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HEMISPHERIC PERSPECTIVE ON THE UNGASS OBJECTIVES AND GOALS 1998 – 2008

**Working document prepared by the Governmental Expert Group of the Multilateral
Evaluation Mechanism of the Inter-American Drug Abuse Control Commission**

(Preliminary Version)



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**A REVIEW BASED ON INFORMATION AVAILABLE TO
THE MULTILATERAL EVALUATION MECHANISM**

Preliminary Version

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November 2008

Introduction

The Governmental Expert Group of the Multilateral Evaluation Mechanism (MEM), carrying out the mandate from the 43rd regular session of CICAD, agreed to begin preparation of a technical document that would offer the Commission an analysis of hemispheric compliance with the goals of the UN General Assembly Special Session on the World Drug Problem (UNGASS 1998), and problems encountered in reaching them, based on material gathered by the MEM in its four evaluation rounds.

This document was designed as a tool for evaluation of progress and difficulties in hemisphere drug control policies over the past decade, in light of each of the areas addressed by the Political Declaration of 1998 and the Plans of Action that were adopted based on it.

The document will therefore address the following topics:

- 1- Demand Reduction
- 2- Illicit Manufacture, Trafficking, and Abuse of Amphetamine-type Stimulants and their Precursors
- 3- Control of Precursors
- 4- International Cooperation on the Eradication of Illicit Drug Crops and Alternative Development
- 5- Money Laundering
- 6- Judicial Cooperation

This document should be considered a preliminary contribution, because it is based only on some of the hemispheric reports prepared in the framework of the Multilateral Evaluation Mechanism during its four rounds. Analysis of the remaining hemispheric reports and the 34 country reports prepared in each evaluation round is pending.

Nonetheless, it is possible to see that the evaluations carried out within the framework of the Mechanism shed light on progress made in the hemisphere in all areas of the countries' drug prevention and control policies, and make it possible to identify weaknesses that the hemisphere should address in order to comply fully with the objectives the countries established for themselves in 1998.

Since the MEM is internationally recognized as a model for regional evaluation of drug control policies, we believe that the final version of this document could be a valuable contribution to the process of review of the UNGASS 1998 goals that is currently underway.

1. DEMAND REDUCTION

The UN General Assembly Special Session on the World Drug Problem (UNGASS 1998),¹ said in paragraph 17 of the Political Declaration: We “Recognize that demand reduction is an indispensable pillar in the global approach to countering the world drug problem, commit ourselves to introducing into our national programs and strategies the provisions set out in the Declaration on the Guiding Principles of Drug Demand Reduction, to working closely with the United Nations International Drug Control Program to develop action-oriented strategies to assist in the implementation of the Declaration, and to establishing the year 2003 as a target date for new or enhanced drug demand reduction strategies and programs set up in close collaboration with public health, social welfare and law enforcement authorities, and also commit ourselves to achieving significant and measurable results in the field of demand reduction by the year 2008.”

An annex to the political declaration was the “Declaration on the Guiding Principles of Drug Demand Reduction,”² in which the countries undertook to incorporate and develop a series of aspects in their drug plans and strategies. We shall now review the progress and problems encountered in the implementation of these principles in the countries of the hemisphere during the decade under review.

1.1 Assessing the problem³

In the framework of implementation of the Anti-drug Strategy in the Hemisphere during the UNGASS evaluation decade, the countries of the Americas and the Caribbean have striven to strengthen their capacity to gather statistical data on the magnitude of drug consumption, and in some cases have done studies on the economic and social costs of the drug phenomenon in their national contexts.

During the First MEM Evaluation Round (1999-2000) it was found that most countries did not have epidemiological research on the general population to measure use indicators such as prevalence, incidence, and age of first use of illicit substances.

The Fourth MEM Evaluation Round (2005-2006), and the follow-up of Fourth Round recommendations in 2008, have shown the establishment of drug observatories in several countries. As a result, 25 countries now have studies on student drug use and 14 have done studies of drug use in the general population using similar methodological standards.

¹ Resolution S-20/2

² Resolution S-20/3

³ See Declaration on the Guiding Principles of Demand Reduction UNGASS 1998, paragraph 9

It is clearly a sign of progress that countries in the hemisphere have strengthened their capacities so as to conduct studies of the general population, student population, and other areas. The challenge now is to maintain continuity so successive studies can be compared. This is the only way to identify trends in drug use and related behaviors, in order to evaluate changes in the drug phenomenon and make the necessary adjustments in the policies and strategies to be developed on a valid scientific and technical basis.

1.2 Tackling the problem⁴

The First MEM Evaluation Round (1999 – 2000) found that although some countries had prevention programs, particularly targeting students, it was essential to develop comprehensive national systems for drug use prevention to cover various sectors of the population.

The Fourth MEM Evaluation Round (2005-2006), and the follow-up of Fourth Round recommendations in 2008, have shown substantial progress by some countries in the implementation of standardized prevention programs with nationwide coverage and adequate budgets. These countries' experiences have facilitated horizontal cooperation in program design, and the sharing of technical expertise and advisory services.

In the area of treatment, rehabilitation, and social reintegration of persons with drug use problems, the First MEM Round in 1999 – 2000 revealed limitations prevalent in the hemisphere, and where these services existed they were usually provided by NGOs. It was therefore found that most of the countries needed to allocate more resources to this area to develop the capacity to offer help to those needing it.

The Fourth MEM Evaluation Round (2005-2006), and the follow-up of Fourth Round recommendations in 2008, have shown that 62% of the countries in the hemisphere have established minimum standards of care for drug abuse treatment patients. These regulations are for the most part national in coverage, and some countries have specific provisions at the federal or state levels.

More than two-thirds of the countries have a national register of treatment services and programs. The Ministry of Health is generally the primary agency responsible for maintaining it. Half of the countries in the hemisphere have instruments for accreditation of treatment services and programs and have a mechanism to evaluate the quality of services provided.

Treatment centers in the hemisphere provide such services as detoxification (47% of the countries); early detection (53%); rehabilitation (47%); and social reintegration (18%). More than half of the countries have treatment centers or

⁴ See Declaration on the Guiding Principles of Demand Reduction UNGASS 1998, paragraph 10

programs specifically targeting women (56% of the countries), the incarcerated population (56%), and juvenile offenders (50%).

Although progress is evident from the fact that 21 countries in the region have established minimum standards of care, only 17 of them have instruments for accreditation of treatment services and programs and a mechanism to evaluate the quality of the services provided. Therefore, only half of the 34 countries in the hemisphere have the basic essentials for delivering treatment programs with the minimum required standards, and this represents a challenge for the hemispheric agenda in this area.

1.3 Forging partnerships⁵

The Fourth MEM Evaluation Round (2005-2006), and the follow-up of Fourth Round recommendations in 2008, have shown limited progress in the involvement of the community in the management and execution of demand reduction programs.

Only a few countries have activities to train and equip the community to develop prevention programs. Moreover, few countries facilitate community involvement through the use of project funds to finance initiatives arising from the local area, labor, etc.

Prevention activities are generally focused on the population in the capital cities and other large cities. Financial and human resources are not provided for effective coordination with national and local agencies, and for serving people in the urban and rural communities.

In addition it should be noted that both public and private entities in some countries have carried out programs that have made it possible to accumulate the knowledge and experience needed to draft and approve the “Hemispheric Guidelines for Prevention of Drug Use in the Workplace” (2008) which contributes to forging partnerships to address drug use from a cooperative perspective.

The Fourth MEM Evaluation Round (2005-2006) and the follow-up of Fourth Round recommendations in 2008 have shown lack of integration of national drug strategies and plans with the strategies and plans of other government agencies for addressing other complex problems in our societies, such as poverty and social exclusion, which are relevant to the desired impact.⁶

To prevent and reduce drug use it is necessary to carry out a set of prevention programs in an integrated system. Such a system normally requires the involvement of various government agencies. Few countries in the hemisphere

⁵ See Declaration on the Guiding Principles of Demand Reduction UNGASS 1998, paragraph 11

⁶ See Declaration on the Guiding Principles of Demand Reduction UNGASS 1998, paragraph 12

have integrated their drug strategies in the framework of a national public policy system to improve coordination necessary for more effective policies in these areas. In other cases, although there are national drug policy coordinating bodies (Councils) composed of the senior officials of the government agencies, most of them meet sporadically and do not represent effective coordination and linkage of national drug strategies, which obviously contributes little to the strategies' effectiveness and impact.

Furthermore, in most cases the demand reduction budgets are insufficient for execution of activities of that type. A pending challenge for the countries of the hemisphere is making an effort to include in their annual or fiscal budgets the necessary resources for drug demand reduction activities, and not depend exclusively on international cooperation for them.

1.4 Focusing on special needs⁷

The Fourth MEM Evaluation Round (2005-2006) and the follow-up of Fourth Round recommendations in 2008 have shown that the greatest progress in the hemisphere has been in the area of school-based prevention. In most cases the programs are compatible with the principles of the "CICAD Hemispheric Guidelines on School-based Prevention." This fact strengthens the development of programs that incorporate the educational community, parents, and even local officials in an approach of shared responsibility for the prevention effort.

However, there are still differences in the coverage and scope of school-based programs. In some countries the target population is reached almost in its entirety—preschool education, primary education, and middle or secondary education—while in others coverage is limited to some schools or educational establishments in a given locality. In other cases, it has not been possible to identify the number of participants or the coverage of the programs for lack of centralized data to document this progress.

Few countries are carrying out programs for specific population groups such as families, youth, the workplace, and the community. This continues to be a challenge in most countries in our hemisphere and is a constraint on the establishment of comprehensive national prevention systems.

The Fourth MEM Evaluation Round (2005-2006) and the follow-up of Fourth Round recommendations in 2008 have shown that only a few countries are starting drug prevention programs for the incarcerated population. Only four countries have reported that there are opportunities for treatment and rehabilitation in the penitentiary system.⁸

⁷ See Declaration on the Guiding Principles of Demand Reduction UNGASS 1998, paragraph 13

⁸ See Declaration on the Guiding Principles of Demand Reduction UNGASS 1998, paragraph 14

Three countries have programs known as “drug courts,” designed to deal with drug offenders, which permit alternative sentencing to treatment and rehabilitation instead of jail.

Although 50% of the countries have treatment and rehabilitation programs for juvenile offenders, the limited number of these programs and their low coverage are something that the countries in the hemisphere must correct to address the growing link between crime and drugs.

1.5 Sending the right message⁹

The Fourth MEM Evaluation Round (2005-2006) and the follow-up of Fourth Round recommendations in 2008 have shown that most countries are conducting educational drug use prevention campaigns through the media and other means, with more limited coverage for specific sectors of society. They all are seeking to increase the societies’ awareness, understanding, and commitment to attack drug use.

In addition, several countries have a budget for dissemination of information (publications and materials) on the drug problem, which has strengthened their capacity to share information with the public at large.

However, one limitation in our hemisphere regarding the delivery of drug-related information through media campaigns is that there are few evaluations to measure the effectiveness of the messages sent.

1.6 Building on experience¹⁰

The Fourth MEM Evaluation Round (2005-2006), and the follow-up of Fourth Round recommendations in 2008, have shown that 33 member states have offered specialized training and short refresher or continuing education courses on drug use prevention. In addition, school-based prevention programs have afforded more training opportunities for teachers in life skills, reduction of risk factors, and promotion of protective factors.

The countries have also made great strides toward implementing permanent integrated training systems for drug use treatment and rehabilitation professionals. There are training programs specifically geared for these professionals, and also short courses on the care of drug users for care center personnel, among others. Some countries also offer training for personnel who work with the general public or the prison population.

⁹ See Declaration on the Guiding Principles of Demand Reduction UNGASS 1998, paragraph 15

¹⁰ See Declaration on the Guiding Principles of Demand Reduction UNGASS 1998, paragraph 16

The First MEM Evaluation Round 1999 – 2000 revealed that most countries did not regularly evaluate their demand reduction programs.

The Fourth MEM Evaluation Round (2005-2006), and the follow-up of Fourth Round recommendations in 2008, have shown that seven of 10 South American countries report having conducted some type of evaluation of prevention program results. In Central America, four of six countries have evaluated some prevention programs. The three North American countries reported evaluations to measure the effectiveness and impact of some of their prevention programs.¹¹

2. ILLICIT MANUFACTURE, TRAFFICKING, AND ABUSE OF AMPHETAMINE-TYPE STIMULANTS AND THEIR PRECURSORS

The Political Declaration of the UN General Assembly Special Session on the World Drug Problem (UNGASS 1998) stated: We “Decide to devote particular attention to the emerging trends in the illicit manufacture, trafficking and consumption of synthetic drugs, and call for the establishment or strengthening by the year 2003 of national legislation and programs giving effect to the Action Plan against Illicit Manufacture, Trafficking and Abuse of Amphetamine-type Stimulants and their Precursors,…”¹²

To carry out this mandate the countries approved the document on “Measures to Enhance International Cooperation to Counter the World Drug Problem,” including in the area of supply reduction the Action Plan against Illicit Manufacture, Trafficking and Abuse of Amphetamine-type Stimulants and their Precursors.

2.1 Raising awareness of the problem of amphetamine-type stimulants

Although the Anti-drug Strategy in the Hemisphere pursues a comprehensive and balanced approach to supply reduction, addressing all types of drugs, the various MEM evaluation rounds have not assigned priority to specific recommendations to the countries on this topic.

However, regarding awareness of this problem, the overview of the hemispheric situation in the First Evaluation Round (1999-2000) Hemispheric Report warned of the possibility of increased production and availability of synthetic drugs in the region, and the increasing use of the Internet to sell substances of this type.

Starting with the Third Round there were increasingly persistent concerns about this problem, particularly the detection of larger numbers of synthetic drug labs.

¹¹ See Declaration on the Guiding Principles of Demand Reduction UNGASS 1998, paragraph 17

¹² Resolution S-20/4 A

Finally, in the Fourth Evaluation Round (2005-2006) the Hemispheric Report highlighted the growing significance of the problem for the region, especially for the North American countries.

2.2 Providing accurate information on amphetamine-type stimulants

The report of the First Evaluation Round said that the Internet had become the medium of choice for expanding production of synthetic drugs, and it was easy to find websites with directions for making homemade drugs.

By the Fourth Round the report called for special attention to the problems posed by the illegal sale of pharmaceuticals containing internationally controlled substances via the Internet, and the improper use of the mail and courier services for contraband in these products.

The Hemispheric Report in the Fourth Round stated that some countries had reported evidence of diversion through this means of trafficking, but the limited data and the complexity of this system made it impossible for authorities to determine its scope. A recommendation was therefore made in this Round to 29 countries to develop actions for research and training regarding control of illicit Internet traffic in pharmaceuticals and other drugs.

2.3 Limiting the supply of amphetamine-type stimulants

The First Round noted that the production and availability of synthetic drugs was on the rise in the Hemisphere, stating that amphetamine-type stimulants such as MDA (speed) and MDMA (ecstasy) were made in small clandestine laboratories that could be easily moved or abandoned, making it very hard to control.

The report said that the main chemical substances used to make synthetic drugs, such as ephedrine and pseudoephedrine, are legal in most countries, and often readily available because of their multiple uses in the pharmaceutical industry. This means that the drugs are cheap to produce and highly profitable.

Subsequently, the Fourth Round reported that although precise (or reliable) estimates of annual production of synthetic drugs in the hemisphere were lacking, there were statistics on their production in three countries: Canada, the United States, and Mexico. From the available data, it was learned that amphetamines, methamphetamine, phencyclidines (PCP), and ecstasy (MDMA) are manufactured in the hemisphere.

The report states that between 2004 and 2006 one of the major accomplishments of the member states' law enforcement officials was the destruction of infrastructure for illicit drug production. In the case of synthetic substances, 19,729 labs were destroyed, primarily those making methamphetamines and ecstasy.

Earlier, the Hemispheric Report of the Third Round (2003–2004) stated that faced with international controls on the raw material, clandestine methamphetamine laboratories had tried to obtain large quantities of pharmaceuticals containing ephedrine or pseudoephedrine, diverted from domestic and international trade. This trend continued in the Fourth Round and was reflected in the large seizures reported for 2004–2006 in Mexico (32,064,924 pseudoephedrine tablets) and in Panama (99,126 pseudoephedrine tablets).

2.4 Strengthening the control system for amphetamine-type stimulants and their precursors

The Hemispheric Report in the Fourth Evaluation Round (2005-2006) stated that 26 countries had domestic legislation for controls on all pharmaceutical products containing substances listed in international conventions. However, the same report indicated that the legal framework alone is insufficient, and supplementary mechanisms are needed for its full application at the operational level.

Weaknesses in the control of the supply of this type of product were detected in the Fourth Round in areas related to administrative structures, human and financial resources, lack of periodic inspections of establishments and the professionals involved, measurement of effectiveness of the controls applied, implementation of software to permit cross checking controls throughout the marketing chain, and the lack of records on administrative, civil, and penal sanctions imposed.

3. CONTROL OF PRECURSORS

The Political Declaration of the UN General Assembly Special Session on the World Drug Problem (UNGASS 1998) stated: We “Decide to devote particular attention to the measures for the control of precursors, ... and further decide to establish the year 2008 as a target date for States, with a view to eliminating or significantly reducing the illicit manufacture, marketing and trafficking of psychotropic substances, including synthetic drugs, and the diversion of precursors.”¹³

To carry out this mandate the countries approved the document on “Measures to Enhance International Cooperation to Counter the World Drug Problem,” which includes the Plan of Action for Control of Precursors.

3.1 Legislation and national control systems

The First Round demonstrated that diversion and smuggling of controlled chemical substances continued to pose a grave problem in the hemisphere due, in particular, to weak controls and insufficient implementation by both exporting and

¹³ Resolution S-20/4 B

importing countries of international commitments derived from the conventions in force.

Although 21 countries in the Hemisphere had controls to prevent diversion of controlled chemical substances, and the necessary institutional structure (including authorities, legislation, capacity for determination of the need for illicit controlled chemical substances, and national coordination), diversion of controlled chemical substances continued to be one of the region's major problems. This report already warned of the pressing need to strengthen implementation of domestic and international control mechanisms, specifically pre-export notification of controlled substances.

After the Fourth Round 25 countries had domestic legislation on this matter, but nine still did not.

However, the Fourth Round report indicated that although most countries had some sanctions in their legislation for diversion of chemical substances and reported large seizures of chemical substances, only six countries reported application of criminal sanctions and only 13 applied administrative sanctions.

It was therefore evident from the Fourth Evaluation Round that there are still weaknesses in the control and monitoring of chemical substances that facilitate their availability for the clandestine manufacture of large quantities of drugs, both natural and synthetic. The weaknesses are in the administrative structures, the investigations and seizures, and implementation of the laws. The same countries have expressed the need to strengthen and enhance the availability of training in order to achieve greater effectiveness in diversion prevention and in the fight against trafficking in these substances.

3.2 Information exchange

The Hemispheric Report of the Fourth Round (2005-2006) says that although the pre-export notification system is considered the most effective way to quickly verify the legitimacy of various transactions, only 15 countries in the hemisphere currently participate in it.

Nevertheless, the pre-export notification system has been complemented by the International Narcotics Control Board (INCB) Pre-Export Notification System (PEN Online), as well as the increased number of countries participating in the Inter-American Drug Control Telecommunications Network (RETCOD), a mechanism created by CICAD to facilitate data exchange and coordination among member states' various control agencies.

3.3 Data collection

The hemispheric reports do not contain information that would make it possible to determine whether the countries have information on the normal patterns of

legitimate trade and on the licit uses of and requirements for precursors, which is needed to monitor the legitimacy of individual transactions.

As the Plan of Action states on this point, it is difficult for states to collect the data if the framework and systems for adequate control of precursors are not in place.

However, the establishment of registers of chemical substance operators in many countries in the region is a step toward having these tools in the future.

3.4 International cooperation

The First Round report said it was highly significant that 14 countries in the region have been working to perfect international operational coordination and cooperation via the United Against Drugs initiative sponsored by CICAD and the United States government, which includes various national control agencies. Similarly, the report said that in implementing an initiative proposed in the framework of the United Nations, since April 1999 some countries in the region have participated in "Operation Purple," the objective of which is to control transactions involving potassium permanganate, to prevent its diversion.

4. INTERNATIONAL COOPERATION ON THE ERADICATION OF ILLICIT DRUG CROPS AND ALTERNATIVE DEVELOPMENT

The Political Declaration of the UN General Assembly Special Session on the World Drug Problem (UNGASS 1998) stated: We "Reaffirm the need for a comprehensive approach towards the elimination of illicit narcotic crops in line with the Action Plan on International Cooperation on the Eradication of Illicit Drug Crops and Alternative Development ...; stress the special importance of cooperation in alternative development, including the better integration of the most vulnerable sectors involved in the illicit drug market into legal and viable economic activities; emphasize the need for eradication programs and law enforcement measures to counter illicit cultivation, production, manufacture and trafficking, paying special attention to the protection of the environment...."¹⁴

In order to carry out these commitments, the member states approved the document "Measures to enhance international cooperation to counter the world drug problem," which included the Action Plan on International Cooperation on the Eradication of Illicit Drug Crops and on Alternative Development.

¹⁴ Resolution S-20/4 E

4.1 The need for a balanced approach to confront high levels of illicit cultivation

With regard to the production of organic drugs, the First Round report indicated that although Peru and Bolivia considerably reduced the area of illicit coca cultivation, there had been a proportionate increase in Colombia. Therefore, total cultivated area in the region, estimated at 200,000 hectares on average, remained generally stable in the period 1990-2000, with a slight variation in 1999.

Moreover, the report stated CICAD member states were also concerned about criminal efforts in the hemisphere to cultivate illegal coca outside the traditional growing areas. Poppy and cannabis cultivation had spread to other countries. Also, potential production, the volume of illicit drugs available, and drug purity levels had all risen.

The same report said that the countries in the region, in the past, focused national efforts principally on interdiction or eradication in order to limit supplies and drive down consumption. The report added that experience has shown, however, that this approach has been insufficient. For example, even multi-ton drug seizures have not appeared to affect price or availability in the short run. Countries have achieved greater impact on all aspects of the drug problem through comprehensive strategies that include both the full range of enforcement measures as well as demand reduction and, where appropriate, alternative development.

4.2 Strengthening of international cooperation for alternative development

The First Round report stated that the orchestration of wide-ranging integrated alternative development programs constitutes one of the main tools available to producer countries to reduce and eliminate the cultivation of illicit crops in these countries. Based on the data supplied by the countries, it was clear that despite the efforts of the producer countries in which alternative development programs were applied, the implementation of these programs had been affected by various factors, including a lack of funds that limits their sustainability. In addition, there was evidence that alternative development programs can only be successful insofar as they are part of a long-term comprehensive strategy linked to control and prevention.

The Fourth Evaluation Round reported that, as in previous years, the largest alternative development projects were carried out in the four Andean countries with assistance from international cooperation, investing a total of more than \$500 million between 2004 and 2006. The purpose of these projects is to increase the productivity, profitability, competitiveness, income, and employment of the rural population by means of projects for the development of agricultural, forestry, and agribusiness production, infrastructure improvement, marketing services, rural credit, and corporate partnership follow-up, and other activities not directly related to farming such as eco-tourism as well as support for the establishment of handicraft microenterprises.

Although investments have been made for the execution of alternative development projects, there are still problems related to infrastructure, equipment, training, education, and marketing. While Colombia and Peru have project monitoring and evaluation mechanisms, other countries as yet do not. Lack of a system for measuring the cost/benefit of resources invested, as well as the impact of alternative development efforts over time is a generalized problem.

4.3 Improved and innovative approaches to alternative development

The First Round report noted that various countries have been affected by the emergence of small-scale illicit crop cultivation, in regions characterized by particularly critical socioeconomic conditions. In this context, attention was drawn to the necessity of developing programs designed to avoid the spread of these crops. Some countries were implementing programs based on a comprehensive development concept that seeks to prevent both the establishment of illicit crops and the displacement of unemployed labor to the areas in which these crops are grown.

The Fourth Evaluation Round of the MEM has shown that in addition to the Andean countries (Bolivia, Colombia, Ecuador, and Peru), Mexico and three Caribbean states (Barbados, Grenada, and Saint Vincent and the Grenadines) have also carried out activities to improve the economic opportunities and living conditions of residents of areas where illicit crop cultivation for drug production exists or could potentially exist, and to reduce the likelihood that persons become involved in other illicit activities related to the production of or illicit trafficking in drugs.

Nevertheless, the trend toward crop substitution underscores the need to strengthen international cooperation mechanisms. In this regard, CICAD has formed a Group of Experts on Alternative Development to contribute to the planning and execution of policies in this area. Moreover, progress is continuing on the establishment of the Andean Committee for Alternative Development (CADA), intended to harmonize alternative development policies implemented by the various countries of the Andean region.

4.4 Enhancing monitoring, evaluation, and information-sharing

In the First Round it was reported that coca production in the hemisphere was concentrated in three Andean countries: Bolivia, Colombia, and Peru. At the end of 1999, the cultivated area was estimated at 152,000 hectares, and 70,000 hectares had been eradicated.

Cannabis was cultivated in 30 countries in the hemisphere, while poppy was grown in four countries: Colombia, Guatemala, Mexico, and Peru. However, no consolidated hemispheric estimates were available on area cultivated and potential production during the period under review.

The Fourth Round found a downward trend in the area of coca and poppy crops, due mainly to intensive forced eradication operations. The total area of cannabis crops was not known, but a majority of the states reported seizures of this drug.

With regard to the cultivation of crops for the production of illicit drugs, the report stated some countries reported that farmers are using agricultural practices aimed at maximizing the productivity of coca leaf per hectare, and utilizing sophisticated techniques for extraction of the alkaloid. In the period from 1998 to 2006, there was a downward trend in the area of coca crops in the Andean region. The area decreased by approximately 63,850 hectares, a decrease of 44% from the highest value, 208,619 hectares reported in 1999, to the lowest value, 144,770 hectares in 2006.

The report also indicated that there is no data on large-scale coca cultivation outside the three main producing countries. According to the national reports, coca cultivation in Ecuador and Venezuela is marginal.

The main reason for the reduction in coca crops is forced eradication (aerial and manual). Colombia obtained significant results in coca eradication. According to reports of local authorities, eradication in 2006 was carried out on 214,000 hectares, of which 172,000 were by aerial spraying and 42,000 by manual eradication. Bolivia reduced 5,100 hectares through a consensus-based rationalization, while Peru, through the CORAH special project, eradicated approximately 12,700 hectares.

However, the reduction noted in the area of coca crops in the hemisphere has had little impact on the production of cocaine. According to studies in the three countries, this is because the productivity of coca leaf per unit of area detected is greater than that registered in previous years. Farming practices using fertilizer and pesticides, among other methods, have directly affected the coca leaf yield. According to the data reported, the potential production of cocaine was above 1,000 tons per year between 2004 and 2006.

According to the report, marijuana cultivation is found in nearly every country of the hemisphere, while poppy crops are concentrated in six countries (Colombia, Ecuador, Peru, Venezuela, Guatemala and Mexico), but there are no consolidated estimates at the hemispheric level of the total cultivated area and potential production. However, country reports show a downward trend in both the area of poppies planted and potential heroin production.

It is noteworthy that countries with a tradition of illicit crop cultivation have taken great strides to implement monitoring systems with the help of the United Nations Illicit Crop Monitoring Program. Depending on the situation, topography, and costs, in some cases they use satellite imaging with on-ground verification. In other cases they use aerial photography, and for crops such as poppy and marijuana, only on-ground verification is used because of the high cost of satellite technology.

5. MONEY LAUNDERING

In the Political Declaration of 1998 [paragraph 15], the States undertook to make special efforts against money laundering linked to drug trafficking and, in that context, emphasized the importance of strengthening international, regional and subregional cooperation, and recommend that States that have not yet done so adopt by the year 2003 national money laundering legislation and programs in accordance with relevant provisions of the United Nations Convention against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988 (hereinafter the 1988 Convention). They also put into practice the measures for countering money laundering, adopted at the 20th Special Session of the United Nations General Assembly.¹⁵

The States therefore assumed four general commitments:

1. To carry out special efforts to combat money laundering related to drug trafficking by strengthening international, regional, and subregional cooperation;
2. To enact domestic legislation against money laundering in accordance with the pertinent provisions of the United Nations Convention against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988;
3. To establish national programs against money laundering in accordance with the pertinent provisions of the United Nations Convention against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988; and
4. To implement the measures for the fight against money laundering included in Resolution S-20/4 D.

It is difficult to verify the first commitment because it is simply declarative. The States undertook to carry out special efforts to combat money laundering related to drug trafficking, and in this context emphasized the importance of strengthening international, regional, and subregional cooperation; but they did not spell out the special efforts nor the manner of strengthening international cooperation. There is no specific measurable action in this commitment that could be “met” or “not met,” so perhaps we can infer that these efforts refer to the goals derived from the second, third, and fourth commitments. In any case, the combined national efforts to comply with them should result [hypothetically speaking] in a relatively structured institutional framework that would facilitate the combat of money laundering and thereby be in a better position than the *ex ante* situation.

Under these premises, the importance of strengthening international cooperation would have to be understood as an *ex post* condition to the carrying out of these “special efforts” to combat money laundering related to drug trafficking. In other words: as a situation arising from the subsequent structuring of the institutional framework to combat money laundering in which prosecution for this offense would

¹⁵ Resolution S-20/4 D.

not be prevented, for example, by the lack of its criminalization in any State's domestic legislation. Thus the satisfaction of the first commitment would be inherently linked to and contingent upon attainment of the goals arising from the second, third, and fourth commitments, but always limited to a qualitative evaluation of the before and after situation, given its non-measurable character.

Concerning the second commitment, the 1988 Convention stipulates, in Article 3, that each Party shall adopt such measures as may be necessary to establish as criminal offenses under its domestic law, when committed intentionally:

1. The conversion or transfer of property, knowing that such property is derived from any offense or offenses established in accordance with subparagraph a) of Article 3 of the 1988 Convention,¹⁶ or from an act of participation in such offense or offenses, for the purpose of concealing or disguising the illicit origin of the property or of assisting any person who is involved in the commission of such an offense or offenses to evade the legal consequences of his actions;
2. The concealment or disguise of the true nature, source, location, disposition, movement, rights with respect to, or ownership of property, knowing that such property is derived from an offense or offenses established in accordance with the previous subparagraph or from an act of participation in such an offense or offenses;
3. Subject to each State's constitutional principles and the basic concepts of its legal system:
 - i. The acquisition, possession, or use of property, knowing, at the time of receipt, that such property was derived from the production, manufacture, extraction; preparation, offering, offering for sale, distribution, sale, delivery on any terms whatsoever, brokerage, dispatch, dispatch in transit, transport, importation or exportation of any narcotic drug or any psychotropic substance in the 1961 Convention (amended by the 1972 Protocol) or the 1971 Convention, or from an act of participation in such offense or offenses;
 - ii. Publicly inciting or inducing others, by any means, to commit any of the offenses established in accordance with points 1 and 2 above;

¹⁶ a) i) The production, manufacture, extraction; preparation, offering, offering for sale, distribution, sale, delivery on any terms whatsoever, brokerage, dispatch, dispatch in transit, transport, importation or exportation of any narcotic drug or any psychotropic substance contrary to the provisions of the 1961 Convention, the 1961 Convention as amended or the 1971 Convention; ii) The cultivation of opium poppy, coca bush or cannabis plant for the purpose of the production of narcotic drugs contrary to the provisions of the 1961 Convention and the 1961 Convention as amended; iii) The possession or purchase of any narcotic drug or psychotropic substance for the purpose of any of the activities enumerated in i) above; iv) The manufacture, transport or distribution of equipment, materials or of substances listed in Table I and Table II, knowing that they are to be used in or for the illicit cultivation, production or manufacture of narcotic drugs or psychotropic substances; v) The organization, management or financing of any of the offences enumerated in i), ii), iii) or iv) above.

- iii. Participation in, association or conspiracy to commit, attempts to commit and aiding, abetting, facilitating and counseling the commission of any of these offenses.

For this commitment the indicator of compliance (or element of verification) is clear: the existence of penal legislation that criminalizes money laundering in the terms set forth in the 1988 Convention. In this regard, data available from CICAD's Multilateral Evaluation Mechanism reveals the degree of compliance with this 1998 UNGASS goal. Starting with the First Evaluation Round, the MEM has inquired whether the hemisphere countries have national laws defining the offense of money laundering in the terms prescribed in Article 2 of the Model Regulations concerning laundering offenses connected to illicit drug trafficking and other serious offenses, which include all the conducts and/or activities specified in Article 3 of the 1988 Convention. By the end of the Third MEM Evaluation Round, which covered the period 2003-2004, all hemisphere countries had penal legislation that defined the offense of money laundering. Thus, the hemisphere as a whole complied with this UNGASS goal for 2003. Another matter for discussion, which does not belong in this evaluation, is the autonomy of the money laundering offense and predicate offenses, a point on which there are indeed substantial differences.

As regards the establishment of national programs against money laundering in accordance with the pertinent provisions of the United Nations Convention against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988, that instrument clearly specifies in point 2 of Article 9 that each Party shall initiate, develop, or improve specific training programs for personnel charged with the suppression of the offense of money laundering, dealing, in particular, with:

- 1 Methods used in the detection and suppression of this offense.
- 2 Detection and monitoring of the movement of proceeds and property derived from the commission of this offense.
- 3 Methods used for the transfer, concealment, or disguise of such proceeds, property, and instrumentalities.

Based on information available to the MEM, it is clear that 88%¹⁷ of the hemisphere countries have provided training programs to personnel charged with suppression of the offense of money laundering in their respective jurisdictions. However, based on the same information it is not possible to determine whether the training encompasses all aspects recommended in the 1988 Convention, so the abovementioned percentage cannot be presumed to be an indicator of effective compliance. It merely tells us that there have been significant strides in the region to provide training against money laundering, but it is not solid enough to indicate whether we were near to or far from compliance with the corresponding goal of UNGASS 1998.

¹⁷ Equivalent to 30 of the 34 States in CICAD.

Finally, in complying with the Political Declaration the States undertook to adopt the following measures contained in Declaration S-20/4 D:

- 1 Establishment of a legislative framework to criminalize the laundering of money derived from serious crimes in order to provide for the prevention, detection, investigation, and prosecution of the crime through, inter alia:
 - i. Identification, freezing, seizure and confiscation of the proceeds of crime;
 - ii. International cooperation; and mutual legal assistance in cases involving money laundering;
 - iii. Inclusion of the crime of money laundering in mutual legal assistance agreements for the purpose of ensuring judicial assistance in investigations, court cases or judicial proceedings relating to that crime.
- 2 Establishment of an effective financial and regulatory regime to deny criminals and their illicit funds access to national and international financial systems, thus preserving the integrity of financial systems worldwide and ensuring compliance with laws and other regulations against money laundering through:
 - i. Customer identification and verification requirements applying the principle of "know your customer," in order to have available for competent authorities the necessary information on the identity of clients and the financial movements that they carry out;
 - ii. Financial record-keeping;
 - iii. Mandatory reporting of suspicious activity;
 - iv. Removal of bank-secrecy impediments to efforts directed at preventing, investigating, and punishing money laundering;
 - v. Other relevant measures.
- 3 Implementation of law enforcement measures to provide tools for, inter alia:
 - i. Effective detection, investigation, prosecution, and conviction of criminals engaging in money laundering activity;
 - ii. Extradition procedures;
 - iii. Information-sharing mechanisms;

Regarding these measures, contained in document S-20/4 D, it is important to note that the criminalization of money laundering is a reiteration of the second commitment made by the States in paragraph 15 of the Political Declaration, so we shall not address it further. As for measures to provide tools for prevention, detection, investigation, and prosecution of this offense, data available to the MEM permit only a partial evaluation. Since the First Evaluation Round the MEM questionnaires have included indicators for gathering information on the existence in the region of legislation to permit or facilitate the identification, freezing, seizure, and forfeiture of the proceeds of this offense, and international cooperation on the subject. Information is not requested on the inclusion of the offense of money laundering in the agreements for reciprocal judicial assistance ratified by the countries in the hemisphere.

Since the First Evaluation Round, the MEM has also asked for information on administrative controls in place to prevent money laundering, including the possibility of lifting bank secrecy to permit both financial investigation and criminal prosecution. The Third MEM Evaluation Round ascertained that 94% of the countries in the hemisphere had implemented administrative measures (regulatory) against money laundering. But once again this percentage does not really help to show us how close we are to complying with another UNGASS goal. Information in the respective reports for Evaluation of Progress in Drug Control show us that the administrative measures adopted have not been uniform, and (in many cases) do not address all aspects called for by document S-20/4 D, paragraph 2. However, 79% of the countries report that in their respective jurisdictions it is possible to lift bank secrecy for purposes of judicial investigation.

Regarding the goals set in paragraph 3 of this document, information available to the MEM gives us only an indirect indication of how well countries in the region are meeting them. This can be gleaned from the countries' responses concerning the possibility of using specialized investigation techniques in money laundering cases, and the possibility of extradition in money laundering cases.

6. JUDICIAL COOPERATION

In the area of judicial cooperation [*paragraph 16 of the Political Declaration*], the States undertook to promote multilateral, regional, subregional, and bilateral cooperation among judicial and law enforcement authorities to deal with criminal organizations involved in drug offenses and related criminal activities, in accordance with the measures to promote judicial cooperation adopted at the 20th Special Session of the UN General Assembly.¹⁸ The States also agreed to review and, where appropriate, to strengthen, by the year 2003, the implementation of those measures.

Resolution S-20/4 C, containing the abovementioned measures to promote judicial cooperation, identified five thematic areas in which it "was desirable" to promote cooperation among the States and specified for each area the actions they should take to achieve that development or promotion; and two sets of "complementary

¹⁸ Resolution S-20/4 C

measures.” As in the case of the money laundering area, international cooperation must be understood as a condition of *ex post* improvement in the individual national efforts. It is not a progressive situation, but an “improved” situation resulting from a new institutional framework.

1st In the area of extradition [*Resolution S-20/4 C, I*], the States agreed to:

- 1 Simplify their procedures for extradition, consistent with their constitutional principles and the basic concepts of their legal systems;
- 2 Inform other States of the competent authority or authorities designated to receive, respond to and process extradition requests;
- 3 Prepare summaries of their domestic laws and extradition practices, to be made available to other States;
- 4 Subject to constitutional provisions, international drug control treaties and national legislation, consider extraditing their nationals for serious drug offences (...);
- 5 Maximize the use of modern technologies for facilitating communications, as long as they are secure and consistent with domestic legal systems.

2nd In the area of mutual legal assistance [*Resolution S-20/4 C, II*]:

1. Ensure that their domestic legislation enables them to implement Article 7 of the 1988 Convention, to wit:
 - a. Afford legal assistance that may be requested for:
 - i. Taking evidence or statements from persons;
 - ii. Effecting service of judicial documents;
 - iii. Executing searches and seizures;
 - iv. Examining objects and sites;
 - v. Providing information and evidentiary items;
 - vi. Providing originals or certified copies of relevant documents and records, including bank, financial, corporate, or business records;
 - vii. Identifying or tracing proceeds, property, instrumentalities, or other things for evidentiary purposes.
 - b. Not decline to render mutual legal assistance on the ground of bank secrecy.
 - c. Designate an authority, or when necessary authorities, which shall have the responsibility and power to

execute requests for mutual legal assistance or to transmit them to the competent authorities for execution.

- 2 Provide other States with guides or manuals on how to make requests for mutual legal assistance
- 3 Develop model forms for requests for mutual legal assistance.
- 4 Maximize the use of modern communications technologies to expedite communications as long as they are secure and consistent with the domestic legal system.

3rd In the area of transfer of proceedings [*Resolution S-20/4 C, III*]

- 1 Make available information on their experiences in the transfer of proceedings, if they possess such experiences, to other interested States;
- 2 Consider enacting the legislation necessary to transfer or receive proceedings in criminal matters.

4th Other forms of cooperation and training [*Resolution S-20/4 C, IV*]

- 1 Where appropriate, improve the sharing of intelligence and the development of shared investigative strategies;
- 2 Exchange information developed through forensic analysis, particularly on the basis of scientific profiles of seized narcotic drugs, psychotropic substances and precursors;
- 3 Others.

5th In the area of controlled delivery [*Resolution S-20/4 C, V*]

- 1 If permitted by the basic principles of their respective domestic legal systems, ensure that their legislation, procedures and practices allow for the use of the technique of controlled delivery at both the domestic and the international levels (...);
- 2 Consider entering into agreements and arrangements with other States to facilitate the use of controlled deliveries;
- 3 Exchange experiences.

6th In the area of illicit traffic by sea [*Resolution S-20/4 C, VI*]

- 1 Review national legislation to ensure that the legal requirements of the 1988 Convention are met, specifically:
 - a. Identification of competent authorities to receive and process requests for boarding and inspection of vessels.

b. Maintenance of ship registries.

- 2 Promote regional cooperation in maritime drug law enforcement.
- 3 Negotiate and implement bilateral and multilateral agreements to enhance cooperation in combating the illicit drug traffic by sea in accordance with article 17 of the 1988 Convention.
- 4 Provide training to law enforcement personnel in maritime drug law enforcement.
- 5 Cooperate with other States through multilateral training seminars.
- 6 Consistent with their legal systems, promote common maritime law enforcement procedures through the use of the Maritime Drug Law Enforcement Training Guide of the United Nations International Drug Control Program.

7th Complementary measures [*Resolution S-20/4 C, VII*]

- 1 Provide protection to judges, prosecutors and other members of surveillance and law enforcement agencies, as well as witnesses, whenever the circumstances so warrant, in cases that involve illicit drug trafficking;
- 2 Introduce new investigative techniques;
- 3 Harmonize and simplify procedures to increase international cooperation;
- 4 Develop or strengthen legal institutions and their capacity for judicial cooperation, especially in respect of drug-related offenses;
- 5 Improve the professionalism of criminal justice personnel through enhanced technical cooperation, training and human resource development.

In the area of judicial cooperation, information available to the MEM permits a partial assessment of the States' designation of competent authorities to receive, respond to and process extradition requests, the possibility of extraditing nationals for serious drug offenses, and which countries permit the "controlled deliveries" special investigative technique. Regarding mutual legal assistance, the MEM indicators have concentrated mainly on the number of active and passive requests for assistance made by the countries, and the number of replies to those requests. It is also possible to consolidate some information on protective measures for judges, prosecutors and other members of surveillance and law enforcement agencies, as well as witnesses, in cases that involve illicit drug trafficking. With respect to sections 2, 3, and 5 of this chapter, the MEM lacks data or references needed for their evaluation. This notwithstanding, the lack of information in no way detracts from the value of our hemispheric evaluation instrument, which responds to the commitments made by the countries of the region in the framework of the

Anti-Drug Strategy in the Hemisphere. It may suggest, however, that this strategy could be adjusted in the future to be more fully consistent with the world anti-drug strategy that is to be adopted in March 2009 in the framework of the UN Commission on Narcotic Drugs (CND).