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CONTROL COMMISSION

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2010 ANNUAL REPORT OF THE INTER-AMERICAN DRUG ABUSE CONTROL COMMIISION TO THE FORTY FIRST REGULAR SESSION OF THE GENERAL ASSEMBLY OF THE ORGANIZATION OF AMERICAN STATES

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CHAPTER I: ANNUAL REPORT OF THE INTER-AMERICAN DRUG ABUSE CONTROL COMMISSION (CICAD) TO THE GENERAL ASSEMBLY OF THE ORGANIZATION OF AMERICAN STATES AT ITS FORTY FIRST REGULAR SESSION

The Inter-American Drug Abuse Control Commission (CICAD) herein presents its annual report to the forty first regular session of the General Assembly of the Organization of American States (OAS), pursuant to the provisions of Articles 54 (f) and 91 (f) of the OAS Charter.

A. HEMISPHERIC DRUG STRATEGY AND ITS PLAN OF ACTION

The CICAD Commission unanimously approved the Hemispheric Drug Strategy at its forty-seventh regular session in Washington, DC, in May, culminating a process of 12 months and four working group meetings that made a comprehensive reexamination of guidelines for national programs, regional cooperation and policy consensus on drug issues. The OAS General Assembly approved the document in June in Lima at its fortieth regular session. The new document succeeds the Anti-Drug Strategy in the Hemisphere, drafted and approved in 1996, and grew out of CICAD's environment of dialogue and constructive engagement that permeate activities such as the Multilateral Evaluation Mechanism (MEM), expert groups, and the Commission itself.

The drafting process benefited from the generous contribution of time, resources, energy and leadership from the High-Level Working Group's general coordinator, the government of Brazil, and its lead representative, Dr. Paulina Duarte, the deputy secretary of the National Secretariat on Drug Policy (SENAD). The process started in 2009 with two drafting sessions (one in Sao Paolo and a second in Miami simultaneous to the forty-sixth regular session of the Commission). In 2010, the working group made substantive progress on the document at a three-day session in Washington in February. Finally, the working group met just before the May Commission meeting in Washington to iron out wording and style, ensure consistency between Spanish and English versions, and settle any remaining issues.

At that May regular session, the Commission undertook the next challenge: drafting a plan of action that translates declarative guidelines of the Hemispheric Drug Strategy into more specific, prioritized national and regional policy and program recommendations that should be measurable and attainable over a fixed period of time, as well as sets tasks for the CICAD Executive Secretariat in support of member states. The Government of Mexico accepted the role of serving as general coordinator of the new High Level Group, supported by five topic coordinators: institution building, Suriname; demand reduction, the United States; supply reduction, Colombia; control measures, Argentina; and international cooperation, Venezuela.

The CICAD Executive Secretariat provided technical and administrative support so that the High Level Group could work smoothly and expeditiously. It assisted the general and topic coordinators in maintaining updated versions of documents in both English and Spanish, ensuring fluid communications among all participants, and responding to other concerns that the coordinators or member states raised. At the general coordinator's request, the Executive Secretariat prepared and distributed to member states a questionnaire on current program needs, assets and expertise of member states and ability to provide horizontal cooperation and financial assistance. On receiving the responses, it processed them and sent out the findings so that the High Level Group could take these results into consideration in drafting the Plan of Action. The CICAD Executive Secretariat also set up a secure online portal to facilitate communication, on which it published working drafts, proposals and support materials online and promoted interaction among participants.

After electronic consultations, the coordinators developed a revised version of the Plan of Action proposal and distributed it to member states before the November 8-11 meeting in Washington, DC. The Working Group discussed the draft, clarified key concepts and approved a provisional version of the first two sections (Institutional Strengthening and Demand Reduction).

B. REGULAR SESSIONS OF THE COMMISSION

1. The Commission held its forty-seventh regular session in Washington, DC, May 2-4 and its forty-eighth regular session also in Washington, December 6-8. The Chair of CICAD for the 2009-2010 term of office was the United States, in the person of Mr. David Johnson, Assistant Secretary for International Narcotics and Law Enforcement Affairs of the U.S. Department of State, with the Vice Chair being Suriname, in the person of Mr. Chandrikapersad Santokhi, Minister of Justice and Police of Suriname.

47TH REGULAR SESSION

In addition to approving the new Hemispheric Drug Strategy and tasking the Plan of Action at its May regular session, the Commission also approved four resolutions for the consideration of the OAS General Assembly (recommendations on the 2009 CICAD annual report, the Multilateral Evaluation Mechanism (MEM), amendments to the model regulations on money laundering, and formal approval of the Hemispheric Drug Strategy). The Commission heard panels of experts discuss drug use trends in the region, with special focus on marijuana, heroin, and synthetic drugs. It received reports on the increasing use of self-propelled semi-submersibles in maritime trafficking, among other topics presented by member states.

48TH REGULAR SESSION

2. The Commission elected as chair Suriname, in the person of Mr. Chandrikapersad Santokhi, with the vice chair being Argentina, in the person of Dr. José Ramón Granero, to serve through 2011. The Commission reviewed and approved the 33 country reports and recommendations for the fifth evaluation round (2007-2009) of the MEM (See the MEM section below for details). It also heard the reports of the chairs of the expert groups (maritime narcotrafficking, chemical substances and pharmaceutical products, control of money laundering and demand reduction; see below for information on each expert group), approved their work plans for 2011 and elected their respective chairs for the coming year. The Commission also discussed drug policies and security strategies in the Caribbean, as well as in the Hemisphere.

C. EXPERT GROUPS

The Commission currently has four expert groups with approved annual work plans. These bodies serve as technical advisors to the Commission and their function is to draft documents and recommendations.. These documents are non-binding guidelines, unless otherwise stated. Expert groups are open to any member state willing to participate. Outside organizations may also be invited to participate in meetings to share their expertise.

CHEMICAL SUBSTANCES AND PHARMACEUTICAL PRODUCTS

Costa Rica chaired the work of the Expert Group when it met in San Jose, August 23-27. Forty-four experts from 16 countries attended the event. The group, which met as a single body for the first time, having been combined by the Commission in December 2009, considered a range of issues including the review of CICAD's model chemical control regulations. The group presented final drafts of the following documents:

A guide on reducing the diversion of controlled substance pharmaceuticals via the Internet,

A model fact sheet on buying pharmaceuticals containing controlled substances over the Internet,

A concept paper regarding the regulation of equipment used in the illicit manufacture of synthetic drugs, and

A guide on how to increase private sector involvement in the control of chemical substances and pharmaceutical products.

The group continued its work to review and update CICAD's model regulations on chemical substances, using electronic means to gather and exchange information. The Commissioners also discussed a follow-up meeting to conclude and approve the draft chemical regulations. The Commission approved the 2010 final report and the work plan for 2011, and elected Ecuador as chair.

MARITIME NARCOTRAFFICKING

This expert group met on August 9-13 in Boca Chica, the Dominican Republic, to consider the threats posed by the movement of illicit drugs and related contraband by maritime transport. Nearly 40 participants from 15 countries attended the event. Due to concern about emerging trafficking trends, the group gave priority to the drafting of principles and model regulations on the control of submersibles and semi-submersibles, but it was premature to present a provisional draft to the Commission. Work on other tasks (guidelines on containers, "go-fast" boats, narcotrafficking over lakes and rivers) continued in their respective working groups. The Commission approved the 2010 final report and the proposed work plan for 2011, and elected the Dominican Republic as the new chair.

CONTROL OF MONEY LAUNDERING

This expert group met twice: first in Washington, DC, May 13-14, and then in San José, September 2-3. The expert group has two working groups: one dealing with seizure and forfeiture of assets and their management, coordinated by Costa Rica, and another that deals with coordination and integration of law enforcement agencies and financial intelligence units (FIUs), coordinated by Chile. In the Washington, DC, meeting, the two groups deliberated separately on the first day and the full expert group met in plenary for the second day, while at the Costa Rica meeting the group met in plenary to deal with building consensus on proposals to put before the Commission. Discussion also focused on streamlining working group methodology and strategic planning. The expert group also designated Uruguay as its representative in a regional initiative to draft model legislation on seized and forfeited assets for the region, sponsored by UNODC-Colombia. The Commission approved the 2010 report, the selection of Venezuela as the next chair and the proposed work plan for 2011.

DEMAND REDUCTION

3. The group met in Guadalajara in October under the chairmanship of Mexico while the United States served as vice chair. Seventeen countries sent representatives to the meeting. The discussion focused on giving more substance to the *Declaration of Principles on Drug Treatment and Rehabilitation in the Hemisphere* (CICAD/DREX/doc.4/09 rev.1), approved by the Commission at its forty-sixth regular session. A new protocol for clinical management of patients with co-occurring disorders, drafted by the CICAD Executive Secretariat, was introduced, and will be reviewed by member states and discussed at the next expert group. The meeting also heard reports and discussed initiatives for the training and certification of drug treatment counselors and other professionals, with closer looks at the cases of Costa Rica and Mexico, as well as the CICAD Executive Secretariat's own program in Central America. The expert group also discussed how the new Hemispheric Drug Strategy would influence national drug policies in terms of prevention, treatment and recovery programs. The Commission approved the expert

group's final report, its 2011 work plan and the selection of the United States as the new chair for a two-year term.

D. INTERNATIONAL COOPERATION

EUROPEAN MONITORING CENTER ON DRUGS AND DRUG ADDICTION

Within the framework of a cooperation agreement between the OAS and the European Monitoring Center on Drugs and Drug Addiction (EMCDDA) signed in 2000, the CICAD Executive Secretariat and the the EMCDDA agreed to a three-year (2011-2013) work plan in September. Strategic objectives outlined in the plan include: strengthening regional and international monitoring systems, harmonizing and developing shared indicators in the areas of drug supply and demand, and supporting the establishment of national drug monitoring centers and drug information networks in member states.

CITY PARTNERSHIP ON DRUG TREATMENT FOR THE EUROPEAN UNION, LATIN AMERICA AND THE CARIBBEAN

The member states of CICAD, with assistance from the Executive Secretariat, continued advancing under the the City Partnership on Drug Treatment for the European Union, Latin America and the Caribbean (EU-LAC). The three-year project, executed by the CICAD Executive Secretariat with funding from the European Commission, was managed by the Demand Reduction Section but drew on all CICAD program areas. It focused on three topics: in (1) local drug treatment policies; (2) the quality and availability of drug abuse treatment services and; (3) drug treatment alternatives to incarceration under court supervision for drug dependent offenders, frequently called drug treatment courts. Forty four cities (24 from the Americas and 20 from the European Union) were involved in 11 fora and summit, bringing together more than 2,000 participants during the life of the project. Over and above the original EU funding of 1.4 million Euros, the participating cities and countries pitched in an additional $800,000 in direct and in-kind contributions.

Two pilot initiatives on the use of drug treatment courts in dealing with drug dependent offenders got underway in Paramaribo (Suriname) and Monterey, Nuevo Leon (Mexico), contributing to greater horizontal technical assistance. A City Summit took place on April 21-23 in Lugo, Spain, where two publications were presented (a third study will appear in 2011; see the publications annex for full details) and the three years of cooperation was assessed.

At a final city forum in Coimbra, Portugal in September, mayors and delegates from 27 cities in Europe, Latin America, and the Caribbean (EU-LAC) agreed to meet in Chiclayo, Lambayeque, Peru in 2011 to follow through on the collaboration in dealing with drug treatment and public policy, designating the regional government of Lambayeque (Peru) as the chair and the cities of Gothenburg (Sweden), Coimbra (Portugal), Lugo (Spain), San Miguel de Tucuman (Argentina) and Paramaribo (Suriname) as members of the Executive Committee. The EU-LAC City Partnership allowed the CICAD Executive Secretariat to inform decision makers in the European Commission and national governments about the high stakes of the drug trade and abuse in the Americas and the policy steps being taken by CICAD member states to address those concerns.

E. SUPPORT FOR NATIONAL DRUG CONTROL SYSTEMS

Building on the 2009 publication *How to Develop a National Drug Control Policy: A Guide for Policymakers, Practitioners and Stakeholders* developed through a joint venture between CICAD and the CARICOM Secretariat, efforts focused on producing a similar product in Spanish that also adapted the Caribbean-focused document to a Latin American context. SEDRONAR, the Republic of Argentina through its Argentinean drug control agency (*Secretario de Programación para la Prevención de la Drogadicción y Lucha contra el Narcotráfico*), stepped forward in coordinating with other national drug commissions in South and Central America and providing key technical, editorial and financial support. SEDRONAR assumed the cost of translating the guide into Spanish and publishing it. A first draft document was circulated at a regional seminar on developing public drug policies in Buenos Aires in March attended by 15 participants from 12 countries. A second seminar (25 participants from 13 countries), hosted by the Costa Rican Institute on Drugs (ICD) in San José in September, reviewed a second draft, and focused discussion on the second part of the document, monitoring and evaluating national drug policies. *Cómo Desarrollar una Política Nacional sobre Drogas: Una Guía Para Responsables Políticos, Técnicos y Expertos* was made available as online and print editions.

In a joint effort between CICAD's Inter-American Drug Observatory (OID) and the European Monitoring Centre on Drugs and Drug Addiction (EMCDDA) a reference guide on how to set up and run drug use monitoring and reporting systems, as well as on key concepts and principles for obtaining quality results, was published. The publication, *Building a National Drugs Observatory: A Joint Handbook*, is available in English, Spanish and French.

F. PROGRAM ACTIVITIES

INSTITUTIONAL DEVELOPMENT

CICAD's Institution Building program provides technical assistance to its member states in the development and modernization of key institutional components that allow the countries to respond adequately to the drug problem. CICAD supports the organizational and professional development of national drug commissions (NDCs) and their staff. The section also offers assistance in reviewing and updating national legislation and regulations on drugs.

The Commission, through the Executive Secretariat, began provided technical assistance to the national drug control commissions of El Salvador, Guatemala and Paraguay in evaluating and updating national drug strategies, legislation and programs. These missions included training for a total of 35 participants. The collection of laws and regulations on drugs of the member states under the *Legislation on Drogs in the Americas* (LEDA, an acronym comes from its Spanish title) collection started. Also, it coordinated the seminars and publication of the drug policy development handbook (see Support for National Drug Control Systems).

Alternative, Sustainable and Integral Development

Another area of activity for this section is alternative development, supporting member states as governments carry out development projects to reduce, eliminate or prevent the illicit cultivation of coca, poppy and cannabis, using a comprehensive approach to improve the overall social and economic situation of the population involved. The responsibility, previously organized under the Supply Reduction section, is mainly of an advisory role to the national drug control commissions. The unit provided direct technical assistance to producer organizations in Colombia, Peru and Bolivia to strengthen their organizational management, access to credit and strategic alliances with educational centers and international cooperation organizations. CICAD prepared a new reference guide for strengthening producer organizations involved in alternative, sustainable and integral development, which defines the

necessary conditions for an organization to have success, meet its commitments, ensure continued operations and plan for growth.

SAVIA, Health and Drugs in the Americas

SAVIA Drugs (*Salud y Vida en las Américas* - Health and Life in the Americas) offers technical and financial assistance to specific projects executed by local drug commissions. The SAVIA project's seed money financed municipal and regional demand reduction projects in Colombia and Peru.

DEMAND REDUCTION

CICAD's Demand Reduction Program provides assistance to member states in prevention, treatement, and relevant training and education. Forms of cooperation with member states include education and training of human resources, technical and financial assistance for specific projects, exchange of best practices, institution building and policy development, and the setting of hemispheric standards in demand reduction.

Training and education in substance abuse prevention and treatment

Regarding demand reduction, CICAD's work focuses on training and education in substance abuse prevention and treatment, both at the university level and through more basic in-service training for teachers who are delivering prevention programs in schools and for drug treatment counselors.

Training and certification of drug treatment counselors

With the goal of improving the capacity of the member states to set minimum standards of treatment, a program was developed that permits the systematic training and certification of their counselors and to improve governments' capacity to set and ensure minimum standards of training, the CICAD Executive Secretariat began training and institutional capacity building in El Salvador and Guatemala in 2007. By end-2010, the project expanded to broaden its reach to most of Latin America.

CICAD's training and certification program has been highly adaptive, adjusting to the needs, requirements and priorities of each participating country, but has maintained a consistent core in five broad arenas: (1) research and needs assessments; (2) capacity and strategy development; (3) curriculum and training development; (4) program implementation, and (5) evaluation, quality improvement and sustainability activities.

CICAD prepared the *Training Manual for Professionals in the Addiction Field* (Spanish only), which will serve as the base document to be adapted to each country's requirements and needs.

CICAD also financed the development of three software applications: (1) a management and follow-up system for training and certification that allows a national board to oversee the process; (2) a management information system for operational monitoring of strategic national plans; and (3) a clinical case history system that allows participating drug treatment facilities to track their patients and maintain accurate, timely records of their treatment. These applications were installed in El Salvador, piloted in Guatemala and Nicaragua, and accepted as core systems for national programs in Costa Rica and Mexico.

An independent, two-year scientific evaluation of the results of this program was close to completion in El Salvador, with results expected in early 2011.

As a result of the support of the CICAD project, there were the following accomplishments:

4. **El Salvador** approved the certification mechanism, including the protocols and regulations for training and certification, culminating three years work.

5. **Costa Rica** conducted an analysis of the existing domestic legal framework for certification and developed the initial curriculum structure for certification.

6. **Guatemala** determined a work plan for the continued operations of the certification program.

7. **Nicaragua** completed a diagnostic assessment of counselor and client profiles at 39 treatment centers nationwide and defined the certification regulatory framework.

8. **Mexico** signed an agreement to adapt CICAD's training and certification program to the country's needs.

CICAD provided technical assistance on training methodology to the Latin American Federation of Therapeutic Communities (FLACT), which published a manual entitled *Certificación Internacional para Consejeros de Instituciones Miembros* (only available in Spanish) based on CICAD's course work and guidelines.

University education in addictions studies

CICAD provided the start-up financing and administrative support for two on-line university programs in addictions studies:

> A new consortium of Latin American and Spanish universities have taken the lead in developing a new on-line M.A. with a modular structure that better meets continuing education needs in this field. Plans call for some modules to be offered in academic year 2011-2012.
>
> The University of the West Indies (UWI) was preparing to restart the Certificate Program in Substance Abuse Prevention and Treatment in the academic year 2011-2012. CICAD staff met with UWI administrators and faculty in November in Jamaica to determine program modifications in light of the strong reception the certificate program received during its first two years. The program, which was developed with CICAD's backing, was suspended from September 2009 to May 2011, while the UWI relaunched its distance education programs as the UWI Open Campus.

Educational Development

The *Educational Development Program* encourages greater awareness and understanding of drug issues by working with universities, professional associations and national drug commission to incorporate drug-related content as case studies into course work, especially in the fields of health, education, nursing and medicine. The participating students and faculty also conduct extension activities in their communities and carry out research studies. So far, CICAD has partnered with 150-plus universities in 22 Latin American countries.

University Partnerships

As part of the CICAD project with universities to prepare professionals qualified to deal with drug issues, academic leaders and other project collaborators met in Panama, September 15-17, with a focus on specifying and standardizing recommended curriculum requirements for each academic discipline. More than 230 participants from 83 universities and 23 other international and national institutions attended. The academic areas represented in the meeting were: medicine, public health, nursing, education, physiology, social work, law, pharmacy, bio-analysis, and dentistry. Participants displayed more than 120 research posters that portrayed (a) the results of curriculum development with drug content, (b) extension activities aimed at community drug abuse prevention, and (c) findings from research studies on drugs that the participating universities had carried out during the past year.

International Research Capacity-Building Program for Health Professionals to Study Drug Issues

In June-August 2010, the Centre for Addiction and Mental Health (CAMH, Toronto) and CICAD offered the fifth round of an advanced program on drug-related research for health professionals from the Americas. A group of nine professionals from six countries completed a 12-week course in Toronto, and returned to their countries to collect data for their multicentric study: "Drug Use among Students and Its Relationship with Maltreatment during Childhood, in Seven Universities in Latin America and the Caribbean."

At the Panama meeting, 19 researchers from the classes of 2008/2009 (9 representatives) and 2009/2010 (10 representatives) graduated, having fulfilled requirements for completion of their research studies and publication of findings.

Program Evaluation

School-based life skills substance abuse prevention program

CICAD's life skills prevention program has been working with the Lions Club International Foundation, ministries of education, and national drug control commissions to carry out a series of pilot programs using the Lions Quest methodology in select schools. Pilot projects were underway in Belize, Colombia, the Dominican Republic, Mexico, Paraguay and Peru, providing course materials, training teachers and coordinating with local Lions Club chapters to ensure community support. In 2010, the CICAD project team began evaluating these programs, starting in Paraguay and Colombia, to determine how effective they have been. These projects are being evaluated using the CICAD Toolkit for the Evaluation of Universal Substance Abuse Prevention Programs for Youth, developed by CICAD's Expert Group on Demand Reduction.

Drug Treatment, Recovery and Aftercare

Since 2006, CICAD has been working to strengthen drug treatment policies and practices in member states. The program consists of the following elements: the development of a policy framework for drug treatment, the strengthening of governments' ability to regulate and define standards of care for treatment services; the development of protocols or detailed technical guidance for clinicians; training and certification of drug treatment counselors; treatment alternatives to incarceration for drug-dependent offenders, and empowerment and capacity-building for treatment improvement at the local level.

Standards of care in drug treatment and regulation of treatment centers

In 2009, CICAD partnered with the CARICOM Secretariat to help Caribbean member states develop a region-wide standard governing drug treatment facilities, which was to be published in late 2010.

Drug treatment protocols

In an effort to help countries improve the quality of drug treatment as part of their national drug treatment systems, the Expert Group of Demand Reduction is producing a set of evidence-based clinical protocols and treatment guidelines for drug dependence in specific population groups. The first protocol, clinical management of patients with co-occurring disorders (also known as dual diagnosis), was presented to the Demand Reduction Expert Group in October 2010 and will be published in 2011.

SUPPLY REDUCTION AND CONTROL MEASURES

CICAD's supply reduction and control activities are aimed at helping member states improve their capacity to reduce the production, distribution and availability of illicit drugs and the diversion of chemical products used in the manufacture of these drugs. The program also assists in strengthening

legislation, regulations and other measures to control chemical substances generally associated with the production of drugs and pharmaceutical products that could lend themselves to abuse.

Training

The Supply Reduction and Control Section organized a total of 28 seminars and workshops in 14 countries in 2010, training nearly 1,100 law enforcement officers, customs officials and other participants. It partnered with the United Nations Office on Drugs and Crime (UNODC), INTERPOL, the Caribbean Customs Law Enforcement Council (CCLEC), the Regional Drug Law Enforcement Training Centre (REDTRAC, Spanish Town, Jamaica), the governments of Canada (Royal Canadian Mounted Police - RCMP), France (*Centre Interministériel de Formation Anti-Drogue* - CIFAD, Customs, and other agencies) and the United States (International Narcotics and Law Enforcement Bureau (INL) of the Department of State). There are five training specializations:

Counter-Drug Intelligence

The Andean Community Regional Counterdrug Intelligence School (ERCAIAD) has, since 1999, served as an important vehicle to broaden the capacity of member states in intelligence development. Building on this foundation, the program included two three-week regional seminars (operational and strategic intelligence) in Lima, as well as five one-week national seminars in specialized areas of intelligence development (Argentina, Brazil, Colombia, Ecuador and Panama) with approximately 220 participants. To more accurately reflect its work, the school's board changed its name to *Regional Counterdrug Intelligence School of the Americas*, retaining the ERCAIAD Spanish acronym.

Control of Narcotrafficking

In an effort to increase the capacity of member states to monitor, detect, investigate and control the production, trafficking and use of illicit drugs and related contraband, CICAD organized four workshops for 110 participants (Colombia, the Dominican Republic, Peru and St. Lucia).

Maritime Narcotrafficking and Border, Port and Airport Drug Interdiction

CICAD's program on border, port and airport security, as well as the control of maritime narcotrafficking, working with both enforcement officers and personnel from the private sector, partnered with the Government of France (CIFAD and French Customs), UNODC, various chapters of the Business Alliance for Secure Commerce (BASC) and the Department of Public Security of the Secretariat for Multidimensional Security. A total of 10 seminars were delivered under this program in Argentina, Chile, Colombia, the Dominican Republic (3 events), Mexico, St. Lucia, St. Maarten and Trinidad and Tobago. Approximately 420 public and private sector professionals attended these events.

Chemical-based (Synthetic) Drug Control

CICAD worked in partnership with the governments of France (CIFAD) and Canada (RCMP) to deliver a training program in response to the growing problem of synthetic drugs in the Hemisphere. Approximately 60 law enforcement officers, chemists, prosecutors and regulatory officers involved in the control of synthetic drugs participated in two one-week seminars (Mexico and Trinidad and Tobago). CICAD partnered with INTERPOL to deal with the illicit distribution via the Internet of internationally controlled substances, delivering a specialized training seminar in St. Lucia where approximately 30 officials received training.

Chemical Control

Because of their potential exposure to hazardous materials involved in producing drugs, law enforcement and customs officials need to have adequate knowledge and skills that ensure their safety from the

dangerous or toxic effects of these chemicals. CICAD organized five workshops (Chile, Ecuador, Jamaica, St Kitts and Nevis, and St. Lucia) for 260 participants.

CONTROL OF MONEY LAUNDERING

CICAD supports member states in combating money laundering and related activities through capacity-building programs focused on strengthening the knowledge and skills of law enforcement officers, judges and prosecutors, public defenders, analysts from financial intelligence units (FIU), banking compliance officers and bank regulators to detect, investigate and prosecute money laundering crimes. The Anti-Money Laundering Section also seeks to collect, classify, update and distribute a core pool of data and knowledge on money laundering techniques, prosecuting strategies, best practices and legislation, making the information available to peer organizations. It offers technical assistance to member states in drafting and updating relevant legislation and regulations, especially concerning the management of assets seized and forfeited from drug traffickers.

Seized and Forfeited Assets

After completing the project's two-year pilot phase in Argentina, Chile and Uruguay in December 2009, the Seized and Forfeited Assets Management of Latin America (BIDAL, from the Spanish acronym) project shifted its focus to a new challenge, working with the governments of the Dominican Republic, El Salvador, Guatemala, and Panama to implement asset recovery management programs. As an initial step for each of these four countries, the project carried out an assessment of existing legislation on asset investigation and seized and forfeited asset administration systems before determining the work plan for each country.

The CICAD Executive Secretariat worked to help member states implement the guidelines and recommendations that have emerged from the BIDAL project and the Expert Group, on topics such the recovery of stolen assets, asset tracing, capital asset investigations, mutual legal assistance (MLA), and asset management.

Capacity Building

The Anti-Money Laundering Section organized a total of 17 seminars and workshops in 14 countries in 2010, training nearly 700 judges, prosecutors, law enforcement officers, financial intelligent unit analysts and forfeited assets administration officers, among other participants. It partnered with the United Nations Office on Drugs and Crime (UNODC), the Stolen Assets Recovery (StAR) Initiative of the World Bank, the World Bank Institute, the Ministry of Interior of the Government of Spain and the Government of the United States (International Narcotics and Law Enforcement Bureau (INL) of the Department of State), as well as the Inter-American Committee Against Terrorism (CICTE) and the governments of CICAD member states.

In collaboration with the World Bank's StAR initiative in 2010,, CICAD organized *three regional workshops on asset recovery* held in Guatemala (February) Cartagena (June) and Argentina (August).

CICAD also coordinated with the UNODC Legal Assistance Program for Latin America and the Caribbean (LAPLAC/UNODC), INTERPOL, and the South American Financial Action Task Force (GAFISUD) in setting up the *Asset Recovery Network of GAFISUD* (RRAG per its Spanish abbreviation) as a vehicle for exchanging information about the identification and recovery of assets, products or instruments of transnational illicit activities. This initiative is based on the guidelines of the CARIN Network (CAMDEN Assets Recovery Inter-Agency Network in Europe).

The Anti-Money Laundering section continued with its project backed by the UNODC's LAPLAC/UNODC and the Government of Spain to train judges, prosecutors, police investigators, and

financial analysts through *mock trials and investigations* of money laundering cases. Costa Rica, Dominican Republic, El Salvador, Guatemala, Nicaragua and Panama benefited from the program this past year.

Joint efforts with CICTE/SMS/OAS and UNODC led to two regional workshops this year on the *financing of terrorism* for legislators, prosecutors, police and financial analysts in Costa Rica (six countries, in April) and The Bahamas (13 countries in July). CICAD joined follow-up missions with CICTE and UNODC to Bolivia, Costa Rica, Ecuador and Paraguay to discuss implementation of legislation and adjustments in law enforcement.

In a joint effort of the Government of Spain, a workshop on special investigative techniques was organized in Bogota (April) to strengthen the capacity of prosecutors and police to investigate money laundering and other crimes.

The United States underwrote a comprehensive program to train Peruvian judges, prosecutors, public defenders, law enforcement officers and financial analysts in the techniques and tools for dealing with money laundering and the financing of terrorism. Workshops were held on special investigation techniques, incriminating evidence, and the analysis of financial links and relationships. The Section was also working to develop a methodological plan of investigation for prosecutors and investigators, as well as holding mock investigations and mock trials to give participants hands-on experience.

MULTILATERAL EVALUATION MECHANISM (MEM)

MEM Recommendations Analysis 2010 Report

The MEM Section prepared material for the *MEM Recommendations Analysis 2010 Report: By Round, Thematic Area, and Subregion*. The report presents an analysis of the recommendations assigned during the first four evaluation rounds, with details of the status of implementation according to their geographical breakdown. The GEG prepared the report , which was approved by the CICAD Commission in its May 2010 session, and presented to the OAS General Assembly in Lima, June 2010.

Fifth Evaluation Round (2007-2009)

First GEG Drafting and Plenary Sessions

The Governmental Expert Group (GEG) held its first drafting session in Washington, April 19-28, to evaluate the progress made by countries in drug control. The experts formulated draft country reports based on information provided by the member states, in a plenay of 10 days that continued for an additional five days. Once edited, the draft reports were sent to the member states.

Second GEG Plenary Session

The second GEG plenary took place in Washington, October 18-29, when experts analyzed and evaluated the new information and updated statistics provided by member states and prepared the final draft reports to be presented to the CICAD at its December session.

Consideration and Approval of National Reports

The 33 national reports were considered and approved at CICAD's forty-eighth regular session held in Washington, December 6-8, and, once approved, distributed to all member states.

All reports will be later presented for the consideration the OAS General Assembly at its forty-first session in San Salvador, El Salvador (June 2011).

INTER-AMERICAN OBSERVATORY ON DRUGS

Surveys

In 2010, CICAD provided technical and financial support for a survey of drug use among university students in El Salvador, a survey of drug use in the general population in the Dominican Republic, and a survey of drug use among school students (13-17 years old) in Colombia.

Six governments with support of the UNODC the OID, prepared and published *Drug Consumption Surveys of Secondary School Students - Comparative Study Report* (Argentina, Bolivia, Chile, Ecuador, Peru and Uruguay), in the first quarter of 2010 (available only in Spanish). This was the second of its kind.

International Cooperation

Latin American Epidemiology Work Group (REDLA)

The Latin American Epidemiology Work Group (*Red Latinoamericana de Investigadores en Drogas*), a network of Latin American drug use researchers from the national drug commissions and universities, continued to use existing cross-national databases on drug use in Latin America. It met in May in Argentina. It prepared a series of in-depth analyses on key issues on drug consumption in the Americas. CICAD's primary partner in the REDLA network, the National Institute on Drug Abuse (NIDA, USA), was assisting in the preparation and publication of these papers in peer-reviewed journals.

Meeting of Ibero-American Drug Observatories

A meeting of Spanish-speaking observatories took place in October in Montevideo with 25 professionals from all 17 member states. The meeting reviewed the status of drug trends in each country. The meeting focused on the new manual for implementing, developing and evaluating national drug observatories that was prepared with the EMCDDA and discussing country reports on the latest national trends in drug use and their regional impact.

The Drug-Violence Nexus in the Americas: A Gender Perspective

CICAD, through the OID, began a research initiative on the relationship between drugs and domestic violence, and a working group met in Panama in May to develop an appropriate methodology, with the participation of experts appointed by the national drug commissions of Argentina, Brazil, Chile, El Salvador, Mexico, Panama, Peru, and Trinidad and Tobago to discuss the practical issues in this type of research, such as theoretical concepts, definitions of violence, parameters of the population, methodology, logistics and additional topics to be explored.

Caribbean Initiatives

Drug Information Networks

As part of a Caribbean-focused effort to promote national drug information systems, Belize and Jamaica completed their needs assessment studies and began implementing their work plans. The Bahamas and

Jamaica completed their 2009 reports using the methodology prepared by CICAD for this purpose. A workshop on utilizing data from drug treatment service providers, funded by the Government of Trinidad and Tobago and the CARICOM Secretariat, took place in September.

Application of CICAD Methodologies

As part of an initiative to encourage research in the Caribbean, CICAD underwrote two specialized studies, funded by the Government of Canada:

Grenada completed a pilot study of drug use among adult prisoners;

Guyana completed a study of drug use among juvenile offenders.

To make these studies possible, the OID trained the survey personnel and translated existing OID methodologies and manuals from Spanish to English which were adapted culturally and linguistically for each country.

New and Updated Methodologies

In 2010, CICAD through the OID continued work on new methodologies and key indicators to identify specific target populations.

Mortality

CICAD through a working group of five member states and OID completed the first phase of developing a methodology for estimating the number of direct deaths associated with drug use.

Updating of SIDUC Protocols

CICAD updated the eight Inter-American Drug Use Data System (SIDUC) protocols (general population, school population, population in the undergraduate system, population in the labor force, patients in treatment centers, admissions to emergency rooms, deaths that reach the morgue, and criminal offenders, both adults and adolescents).

Study of the Human, Economic and Social Costs of the Drug Problem in the Americas

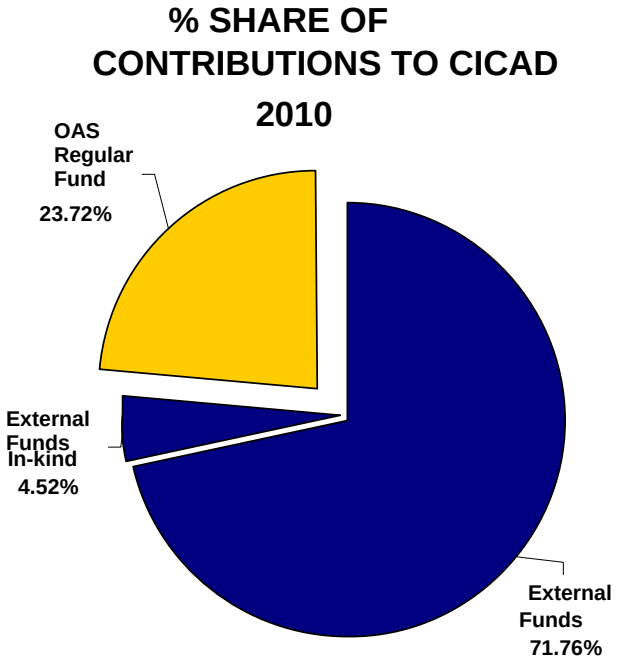
The Republic of Argentina through SEDRONAR assigned a staff member at CICAD headquarters for five months to assist in updating the methodological manual for this type of research. The manual underwent a peer review process, and was re-published on the CICAD website.

CHAPTER II:
FINANCIAL AND BUDGET CONSIDERATIONS

A. CURRENT BUDGET SITUATION OF CICAD

In compliance with its mandates, CICAD is financed through the OAS Regular Fund and the contributions of external donors, both in cash and in kind. During 2010, the Executive Secretariat received USD$7,818,799 in cash and USD$370,188 in kind.

Chart 1



Of the total contributions received, the OAS Regular Fund contributed US$1,942,291 or 23.72% in 2010. Contributions received from external donors (in kind and cash) were US$6,246,696, and represented 76.28% of the total received during the year.

The following table shows the details in cash and in-kind contributions in 2010.

Table 1: CASH CONTRIBUTIONS TO CICAD 2010

Country – Donor Agency	Contribution
United States	$ 2,900,569
Canada	$ 2,267,665
OAS Regular Fund	$ 1,929,397
Spain	$ 491,467
Mexico	$ 130,000
France	$ 51,808
Trinidad and Tobago	$ 20,000
Chile	$ 15,000
Total cash contributions	**$ 7,818,799**

IN-KIND CONTRIBUTIONS TO CICAD 2010

(Approximate Amounts)

Country – Donor Agency	Contribution
Canada	$ 150,000
México	$ 80,000
Spain	$ 61,000
UNODC	$ 18,867
Brazil	$ 15,000
Colombia	$ 12,000
Panama	$ 10,000
Dominican Republic	$ 9,000
Costa Rica	$ 8,000
United States	$ 6,321
Total in-kind contributions	**$ 370,188**

TOTAL CONTRIBUTIONS	**$ 8,188,987**

B. OAS REGULAR FUND

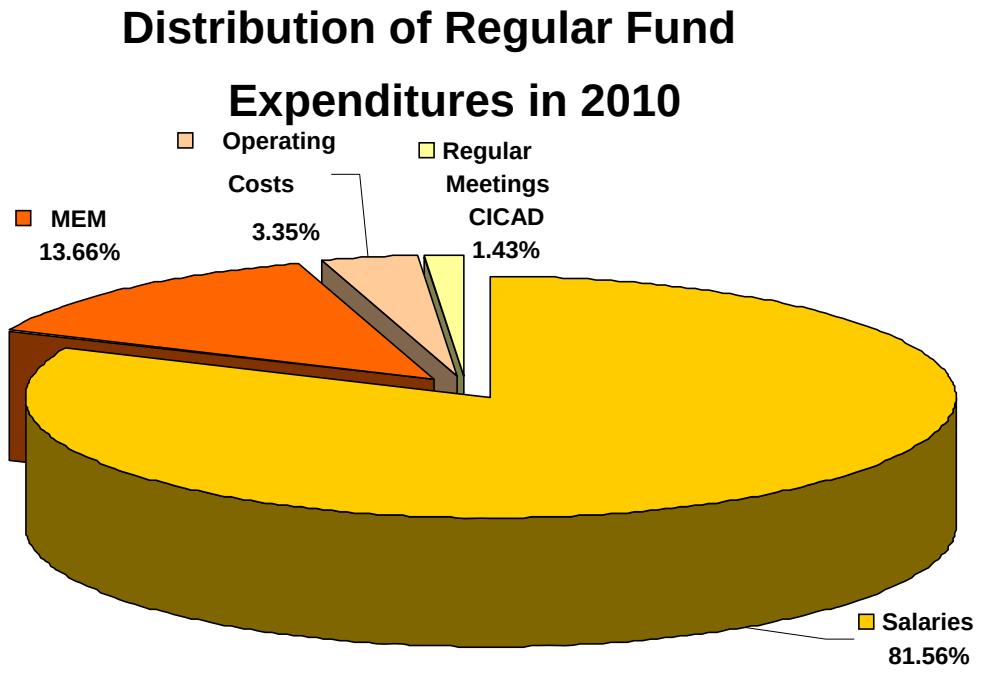
Due to the financial situation of the OAS Regular fund, in 2010 not all of the budget of USD$1,996,000 approved by the General Assembly for CICAD was made available. The amounts detailed below are the resources actually received from the Regular Fund in 2010 for a total of USD$1,942,291.

The contribution of the OAS Regular Fund for 2010 funded 12 staff positions (USD$1,574,735), the functioning of the Multilateral Evaluation Mechanism (USD$276,600), the cost of operating expenses of the Executive Secretariat (USD$59,441), and the partially financing of two statutory meetings of the Commission (USD$31,515).

Additionally, the Regular Fund funded post of Chief of the Demand Reduction Section was frozen in December upon the incumbent's retirement on December 1, 2010, and eliminated at the end of the year. For 2011, the OAS Regular Fund will finance 11 posts in the CICAD Executive Secretariat instead of the 12 in 2010.

The following chart shows the execution of the budget financed by the Regular Fund among these broad headings:

Chart 2



C. FUNDS SOLICITED AND RECEIVED (EXTERNAL DONORS))

The total contributions of external funds received from donors (cash and in-kind) was USD$6,246,696.

CASH CONTRIBUTIONS

USD $5,876,509

1) **United States of America: USD$2,900,569**

   a) **Bureau of International Narcotics and Law Enforcement Affairs (INL), U.S. Department of State: USD$2,880,559**

      i) Under the Merida Initiative, a second disbursement for the amount of USD$1,010,118 was received as part of the USD$2.8 million provided for the Training and Certification Program for Drug Abuse Treatment in Mexico in 2009 and 2010.
      ii) A specific contribution of USD$1,000,000 was received to fund the third year of the Training and Certification Program for Drug Abuse Treatment in Central America.
      iii) A special contribution of USD $ 420,000 for the execution of the project on systems for the seizure, forfeiture, administration and disposal of seized and forfeited assets in seven Latin American countries.
      iv) The Narcotics Affairs Section (NAS) of the U.S. Embassy in Lima made a contribution of USD$363,597 for the execution of several anti-money laundering activities for judges, prosecutors, law enforcement agencies and agencies for the administration and disposal of seized and forfeited assets in Peru.
      v) Special contribution of USD$70,000 for a technical assistance program on the financing of terrorism that CICAD and the Inter-American Committee against Terrorism (CICTE) develop jointly.
      vi) NAS Bogota made a final disbursement of USD$16,854 for the schools of nursing project in Colombia.

   b) **National Institute on Drug Abuse (NIDA): USD$20,000.** Contribution to fund the holding of a meeting of the Epidemiological Research Network of Latin America (REDLA).

2) **Canada, Department of Foreign Affairs and International Commerce (DFAIT): USD$2,267,665:**

   a) **Annual contribution 2009-2010:** The second disbursement of the annual contribution corresponding to the Canadian fiscal year 2009-2010 for a total of USD$477,736 (CAD$489,249), was received to finance various Supply Reduction projects; the Multilateral Evaluation Mechanism (MEM), the International Program for Research Training of Health Professionals for the Study of the Drug Problem in Latin American and the Caribbean that the latter was carried out jointly with the Centre for Addictions and Mental Health (CAMH); the project on patient information in drug treatment in the Caribbean; the project on drug information networks in the Caribbean; as well as other projects and meetings of expert groups.

   b) **DFAIT Anti-Crime Capacity Building Program (ACCBP) Year Zero**: In December 2009, Canada through the DFAIT signed a contribution agreement with the OAS General Secretariat. From the total of the agreement, CAD$560,681 (USD$553,431 approx.) was allocated to CICAD. In 2010, the first disbursement of 90% of the contribution (CAD$504,613) was received for funding several projects of Demand Reduction and Supply Reduction, for strengthening Caribbean member states capacity to collect, analyze and report information on drugs and for the Multilateral Evaluation Mechanism.

c) **DFAIT Anti-Crime Capacity Building Program (ACCBP) Year One:** Out of the larger contribution between Canada DFAIT and the OAS General Secretariat, USD$1,291,842 (CAD$1,316,645) was assigned to CICAD. These resources were used to continue activities of the projects financed with the contribution of ACCBP Year Zero.

3) Spain: USD$491,467

a) **Spanish Agency for International Cooperation for Development (AECID):** Second tranche of USD$485,142 to disburse the SAVIA Drugs – Health and Life in the Americas, sponsored by AECID.

b) **Fundación La Caixa:** Contribution of USD$6,325 for the support of the EU-LAC City Partnership in Drug Treatment project.

4) Mexico: USD$130,000

a) Attorney General of the Republic of Mexico: Contribution of USD$95,000 to support the diverse activities of CICAD, including the MEM, the project to draft a Hemispheric Plan of Action on Drugs, and the CICAD General Fund.

b) **Secretariat for Foreign Affairs:** Contribution for the MEM (USD$35,000).

5) France: USD$51,808

Contribution of EUR€ 40,000 through the *Mission Interministérielle de Lutte contre la Drogue et la Toxicomanie* (MILDT) for the financing of training and capacity building on drug issues in Latin American countries.

6) Trinidad and Tobago: USD$20,000

Voluntary contribution for the MEM (USD$10,000), the Inter-American Drug Observatory (USD$5,000) and for the Institutional Development Section (USD$5,000).

7) Chile; USD$15,000

Voluntary contribution to the CICAD General Fund.

CONTRIBUTIONS IN KIND

USD $370,188 (approximate amounts)

1) **Canada: USD$150,000**

An in-kind contribution of the Centre for Addictions and Mental Health (CAMH) for the implementation of the International Research Capacity Building Program for Health Professionals to Study the Drug Problem in Latin America and the Caribbean.

2) Mexico: USD$80,000

An in-kind contribution of the National Council Against Addictions (CONADIC) for holding CICAD's XII Meeting of the Expert Group on Demand Reduction, Guadalajara, Mexico, covering interpretation services in two languages, food and lodging for CICAD staff members attending the event, and other logistical expenses.

3) Spain: USD $61,000

a) Spanish Agency for International Development Cooperation (AECID) USD$47,000

i) In-kind contribution of US$27,000 for a training workshop on drafting needs assessments in prevention and treatment for a comprehensive strategy on demand reduction within the framework of inter-institutional collaboration at the national, regional and local levels, held at

the AECID Training Center in Cartagena de Indias, Colombia, covering food and lodging of 27 participants and logistical expenses.

ii) In-kind contribution of US$20,000 for the V Ibero-American Meeting of National Drug Observatories, covering food and lodging of 20 participants and logistical expenses made by the AECID Training Center of Montevideo, Uruguay.

b) Center for Intelligence against Organized Crime - Ministry of Interior: USD$9,000

In-kind contribution of US$9,000 for a workshop on special investigative techniques in money laundering cases, held in Bogota, Colombia, covering the cost of food and lodging of two international experts.

c) Government Delegation of the National Plan on Drugs – Ministry of Health and Consumer Affairs: USD$5,000

i) Payment of fees, transport and expenses of a Spanish expert who trained South American participants at the regional workshop at the Training Center at Cartagena de Indias, described in item 3.a.i.

ii) Payment of fees, transport and expenses of a Spanish expert for the V Ibero-American Meeting of National Drug Observatories, held at the Training Center of AECID of Montevideo, Uruguay, described in item 3.a.ii.

4) United Nations Office on Drugs and Crime (UNODC): USD$18,867

Payment of travel and support of four international experts , printing of course material and certifications for the follow-up mission of the Workshop on the Financing of Terrorism held in Paraguay.

5) Brazil – USD$15,000

In-kind contribution for food and lodging for participants of an international course on strategic and prospective intelligence on illicit drug trafficking, held in Brasilia.

6) Colombia: USD$12,000

In-kind contribution for the payment of food and lodging for participants of the International Course on Strategic and Prospective Intelligence of the Illicit Drug Trafficking, organized by the Regional Counterdrug Intelligence School of the Americas (ERCAIAD) in Bogota, Colombia.

7) Panama: USD$10,000

In-kind contribution for the payment of food and lodging for participants of the seminar on advanced surveillance techniques for anti-drug intelligence teams, organized by the Regional Counterdrug Intelligence School of the Americas (ERCAID) in the Panama City.

8) Dominican Republic: USD$11,500

Audio-visual equipment, food and other logistical expenses for the meeting of the Expert Group on Maritime Narcotrafficking.

9) Costa Rica: USD$8.000

a) Audio visual equipment, food and other logistical expenses for the meeting of the Expert Group on Chemical Substances and Pharmaceutical Products USD$7,000.

b) Costa Rican Institute on Drugs – Payment for audiovisual equipment, and materials for a workshop on the financing of terrorism in Costa Rica – USD$1,000.

10) United States – USD$6.321

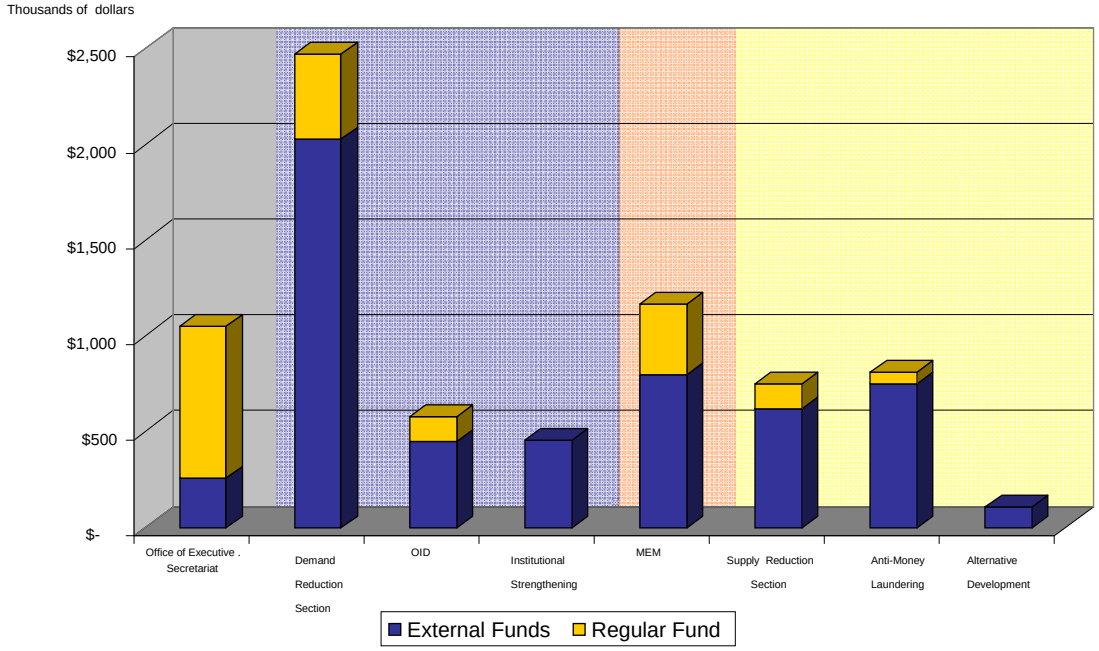
Audiovisual equipment, food and materials for the workshop on the financing of terrorism in Lima, Peru.

D. CICAD PROGRAM EXECUTION DURING 2009

Expenditures in 2010 totaled of USD$7,383,172, of which USD$5,452,506 came from external funds and USD$1,930,666 came from the OAS Regular Fund. The following chart shows the distribution of expenditures by section.

Chart 3

EXPENDITURE DISTRIBUTION BY SECTION

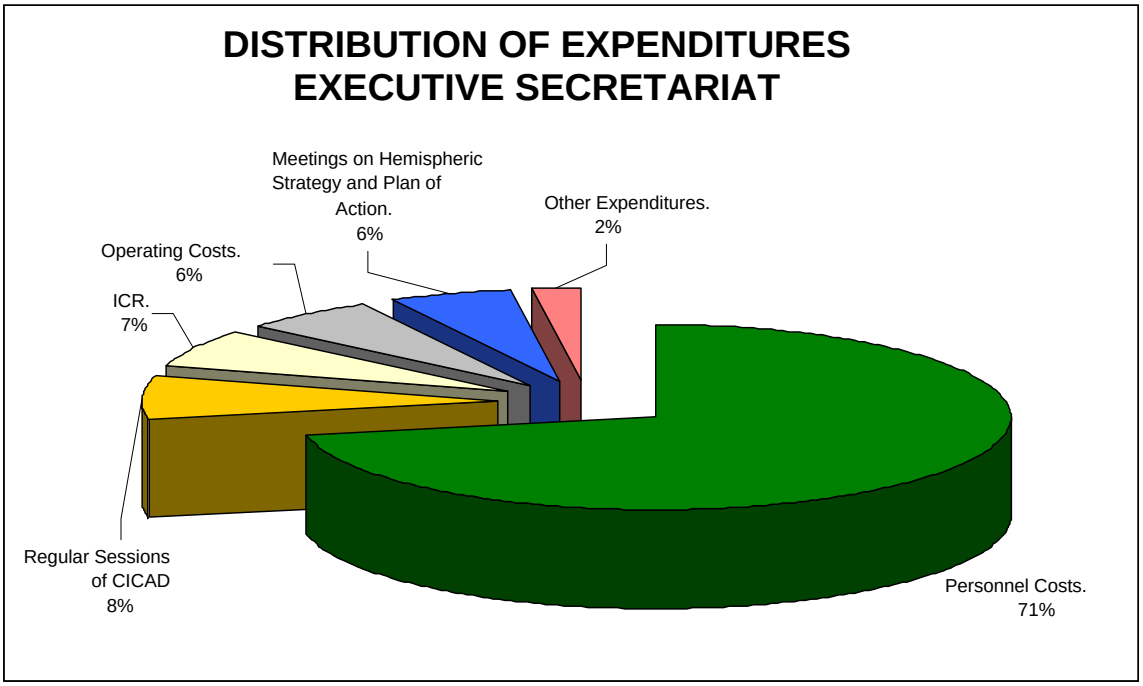


Office of the Executive Secretariat	**14.2%**	**Multilateral Evaluation Mechanism**	**15.8%**
Demand Reduction Programs	**47.4%**	**Supply Reduction Programs**	**22.6%**

Approximately US$1.04 million (14.2%) was for expenditures made within the Office of the Executive Secretary, which consists of the Office of the Executive Secretary itself and its support areas (administrative office, technology support and communications), and for the holding of the Commission's statutory meetings.

Chart 4 presents the percentage distribution of expenditures made in 2010 within the Executive Secretariat, which correspond to: personnel of the Office of the Executive Secretariat financed with the Regular Fund (71% - five posts), the holding of two regular sessions of CICAD (8%), the payment of indirect cost recovery (ICR) on the external funds received as part of the CICAD General Fund (7%), operating costs (6%), the meetings for drafting the Hemispheric Drug Strategy and its Plan of Action (6%), and General Fund expenditures (2%).

Chart 4



A total of USD$3.50 million (47.4%) spent under Demand Reduction includes initiatives under the Demand Reduction section itself, as well as the Inter-American Observatory on Drugs and the Institutional Strengthening section.

During the same period, the Multilateral Evaluation Mechanism completed the full evaluation phase of the Fifth Evaluation, using USD$874,845 for this process. The cost of projects stemming from MEM recommendations are accounted for under the program areas responsible for executing them.

For the programs listed under Supply Reduction, executed by the sections of Supply Reduction itself, Alternative Development and Anti-Money Laundering, USD$1.66 million were spent as of December 31, 2010.

Indirect Costs

Of the cash contributions of external donors, the OAS General Secretariat retained USD $605,661 to offset the indirect costs assumed in support of externally funded projects. Of these USD $605,661, the General Secretariat reassigned USD$349,277 to the CICAD Executive Secretariat to cover general administrative expenditures that could not be attributed to a specific externally funded project.