

Multilateral  
Evaluation  
Mechanism  
MEM

# Panama

Evaluation of Progress in Drug Control

Organization of American States – **OAS**

Inter-American Drug Abuse Control Commission – **CICAD**

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1999  
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2000

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Organización de los Estados Americanos – OEA  
Comisión Interamericana para el Control del Abuso de Drogas – CICAD

Organization of American States – OAS  
Inter-American Drug Abuse Control Commission – CICAD

Organização dos Estados Americanos – OEA  
Comissão Interamericana para o Controle do Abuso de Drogas – CICAD

Organisation des Etats Américains – OEA  
Commission Interaméricaine de Lutte Contre l'abus des Drogues – CICAD

## NATIONAL ANTI-DRUG STRATEGY

**P**anama has a National Strategy on Drugs, which covers the period 1996-2001. The Strategy covers the areas of: supply reduction, demand reduction, control measures, institutional framework, budget, and an evaluation system.

The legal and administrative framework for the National Strategy was approved under Agreement No. 01 of June 5, 1996 and law No. 13 of 1994. The Strategy also requires each of the agencies which form the National Commission for the Study and Prevention of Drug-related (CONAPRED) to implement the National Strategy on Drugs.

The National Council for the study and Prevention of Offences related to Drugs (CONAPRED) is the central coordinating body for: demand reduction, supply reduction, control measures and the information center. The National Council was established under law No. 23 of December 30th, 1986, and reformed, modified and added to by Law No. 13 of 1994. Although CONAPRED has its own budget, it is part of the budget of the office of the Attorney General.

The country has ratified the United Nations Conventions of 1961, 1971 and 1988. It has also ratified the Inter-American Convention Against Corruption and the Inter-American Convention Against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives and Other Related Materials. On November 13, 2000, Panama signed the Inter-American Convention on Mutual Assistance on Criminal Matters.

Panama has National Laws and Regulations with respect to money laundering, chemical substances and firearms accord with CICAD's Model Regulations.

An integrated system for the collection and maintenance of statistics and documents has been established. It also separately collects documents and statistics in the following areas: demand reduction, supply reduction, and control measures, but there are no statistics or documents for the societal impact of illicit drugs.

### Recommendation

1. Ratify the Inter-American Convention on Mutual Assistance in Criminal Matters.

## DEMAND REDUCTION

In relation to the National Demand Reduction Strategy, Panama has adopted the United Nations Declaration on the Guiding Principles of Drug Demand Reduction and its Plan of Action. This strategy will enable it to design and implement programs in all the necessary areas. There exists a national system of drug abuse prevention programs that targets key population including school children, community leaders, street children, prisoners, prison officers and out-of-school youth. There also exist "Drugs in the Workplace" programs.

With regards to evaluation studies, the country reports that some approximations have been made with the PRIDE program and one mentioned by the Panamanian White Cross.

Guidelines on Minimum Standards of Care for drug treatment have also been established.

There are drug treatment and rehabilitation programs that include early detection and outreach, treatment, rehabilitation, social integration and after care.

Panama reported that research studies have not been conducted on the general public. Studies have been conducted on specific populations that have enable Panama to determine the age of first use for both licit and illicit drugs.

## Recommendations

1. Conduct studies on the magnitude of the consumption within the general population that determine the incidence, prevalence, and trends in use, first use, and types of drug.
2. Strengthen the evaluation system that makes it possible to analyze, monitor, and interpret information on the processes, effects, and impact of interventions in demand reduction measures.

## SUPPLY REDUCTION

Panama, although not a producer country, reports the existence of marginal cannabis crops, which are identified during eradication of crops by fumigation.

The Ministry of Health is responsible for controlling the diversion of pharmaceuticals. It also makes annual estimates of legitimate needs for these

products based on the quantities imported in recent years, existing stocks, and the estimates of distributors and laboratories.

The competent authorities for control of chemical substances are the Public Ministry (Office of the Attorney General), through the Technical Judicial Police, the Ministry of Health, and the Ministry of Economy and Finance, through the Customs Bureau. Panama, through CONAPRED, is striving to strengthen the Administrative Control System for Controlled Chemical Substances.

In addition, pursuant to Law No. 24 of 1963, the Pharmacy and Drug Department of the Ministry of Health is responsible for oversight of professions involved in distributing pharmaceuticals.

National exchange of operational information on chemical substances operates informally between the Ministry of Health, the Technical Judicial Police, and the Ministry of Economy and Finance. The Ministry of Health supplies information on pharmaceuticals to any control entity that may request it.

In 1999, 156 gallons of acetic anhydride and 350 kilos of potassium permanganate were seized.

The Ministry of Health is the national agency responsible for international exchanges of information regarding pharmaceuticals, while the Technical Judicial Police fulfills this function for controlled chemical substances.

Law No. 13 of 1994 establishes penal sanctions for the diversion of pharmaceuticals, narcotics, precursors, and chemical substances. Administrative sanctions for the diversion of pharmaceuticals and controlled chemical substances are set forth in Law No. 24 of 1963.

Panama responded to 67% of pre-notifications received in connection with international controlled chemical substances transactions, and did not issue pre-export notifications. It made four requests for cooperation, to which it replied.

## Recommendations

1. **Strengthen the surveillance mechanisms in order to preventing the expansion of the illicit crop cultivations.**
2. **Strengthen application of the pre-export mechanism for controlled chemical substances, pursuant to the 1988 United Nations Convention.**

## CONTROL MEASURES

The country has law enforcement, judicial and administrative entities responsible for investigating, controlling, and eradicating illegal drug trafficking. Law enforcement agencies are the Anti-Narcotics Bureau of the National Police, the Panamanian Navy (Anti-Narcotics Intelligence Service), the National Air Force (Anti-drug Intelligence Bureau), and the General Customs Bureau. The administrative entity mentioned is CONAPRED, and judicial entities with competence in this area are the Special Prosecutors for Drug-Related Offenses and the Narcotics Division of the Technical Judicial Police.

The country states that there is ongoing exchange of operational information and collaboration among the various national authorities involved in this area and, in probable cases, the Drug Prosecutor's Office is in charge of coordinating information. Moreover, the Public Ministry (Office of the Attorney General), through its agencies, and the Ministry of Government and Justice through its dependencies, are responsible for international information exchanges and coordination, in keeping with international obligations in this area.

Regarding the number of drug seizure operations Panama reports a total of 1.802 operations. The quantities confiscated and the types of drug involved are reported as follows:

Type of drug	Unit	Quantity
Heroin	Gr.	46.455,60
Cocaine Base	Gr.	3.119.905,98
Basuco (residues or impurities)	Gr.	5,00
Cannabis Leaf (grass)	Gr.	3.477.268,33
Crack	Gr.	19.978,08
Diluted cocaine	Lts.	11.355,918
Acetic anhydride	Gal.	156,23
Potassium permanganate	Kg.	350

Panama reported 979 arrests for these offenses, but not the number of prosecutions or convictions, because data are not available.

Panama reports having issued 32 requests for international cooperation to investigate and prosecute drug traffickers, from which the country has received 10 replies.

The country has criminalized the illicit manufacture, trafficking, importation, and exportation of firearms, ammunition, explosives, and other related materials. It also has mechanisms or authorities for the control of these areas, but does not have laws and/or regulations in place authorizing the seizure or freezing of these types of article. Although, they do authorize confiscation or forfeiture<sup>1</sup>. It does not report having an entity or mechanism for international coordination and information exchanges, but it does have one at the national level responsible for disposal, and for issuing export licenses.

Panama does not indicate the number of persons prosecuted for manufacturing firearms, ammunition, explosives, and other related materials, and provides no data on convictions in connection with this type of offenses, as it has no database for such purposes. It does not report the number of seizure operations for firearms, ammunition, explosives, and other materials, but it does refer to the quantities of firearms, ammunition, explosives and other related materials confiscated or forfeited in connection with illicit drug trafficking. Neither does it reply regarding identification of the routing used in the diversion of firearms, ammunition, explosives, and other related materials, stating that it has no database in this area.

The country does not have a database that records the number of requests made for international cooperation to investigate and prosecute offenses involving the illicit manufacture and trafficking of firearms, ammunition, explosives, and other related materials.

Panama has criminalized money laundering in its legislation, to cover the suppression and prevention of laundering of the proceeds of drug trafficking. It also has in place administrative controls and laws authorizing the freezing or seizure and forfeiture of such proceeds.

It has two financial intelligence units, called "Financial Analysis Units (FIU)," that receive, request, and analyze data regarding financial transactions on the basis of disclosures of suspicious activities that might relate to laundering of money derived from drug trafficking. The Financial Investigation Unit (FIU), under the Public Ministry (Office of the Attorney General), is responsible for financial investigations related to drug trafficking activities.

It also has laws requiring the disclosure of suspicious operations and compliance with control measures. CONAPRED manages the seized proceeds of drug trafficking.

It reports 3 persons arrested, 2 were charged and also states that in 1999, there were no convictions or administrative sanctions applied for money laundering offenses.

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<sup>1</sup> See clarification provided by Panama on recommendation 10 of page 7.

Panama reports 15 requests for international cooperation to investigate and prosecute money laundering offenses and 4 replies thereto.

## Recommendations

1. Improve the register of persons prosecuted and convicted for illicit drug trafficking.
2. Establish a central body to facilitate the exchange and dissemination of information relative to the movement of firearms, ammunition, explosives and other related materials.
3. Improve the database that records the information on the number of requests made for international cooperation to investigate and prosecute offenses involving the illicit manufacture and trafficking of firearms, ammunition, explosives, and other related materials.
4. Improve the record of prosecutions and convictions for the manufacture of firearms, ammunition, explosives, and other related materials, and to identify their origin and the routing used in their diversion.
5. Develop a legal framework to facilitate the freezing or forfeiture of firearms, ammunition, explosives and other related materials.<sup>1</sup>

## HUMAN, SOCIAL AND ECONOMIC COST OF DRUGS

**E**stimating Human, Social and Economic cost of the drug problem in all of its manifestations constitutes a complex process. This information is relevant to each country's understanding of the magnitude of the drug problem. This would enable each country to appreciate the direct and indirect cost in proportion to their Gross National Product or national annual budget. Because many countries have difficulty in providing these estimates, CICAD is proposing a hemispheric-wide program involving training and technical assistance, which should assist the country in its effort in confronting the drug problem and fulfilling this indicator's requirements.

## Recommendation

1. Develop the capacity to estimate the human, social, and economic cost of the drug problem.

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<sup>1</sup> See clarification of this recommendation, provided by Panama on recommendation 10 of page 7.

## SUMMARY OF RECOMMENDATIONS

**C**ICAD recommends that Panama's anti-drug efforts be strengthened by addressing the following:

1. Ratify the Inter-American Convention on Mutual Assistance in Criminal Matters.
2. Conduct studies on the magnitude of the consumption within the general population that determine the incidence, prevalence, and trends in use, first use, and types of drug.
3. Strengthen the evaluation system that makes it possible to analyze, monitor, and interpret information on the processes, effects, and impact of interventions in demand reduction measures.
4. Strengthen the surveillance mechanisms in order to preventing the expansion of the illicit crop cultivations.
5. Strengthen application of the pre-export mechanism for controlled chemical substances, pursuant to the 1988 United Nations Convention.
6. Improve the register of persons prosecuted and convicted for illicit drug trafficking.
7. Establish a central body to facilitate the exchange and dissemination of information relative to the movement of firearms, ammunition, explosives and other related materials.
8. Improve the database that records the information on the number of requests made for international cooperation to investigate and prosecute offenses involving the illicit manufacture and trafficking of firearms, ammunition, explosives, and other related materials.
9. Improve the record of prosecutions and convictions for the manufacture of ammunition, explosives, and other related materials, and to identify their origin and the routing used in their diversion.
10. Develop a legal framework to facilitate the freezing or forfeiture of firearms, ammunition, explosives and other related materials.<sup>1</sup>
11. Develop the capacity to estimate the human, social, and economic cost of the drug problem.

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1 The government of the Republic of Panama, during the First Special Session of CICAD, provided pertinent clarifications to the recommendation, stating that:  
Law N°53 of 1995, referring to the crime of possession and trade of illegal arms, establishes in Article 3 that any person in possession of firearms prohibited by law will be sanctioned. In addition, according to Article 55 of the Criminal Code of Panama, any instrument which may have been used to commit a punishable act (in the case the possession of illegal arms) will be subject to confiscation, hence forfeiting the said instrument, which will be confiscated by the state for its sale or destruction, in the case that such items were the result of illicit trade. Likewise, Decree N° 2 of January 2, 1991 and Decree N° 409 of August 12, 1994 establish the confiscation of firearms, ammunitions and related accessories, which will remain in the custody of the Technical Judicial Police. This demonstrates that the Republic of Panama has a judicial framework that allows the freezing of these materials prior to seizure.