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**DRAFT ANNUAL REPORT OF THE
INTER-AMERICAN DRUG ABUSE CONTROL COMMISSION (CICAD)
TO THE GENERAL ASSEMBLY OF THE ORGANIZATION
OF AMERICAN STATES
AT ITS THIRTY-SEVENTH REGULAR SESSION**

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The Inter-American Drug Abuse Control Commission (CICAD) herein presents its annual report to the thirty-seventh regular session of the General Assembly of the Organization of American States, pursuant to the provisions of Articles 54 (F) and 91 (f) of the OAS Charter. In 2006, the Secretary General completed a reorganization of the institutional structure of the entire OAS. This process led to CICAD being included under a Secretariat for Multidimensional Security, and divided into seven sections, plus the Executive Secretariat's Office: the Multilateral Evaluation Mechanism (MEM), Anti-Money Laundering, Demand Reduction, Educational Development and Research, the Supply Reduction and Alternative Development, the Inter-American Observatory on Drugs (OID), and Institution-Building. This report follows the broad headings of the Anti-Drug Strategy in the Hemisphere, approved in 1996.

EXECUTIVE SUMMARY

Two decades ago, in November 1986, the OAS General Assembly created CICAD within the framework of the Inter-American Program of Action of Rio de Janeiro against the Illicit Use and Production of Narcotic Drugs and Psychotropic Substances and Traffic Therein. Ten years later, in December 1996, the General Assembly adopted the Anti-Drug Strategy in the Hemisphere and formalized the concept of *shared responsibility* as the linchpin of drug policy in the region. These two texts have served as the foundation stones of hemispheric policy, and have undergone surprisingly few amendments or updates since then while CICAD has been the political instrument for a lasting, broad-based consensus to control illicit drugs in the region. The two documents, and the creation of the Multilateral Evaluation Mechanism (MEM), are the three major milestones in CICAD's evolution over the past 20 years.

With the MEM, CICAD has translated its policy goals into a technical instrument so that it could better assess the anti-drug progress of its the 34 member states and the hemisphere. In a sign of CICAD's maturity and vision as an institution, in 2006, the Commission approved the revamped and streamlined MEM guidelines, procedures and indicators for the Fourth Evaluation Round (2005-2006). Moreover, the Commission approved the follow-up reports on recommendations of the Third Evaluation Round (2003-2004). The whole MEM-process also constituted a renewed political commitment by the member states to the CICAD's mission and goals.

CICAD has been pursuing the feasibility of creating a reliable funding source that will allow it to follow through on its long-term goals. Towards that end, OAS Secretary General José Miguel Insulza proposed that member states set aside a small percentage of assets confiscated from drug traffickers and money laundering activities to be used by CICAD to underwrite its operations, especially training and capacity-building activities in member states. However, in the short term, CICAD continued to confront budget challenges due to limited funding from the OAS's Regular Fund and some reduction in specific fund donations.

CICAD has long recognized that it could only be as strong as the individual national drug control commissions in the member states so it continues to invest heavily in human capital through capacity-

building and training in practically every program. Accordingly, CICAD programs included the training of national drug commission personnel in project management and through an Andean drug program decentralization initiative, as well as an evaluation of selected national drug control plans and programs. Both the Supply Reduction and Anti-Money Laundering sections offered specialized courses to frontline law enforcement officers, prosecutors, judges, and financial analysts, as well as other partners in control measures. The Educational Development and Research section saw its first graduating class of 32 students from its on-line program for health-related professionals for research training on the drug issue in the Americas. In addition, CICAD and the University of the West Indies started working towards a certificate program on addiction studies for the English-speaking Caribbean, which will complement a On-Line M.A. program on addiction studies for Spanish-speakers, now in its third academic cycle. The Educational Development and Research section has broadened its university network partnership to include schools of public health, education and medicine, thus forming a network of academic centers that are increasing the awareness about drug issues.

In partnership with the United Nations Office on Drugs and Crime (UNODC), the Inter-American Observatory on Drugs (OID) published a comparative analysis of drug use and abuse among secondary school students in nine South American countries. In Central America, Nicaragua, El Salvador and Guatemala, the OID will produce a similar comparative study on drug use in households. In the Caribbean, work is underway to produce a comparative study of drug use among secondary school students. When we consider these new studies together with the methodology developed to assess the human, social and economic costs of illicit drugs in the Americas, we can see that CICAD-sponsored research with national observatories is reaching a critical mass for the first time, producing a comprehensive hemispheric vision of drug consumption. These objective and valid statistical studies and comparative analyses are also revealing how partial and fragmented the vision of the drug problem in the Americas had been in the past.

Another area of activity in CICAD has been technical support and recommendations provided by four of its expert groups: Money Laundering Control, Maritime Narcotrafficking, Chemical Substances and Pharmaceutical Products.

Finally, CICAD's coming of age is confirmed by the strong cooperation that it has with other international peer organizations, like the United Nations Office on Drugs and Crime (UNODC), the Inter-American Development Bank, the Pan-American Health Organization and others.

Officers and Meetings of CICAD in 2006

The Commission held its thirty-ninth regular session in Washington, DC, on May 9-11 and its fortieth regular session in Santa Cruz de la Sierra, Bolivia on November 29-December 1.

The Chair of CICAD for the 2005-2006 term of office was Bolivia, in the persons of Mr. Javier Viscarra (December 2005-April 2006) and Ambassador Mauricio Dorfler, Viceminister of Foreign Affairs and Worship (April-November 2006). The Vice Chair for the same term of office was Brazil, in the person of General Paulo Roberto Yog de Miranda Uchôa, National Antidrug Secretary.

At its fortieth regular session, the Commission elected Brazil as the Chair, in the person of General Paulo Roberto Yog de Miranda Uchôa, and Colombia as Vice Chair, in the person of Guillermo Reyes, Viceminister of Justice.

CHAPTER I. THE CICAD PROGRAM TO IMPLEMENT ANTI-DRUG STRATEGY IN THE HEMISPHERE

A. MULTILATERAL EVALUATION MECHANISM

Overview

The Multilateral Evaluation Mechanism (MEM) was established under the mandate of the Heads of State and Government at the Second Summit of the Americas held in Santiago, Chile in April 1998. The MEM came into being as a result of the recognition by the governments of the hemisphere that the complex and transnational nature of the drug problem requires a comprehensive, balanced response by them, acting in concert under the principle of shared responsibility. The overall objective of the MEM process is to stimulate advances in all aspects of the fight against illicit drugs in all the countries of the Americas, taking into account the different ways in which the drug problem manifests itself in each. The MEM pursues this goal by means of national and hemispheric evaluations carried out by the Governmental Expert Group (GEG) over a three-year cycle that measure the counter-drug progress achieved by the 34 individual CICAD member states and by the hemisphere as a whole. Throughout this peer review process, which looks at institutional capacity, demand and supply reduction efforts and control measures, member states learn of the strengths and weaknesses of their anti-drug programs and are encouraged to correct deficiencies, seeking assistance from other members or CICAD as needed. Since its inception, the MEM has completed three rounds of evaluations, 1999-2000, 2001-2002 and 2003-2004. The Fourth Evaluation Round (2005-2006) commenced in July 2006 with the distribution of a questionnaire of 51 indicators.

Third Evaluation Round 2003-2004

Second GEG drafting session

The second and final GEG meeting for the follow-up phase of the Third Evaluation Round was held in Washington, D.C., March 20-24 to evaluate the progress made by member states in implementing national recommendations assigned in the corresponding reports. Experts analyzed and evaluated the new information provided by member states and redrafted the reports, including the final conclusions, and all national reports were reviewed by the GEG Plenary. Likewise, the experts discussed the draft hemispheric report that had been prepared by a core team of experts and the Executive Secretariat. Once the drafts had been edited and completed, the reports were circulated to the commissioners prior to the thirty-ninth CICAD regular session.

Consideration and Approval of Reports on the Implementation of Recommendations from the Third Evaluation Round 2003-2004

The 33 national reports and the hemispheric report were considered and approved at CICAD's thirty-ninth regular session held in Washington, D.C. in May 2006. All reports were later presented at the OAS General Assembly in Santo Domingo, the **Dominican Republic** (June 2006) and distributed to all member states. They are also [available online](#).

Intergovernmental Working Group (IWG) meeting

The Intergovernmental Working Group met in Washington, D.C. February 2006 to discuss fundamental issues of the MEM process for the Fourth Evaluation Round 2005-2006. The meeting centered on: the Questionnaire of Indicators for the Fourth Evaluation Round; The Procedural Manual; The Manual for the Preparation of Reports; the outline for the Introductory Document; the calendar of activities for the Fourth Evaluation Round; the follow-up form for the implementation of recommendations; and the procedure to handle recommendations from eliminated indicators. Modifications to the process include a change from a two- to a three-year cycle for each MEM round, and a reduced number of indicators, from 82 to 51. Two new indicators were included in the questionnaire, covering the use of the Internet to sell pharmaceutical products and other drugs, and specialized training in drug trafficking control. All indicators related to money laundering will be substituted by a new indicator (*National System for the Control of Money Laundering*) and information obtained through the reports of the Financial Action Task Force (FATF), the Caribbean Financial Action Task Force (CFATF), and the South American Financial Action Task Force (GAFISUD).

A Final Report on the IWG and the documents approved by this group were presented to the thirty-ninth regular session of the Commission in May 2006 for consideration. The Commission approved the proposed changes to the MEM for its Fourth Evaluation Round.

Regional training workshops for national coordinating entities (NCEs)

Three regional training workshops were conducted in July to train NCEs on how to complete and submit the MEM questionnaire of indicators on-line and to inform the NCE representatives on their role throughout the entire MEM evaluation cycle. The workshops, held in **Jamaica, El Salvador** and **Colombia**, also provided background information on the indicators and on how the MEM process works, and were attended by 33 member states.

MEM promotional activities

The MEM Unit carried out visits to **Colombia, Paraguay, Suriname, Guatemala, Venezuela, and Costa Rica** in the last quarter of 2006 to promote the MEM and to hold workshops for the various national institutions contributing information to the MEM process as well as to meet with national authorities responsible for various areas of drug control.

MEM-GEG In-situ visit to St. Vincent and the Grenadines

The second *in-situ* visit to a member state within the context of the MEM process was carried out October 18-20 to **St. Vincent and the Grenadines**, since it was the only member state that did not participate in the implementation of recommendations phase of the Third Round. The visit sought to promote the importance of the MEM among government officials and agencies and to build political support for the evaluation mechanism, as well as to highlight to policy makers the benefits to St. Vincent and the Grenadines of its active engagement in the process. The CICAD-MEM delegation also acquired first-hand knowledge regarding the situation in St. Vincent and the Grenadines, given the lack of information provided by the country for the evaluation of implementation of recommendations for the period 2003-2004.

The visiting team, consisting of three members in total from the GEG and CICAD Executive Secretariat, took part in meetings with government officials and key stakeholders in the MEM process. The final report of the *in-situ* visit was presented to the Commission at its fortieth regular session in December 2006.

B. DEMAND REDUCTION

Overview

Reduction of the demand for illegal drugs involves, on the one hand, preventing or postponing initial use of drugs by intervening at an early stage with occasional users and non-addicts; and, on the other hand, dealing with the negative consequences of substance abuse for health and society with treatment, rehabilitation, and re-entry programs. Since 2002, CICAD decided that faced with new challenges in drug consumption, prevention and treatment, its programs should embrace all aspects of substance abuse in an integrated strategy. CICAD has concentrated on three priority components: **substance abuse prevention, drug treatment and rehabilitation, and training.**

Substance Abuse Prevention

Prevention Program Evaluation

The seventh meeting of the Expert Group on Demand Reduction, which took place in Ottawa, Canada on September 13-15, 2005, emphasized the issue of prevention program evaluation. With the goal of following up on the work performed by that group, in partnership with the Expert Group chair (the Ministry of Health of **Canada**), the Demand Reduction section organized two workshops in the Caribbean to train representatives of the national anti-drug commissions, and the staff responsible for prevention within these commissions, on the management of evaluation of drug abuse prevention programs. This experience should shortly be shared with the Spanish-speaking member states. At the same time, an international Task Force cooperated with the Executive Secretariat to review existing evaluation instruments and prepare a set of instruments and guidelines that member states can use to evaluate their own prevention programs. This guide will be presented for consideration during the next meeting of the Expert Group on Demand Reduction to take place in February 2007. The Task Force is made up of representatives of Health Canada, the United Nations Office on Drugs and Crime (UNODC), the European Monitoring Center on Drugs and Drug Addiction (EMCDDA), the National Institute on Drug Abuse (NIDA) of the United States, the Pan American Health Organization (PAHO) and two independent consultants.

Life Skills for Drug Abuse Prevention

Under an agreement signed in March 2005 between CICAD and the Lions Clubs International Foundation (LCIF), the life skills program has continued to expand in the hemisphere. Using the curriculum and coursework of the LCIF, the Lions Quest program has been evaluated extensively in the United States. The life skills approach seeks to help young people develop a comprehensive set of emotional and social competencies, such as gaining self-confidence, managing emotions and building healthy peer and family relationships. In turn, critical thinking and goal-setting components empower students to make their own educated decisions about substance abuse and other risky behaviors. Community service through the local Lions Clubs forms an important part of the program.

Following the school prevention guidelines and the framework agreement with CICAD, the expansion occurred as follows: In **Colombia**, as of October 2006, the pilot program has been expanded to 150 schools throughout the country. In **Peru** as of April, 90 teachers from 12 schools had been trained. Over the next two years another 400 teachers in 24 new schools will join the program. In **Belize**, 50 new teachers were trained in the second year of its pilot program. In **Paraguay**, plans are to hold 10 workshops to train 400 teachers from 30 schools.

Ecuador, Mexico, the Dominican Republic and Barbados are preparing to undertake the pilot phase, the project proposals for which will be presented next year.

Culture of Lawfulness

The Culture of Lawfulness program is a classroom-based curriculum for 13 to 15 year-old children focusing on the promotion of the rule of law, community participation, healthy decision-making and the roles that individuals, parents, families and the society play in the solution of problems that threaten public security, such as organized crime, corruption, drug consumption and narcotrafficking.

In January 2006, 100 teachers in **El Salvador** were trained to teach the Culture of Lawfulness program in their classrooms. CICAD donated 3,032 copies of the novel *The Lord of the Flies*, which is an integral part of the program. Innovative work began in El Salvador to integrate the content of Culture of Lawfulness into the social sciences curriculum of the seventh, eighth, and ninth grades. In 2007, all students in these grades in El Salvador will be taking the course.

CICAD has joined forces with El Salvador's National Council of Public Security and National Anti-drug Commission to begin developing a strategy to extend Culture of Lawfulness content beyond the classroom into the community.

Workplace Prevention

Following through on a project that started in 2005 as a recommendation of the Second Evaluation Round of the MEM to the government of **Colombia** to develop a workplace substance abuse prevention program, the Pontifical Xavierian University of Colombia carried out a diagnosis of the local situation that led to the drafting of teaching materials for public and private enterprises. Under the auspices of the Ministry of Social Protection and CICAD, the Pontifical Xavierian University was to conduct training for health officials working in professional risk insurance companies so that they disseminate the information to the enterprises they insure.

In **Saint Lucia**, a joint project with the Inter-American Observatory on Drugs is using a survey of workplace drug use in public enterprises as an initial diagnosis of the situation. Taking into account the findings, a specific module of workplace prevention is being prepared.

Drug Dependency Treatment

CICAD has two projects underway in the areas of drug dependency treatment, rehabilitation and social re-entry: the first covers standards of care and integration of treatment for drug dependency in national public health systems, and the other focuses on treatment of drug dependency among prison inmates.

In 2006, CICAD supported the government of **Colombia** in training decentralized staff in the Ministry of Social Protection on recent legislation standardizing treatment and care in drug dependency services and on the new requirement that these establishments be registered with the government.

CICAD's Demand Reduction section supported Central American countries in the drafting and approval of standards that regulate drug treatment centers. After drafting the necessary documents, **Panama** has approved the new standards while **Nicaragua** is close to completion. CICAD has been supporting the government of **El Salvador** in fulfilling a MEM recommendation with respect to creating a national registry of drug abuse prevention and treatment programs of institutions and establishments.

Treatment of Prison Inmates

CICAD held a workshop on Substance Abuse Counseling and Treatment in Corrections Systems February 27 – March 3, 2006 in Antigua, **Guatemala**, with the participation of all Central American countries and the Dominican Republic. Experts from **Canada, Chile, Peru, the United States, Spain,** and the **European Monitoring Center for Drugs and Drug Addiction (EMCDDA)** also participated. The outcome was: (1) a description of the current situation in all participating countries; (2) an analysis of inmate drug use, assessment and referral to treatment services; (3) a review of profiles, models and processes of treatment providers; (4) an understanding of the pre-release and aftercare attention and follow-up measures; and (5) exchanges of experiences and best practices among the participating countries. The meeting also produced a signed declaration and an action plan that included a legal framework, objectives, actions, and goals for each participating government agency. The Declaration of Antigua Guatemala on Substance Abuse Prevention and Treatment in Correctional Facilities (CICAD/Doc. 1501/06) was presented at the thirty-ninth regular session of CICAD. The Spanish International Cooperation Agency (AECI) provided significant financial and logistical support for the workshop.

Currently, as a part of the MEM assistant projects, CICAD supports projects on drug treatment in prisons in **Guatemala, Peru, and Saint Vincent and the Grenadines.**

Horizontal Cooperation

In November 2005, the Executive Secretariat of CICAD signed a memorandum of understanding with the Ministry of Interior of **Chile** with the technical support of the National Drug Council (CONACE) to strengthen horizontal cooperation with other member states in the area of demand reduction. In accordance with its provisions, two training sessions were held in Santiago de Chile, one on drug abuse prevention and the other on the treatment of problematic drug use. Both events enabled the exchange of best practices and experience among the participating countries. Participants from **Argentina, Bolivia, Ecuador, Mexico, Peru** and **Uruguay** attended the first meeting. **Argentina, Bolivia, Colombia, Costa Rica, Ecuador, El Salvador, Honduras, the Dominican Republic** and **Uruguay** attended the second.

As a result of this cooperation, the CONACE staff carried out two technical assistance visits. First, in Montevideo, **Uruguay**, October 11-13, a CONACE/CICAD team participated in a workshop on strengthening the national treatment system for drug use. During the visit, the team met with the Secretary and Vice Secretary of the National Secretariat of Drugs and the National Director of Health of the Ministry of Public Health, as well as with the directors of the Portal Amarillo center, in order to support the care network for people with drug dependency.

The second visit was made to San José, **Costa Rica**, September 25-29, where CONACE experts presented the experience of Chile in the treatment and rehabilitation of adolescent and adult criminals who have problematic drug use,

Spanish-language M.A. Program in Addictions Studies

The third class of the International M.A. On-line in Addictions Studies started in May 2006 with 59 students from 20 countries. The annual meeting of the management council was held in September 2006 in Colombia, in which it was decided that CICAD would continue to administer the students' tuition payments and the payment of operational expenditures of the M.A. program.

English-Language On-Line Program in Addictions Studies

Following extensive consultations with national drug councils and experts throughout the Caribbean, CICAD and the University of the West Indies School of Continuing Studies signed an agreement in

the summer of 2006 to begin an on-line program in addictions studies. In the fall of 2006, the lecturers who are responsible for the first 15 modules were trained in how to teach in an online environment. The lecturers are required to complete development of their course content by the first quarter of 2007. The program, which will be modular in nature and geared primarily to adults working in the addiction field, is scheduled for launch in the spring of 2007.

C. SUPPLY REDUCTION, APPLICATION OF CONTROL MEASURES AND ALTERNATIVE DEVELOPMENT

Overview

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 contraband, such as chemicals used in the manufacture of drugs. The unit also helps strengthen 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. It deals with a wide range of enforcement and control issues.

The second area of activity is concerned with alternative development, supporting member states as governments carry out development projects to reduce, eliminate or prevent the cultivation of coca, poppy and cannabis, using a holistic approach to improve the overall social and economic situation of the population involved.

Training

The Supply Reduction and Control training program included 15 regional training seminars for law enforcement and customs officers covering a range of subjects such as the control of chemicals, officer safety, maritime cooperation, profiling of suspicious containers and passengers, port security, vessel inspection, and private sector participation in port and airport security. The seminars were held in **Argentina, British Virgin Islands, Bolivia, Colombia, Ecuador, Guatemala, Nicaragua, Panama, Peru, United States, Uruguay and Venezuela.**

CICAD continued to support the Andean Counter-Drug Intelligence School (ERCAIAD) in **Peru** in its seventh year of operation. The school held two four-week courses on counter-drug intelligence analysis (strategic analysis and operational analysis), two two-week specialized courses on operational intelligence analysis (**Bolivia** and **Colombia**), and a one-week specialized course on intelligence related to chemical control for police officers from South American member states. The *Comunidad Latinoamericana y del Caribe de Inteligencia Policial* (CLACIP) approached ERCAIAD with a proposal to expand the country membership in ERCAIAD beyond the countries currently included in the program. ERCAIAD's Multinational Board of Directors, which includes CICAD, accepted this proposal and began developing a transition plan to implement the initiative.

CICAD and the Royal Canadian Mounted Police (RCMP) co-sponsored the fourth international police attachment program, which brought 15 law enforcement officers from several member states to RCMP units for classroom instruction and field assignments in **Canada.**

During 2006, CICAD continued its training program in counter-drug investigative techniques and skills. Working with the RCMP, CICAD co-hosted five regional seminars concerning advanced investigative techniques and undercover operations. The seminars were held in **Mexico, Costa Rica, Jamaica, Dominican Republic and Venezuela.**

Technical Assistance

CICAD relies on groups of experts to identify problems or issues of concern related to the drug problem as well as the technical tools to help respond to it. During 2006, three groups of experts coordinated by this program met to address issues related to maritime narcotrafficking (CICAD/Doc. 1494/06), the control of pharmaceutical products (CICAD/doc.1522/06) and the control of chemical substances (CICAD/doc.1521/06).

Alternative Development

Best Practice Marketing for Communities in Mountainous and/or Drug-Crop Producing Regions

CICAD participated in a project promoted by the government of Thailand to generate greater knowledge about integral and sustainable alternative development through a study that analyzed grassroots approaches to resolving problems of marketing agricultural products and identified best practices. Case studies were made of 4-8 communities in each of the following countries: Thailand, Vietnam, China, Afghanistan, India, Nepal, **Bolivia**, **Peru** and **Colombia**. A detailed analysis of the case studies focused on compiling and systematizing existing knowledge. In 2007, a manual of best practices will be published that contains concrete, feasible recommendations on how to organize community-based marketing.

Andean Regional Seminar on Marketing for Alternative Development Products

CICAD facilitated the participation of representative group of producers from **Peru** and **Bolivia** in a seminar and trade fair that took place in Bogota, Colombia on April 3. The event was organized by **Colombia's** Presidential Agency for Social Action and International Cooperation (Acción Social), the Ministry of Foreign Affairs of Colombia, the Embassy of France, the French wholesaler Carrefour, the United Nations Office on Drugs and Crime (UNODC) and CICAD. Participants presented their approaches, projects and enterprises that support former growers of coca and opium poppies, especially through alternative development initiatives.

Andean Countries Cocoa Export Support Opportunity (ACCESO)

Since June 2005, CICAD has participated in ACCESO to strengthen the supply chain of cacao, from the field to the consumer, in **Bolivia**, **Colombia**, **Ecuador** and **Peru**. In addition to CICAD, the members of this alliance are the World Cocoa Foundation (private business interests), the U.S. Agency for International Development (USAID) and the Inter-American Institute for Agricultural Cooperation (IICA). CICAD decided to take responsibility for the program component that developed technical assistance and training for cacao farmers through the use of the "farmer field school" methodology. This participatory approach allows a cadre of farmers, initially trained by field technicians, to use their own knowledge and experience to resolve basic crop management problems. Once their training is completed, these cadres of farmers should be able to transmit their acquired knowledge to other members of the community by replicating the system. During 2006, CICAD financed the training of 55 field technicians and also participated in a model consortium of seven Peruvian institutions for the implementation of 48 farm field schools in Peru, achieving a coverage of 2,412 hectares. The beneficiaries were 1,229 farms belonging to 145 communities. In late 2007, the results will be evaluated to determine their real impact in terms of crop yield and quality. Next year, CICAD plans to support the implementation of farmer field schools in Peru, and seek additional financing for implementing this methodology in Bolivia, Colombia, and Ecuador.

Bolivia: Implementation of the Generalized Land-Use Evaluation and Management (GLEAM) Tool

GLEAM is a remote imaging-based information system in decision making that permits governments to identify the actual use of land for both licit and illicit crops and determine those crops that can best substitute coca and poppy, taking into account the geographic, climatic and economic conditions prevalent. In 2006, CICAD concentrated on broadening the use of the GLEAM tool to the institutions involved in rural development in **Bolivia**. These included the ministries of Agricultural Affairs and Sustainable Development, the Agrarian Superintendence, the Vice Ministry of Land, the National Geography and Mining services, the National Institute of Agrarian Reform (INRA), the National Fund for Alternative Development (FONADAL), and the agronomy and technology faculties of the University of San Andrés. The goal was to position the GLEAM service as a strategic information system specialized in integral development that permits centralization, systemization and distribution of information for operational support. At the same time, the system was used to carry out geographic quantification and soil evaluation for the cultivation of cacao and coffee in the Alto Beni of Yungas region, providing support to the Vice Ministry of Coca and Integral Development with geographic and spatial information of the coca-growing region. GLEAM also was employed to evaluate the extent of soil degradation in the Yungas region caused by settlement and coca cultivation. CICAD not only directs its efforts towards the areas where there are illicit crops or where they existed before, but also focuses on lands adjacent to illicit crop zones whose development could inhibit the expansion of illicit crops and avert the migration of workers to areas of illicit crops.

Colombia: Study on the Effects of Aerial Glyphosate Spraying

In 2005, CICAD's scientific evaluation team presented the results of the first phase of its independent study, undertaken at the request of the governments of **Colombia**, the **United States** and the United Kingdom to measure the impact of aerial spraying of coca fields in Colombia on human health and the environment. Although no association between spraying and human reproduction was found, the team proposed to carry out additional studies to identify possible risk factors associated with other human activities or the environment. In 2006, as a result of these recommendations, a team of scientific experts and field staff, as well as the labs, were selected to develop the study components and scientific protocol for a second phase. The second phase got underway in November and is expected to last two years. It will include the following components:

- Bio-monitoring of genotoxic risks for farm workers in five Colombian regions, considering the potential association of their work exposure to Glyphosate;
- Analysis of the drift from spraying with Glyphosate and Cosmo-Flux, as it is employed in the Colombian eradication program;
- Evaluation of the toxicity of Glyphosate and other pesticides used by illicit crop producers for amphibians will be carried out;
- Identification of the mixtures of Glyphosate and additives that might be less toxic for aquatic organisms than the one currently in use;
- Test of the Glyphosate-Cosmo-Flux formulation for toxicity to amphibians.

D. MONEY LAUNDERING CONTROL

Overview

In response to increasing requests for training and assistance to combat money laundering, CICAD cooperates with member states through its Anti-Money Laundering section in the following areas:

finances, legal advisory services, and law enforcement. The section also serves as the technical secretariat for the CICAD Expert Group on the Control of Money Laundering and represents the OAS at international forums on policies to control this criminal activity and the financing of terrorism. In 2006, the activities of the section focused on the Control of Money Laundering Expert Group, training programs for judges and persecutors, technical assistance to assist governments in drafting legislation and regulations, and participation in conferences and seminars.

Expert Group

The group met twice, first in Washington in May and later in **El Salvador** in November. This year's agenda included three primary themes – seizures, international funds, and financial remittances – and included special presentations by the OAS Secretary General, as well as representatives of the United Nations, the Inter-American Development Bank (IDB), the American Financial Action Task Force (GAFISUD), the government of Spain, the OAS Office of Legal Cooperation, and the Inter-American Committee against Terrorism (CICTE).

In his opening remarks during the Meeting of the Expert Group to Control Money Laundering, the Secretary General proposed a CICAD assistance program to help member states provide funds to the Commission by each member state setting aside a small percentage (less than one percent) of revenue from seized assets. This revenue would support CICAD activities, such as specialized training. He reiterated the proposal at the OAS General Assembly in the Dominican Republic. The OAS Office of International Legal Cooperation and CICTE presented two projects: a secure web page for exchanging information among program partners and a training module for combating the financing of terrorism. The Anti-Money Laundering section gave a comprehensive accounting of its programs over the past three years and presented the experts with a breakdown of costs and benefits.

Training

Training efforts in money laundering control focused on judges, prosecutors, police officers, customs agents, the financial analysts and computer specialists of the financial intelligence units (FIUs), and compliance officers of financial institutions.

Workshops for judges and prosecutors were held in the **Dominican Republic, Honduras, Panamá, Guatemala** and **Nicaragua**. Course work was developed under the Project to Fight Money Laundering through the Judicial System (IDB/CICAD). The courses were led by four international specialists (from Spain and Chile) as well as national experts. Subjects included, among others, money laundering doctrine, proof, international cooperation and special investigative techniques.

In a joint initiative with the United Nations and the IDB, mock trials were held in the **Dominican Republic, El Salvador, Costa Rica** and **Chile**. These exercises are based on real cases of money laundering and are aimed at judges, prosecutors and public defenders, as well as experts from financial intelligence units and the police who participated as witnesses in many cases. The trial itself is preceded by several months of preparation in which, in addition to studying the case work, the participants prepare an investigative plan following a format developed expressly for this project.

“Train the trainer” training was also provided to law enforcement agents (police, customs, prosecutors) from **Honduras, El Salvador, Nicaragua, Guatemala, Costa Rica, Panama, the Dominican Republic** and **Brazil**. As part of the follow-up to the program, memoranda of understanding were signed with **Uruguay, Bolivia, Paraguay** and **Peru**, through which computer hardware was acquired so that the course could be replicated in each country. The Anti-Money Laundering section maintains a database with all the trainees who have passed the final exam and form part of a trainers network.

With the assistance of the government of Spain and the participation of the United Nations Office on Drugs and Crime, CICAD carried out a pilot project to promote operations coordination among the police, financial intelligence units and prosecutors. A workshop, attended by **Honduras, El Salvador, Nicaragua, Guatemala, Costa Rica, Panama**, and the **Dominican Republic**, consisted of a mock investigation, based on real cases, during which agents from the institutions involved resolved a case of money laundering, and prepared the case for trial. The workshop combined a strong practical component with a theoretical framework for the preparation of cases and their adjustment to national and international laws and regulations. Trainers-facilitators came from the United Nations, the Ministry of Interior and the Prosecutors' Office of Spain, and CICAD's Anti-Money Laundering section.

Technical Assistance

Technical assistance was focused on the establishment and development of financial intelligence units (FIUs) through the IDB/CICAD project. Beneficiaries were **Costa Rica, El Salvador, Nicaragua, Panama, Honduras**, the **Dominican Republic, Uruguay, Ecuador** and **Colombia**. The program, which was completed in December, provided assistance in the areas of staff training, organizational design, information system design, and technology acquisition. Staff participated in two regional workshops on basic tools for the analysis of financial information. In each of the countries, workshops included practical exercises in information analysis using computer software. In one of the sessions of these workshops, compliance officers from national financial institutions received special training to improve reports they submit to FIUs.

In the second half of 2006, the Anti-Money Laundering section began an ambitious new project for law enforcement agencies and prosecutors to develop a database classifying the many different types of money laundering, standardizing the terminology for describing each and cataloguing the real and potential law enforcement responses to detect, investigate and prosecute each type of money laundering, as well as describing the outcome of each case. The database will be tested with **Mexico, Argentina, Colombia, Panama** and **Trinidad and Tobago** and then made available to law enforcement agencies and prosecutors of all member states.

The Anti-Money Laundering section finished preparing a modularized curriculum on money laundering control for judges, prosecutors, law enforcement officers and other stakeholders. Due to its modular organization, the coursework can be easily adapted to specific requirements and target groups. It will be available to serve as the backbone of CICAD training and to provide baseline knowledge to public authorities involved in the control of money laundering.

Other Activities

Representatives participated in the following seminars, conferences and forums: the American Financial Action Task Force (GAFISUD); the first Meeting on Information Technology of the Financial Intelligence Units of South America; and the INTERPOL Group of Experts on Money Laundering. At the same time, contact was maintained with the Financial Action Task Force (FATF-GAFI), the Financial Action Task Force of the Caribbean, and the International Monetary Fund to establish coordination for the programs and projects administered by these organizations.

Publications

A grant from the government of Venezuela made possible the publication of the second edition, updated and augmented, of a reference work for judges and prosecutors entitled *El Combate al Lavado desde el Sistema Judicial* authored by Spanish law experts Javier Zaragoza Isidro Blanco and

Eduardo Fabán. The book also serves as the reference text for most money laundering training courses.

E. INSTITUTION-BUILDING

Overview

CICAD seeks to ensure that each member state has an established and robust national drug control commission with meaningful political support, legal powers, specialized staff and budget adequate to ensure continuity and effectiveness. CICAD supports most member states in drafting, updating, and decentralizing their national drug control strategies, policies, plans and programs, and helping them to identify the strengths and weaknesses of their institutional structures. Technical assistance is often provided on the drafting of laws and regulations on various aspects of drug control, and updating their regulatory framework. Support is also provided for organizational development in the national drug control commissions.

Organizational Development

The section had three initiatives in this area: First it carried out evaluations of national anti-drug policies and plans in **Antigua and Barbuda, Dominica** and the **Dominican Republic**. Second, it undertook a comparative study of drug legislation that included a review of methodology, prevention and treatment, and control of chemical substances. Finally, at the request of the Commission, it conducted evaluations of anti-drug plans in the **Bahamas, Barbados, Dominica, the Dominican Republic, Guatemala, Panama, Paraguay, Venezuela** and **Ecuador**. The consultant who performed the evaluation delivered the report (CICAD/Doc. 1508/06) at the thirty-ninth regular session of CICAD in May.

Strengthening Human Resources in National Drug Commissions (NDCs)

Activities included a series of workshops carried by CICAD's Educational Development and Research section to introduce the staffs of national drug commissions to the *logical framework* methodology of project management, including techniques for planning, managing, monitoring and evaluating projects. Workshops, attended by 56 staff members, were held in **Guatemala** for Central America; in **Venezuela** for the Andean countries; and in **Paraguay** for the Southern Cone countries. A fourth workshop, for the Caribbean, will take place early 2007. Training for NDC personnel in **Venezuela, Argentina** and **Mexico** was provided through three workshops on new work models, high-performance skill teamwork, motivational instruments and adaptation to change. A total of 76 staff members received this training.

The management of the Project on the Decentralization of Drug Policies in the Andean Countries was transferred to the Inter-American Observatory on Drugs.

F. EDUCATIONAL DEVELOPMENT AND RESEARCH

Overview

The Educational Development and Research section strives to encourage a greater understanding of drug issues by working with universities, professional associations, and other institution in the hemisphere. It seeks to address the scarcity of professionals with adequate specialization, scientific knowledge and research skills in the drug field by introducing drug-related curriculum in undergraduate, graduate (specialization, masters and doctoral levels) and research programs. It applies a multi-disciplinary, holistic approach to the study of the drug problem. In addition, it also

provides specialized courses for CICAD staff, members of national drug control commissions and other professionals involved with activities related to the drug problem, as well as giving technical and financial support for academic research.

University Partnership Projects

Since 1997, CICAD has been developing several models of collaboration with universities in the Americas as reported to the Commission at its thirty-ninth regular session (CICAD/doc.1458/05). This initiative started with schools of nursing, which incorporated a broad range of course content (promotion of better life styles, prevention of drug use and abuse, and social integration) in undergraduate and graduate nursing curricula, as well as the development of extension activities and pilot research studies. At present, 16 university schools of nursing in 11 Latin American countries are involved. A model curriculum with drug-related content was published in 2004 for undergraduate and graduate nursing programs (specialization, masters, and doctorate). Thus far, over 17,000 nursing undergraduate and graduate students have participated. This approach has expanded to include schools of public health, and exploratory work has begun with schools of medicine and education.

Schools of Nursing

In 2005, CICAD expanded its original approach of working with the individual schools of nursing to include developing partnerships with associations of schools of nursing and the national drug commissions in **Argentina, Colombia, Chile, Peru** and **Mexico**. The CICAD schools of nursing project also organized two international meetings on leadership and research to discuss the contribution of the nursing profession on drug issues in Latin America in August 2006 in Bogotá, Colombia. In the two meetings, 150 representatives came from four universities in the United States and 19 in Latin America.

Schools of Public Health

In conjunction with the Pan American Health Organization (PAHO), CICAD undertook an evaluation of schools of public health in Central and South America and the Caribbean to determine how these schools address drug and international health related issues in their curricula. In October 2006 in Córdoba, **Argentina**, CICAD and PAHO organized a three-day meeting on drug and international health issues with the participation of representatives of 13 schools of public health. The objectives of the meeting were: to present the progress of implementation of the CICAD Schools of Public Health Project in each school; to identify the advances and barriers for the creation of the information exchange network among schools of public health in Latin America; and to deliver a training course called *Drug Phenomenon and International Health in the Americas – Emphasis on Prevention of Use and Abuse of Drugs*.

Schools of Medicine

A pilot initiative with the ABC Foundation School of Medicine in São Paulo, **Brazil** was launched in 2004 to incorporate drug-related content into undergraduate and graduate medical curricula, extension activities and research. In 2006 the ABC Foundation School presented five posters about lessons learned on the experience at an international conference in Colombia. CICAD is laying the groundwork to expand this experience to another four schools in Brazil to test the methodology of including drug content in the undergraduate curriculum of medical schools, as well as extension activities and research studies with drug issues.

University Partnership Graduate Projects

On-Line Specialization Research Capacity-Building Program for Health Professionals (PREINVEST)

In March 2005, CICAD and the School of Nursing at the University of São Paulo at Ribeirão Preto (**Brazil**) launched an on-line research specialization program for health and related professionals to study the drug problem in Latin America. This first class of 32 students from 10 countries graduated in August 2006. In December of 2005, CICAD signed an agreement with the National Anti-Drug Secretariat (SENAD, Brazil) to provide technical and financial support jointly for this program until 2008 as part of CICAD's efforts to promote horizontal cooperation. After this transitional phase, the program will become self-sustained. For more information about the On-Line Research Program go to <http://preinvest.cicad.oas.org>.

International Research Capacity-Building Program for Health-Related Professionals to Study the Drug Phenomenon in Latin America

In June 2006, CICAD and the Center for Addiction and Mental Health (CAMH, Toronto, Canada), with the financial support from the government of **Canada**, offered an advanced research training program for health-related professionals from Latin America to study drug issues through the development of a multi-centric research study. Ten participants from seven Latin American countries completed the 10-week activity in Toronto and then returned to their own countries to implement a multi-centric study entitled *Illicit Drug Use in Seven Latin American Countries: Critical Perspectives of Family and Relatives*.

Research Projects

CICAD is partnering with 23 universities (4 in the United States and 19 in Latin America) to conduct comparative studies on drugs, women and violence in the Americas. The research groups have already collected the data and presented preliminary results at an international conference in **Colombia** in August 2006. This initiative is part of a horizontal cooperation agreement between CICAD and Brazil's Anti-Drug Secretariat (SENAD).

Multilateral Evaluation Mechanism (MEM) Assistance Projects

CICAD and the government of **Brazil's** National Anti-Drug Secretariat (SENAD) started work on a nationwide cataloguing of government and non-governmental organizations working delivering treatment services for alcohol and other substance abuse. CICAD has financed half of the cost of the study and SENAD the other half.

National Drug Commission-Specific Professional Training

In response to the need for technical training of the staff of the national drug control commissions, the EDR and Institutional Development sections offered training courses on the *logical framework* methodology for project design, covering all national drug control commissions of Latin America and the Caribbean.

CICAD Publications.

CICAD (through the Educational Development and Research section) has published the following documents in 2006 related to the schools of nursing projects in Latin America:

CICAD/OAS (2006). *The Role of the Nursing Profession and the Drug Phenomenon in Latin America*. First Edition (English), Santa Catarina. Serie 5

CICAD/OAS (2006). *El Liderazgo, la Investigación de Enfermería y el Fenómeno de las Drogas en las Américas*. First Edition (Spanish), Santa Catarina. Serie 7.

G. INTER-AMERICAN OBSERVATORY ON DRUGS

Overview

The Inter-American Observatory on Drugs (OID) is CICAD's statistical, information and research branch. Its mandate is to promote and support a hemisphere-wide drug information network with and for CICAD member states that provides scientifically valid, up-to-date and comparable information on the production, trafficking, use, and societal impact of drugs. Informed by a sound, evidence-based picture of the drug problem both nationally and at the hemispheric level, CICAD member states, individually and collectively, can better understand all the dimensions of the drug problem, and design and implement policies and programs to address them.

The Observatory provides the underpinnings for MEM indicators and for national anti-drug efforts by helping countries improve the collection and analysis of drug-related data; by promoting the establishment of national observatories and the use of standardized methods and data; and by providing scientific and technical training for, and the exchange of experiences among, professionals working on the drug problem.

Statistics on Drug Use

Since 2005 and through 2006, the statistical area of the Observatory increased its support to the national anti-drug commissions in order to measure the magnitude of drug consumption. In partnership with the United Nations Office on Drugs and Crime (UNODC), it produced a comparative analysis about drug consumption among secondary school students in nine South American countries: **Argentina, Bolivia, Brazil, Colombia, Chile, Ecuador, Peru, Uruguay and Venezuela**.

In addition, the national reports of the surveys carried out in 2005 were also published.

Surveys in 2006

Household surveys: During 2006, the national reports of surveys in **Costa Rica, Guatemala, El Salvador and Nicaragua**, were published. Surveys were conducted in **Argentina, Bolivia, Chile, Ecuador, Peru and Uruguay** in a joint initiative with UNODC Peru. Corresponding national reports, as well as a comparative study of the results, should become available in the first half of 2007, as well as a comparative study of the results. Another household survey took place in **Barbados**.

Secondary school surveys: Surveys were carried out in **Costa Rica, Barbados, Dominica, Guyana, Jamaica, St. Kitts and Nevis, St. Vincent and the Grenadines and Trinidad and Tobago**. The results of some of these studies were available by end-2006, with the remainder to be published in early 2007. In addition to each country report, a comparative analysis of the status of drug use and abuse in the Caribbean will be prepared in 2007.

University student surveys: The special methodology for surveying drug use among university students underwent final review and will be ready for application in 2007.

Public employees: The report of a **St. Lucia** survey of drug use among public employees conducted at the end of 2005 as part of a workplace prevention program was published in 2006.

Latin American Epidemiology Work Group (REDLA).

In a joint initiative with the U.S. National Institute of Drug Abuse (NIDA), the Latin American Epidemiology Work Group (REDLA) was created in December 2006 to encourage drug use research in the academic environment in Latin America and also to establish a flow of information among the participants. The working group agreed to hold annual meetings.

Meeting of Ibero-American Observatories on Drugs

The third meeting of Ibero-American Observatories on Drugs took place under the auspices of the Spanish Agency for International Cooperation (AECI) and NIDA in Cartagena, **Colombia**, in December. More than 50 professionals from 20 countries, as well as special guests from the National Hispanic Science Network, the Spanish Observatory on Drugs, and the European Monitoring Centre for Drugs and Drug Addiction, attended.

CICAD/NIDA Competitive Research Award Fund

CICAD, in conjunction with the NIDA, created a grant program to encourage epidemiological research in CICAD member states to encourage the use of existing databases of surveys to generate additional analysis at low cost.

Statistical Indicators on Supply Reduction

Promotion of CICDAT Software

In 2006 the Observatory took action to promote the use of its software application among national observatories. The system permits the standardization of information and its transmission within and among the member states and the Executive Secretariat. In addition, the institutions of each country that generate data (police, customs service, etc.) can send data electronically to the national coordinator, who can then process data, validate it and then transmit it to OIA via the Internet.

Program to Estimate the Human, Social and Economic Costs of Drugs in the Americas

The CICAD Program to Estimate the Human, Social and Economic Costs of Drugs in the Americas arose from a mandate from the Action Plan of the Third Summit of the Americas in 2001, which was renewed in the Fourth Summit in Mar de Plata in November 2005. The methodology developed was based on the *International Guidelines for Estimating Costs of Substance Abuse* developed by the Canadian Centre on Substance Abuse and its international working group on costs. Six countries (**Barbados, Chile, Costa Rica, El Salvador, Mexico and Uruguay**) participated in the pilot study. Subsequently, the governments of **Argentina** and **Colombia** joined the study group. The government of **Trinidad** has expressed an interest in the program and expects to implement it by end-2006. **Chile** expanded its participation in the program by implementing the first study on avoidable costs (factors that are immediately influenced by government policy decisions) in December 2006 with the support of the Canadian government,

Information

The Observatory concentrated disseminating of drug-related information through CICAD's [web site](#) and on the online news bulletin, the *Observer News*. The Observatory continued giving support to member countries so that they could collect information for the MEM process and develop and strengthen their national observatories. In its fourth year, the quarterly online newsletter highlighted activities in the 34 member states and provided updated information about CICAD programs and

projects. It also reported on new tendencies in drug use and innovative methods of prevention and treatment. The online newsletter underwent a redesign to improve its readability and access.

Decentralization of Counter-Drug Policies in the Andean Countries

In January 2006, the OID assumed the management of the Project on the Decentralization of Drug Policies in the Andean Countries (initially handled by the Institutional Development section). This project began in 2003, with financial and technical support of the *Agencia Española de Cooperación Internacional* (AECI) of Spain and of its National Drug Plan (*Delegación del Gobierno para el Plan Nacional sobre Drogas, Ministerio de Sanidad y Consumo*). CICAD has worked with the national drug control commissions of all five participating countries (**Bolivia, Colombia, Ecuador, Peru and Venezuela**) to strengthen the process of decentralization of national drug policies, particularly strengthening the capacity of regional, provincial and municipal governments to detect new patterns of drug use and conduct locally tailored prevention and treatment programs.

During 2006, the project developed an intense work in the field in several important areas along the following lines:

- Formal establishment of local drug committees in the participating municipal governments and promoting work and creating awareness among politicians and local institutions;
- Development of local diagnoses on drug use in the municipalities of Bolivia, Ecuador, Peru and Venezuela as a starting point for work with the existing municipal committees;
- Design and elaboration of training and public awareness materials aimed at local actors;
- Training of local actors involved in drug policies on aspects related to demand reduction, planning and management;
- Writing and approval of local drug plans by the participating municipal governments
- Design, funding and execution of local pilot prevention projects; and
- Staging of the III Andean Meeting on Decentralization of Drug Policies, in the Training Center of Spanish Cooperation in Cartagena, on December 4-8.

CHAPTER II.
FINANCIAL AND BUDGETARY CONSIDERATIONS

A. CICAD'S CURRENT BUDGETARY SITUATION

(Note: The financial chapter of this report will be prepared early 2007 when the 2006 budget period closes)