to illicit drug trafficking, but little political will has been demonstrated to pursue vigorous enforcement. Suriname's practical ability to apprehend and prosecute drug traffickers remains inhibited by drug-related corruption, bureaucratic hurdles and the lack of financial and material resources. The Suriname Police Force (KPS) is responsible for the detection and combating of drug-related activities with five units having specific drug control responsibilities. The KPS Narcotics Unit investigates and arrests individuals involved in trafficking illicit drugs, and the Narcotics Intelligence Unit (NIU) gathers intelligence related to illegal drug trafficking. At the airport, the Combating International Drug Trafficking Unit (BID) is a 32-person team that screens airport passengers on outbound flights, and there is a police canine unit responsible for inspecting luggage.

In July 2017, the U.S.-funded, UN-sponsored Container Control Unit at the Terminal of Nieuw Haven (Port of Paramaribo) assisted Surinamese authorities in detecting and seizing a record of 1.7 metric tons of cocaine in a shipping container destined for Europe. The Unit's operating protocol requires permission and oversight of Surinamese Customs authorities.

Suriname installed an automated biometrics border control system for travelers at points of entry in 2013 and amended the criminal code to allow DNA as evidence in 2014. The National Assembly approved the "Acquisition and Sentence Transfer Enforcement" law in October 2016. This legislation is meant to establish the conditions under which a sentence issued by a foreign court would be applied within Suriname, as well as the conditions involved in applying the verdicts of Surinamese courts abroad.

Suriname is a party to the Inter-American Convention against Corruption and Migrant Smuggling and the Inter-American Convention on Mutual Assistance in Criminal Matters. Since 1976, Suriname has shared drug-related information with the Netherlands as part of a mutual legal assistance agreement among former Dutch colonies to exchange crime-related data. In 1999, the United States and Suriname completed a comprehensive bilateral maritime counternarcotics enforcement agreement that remains in force. Suriname has also signed bilateral agreements to combat drug trafficking with Brazil, Venezuela, and Colombia.

# 2. Supply Reduction

Suriname is not a source country for illegal drugs or precursor chemicals, but it continues to be used as a transshipment point for illicit drugs. During 2017, there was an increase in the volume of drugs seized in the country, which may be due to increased drug production in Colombia. Worsening economic conditions in Suriname may also have produced increased incentives for criminal activity. During the first nine months of 2017, Surinamese authorities seized approximately 2.88 metric tons of cocaine; 16.5 liters of liquid cocaine; 57.6 kilograms (kg) of marijuana; three kg of hashish; and 393 MDMA (ecstasy) tablets.

# 3. Public Information, Prevention, and Treatment

Illicit drug use is relatively rare in Suriname, with marijuana being the primary drug consumed locally. There is one free, government-run detoxification center; other treatment centers are run by non-governmental organizations. In 2014, law-makers adopted new legislation allowing treatment for drug addiction as an alternative to criminal sentencing. As recently as October 2017, implementing protocols for this legislation were still being drafted.

In 2017, the police launched a three-week information campaign to increase awareness of the dangers of drugs and trafficking drugs. The program was in response to an increase in December 2016 of youth bringing packages to the postal service that contained drugs. The majority of individuals did not know the contents of packages nor the person who gave them the packages.

After two years of inactivity, in 2017 the government appointed new members for the National Antidrug Board (NAR). The board is responsible for coordinating all outreach efforts on drug use by both government and nongovernment organizations. The board is also partially responsible for drafting the National Drugs Master Plan and National Drug Prevention Plan.

# 4. Corruption

The National Parliament passed an Anti-corruption law in September 2017. The law requires additional implementing rules to be created by state decree and the naming of one or more specialized prosecutors for corruption cases. Corruption pervades many government offices in Suriname, but local criminal investigations of alleged corrupt acts are rare and local prosecutions even rarer. President Desire Bouterse and Member of Parliament Ronnie Brunswijk have been convicted of drug trafficking in absentia in separate court cases in the Netherlands and France. Dino Bouterse, son of President Desire Bouterse, was sentenced in March 2015 to prison in New York for drug smuggling and other crimes.

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

The United States supports a range of efforts designed to address crime and violence in Suriname, primarily through the Caribbean Basin Security Initiative (CBSI). CBSI is a security

partnership between the United States and Caribbean nations that seeks to substantially reduce illicit trafficking, advance public safety and citizen security, and promote justice.

CBSI support to Suriname includes training and equipment, primarily to the KPS and justice sector actors, to prevent and interdict drug trafficking, enhance maritime law enforcement capabilities, combat money laundering, and support at-risk youth programs.

#### **D.** Conclusion

Suriname continues to be a transit country for illicit drugs originating in South America. The United States encourages the Government of Suriname to combat corruption and take further steps to increase the effectiveness of drug interdiction efforts within the country, as well as subsequent investigations and prosecutions.

# Tajikistan

# A. Introduction

Sharing a porous 835-mile border with Afghanistan, Tajikistan is situated along one of the main transit corridors for Afghan opiates and cannabis products. While there is a small domestic market for these drugs in Tajikistan, the bulk of the opiates and cannabis products trafficked through the country are destined for Russia, Eastern Europe, and further international markets.

A 2012 assessment by the United Nations Office of Drugs and Crime (UNODC) estimated 75 to 80 metric tons (MT) of heroin and 18 to 20 MT of opium transit Tajikistan annually, with most of the drugs transiting north by vehicle and trains. Though Tajikistan is the major route for heroin trafficking from Afghanistan, according to UNODC's 2017 World Drug Report, Tajik authorities are only seizing a small quantity of the opiates transferred through the country, although seizure statistics are only one measure of effective drug control efforts. Since the number of registered persons suffering from substance use disorders in Tajikistan has remained relatively stable over the past several years, it is unclear whether usage rates are increasing, although there is concern over the growth in availability of synthetic drugs and new psychoactive substances (NPS) in the country. The government appears to have the political will to counter domestic trafficking in drugs but must contend with pervasive corruption at all levels.

# B. Drug Control Accomplishments, Policies, and Trends

## 1. Institutional Development

Tajik drug control agencies are capable and have benefited from years of international donor support. They are generally well-equipped and regularly receive training from donor funded international organizations and the United States.

In 2017, U.S. assistance programming focused on developing a curriculum for new drug officer recruits to the Drug Control Agency (DCA), along with providing needed regional infrastructure for the organization. Cooperation on investigations with U.S. law enforcement agencies in Tajikistan is very good.

Tajikistan does not have an extradition or mutual legal assistance treaty with the United States, though Tajikistan is party to multilateral conventions which enable law enforcement cooperation.

# 2. Supply Reduction

According to statistics provided by the DCA, overall drug seizures totaled 3.37 MT during the first nine months of 2017, a 24 percent increase from seizures made during the same period in 2016. Opium accounted for the bulk of seizures, followed by hashish.

Opium seizures increased to 821 kilograms (kg) over this nine-month reporting period, up by nearly 100 percent from the same period in 2016. Hashish seizures increased by 13 percent, totaling approximately 2.49 MT, while cannabis seizures rose by two percent, to 563 kg.

In a multi-year trend, heroin seizures in Tajikistan continued to decline. Fifty-three kg were seized during the first nine months of 2017, a 36 percent decrease from the same period of 2016. There was a six percent decline in the number of MDMA (ecstasy) pills seized, from 10,107 to 9,515.

Most agencies with drug enforcement responsibilities reported seizing reduced volumes of illicit drugs in 2017. The Border Guards Service was the exception, reporting a large increase in seizures that led to an overall increase in the volume of seized drugs within the country. Even with this increase, overall seizure rates remain significantly below what was recorded several years ago. The DCA has offered various reasons to explain why seizure totals have trended downward, including: shifting trafficking patterns; an expanded Tajik security presence along the country's border with Afghanistan; and renewed focus by the Tajik government on substance abuse prevention.

## 3. Public Information, Prevention, and Treatment

Awareness-raising activities to warn about the danger of illicit drugs are funded by Tajikistan and international donors. The media, printed materials, and sporting events raise understanding of the dangers of illicit drug use and promote healthy lifestyles. The government has embarked on greater youth engagement on a number of issues, including drug demand reduction. The Ministry of Health provides treatment services in Dushanbe and four other regional centers where residential in-house treatment and methadone maintenance services are provided. Of the 12 methadone treatment centers in Tajikistan, three are funded by the U.S. government. A pilot prison project was started in 2017, providing 13 inmates with methadone therapy.

There were 6,930 registered persons with substance use disorders within Tajikistan as of October 2017, including 167 women. Three-hundred and forty individuals were added to the rolls during the first nine months of 2017. The number of registered persons suffering from addiction has remained relatively stable over the past several years, in large part because addicted individuals may remain registered for up to five years. Of the total number of registered persons suffering from substance use disorders, 5,591 are addicted to heroin, with injection being the preferred means of use, and approximately 85 percent of registered users are between 35 to 59 years old. Official statistics probably underestimate the true number of Tajikistanis addicted to drugs because of hesitancy to register with the government.

## 4. Corruption

The Government of Tajikistan does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. In 2017, there were no reports of senior government officials or law enforcement officers being involved in drug trafficking. However, extremely low salaries for state workers, the profitability of illegal drug sales, and the dearth of other licit economic opportunities make accepting drug money attractive.

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

During the first nine months of 2017, the U.S. government contributed or dedicated \$1.8 million in assistance to Tajikistan's drug control efforts. The aid has been in the form of training, buildings, equipment and other expenses. Most of the assistance has focused on the DCA, the principal drug enforcement organization in the country, although some has gone to border and other security forces. While the DCA is a competent, willing, and professional investigative body, its effectiveness is limited by poor coordination with other domestic and regional law enforcement bodies, and a lack of modern investigative tools. Effective use of court ordered electronic communications intercepts should be further developed.

The U.S. government has funded and supported a vetted unit within the DCA, whose members are polygraphed by the U.S. government. The unit is intended to focus on high level traffickers and organizations, and obtained10 criminal convictions in 2017.

## **D.** Conclusion

With seizures declining over the past few years, Tajikistan should undertake an in-depth assessment of its drug control efforts. Corruption remains pervasive in Tajikistan and negatively impacts the country's drug control efforts. The Tajik government has demonstrated some willingness to tackle high-level corruption in the past, having filed charges against senior drug control officials in 2015 and 2016.

# Tanzania

Tanzania is a significant transit country for illicit drugs, notably Southwest Asian heroin and South American cocaine, with domestic drug use increasing within the country. Tanzania-based trafficking organizations and courier networks operate globally, and play a prominent role in the Southwest Asian heroin trade. Tanzania produces cannabis for domestic consumption and international distribution.

Tanzania's geographical location, high levels of corruption, and porous borders present considerable challenges to drug interdiction strategies. Traffickers exploit Tanzania's 854 mile coastline and inadequate security at Tanzanian seaports, specifically those in Dar es Salaam and Tanga. Southwest Asian heroin is transported in multi-hundred kilogram quantities by small oceangoing vessels to Zanzibar and the Tanzanian coastline. From Tanzania, heroin is distributed to retail markets and user populations throughout Africa, Asia, Europe, and North America. Large quantities of heroin are sent across the land border with Kenya for transshipment to Europe and North America. Smaller amounts (three to five kilograms) are sent to Europe from Dar es Salaam via commercial flights and overnight air cargo companies. South American cocaine is trafficked into Tanzania by couriers on commercial flights to Dar es Salaam for further international distribution. Precursor chemicals primarily from Asia are brought through Tanzanian ports, and used to produce methamphetamine and psychotropic substances in clandestine labs to supply domestic and international markets.

The Tanzanian Drug Control and Enforcement Authority (DCEA), the Tanzania Intelligence and Security Service (TISS), the Tanzanian Police Service's Anti-Narcotics Unit, and the Tanzanian Peoples Defence Force (TPDF) contribute to Tanzania's fight against illicit drug trafficking. These agencies work with U.S. and other international law enforcement partners. In May 2017, Ali Khatib Haji Hassan, (aka Shkuba), one of Tanzania's most influential drug kingpins, and two of his associates were extradited to the United States. In October, the DCEA and TPDF seized 127 kg of heroin and arrested 12 suspects following the interception of a dhow off the coast of Zanzibar.

Extradition between Tanzania and the United States is governed by the 1931 U.S.-U.K. Extradition Treaty. There is no bilateral mutual legal assistance treaty between Tanzania and the United States, though both countries are parties to various multilateral conventions with provisions for assistance which can be provided on a reciprocal basis through letters of request.

The Government of Tanzania does not encourage or facilitate the production or trafficking of illicit drugs as a matter of policy, but corruption remains a barrier to effective enforcement. Drug traffickers use their considerable financial resources to influence politicians, law enforcement officers, and others in positions of power.

The United States seeks to promote improved interdiction operations and limit the corrosive effects of drug-related corruption in Tanzanian institutions through law enforcement cooperation and by encouraging a strong Tanzanian government commitment to drug interdiction and criminal justice capacity building.

# Thailand

# A. Introduction

Thailand remains a net importer of illicit drugs for domestic use, and drug trafficking into and through the country remains a significant problem. No significant quantities of opiates, methamphetamine, or other illegal drugs were cultivated or produced in Thailand in 2017, though various transnational criminal organizations continue to exploit Thailand both as a market and transit country for illicit drugs destined for regional and international markets. The primary drugs of concern continue to be amphetamine-type stimulants (ATS), specifically methamphetamine originating in Burma, and heroin.

According to the United Nations Office on Drugs and Crime, the Thai government has not reported eradicating opium poppy since 2013. However, in 2017, the Thai Office of Narcotics Control Board (ONCB) reported that 1,965 kilograms (kg) of opium poppy plants were seized during the first six months of 2017, compared to 662.2 kg during all of 2016. Heroin seizures have increased in Thailand since a significant drop in 2015, and methamphetamine seizures have also increased since 2016. Through the first six months of 2017, the country was on pace to register historic levels of methamphetamine seizures, in both tablet and crystal form.

# B. Drug Control Accomplishments, Policies, and Trends

# 1. Institutional Development

Thailand has bilateral extradition and mutual legal assistance treaties with the United States. Thailand is an effective and cooperative partner of the United States, with U.S. assistance facilitating and enhancing that cooperation.

# 2. Supply Reduction

Methamphetamine trafficking and abuse continues to be the primary drug concern in Thailand. The production of methamphetamine in Burma by non-state armed groups and by other regional producers remains an issue of great concern for Thailand. The ONCB estimated that 80 percent of the drugs smuggled into Thailand entered through its northern border. In 2016 (the most recent year for which data is available), ONCB seized approximately 2.23 metric tons (MT) of crystal methamphetamine and 9.75 MT of methamphetamine tablets. During the first six months of 2017, Thailand law enforcement had already surpassed total 2016 figures for methamphetamine tablet seizures, having seized approximately 10.3 MT tablets, as well as approximately 1.92 MT of crystal methamphetamine.

Trafficking in heroin through Thailand remains a challenge for Thai law enforcement agencies, as seizures increased over the first six months of 2017. According to ONCB, Thai authorities seized 285.1 kg of heroin between January and June 2017, compared to the total volume of 278.3 kg of heroin seized during all of 2016.

Use of MDMA (known locally as "ya-E") in Thailand remained stable in 2017, and confined mainly to Bangkok and tourist areas. MDMA is typically smuggled into Thailand by couriers on commercial aircraft from Europe. Malaysia is also a primary route for MDMA crossing into southern Thailand, with reports indicating cross-border trafficking by Singapore and Malaysian traffickers at ports-of-entry along the Thai-Malaysian border. According to ONCB, Thai authorities seized 11.2 kg of MDMA during the first six months of 2017, compared to approximately 21.73 kg during all of 2016.

Thai authorities have reported an increase in the availability of cocaine within Thailand over recent years, though the market remains limited to foreigners and affluent Thais. The drug is most often found in private residences and entertainment venues in Bangkok, as well as popular tourist destinations in various provinces. The cocaine market is largely controlled by Africa-based trafficking networks, though South American and Chinese trafficking groups are also involved in bulk cocaine smuggling through Thailand, typically for further export to Australia and China. According to ONCB, approximately 10.4 kg were seized during the first six months of 2017, compared to 42.05 kg during the entirety of 2016.

Marijuana continued to be readily available throughout Thailand and the region. Though limited quantities of cannabis are cultivated domestically, most of the marijuana seized in Thailand originates from Laos. During the first six months of 2017, ONCB reported seizing approximately 15.58 MT of dried marijuana, comparable to the pace of total seizures in 2016 (29.27 MT for the entire year). Krathom (mitragyna speciosa is a plant indigenous to Thailand with psychoactive properties that is also abused as a recreational drug, primarily in Thailand's southern provinces.

There is limited ketamine abuse in Thailand, mainly among younger users who prefer it as a cheaper (and perceived safer) alternative to MDMA. However, seizure numbers suggest that ketamine use may be increasing. According to ONCB, Thai authorities seized 107.7 kg of ketamine during the first six months of 2017, compared to 169.7 kg during all of 2016. Most ketamine entering Thailand is believed to originate from India and/or China. Ketamine is also transshipped from other countries such as Malaysia and Singapore into Thailand. South Asian and Taiwanese drug trafficking organizations are prominently involved in ketamine trafficking.

Thailand's penalties for drug-related offenses are severe and can include the death penalty for those convicted of possession of more than 20 grams of Schedule I substances with "intent to sell," a punishment reportedly last used in 2009.

## 3. Public Information, Prevention, and Treatment

According to press reporting, Thailand is estimated to have as many as 2.7 million illicit drug users in the country. Thailand carries out comprehensive demand reduction programs, combining drug use prevention programs with treatment for those suffering from substance use disorders. According to ONCB, drug treatment programs have reached over 700,000 persons with substance use disorders since 2011. The Thai government also invests in building awareness of the perils of drug addiction, but the effectiveness of these awareness programs is difficult to gauge.

### 4. Corruption

As a matter of policy, the Thai government does not permit, encourage, or facilitate illicit production or distribution of narcotic/psychotropic drugs or other controlled substances, or the laundering of drug proceeds, by individuals or government agencies. However, corruption remains a problem in Thailand, and some officials are susceptible to bribery.

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

Thai and the U.S law enforcement agencies enjoy a strong cooperative relationship and support from the highest levels of the Thai government. The U.S. Drug Enforcement Administration (DEA) continued to work closely with Thai law enforcement authorities on coordinated investigations in 2017. Thailand is one of several countries in which DEA maintains Sensitive Investigative Units (SIUs). Thai SIU participants receive specialized training and undergo a rigorous vetting process.

Additionally, the United States provides a stream of training and assistance to Thai law enforcement and criminal justice entities specific to drug trafficking. Through the U.S.-funded, Thailand-hosted International Law Enforcement Academy and other programs, the United States and Thailand are working to enhance regional cooperation to combat transnational crime. The United States also provides training and other assistance to Thai customs officials, Thai Maritime Police, and other law enforcement authorities to improve border protection and investigation skills. Thailand uses U.S.-developed curriculum to support training and professionalization of its substance treatment workforce. With U.S. support, the program is establishing a cadre of national trainers who will disseminate the training throughout the country.

#### **D.** Conclusion

The U.S. government enjoys a particularly close and collaborative relationship with Thai law enforcement. The United States will continue to assist the Thai government in its efforts to promote greater cooperation between its police and prosecutors, prevent corruption, and further advance regional drug control cooperation.

# **Trinidad and Tobago**

## A. Introduction

Trinidad and Tobago's close proximity to Venezuela, open coastline, and direct transportation routes to Europe, Canada, and the United States make it an ideal location for cocaine and marijuana transshipment. While some marijuana is produced locally, much is imported from other islands in the Caribbean – and increasingly from South America – due to its perceived higher quality. Other illicit drugs, including cocaine, heroin, and MDMA (ecstasy), also transit Trinidad and Tobago or remain on the islands for domestic consumption.

The Government of Trinidad and Tobago continues to make progress in its ability to investigate complex illicit drug cases, but remains challenged by insufficient resources and capacity. Robust interdiction efforts continued in 2017, though fewer drugs were seized overall compared to 2016. The government's strong commitment to drug demand reduction persists, though treatment capacity remains under-resourced, and more data is needed to accurately quantify drug usage within the country.

Declining government revenues due to decreased oil and gas production, combined with lower oil and gas prices, will likely create further resource constraints for government agencies charged with implementing and enforcing drug control policy.

#### **B.** Drug Control Accomplishments, Policies, and Trends

## 1. Institutional Development

Trinidad and Tobago demonstrates continued commitment to drug control through bilateral cooperation with the United States and other countries, including intelligence sharing with countries of origin, transit, and destination. The Government of Trinidad and Tobago regularly communicates with local, regional, and international organizations, collaborating on international and national drug control priorities. Trinidad and Tobago's drug control institutions remain challenged by deficiencies in staffing and funding.

To combat illicit drug trafficking and other forms of organized crime more effectively, the Ministry of National Security announced in September 2017 the creation of a new Organized Crime Intelligence Unit. This new unit merged the previous Organized Crime, Narcotics, and Firearms Bureau and the Criminal Gang and Intelligence Unit to reduce barriers to information sharing and improve collaboration on investigations. Distrust, however, within and between certain units of law enforcement, the military, and the intelligence community remains, and continues to impede interagency coordination.

Specialized law enforcement units that target illicit drugs, organized crime, and maritime interdiction receive support from international donors through specialized training and equipment. International support has enhanced the ability of Trinidad and Tobago's law enforcement and investigative units to track sophisticated criminal networks trafficking drugs. In March 2017, the Trinidad and Tobago Coast Guard, in partnership with the United States

Coast Guard, intercepted a fishing vessel carrying approximately 4.2 metric tons of cocaine, cited as the largest seizure in the Atlantic Ocean since 1999. Domestic cannabis eradication efforts increased in 2017 compared to 2016.

Trinidad and Tobago has mutual legal assistance treaties with the United States, Canada, and the United Kingdom. The country is also party with the United States to a narcotics control and law enforcement letter of agreement; a maritime law enforcement agreement that enables the United States to patrol Trinidad and Tobago's waters and detain vessels suspected of trafficking drugs; and a customs mutual assistance agreement, which allows for the exchange of information, intelligence, and documents to assist in the prevention and investigation of customs offenses. The United States also maintains an extradition treaty with Trinidad and Tobago.

# 2. Supply Reduction

Marijuana is the only known locally-produced illicit drug within Trinidad and Tobago. Production is concentrated in small farms in heavily forested, mountainous regions. Traditionally, local producers compete with imports from St. Vincent and the Grenadines, Jamaica, and Guyana that are perceived to be of a higher quality.

Law enforcement information suggests that increasing amounts of marijuana are entering the country via Venezuela, as part of a trend of increased trade of both licit and illicit goods between the two countries. Other illicit drugs, primarily cocaine, but also small amounts of heroin and MDMA (ecstasy), are trafficked through the country by transnational organized crime groups operating in Trinidad and Tobago, exploiting its close proximity to Venezuela and vulnerabilities at ports of entry. The main destination for these drugs continues to be the European market. Anecdotal reports also suggest that trafficking of small amounts of ketamine takes place.

In collaboration with several international partners, Trinidad and Tobago law enforcement entities seized approximately 705 kilograms (kg) of marijuana and 74.2 kg of cocaine within the country during the first eight months of 2017, compared to seizures totaling approximately 1.2 MT and 292 kg, respectively, of both drugs during all of 2016.

## 3. Public Information, Prevention, and Treatment

Information on drug-use trends in Trinidad and Tobago is anecdotal, though the government continues to seek resources to conduct a national-level survey to obtain baseline data on drug usage. The primary drug used is marijuana, followed by cocaine. Drug treatment professionals assess that drug usage continues to increase among youth. There are a number of drug treatment programs in Trinidad and Tobago supported by the government, non-governmental organizations, religious groups, and hospitals. Challenges remain in integrating existing criminal justice, healthcare, welfare, and education systems to effectively treat drug use disorders, and there is a need to train more prevention specialists and treatment service providers to accredited standards. Trinidad and Tobago's 2014 National Drug Policy and its companion Operational Plan for Drug Control in Trinidad and Tobago 2014-2018 are designed to reduce both the supply of and demand for illegal drugs. Drug prevention efforts include school-based education programs; training for educators; anti-drug media campaigns; and special outreach events.

## 4. Corruption

The Government of Trinidad and Tobago neither directly encourages nor facilitates the illicit production or distribution of drugs nor the laundering of proceeds from the sale of illicit drugs. No charges of drug-related corruption were filed against senior government officials in 2017. Media and anecdotal reports of drug-related corruption in the ranks of the Police Service, Prisons, Defense Force, Customs and Excise Division, and port employees are common. The Police Complaints Authority, an independent law enforcement oversight body, recorded 212 complaints, including fraud and corruption, through September 22, 2017.

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

The United States supports a wide range of efforts designed to address crime and violence affecting citizens in Trinidad and Tobago, primarily through the Caribbean Basin Security Initiative (CBSI). CBSI is a security partnership between the United States and the Caribbean that strives to substantially reduce illicit trafficking, advance public safety and citizen security, and promote justice. CBSI programming in Trinidad and Tobago focuses on law enforcement and military capacity building, justice sector capacity building, and juvenile justice. CBSI projects that include Trinidad and Tobago are underway to increase law enforcement capacity-building and regional law enforcement and justice sector cooperation; support criminal justice reform; prevent financial crimes; support demand reduction; reduce illicit trafficking of firearms; and increase maritime and aerial domain awareness. The Government of Trinidad and Tobago is an active partner in CBSI programs. The United States maintains a binding operational agreement to suppress illicit traffic by sea with Trinidad and Tobago, which includes ship boarding and expedited communications.

## **D.** Conclusion

The United States and Trinidad and Tobago enjoy a cooperative relationship against drug trafficking and transnational organized crime. The entities and individuals working to combat drug trafficking in Trinidad and Tobago, however, continue to face considerable institutional challenges. In spite of current budget challenges, the Government of Trinidad and Tobago should continue to implement reforms and programs to improve the capacity of its law enforcement and criminal justice institutions to detect illicit drug trafficking and effectively investigate, arrest, and prosecute suspected drug traffickers. The United States will continue to assist these efforts to bolster Trinidad and Tobago's drug-control institutions.

# Turkey

# A. Introduction

Turkey remains a significant transit country for illicit drug trafficking. Heroin, opium, and cocaine are generally trafficked through Turkey to European markets, and amphetamine-type stimulants (ATS) are trafficked to markets in the Middle East and Southeast Asia. Turkish authorities continue to seize large amounts of opiates and hashish in Turkey, and the Government of Turkey remains committed to upholding its international drug control obligations. Turkish law enforcement agencies remain strongly committed to disrupting illicit drug trafficking.

## B. Drug Control Accomplishments, Policies, and Trends

### 1. Institutional Development

The Turkish National Police (TNP) Narcotics Department is the country's most proactive counterdrug force and has jurisdiction for drug-related crimes in urban areas. The U.S. Drug Enforcement Administration (DEA) often partners with the TNP Narcotics Department. The Jandarma, a component of the Ministry of Interior (MOI) responsible for rural areas outside the jurisdiction of the TNP, also plays a significant role, especially in the country's cannabis eradication programs. TNP intelligence frequently leads to rural areas, in which case the two agencies conduct investigations and seizures together. Turkey's Coast Guard, also under the MOI, has some drug control responsibilities, and the Ministry of Customs and Trade, Directorate General of Customs Guards, is also a counterpart to the DEA. The Ministry of Health is responsible for regulating pharmaceutical products and for issues relating to importation of chemicals for legitimate use.

The Turkish International Academy against Drugs and Organized Crime (TADOC) is an important resource for providing advanced training to law enforcement professionals from within Turkey and across neighboring states. The UN Office on Drugs and Crime (UNODC) sponsors training sessions at TADOC for narcotics police from Central Asia and other states. TADOC also partners with DEA, the Organization for Security and Cooperation in Europe, the Turkish International Cooperation and Development Agency, and other mutual security organizations in the planning and execution of training projects, instructor fellowship exchanges, and workshops throughout the region. U.S. and Turkish cooperation on extradition and mutual legal assistance relations are governed by the 1981 United States-Turkey extradition and mutual legal assistance treaty.

## 2. Supply Reduction

Most heroin trafficked via Turkey is marketed in Western Europe, where Turkish traffickers control much of the distribution. Turkey also is a transit route for opiates smuggled overland from Afghanistan mostly via Iran. Major Turkish smugglers are frequently involved in both heroin sales and transport, as well as limited production and smuggling of synthetic drugs. Some

criminal elements in Turkey reportedly have interests in heroin laboratories operating in Iran near Turkey's border. Heroin arrives in Turkey as a finished product from Afghanistan.

Turkey also serves as a transit route for methamphetamine smuggled by air from Iran and bound for markets in Southeast Asia, as well as ATS originating in Eastern Europe bound for countries in the Middle East.

While cocaine is generally transshipped through Turkey to European markets, there are indications of a growing market in Turkey. Cocaine arrives from South America, often in cargo ships destined for Turkish ports. Seizures indicate cocaine is predominately hidden inside passenger luggage or hidden on persons.

Turkey is a transit route for opium smuggled overland from Afghanistan via Turkmenistan, Azerbaijan, and Georgia en route to Western Europe. While the Balkan Route into Western Europe remains heavily used, evidence suggests traffickers also use a more northerly route through Azerbaijan, Georgia, Russia, and Ukraine. Turkey and India are the only two licit traditional poppy-growing countries recognized by the U.S. government and the International Narcotics Control Board. Opium is produced in Turkey under strict domestic controls and international treaty obligations. The Turkish Grain Board strictly controls licit opium poppy cultivation and pharmaceutical morphine production, with no apparent diversion into the illicit market.

Cannabis products, primarily hashish, either enter Turkey from Afghanistan, Lebanon, and Albania, or are locally cultivated and produced in Turkey, primarily for local consumption.

The TNP uses TADOC to train officers on drug trafficking interdiction and investigation techniques. Border control initiatives and upgrades include the deployment of x-ray machines and ion scanners to Turkey's eastern borders.

Drug proceeds are often moved to and through Turkey informally, despite the fact only banks and authorized money transfer companies can legally move money. Money exchange bureaus, jewelry stores, and other businesses believed to be part of the informal hawala banking system are investigated only if the business is directly tied to an existing drug or other criminal investigation.

According to Turkish authorities, during the first six months of 2017, Turkish authorities seized approximately 6.47 metric tons (MT) of heroin; 590 kilograms (kg) of morphine base; 14,828 liters of acetic anhydride; 1.06 MT of cocaine; 579 kg of cannabis; 2,462,000 fenethylline tablets; 18,000,000 tramadol tablets; 116 kg of methamphetamine; 38 kg of synthetic cannabinoids; 40 kg of MDMA; and 39 kg of opium.

## 3. Public Information, Prevention, and Treatment

A Deputy Prime Minister chairs the High Council for Fighting Drugs, whose members include six ministries and civil society, and coordinates drug prevention and treatment programs. Drug-

related treatment is provided by public agencies, private entities and nongovernmental organizations (NGOs), and is mainly funded through the state and health insurance.

Most Turkish treatment services for those with substance use disorders are aimed at achieving a drug-free life and dealing with addiction in general and not specifically for users of illicit drugs. These programs include psychotherapeutic and supporting methods, with the majority of drug-related treatment services taking place within inpatient settings.

While illegal drug use remains modest in scale in Turkey compared to other regional countries, the number of people seeking treatment for substance use disorders is increasing. The Ministry of Education provides funding to an NGO for the development and implementation of a healthy living and anti-drug curriculum for schools. The Ministry of Health has responsibility for promoting drug awareness and providing treatment, but it remains underfunded and does not conduct regular, periodic drug use surveys.

### 4. Corruption

As a matter of government policy, Turkey does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. No senior-level government official is alleged to have participated in such activities in 2017.

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

The United States works closely with Turkey to offer regional training opportunities to Turkish law enforcement officials and at the TADOC center to provide additional tools to Turkish officials and their international counterparts. Turkey hosts several international counter drug forums with goals to enhance investigative abilities, cooperation, and relationships between international law enforcement agencies.

#### **D.** Conclusion

The United States will continue to work with Turkish law enforcement agencies to strengthen Turkey's ability to combat drug trafficking, money-laundering, and financial crimes, and reduce the flow of Afghan heroin to international markets. The United States will also continue to support Turkey's work as a regional leader in drug control training and education.

# Turkmenistan

Turkmenistan is located along a transshipment route used by transnational drug-trafficking networks to smuggle Afghan opiates to Turkish, Russian, and European markets. Illicit drugs are smuggled into Turkmenistan both directly from Afghanistan and through Iran. Turkmenistan is not a major producer or source country for illicit drugs or precursor chemicals. Most drug seizures occur along Turkmenistan's rugged and remote 500-mile border with Afghanistan and its 713-mile frontier with Iran, where the Government of Turkmenistan directs the bulk of its law enforcement resources and personnel.

Turkmenistan does not encourage or facilitate the illicit production or distribution of illicit drugs or other controlled substances.

Prices for heroin, opium, and marijuana remain among the highest in the Central Asia region, according to local observers, and these drugs are reportedly increasingly scarce within Turkmenistan. In 2017, the government held two "drug-burn" ceremonies, one in January and the other in June, destroying an undisclosed amount of illegal drugs. State television occasionally reports on drug seizures.

The Central Asian Regional Information and Coordination Center reported a slight decline in the amount of drugs seized during the first six months of 2017. The Turkmen government reported no evidence of synthetic drug production in Turkmenistan during the year, and according to the 2017 UN World Drug Report, the country is not a major trafficking route for synthetic drugs.

Turkmenistan does not have an extradition treaty or mutual legal assistance agreement with the United States, but it is a party to the 1988 UN Drug Convention, which provides a mechanism to provide legal assistance in accordance with its provisions.

Cooperation between international partners and Turkmenistan's drug enforcement agencies, which continue to need increased resources, training, and equipment, remains important to improving drug control efforts. Since 2016, however, the Turkmen government has scaled back its drug control cooperation with U.S. agencies. The United States encourages Turkmenistan to continue its long-term efforts to stem the flow of illicit drugs by working with international partners.

# Ukraine

Although Ukraine is not a major drug producing country, its location astride several important drug trafficking routes into Western Europe leaves it vulnerable to significant drug transit. Ukraine's numerous ports on the Black and Azov seas, its extensive river routes, and its porous northern and eastern borders make Ukraine an attractive route for drug traffickers into the European Union's (EU) illicit drug market.

Heroin and other opiates from Afghanistan are trafficked through Russia, the Caucasus, and Turkey, before passing through Ukraine. South American cocaine is moved through Ukrainian seaports and airports for both domestic use and onward transit to EU countries. Ukrainian law enforcement occasionally interdicts large shipments of drugs in commercial shipments transiting southern ports. Usually, however, drugs are found in small quantities, ranging from several grams to several hundred grams. As long as Russia continues to arm, train, and fight alongside forces in eastern Ukraine and tolerate and foster volatile criminal "statelets" on its border, Ukraine will remain vulnerable to drug transit.

The use of synthetic drugs and psychotropic substances, especially amphetamine-type stimulants, has been rapidly increasing in Ukraine over the past decade, following international trends. Synthetic drugs are trafficked to Ukraine primarily from Poland, Lithuania, and the Netherlands, but they are also produced locally in small clandestine labs. Most domestic drug abuse, however, continues to be focused on drugs made from illicit drug crops (cannabis and opium poppy) grown in the region. These account for more than 90 percent of the total drug market in Ukraine. In most instances, these drugs are either locally produced or supplied from Russia and Moldova.

During the first nine months of 2017, Ukrainian law enforcement agencies eliminated 126 clandestine labs and dismantled 44 organized criminal drug trafficking groups. As part of these operations, a total of approximately 9.82 metric tons of narcotics, psychotropic drugs and other controlled substances were seized, including 4.8 kilograms (kg) of cocaine and 536.5 kg of psychotropic drugs (including two large shipments of fenethylline totaling 426 kg, destined for the United Arab Emirates and Kuwait).

The United States is providing assistance to help Ukraine bring its law enforcement institutions up to European standards, facilitating Ukraine's integration into Euro-Atlantic institutions. The U.S. Drug Enforcement Administration and U.S. Customs and Border Protection have established good working relationships across the Ukrainian law enforcement sector and ongoing U.S. training programs have deepened these relationships. The United States also assists the National Police of Ukraine in developing its capacities and continues to support efforts to strengthen the State Border Guard Service's capability to control Ukraine's 3,490 mile-long border.

# **United Kingdom**

The United Kingdom of Great Britain and Northern Ireland (UK) is a significant consumer country of illicit drugs, and, to a lesser extent, a transshipment route for drugs destined for other international markets. Transnational criminal organizations that traffic drugs into the UK also engage in a wide assortment of additional criminal activity, such as financial crimes and money laundering. The most commonly used drug by UK adults is marijuana, followed by cocaine. However, among 16- to 24-year-olds, cocaine use falls to third place, following marijuana and MDMA (ecstasy).

The Psychoactive Substances Act came into effect in May 2016 and established a blanket ban across the UK on synthetic substances that simulate the effects of traditional illicit narcotics. The law created new powers for police to shut down illegal "headshops" and UK-based online dealers. Alongside the legislation, the UK rolled out new education programs targeting at-risk youth and provided capacity-building training to local areas to help them prevent and respond to the use of these substances. Since the passage of the legislation, the UK has arrested nearly 500 individuals and shut down 332 headshops.

Drug overdoses and deaths were at an all-time high within the UK in 2017, and many of these can be attributed to opioids. Fentanyl has been responsible for approximately 60 deaths in the UK since late 2016, and use of the drug appears to be growing in the UK, though not on the scale as in the United States and some other countries. As in the United States, most fentanyl and fentanyl analogues are manufactured in China and purchased on restricted internet sites. Heroin purity is generally higher in the UK than in the United States, and there is far less prescription opioid abuse in the UK, which may limit fentanyl's popularity.

The United States and the United Kingdom enjoy an excellent bilateral relationship and cooperate closely on multilateral drug enforcement efforts. The United States and UK have a memorandum of understanding allowing U.S. Coast Guard Law Enforcement teams and Airborne Use of Force Detachments to operate from the platforms of UK naval vessels in the Caribbean. The United States continues to conduct coordinated drug trafficking and money laundering investigations with the UK National Crime Agency and Metropolitan Police Service, as well as Police Scotland, the Police Services of Northern Ireland, and other UK law enforcement agencies. The United States has provided lead information on drug shipments bound for the UK, including couriers, parcels, and containerized cargo.

# Uzbekistan

Uzbekistan remains a significant transit country for Afghan opiates. Traffickers exploit the country's shared borders with Afghanistan and Tajikistan to smuggle illicit drugs through Uzbekistan primarily to Russia and Europe. Traffickers capitalize on Uzbekistan's infrastructure, corruption, and rugged border terrain. The lengthy border with Tajikistan presents Uzbekistan's biggest challenge to interdicting illicit drugs.

Uzbekistan is not a significant producer of illicit drugs based on international assessments, including by the UN Office on Drugs and Crime (UNODC). On an annual basis, Uzbekistan conducts a "Black Poppy" eradication campaign to destroy illicitly cultivated opium poppy and cannabis. In 2016, the last year for which information is available, authorities uncovered 1,070 cases of illegal drug cultivation and eradicated an aggregate cultivated area of approximately half a hectare.

During the first six months of 2017, Uzbek law enforcement opened 2,995 criminal cases related to illicit drugs; made 2,154 arrests; and seized a total of 1,088 kilograms (kg) of illegal drugs. From this total volume, 766.2 kg of opium were seized, as well as 251.7 kg of cannabis, 60.5 kg of hashish, 10.2 kg of heroin, and 348 grams of new psychoactive substances. As was the case with other Central Asian republics, the reported amounts of seized opium, hashish, and heroin were significantly less than the respective amounts reportedly seized over the first six months of 2016.

Uzbekistan's drug control cooperation with the United States and international partners is limited. Uzbekistan is a full member of the Central Asia Regional Information and Coordination Center (CARICC) and participates in regional UNODC and European Union-sponsored drug demand reduction and border control programs. It has also signed cooperation agreements with other Central Asian countries, Russia, Latvia, the Czech Republic, Japan, and China. The United States has provided training and equipment to assist the Uzbek government to modernize its border crossing checkpoints, improve forensic capabilities, develop its judicial institutions, and enhance the effectiveness of its law enforcement agencies. The U.S. Drug Enforcement Administration (DEA) has agreements in place with Uzbek law enforcement agencies to allow joint investigations and intelligence exchanges, but these agreements have not translated into significant operational cooperation. In 2017, DEA closed its office in Tashkent but plans to maintain liaison and provide training administered from the regional DEA office in Almaty, Kazakhstan.

Given the lack of independent data on drug use and trafficking within the country, it is difficult to estimate the true extent of the problem and whether or not Uzbekistan's low seizure statistics accurately reflect law enforcement efficacy.

# Venezuela

# A. Introduction

Venezuela remained a major transit country for illicit drug trafficking in 2017. Due to its porous western border with Colombia, current economic crisis, weak judicial system, sporadic international drug control cooperation, and permissive and corrupt environment, the country is a preferred trafficking route for illicit drugs, predominantly cocaine, from South America to the Caribbean region, Central America, the United States, Western Africa, and Europe.

There is insufficient data to determine current drug consumption trends within Venezuela, but marijuana is believed to be the most commonly consumed illicit drug, followed by crack cocaine and "basuco" (cocaine paste).

Limited coca cultivation occurs along Venezuela's border with Colombia. Some precursor chemicals used to produce cocaine are trafficked through Venezuela, but the quantity is unknown. In 2017, Venezuelan authorities did not release statistics on seizures of drug labs or precursor chemicals. The Venezuelan government has not reported the production of new psychoactive substances or other synthetic drugs within Venezuela.

In 2017, the President of the United States determined Venezuela failed demonstrably to adhere to its obligations under international counternarcotics agreements. In 2017, the Venezuelan government engaged in minimal bilateral law enforcement cooperation with the United States. Venezuelan authorities do not effectively prosecute drug traffickers, in part due to political corruption. Additionally, Venezuelan law enforcement officers lack the equipment, training, and resources required to significantly impede the operations of major drug trafficking organizations.

## B. Drug Control Accomplishments, Policies, and Trends

## 1. Institutional Development

In 2013, the Venezuelan National Anti-Narcotics Office (ONA) developed a National Anti-Drug Plan for 2015-2019 that sought to reduce drug consumption and increase prevention activities. ONA reported it worked closely with civil society to provide anti-drug education training and athletic programming in different areas of the country to increase awareness and prevent consumption. ONA has the legal authority to seize the assets of individuals connected with drug trafficking.

Despite a nearly 134 percent increase in coca cultivation and a more than 200 percent increase in potential pure cocaine production in neighboring Colombia from 2013 to 2016, ONA reported seizing only 32 metric tons (MT) of drugs during the first six months of 2016 (the most recent year for which data provided by ONA is available), compared to 66 MT of illegal drugs seized during the first eight months of 2015. Of those drug seizures, 60 percent occurred in Zulia state, located in northwest Venezuela along the Colombian border. According to the National Guard's (GNB) official website, the GNB seized 2.03 MT of cocaine and 1.04 MT of marijuana during the first 10 months of 2017. In 2016, the most recent year for which data is available, the Public

Ministry reported investigating over 19,761 individuals for suspected drug crimes, leading to formal charges against 10,521.

In 2004, the United States and Venezuela entered into a mutual legal assistance treaty pledging both countries to cooperate in investigating, prosecuting, preventing, and suppressing crime, including drug trafficking. While Venezuela and the United States have had a bilateral Counternarcotics Memorandum of Understanding (MOU) since 1978, drug control cooperation between Venezuela and the United States has been very limited and inconsistent since 2005, when Venezuela refused to sign a negotiated addendum to the MOU to improve anti-drug cooperation.

In 1997, the U.S. and Venezuelan governments updated a customs mutual assistance agreement and a 1991 bilateral maritime counterdrug agreement that authorizes U.S. officials to board Venezuelan flagged vessels suspected of trafficking drugs in international waters, as long as the Venezuelan government permits the search.

Venezuela is party to the Inter-American Convention against Terrorism, the Inter-American Convention against Corruption, and the Inter-American Convention on Mutual Assistance in Criminal Matters. Venezuela remains an active member of the Inter-American Drug Abuse Control Commission.

The United States and Venezuela are parties to an extradition treaty that entered into force in 1923. Although the 1999 Venezuelan constitution bars the extradition of Venezuelan nationals, Venezuela occasionally expels or deports non-Venezuelan fugitives either directly to the United States or to third countries from which they can be extradited to the United States for prosecution.

## 2. Supply Reduction

Venezuela remains a major transit country for cocaine shipments via aerial, terrestrial, and maritime routes. Most flights suspected of trafficking narcotics depart from Venezuelan states bordering Colombia. Trafficking by maritime conveyance includes the use of large cargo containers, fishing vessels, and "go-fast" boats, and there were some indications that maritime trafficking from Venezuela may have increased in 2017.

Illicit narcotics that transited Venezuela in 2017 were destined for the Caribbean, Central America, the United States, West Africa, and Europe. Colombian drug-trafficking organizations facilitate the transshipment of illicit drugs through Venezuela. According to media reports, Mexican drug-trafficking organizations also maintain a presence in Venezuela.

The Venezuelan government occasionally reports drug seizures, arrests, and destruction of drugs and airstrips to the public. Venezuela is not a member of the Cooperative Situational Information Integration System, through which countries predetermine some information to share with the United States. Venezuelan authorities similarly did not share evidence about the destruction of illicit drugs with U.S. officials. In August 2017, Venezuelan law enforcement officials reported seizing two cocaine processing labs in Zulia along the Colombian border.

### 3. Public Information, Prevention, and Treatment

The consumption of illicit drugs in Venezuela remained opaque in 2017, since recent statistical data is unavailable. The most recent data on domestic drug consumption in Venezuela was provided by the UN Office on Drugs and Crime in 2011, which noted that cocaine and cannabis use among adults was 6.4 percent and 1.56 percent, respectively. Use of synthetic drugs and opioids is less frequent.

ONA implemented a National Treatment System in 2013 as a nationwide program to treat substance use disorder. The system uses professional care for detoxification and social reinsertion of those suffering from substance use disorders through a three-level program that includes the Center of Family Guidance, the Specialized Center for Prevention and Comprehensive Assistance, and the Socialist Therapeutic Community. At that time, ONA reported 37,549 individuals in treatment facilities along with 3,032 family members. ONA has not released any new figures since 2013.

#### 4. Corruption

Public corruption is a major problem in Venezuela that enables drug trafficking organizations to move and smuggle illegal drugs. President Maduro declared a National Economic Emergency and granted himself decree powers in January 2016, which included goals of combatting corruption and defending Venezuela from a variety of threats. The National Assembly (NA) refused to endorse the emergency decree or the subsequent requests for extension. The Supreme Court annulled the NA's decision and at the end of 2017, the emergency decree remained in effect. The government did not release updated statistics, and there is no evidence that measures authorized under the decree have been effective tools to combat corruption.

Two nephews of Venezuelan first lady Cilia Flores, Efrain Campo Flores and Francisco Flores de Freitas, were arrested in Port-au-Prince, Haiti, in November 2015 and expelled to the United States. In November 2016, a federal court in New York convicted both nephews of conspiracy to traffic 800 kilograms of cocaine to the United States. In 2017, the nephews were unsuccessful in overturning their convictions on appeal.

In 2017, the U.S. Department of Treasury designated Venezuelan Vice President and former Aragua state Governor and Minister of the Interior Tarek El Aissami and his business associate Samark Lopez Bello as "Specially Designated National and Blocked Persons (SDN)" under the Foreign Narcotics Kingpin Designation Act (Kingpin Act) for collaborating with Mexican drug cartels and facilitating multiple shipments of drugs from Venezuela to the United States and Mexico. The Venezuelan government has yet to take action against these or other government and military officials with known links to the FARC or the Mexican cartels. President Maduro called the sanctions designation a "foreign plot to destabilize their government."

In 2013, the U.S. Department of the Treasury added Vassyly Kotosky Villarroel-Ramirez, a former captain in the Venezuelan National Guard, to the SDN list. The Venezuelan National Guard reported the arrest of Villarroel-Ramirez in July of 2015.

The 2010 Organic Law on Drugs imposes penalties ranging from eight to 18 years in prison for military and security officials convicted of participating in or facilitating drug trafficking.

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

Drug control cooperation between Venezuela and the United States has been limited and inconsistent since 2005, when Venezuela refused to sign a negotiated addendum to the MOU to improve cooperation. After participating for the last three years, Venezuela did not attend the 2017 International Drug Enforcement Conference. The United States and Venezuela continue to exercise a 1991 maritime bilateral agreement allowing for each country to board vessels of the opposite flag suspected of illicit drug trafficking in international waters. In 2016, the Venezuelan government cooperated with the United States Coast Guard in six documented maritime drug interdiction cases, compared to 10 cases in 2015, two cases in 2014, 10 cases in 2013, and five cases in 2012.

### **D.** Conclusion

Venezuela failed to make demonstrable efforts to combat illegal drug activity in 2017. The government was often complicit in the country's rampant corruption and made minimal efforts to prosecute corrupt officials or suspected drug traffickers. The Venezuelan government repeatedly defended and celebrated the achievements of officials the United States Department of the Treasury sanctioned for corruption or drug-trafficking. With the exception of regularly granting boarding rights to Venezuelan-flagged vessels detained on the high seas by the U.S. Coast Guard, the Venezuelan government consistently rebuffed meaningful engagement. To advance cooperation, the Venezuelan government could increase the exchange of information to ultimately lead to more drug-related arrests, dismantle organized criminal networks, prosecute criminals engaged in narcotics trafficking, and stem the flow of illicit drugs transiting Venezuela. However, the Venezuelan government continues to show a complete lack of will.

# Vietnam

# A. Introduction

Vietnam is not a significant source or transit country for illicit drugs entering the United States, but remains a significant transshipment point for international criminal organizations that traffic heroin, amphetamine-type stimulants (ATS), and cocaine to markets throughout East Asia and the Pacific. Historically, the cultivation and production of illicit drugs within Vietnam has been uncommon, but investigations conducted by the Vietnamese police in 2017 indicate that production of ATS is increasing.

The Government of Vietnam reports that approximately 90 percent of the illicit drugs seized in the country originate in Laos, Cambodia, Burma, and China and are smuggled into the country via overland routes. Lesser volumes of illegal drugs are smuggled through Vietnam via sea and air routes by use of human couriers and commercial cargo services. Vietnam's drug interdiction capacities are limited by poor equipment and training, as well as the rugged and remote terrain that defines much of the country's borders.

Heroin remains the most commonly trafficked and abused illegal drug in the country, with persons addicted to heroin accounting for approximately 73 percent of the country's registered users. ATS is commonly available in both pill form and crystal methamphetamine and is the second most commonly trafficked and abused drug. From 2016 to 2017, the cost of crystal methamphetamine in Vietnam continued to decline, signifying increasing availability. Cocaine trafficking and use is increasing in Vietnam, and Vietnamese police are arresting an increasing number of cocaine couriers with ties to international drug trafficking organizations operating through Vietnam's international airports.

## B. Drug Control Accomplishments, Policies, and Trends

# 1. Institutional Development

In 2017, Vietnam's prime minister allocated \$95 million through 2020 to support drug control and drug prevention, and the country continued to implement its 2011 comprehensive anti-drug strategy. Vietnam works with neighboring countries to carry out interdiction operations, with border liaison offices situated along the country's borders with China, Laos and Cambodia. The United States promotes counter-drug information sharing, coordination of operations, and capacity building with Vietnam's Ministry of Public Security.

Despite this, several factors still significantly inhibit Vietnam's ability to effectively investigate and prosecute drug trafficking organizations. Vietnam's counternarcotics police receive little to no formal training, and lack the resources necessary to conduct complex investigations. Furthermore, Vietnam's penal code lacks a conspiracy statute and prohibits the introduction of many types of evidence normally used to prosecute complex organized crime cases.

Vietnam does not have a mutual legal assistance or an extradition treaty with the United States. The decision to engage bilaterally with the United States on international drug trafficking investigations is made on a case-by-case basis in accordance with a memorandum of understanding between the U.S. Drug Enforcement Administration (DEA) and Vietnam's Ministry of Public Security.

## 2. Supply Reduction

According to the Government of Vietnam, in 2016, Vietnamese police investigated approximately 19,333 drug related cases and arrested 29,963 people involved in drug related crimes. According to official Government of Vietnam statistics, during the first six months of 2017, Vietnamese police investigated approximately 11,834 drug related cases and arrested 17,680 people involved in drug related crimes, representing an approximate 22 percent increase in investigations and 20 percent increase in arrests over the same period in 2016. During this same six-month period, Vietnamese police seized 442 kilograms (kg) of heroin; 82 kg of opium; 85 kg of cannabis; 779 kg of ATS and other synthetic drugs; 347,900 ATS tablets; 1.6 kg of cocaine; and 5,600 kg of khat.

Synthetic drug production is rare in Vietnam, as there is a ready supply of synthetic drugs entering Vietnam from neighboring countries. However, in the first six months of 2017, the Vietnamese police dismantled a nation-wide drug trafficking organization that operated 13 clandestine ATS laboratories throughout southern Vietnam that produced an estimated 300 kg of ATS tablets per month.

### 3. Public Information, Prevention, and Treatment

The Government of Vietnam promotes and funds drug abuse and awareness programs as part of its comprehensive anti-drug strategy. However, the willingness of Vietnamese citizens to seek drug abuse treatment is limited by the fear of involuntary incarceration in "drug rehabilitation centers," which, in reality, are no different than prisons and provide minimal actual treatment for addiction.

In 2016, the United States budgeted \$1.6 million to support medication assisted therapy for more than 15,000 patients, both to prevent HIV transmission and to improve treatment outcomes among intravenous drug users. Despite this support, the Government of Vietnam reports that the total number of registered heroin and ATS users rose 5.4 percent between 2015 and 2016, to 222,236 people. The Government of Vietnam also reports that approximately 33 percent of HIV-positive patients in Vietnam contracted the disease as a result of intravenous drug abuse.

#### 4. Corruption

Corruption is endemic in Vietnam and plagues almost every sector of the government. However, there is no information that senior counternarcotics officials are directly involved in corruption that impacts their ability to pursue an aggressive drug control agenda, and there are no indications that drug-related corruption is widespread in Vietnam.

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

Vietnamese police continued to expand their cooperation with foreign governments in 2017 to combat regional drug trafficking, particularly with China, Laos, and Cambodia. The Vietnamese police also collaborated closely with Australian and U.S. law enforcement authorities to target international drug trafficking organizations. In 2016, Vietnam's Ministry of Public Security renewed its memorandum of understanding with DEA. As a result, in 2016 and 2017, information-sharing expanded dramatically between DEA and Vietnam's law enforcement authorities and the number of coordinated U.S.-Vietnamese investigations increased significantly.

Beginning in 2016, the United States initiated a comprehensive, four-year assistance program to strengthen the capacity of Vietnam's drug enforcement police. The program is designed to create a cadre of 100 subject matter experts on drug trafficking investigations within the Vietnamese police force.

## **D.** Conclusion

Vietnam continues to struggle with controlling drug trafficking and abuse, but maintains an aggressive posture against drug trafficking organizations. Senior law enforcement officers continue to maintain support for increased engagement with the United States on both investigations and capacity building. Barring any significant policy shifts, Vietnam's law enforcement capacity is poised to continue to grow and professionalize with international support. The United States encourages the Government of Vietnam to consider taking additional steps to modernize and expand its capacity to provide treatment and rehabilitation programs for those suffering from substance use disorders.