

# Brazil

## Evaluation of Progress in Drug Control 2005-2006

# MEM

**Multilateral Evaluation Mechanism**



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



## ERRATA

- 1) On page 23, the sentence reading, “Brazil’s Law 9.613 of 1998 does not criminalize money laundering as an autonomous offense . . . “

Should read: “Brazil’s Law 9.613 of 1998 criminalizes money laundering as an autonomous offense . . . “

- 2) On page 25, the sentence reading: “CICAD note that Brazil does not criminalize money laundering as an autonomous offense.”

Should read: “CICAD notes that Brazil criminalizes money laundering as an autonomous offense.”



**OEA/Ser.L/XIV.6.2  
MEM/INF.2006 Add.7**

**ORGANIZATION OF AMERICAN STATES (OAS)  
Inter-American Drug Abuse Control Commission (CICAD)**

**Multilateral Evaluation Mechanism (MEM)  
Governmental Expert Group (GEG)**

**BRAZIL**

**EVALUATION OF PROGRESS IN DRUG CONTROL  
2005–2006**

---





**CICAD wishes to thank the following national institutions of Brazil which provided information for this MEM national Fourth Round report:**

- Ministry of Foreign Affairs
- National Anti-drug Secretariat (SENAD) of the Institutional Security Cabinet, Office of the President of the Republic
- Ministry of Justice
  - Department of Asset Recovery and International Legal Cooperation
  - Department of Foreign Residents
    - Enforcement Division
  - National Secretariat for Public Security (SENASP)
  - Federal Police Department
    - National Police Academy
    - Police Coordination Office for Drug Control
    - Office to Combat Organized Crime
    - Division for Control of Chemical Products
    - Foreign Trade Control Sector
- Ministry of Health
  - National Mental Health Coordination Office
    - National Health Monitoring Agency (ANVISA)
- Office of the Attorney General of the Republic
- Ministry of Finance
  - Financial Activities Control Council (COAF)



## PREFACE

The Multilateral Evaluation Mechanism (MEM) is a diagnostic tool designed by all 34 member states of the Organization of American States (OAS) to periodically carry out comprehensive, multilateral evaluations of the progress of actions taken by member states and by the hemisphere as a whole, in dealing with the drug problem. The Inter-American Drug Abuse Control Commission (CICAD), an OAS specialized agency, implemented this Mechanism in 1998, pursuant to a mandate from the Second Summit of the Americas held in Santiago, Chile in 1998.

The MEM is not only an evaluation instrument, but has also become a vehicle for disseminating information on the progress achieved by individual and collective efforts of OAS member state governments, catalyzing hemispheric cooperation, promoting dialogue among member state government authorities and precisely channeling assistance to areas requiring greater attention by optimizing resources. The MEM process itself is assessed by the Intergovernmental Working Group (IWG), comprised of delegations from the 34 member states, which meets before the onset of each MEM evaluation round to review and improve all operational aspects of the mechanism, including the indicators of the evaluation questionnaire.

National evaluation reports are drafted by experts from each member state, with experts not working on their own country's report, guaranteeing the transparent multilateral nature of the MEM. Each chapter is based on countries' responses to a questionnaire of indicators covering the main thematic areas of institution building, demand reduction, supply reduction and control measures as well as subsequent comments and updated information provided by the government-appointed coordinating entities.

This report covers the full country evaluation for the MEM Fourth Round evaluation period 2005–2006. The follow-up report on the implementation progress of recommendations assigned to the Brazil will be published in June 2009. All MEM reports can be accessed through the following webpage: [www.cicad.oas.org](http://www.cicad.oas.org).



## INTRODUCTION

Brazil is a large country, 8,514,876.6 km<sup>2</sup>, with 14,691 km of borders (Argentina – 1,263 km, Bolivia – 3,126 km, Colombia – 1,644 km, French Guiana – 665 km, Guyana – 1,605 km, Paraguay – 1,290 km, Peru – 2,995 km, Suriname – 593 km, Uruguay – 1,003 km and Venezuela – 1,495 km) and 7,367 km of coastline. The country's population is 188,078,227 (2006) and its main ethnic groups are white, black, Asian, and indigenous. The largest immigrant groups came from Europe (Portuguese, Italians, Spaniards and Germans), the Middle East, and Asia. The overall literacy rate is 86.4%. Brazil is a federal republic composed of 267 states or federal units and a federal district. The country's Gross Domestic Product (GDP) per capita is US\$3,209.40 (2003), and its inflation rate is 6.68% (2004). Brazil's annual exports total US\$96,475 billion (2004) and the main exports are soy, iron ore, automobiles (including engines and other parts), crude oil, aircraft, cellulose, frozen, fresh, or refrigerated chicken and meat, transmitters and receivers, footwear, steel or iron sheets, sugar cane, and coffee beans.

## I. INSTITUTIONAL STRENGTHENING

### A. National Anti-drug Strategy

Brazil has a National Anti-drug Policy (PNAD) that was approved in 2001 and modified in 2005. This anti-drug strategy remains in force and the country states that it has no expiration date and will be updated as necessary. The National Anti-drug Policy covers actions in the areas of demand reduction, supply reduction, development programs for the prevention or reduction of cultivation of illicit crops, drug production or trafficking, control measures, money laundering, and evaluation of programs. This national policy is approved by the National Anti-drug Council (CONAD) and then ratified by the President of the Republic.

Brazil has a National System on Public Drug Policies (SISNAD), which was established by Law No. 11.343. CONAD is composed of the public agencies and civil society entities and institutions that carry out activities related to drugs. Therefore, the national entities involved in the execution of the PNAD are the same as those in SISNAD.

Municipal and local authorities in the country have jurisdiction in areas related to drug policy. Therefore, 592<sup>1</sup> municipalities with a combined population of 57,766,352 have implemented anti-drug plans.

Brazil's PNAD has a budget financed through direct allocation from the central government, the specific budgets of other public agencies for the drug area, self-financing, contributions from civil society, and international cooperation. However, the country has not indicated the respective amounts of that budget. The country also states that it has a National Anti-drug Fund (FUNAD) to support PNAD's activities.

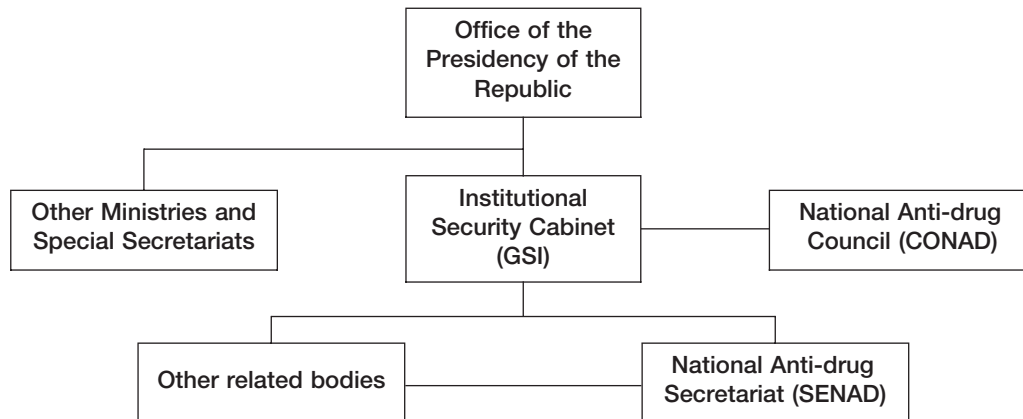
In addition, each agency in the SISNAD has its own budget and allocates its resources to activities in its sector. In this way, drug-related projects are also funded specifically and concurrently with activities in those sectors.

---

<sup>1</sup> Brazil has 5,561 municipalities, of which 592 have Municipal Anti-drug Councils.

CONAD, initially established under the name Federal Narcotics Council (CONFEN) by means of Decree No. 85.110 of November 2, 1980, is the national authority that coordinates anti-drug policies in Brazil. It acquired its current name on June 19, 1998, through Provisional Measure N° 1.669. SENAD is the council's central technical office, established in 1998. CONAD is connected to the Institutional Security Cabinet (GSI) of the Office of the Presidency of the Federative Republic of Brazil, and the institutional structure is shown in the following organizational chart:

#### Relationship of CONAD with other governmental bodies



CONAD is chaired by the Minister of State, Chief of the Institutional Security Cabinet. The National Anti-drug Secretary is the Council's Executive Secretary and it also includes representatives of public agencies such as SENAD, the Special Secretariat of Human Rights, the Ministry of Education, the Ministry of Defense, the Ministry of Foreign Affairs, the Ministry of Health, the Ministry of Social Development and the Fight against Hunger, the Ministry of Justice, the Ministry of the Treasury, and the State Anti-drug Councils (1 representative from the 26 state councils). CONAD also includes representatives of national civil society organizations, institutions, and entities.

CONAD has a separate independent annual budget financed through allocations from the government, self-financing, contributions from civil society, and international cooperation. The country states that the budget is at the federal level and is not sufficient to provide the necessary support for Brazil's 26 states and 5,561 municipalities. Data in the following table cover the National Anti-drug Fund (FUNAD), which is administered by SENAD as Executive Secretariat of CONAD.

#### Budget of the National Anti-drug Council (CONAD) (Federal level)

Fiscal year	Total Budget Received (US\$)
2004	2,646,565.22
2005	1,988,181.82
2006	5,812,206.57

The funds in CONAD's budget are restricted to implementing the National Anti-drug Policy and supporting certain priority projects in the areas of assessment, production of knowledge, and training of multiplier agents, which are carried out in partnership with other members of SISNAD.





**CICAD values the existence of a National Anti-drug Policy and a central anti-drug council, CONAD, with authority and resources to coordinate the activities of the PNAD. CICAD also notes that the National Anti-drug Policy is being executed in some of the country's municipalities. However, CICAD notes that the existence of a budget that is insufficient for the needs of this Policy limits the latter's full application.**

## **B. International Conventions**

Brazil has ratified the following Inter-American and United Nations conventions:

- Inter-American Convention against Corruption, 1996 (July 24, 2002);
- Inter-American Convention against Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives and other Related Materials (CIFTA), 1997 (August 26, 1999);
- United Nations Single Convention on Narcotic Drugs, 1961, as amended by the 1972 Protocol (June 18, 1964);
- United Nations Convention on Psychotropic Substances, 1971 (February 14, 1973) ;
- United Nations Convention on the Law of the Sea, 1982 (November 16, 1994);
- United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988 (July 17, 1991);
- United Nations Convention against Transnational Organized Crime, 2000 and its three Protocols (January 29, 2004):
  - Protocol against the Smuggling of Migrants by Land, Sea, and Air;
  - Protocol to Prevent, Suppress, and Punish Trafficking in Persons, Especially Women and Children;
  - Protocol against the Illicit Manufacturing of and Trafficking in Firearms, their Parts and Components and Ammunition (March 31, 2004);
- United Nations Convention against Corruption, 2003 (June 15, 2005).

The Inter-American Convention on Mutual Assistance in Criminal Matters (1992), has been signed but not ratified.

Pursuant to the United Nations Conventions, on August 23, 2006, Brazil enacted Law 11,343 on Drugs, which instituted the National System of Public Policies on Drugs (SISNAD).

With regard to bilateral cooperation agreements during 2004–2006, Brazil signed an agreement with the Republic of South Korea on Mutual Legal Assistance in Criminal Matters; two agreements with Bolivia, one by exchange of notes, on legalization of migrants, and the other a Cooperation Agreement to Impede the Illegal Use of Precursors and Essential Chemicals for the Processing of Narcotics and Psychotropic Substances; one agreement with Spain on Cooperation in the Area of Prevention of Use and Control of Illicit Narcotics and Psychotropic Substances Trafficking; and a Protocol with Portugal on Cooperation for Demand Reduction and for the Combat of Production and Suppression of Illicit Drug Trafficking and Psychotropic Substances.

**CICAD recognizes Brazil's progress in ratifying the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, their Parts and Components and Ammunition, on March 31, 2006. The country also ratified the United Nations Convention against Corruption (2003) on June 15, 2005. However, CICAD views with concern that the country has not yet ratified the Inter-American Convention on**



**Mutual Assistance in Criminal Matters (1992), which the MEM has been recommending since the First Evaluation Round (1999–2000).**

### **RECOMMENDATION:**

1. **RATIFY THE INTER-AMERICAN CONVENTION ON MUTUAL ASSISTANCE IN CRIMINAL MATTERS (1992), A REITERATED RECOMMENDATION FROM THE FIRST EVALUATION ROUND, 1999–2000.**

### **C. National Information System**

The Brazilian Observatory on Drug Information (OBID)<sup>2</sup> is the central office at the national level that compiles, organizes and coordinates drug-related statistics and other information. Decree No. 5.912 of September 27, 2006 defines the functions of the OBID and those of other bodies of SISNAD, and establishes that the entities of the federal public administration will provide the information required by the OBID. In addition, Law No. 11.343 facilitates the exchange of information among the different governmental bodies involved in the drug problem.

During the years 2004–2006, Brazil carried out household and secondary school surveys on drug use. The country also carried out various studies on the drug phenomenon in the area of demand reduction. However, the country does not maintain a register of patients in treatment centers.

The country furnished information on the availability of some of the indicators that would be needed for a study of the economic and social cost of the drug problem in the country.

**Available indicators for a study on the cost of drugs in Brazil, 2004–2006**

<b>Indicators</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
Number of drug-related deaths or serious injuries	X	X	X
Number of convictions and length of sentence for drug trafficking	X	X	X
Consumption studies in general population, students and workers	X	X	—
Number of substance-use induced hospital admissions and length of stay	X	X	X
Number of persons undergoing drug treatment, type of treatment, and length of treatment	X	X	X
Destruction of physical assets related to drug use	X	X	X
Arrests for drug possession and use	X	X	X
Number of persons imprisoned for crimes or offenses connected with drug use	X	X	X

The country distributes publications and materials related to the drug problem, which are available to the general public, through different means, such as webpages, congressional national archives, Official Gazette, libraries, schools, universities and press. In addition, the country indicates that it has the following help lines and offices that provide information:

<sup>2</sup> For more information see [www.obid.senad.gov.br](http://www.obid.senad.gov.br) or send e-mail to: [obid@planalto.gov.br](mailto:obid@planalto.gov.br).



- Toll Free Telephone Service—VIVA VOZ - This service was designed by the National Anti-drug Secretariat (SENAD), together with the Medical Sciences School Foundation (Fundação Faculdade de Ciências Médicas) of Porto Alegre, Sebrae, and Sesi (Rio Grande do Sul). It has received an average of 245,000 calls a month.
- The OBID website<sup>3</sup> provides information on the activities undertaken by the federal, state, and municipal administrative government agencies responsible for drug demand and supply reduction. It also provides data on services, research, events, and news coverage by the main media in this area, and is visited by approximately 10,000 people a month. The site provides links to all of the entities comprising the National System on Drugs.
- The National Cancer Institute (INCA)<sup>4</sup> website provides information on tobacco use and its impact on health and is accessed by approximately 351,972 persons monthly.
- The Ministry of Health's Mental Health (alcohol and drugs) website<sup>5</sup> provides information on the unified health system regarding alcohol and drugs.
- The Federal Police Department website<sup>6</sup> provides information on drug supply reduction activities and averages 22,000 visits per month.

The country had a budget to disseminate information related to the drug problem, totaling US\$325,491.44 for 2004, US\$312,510.57 for 2005, and US\$630,672.58 for 2006.

**CICAD recognizes Brazil's efforts to strengthen the Brazilian Observatory on Drug Information, which produces information on drug abuse prevention that is available to the general public.**

## II. DEMAND REDUCTION

### A. Prevention

Brazil implements a number of drug abuse prevention programs that target specific key populations at the national level. However, the country does not have prevention programs targeting incarcerated individuals. The following prevention programs were carried out in 2005 and 2006:

- In Preschool Education (preschoolers up to age six), Brazil has developed a national project entitled "Turma da Mônica e Ronaldinho Gaúcho for the Prevention of Drug Use." The country has not provided information on the number of participants in the program or its coverage.
- In Primary Education (children aged seven to 10) the country has also carried out the national project entitled "Turma da Mônica e Ronaldinho Gaúcho for the Prevention of Drug Use." The country has not provided information on the number of participants in the program or its coverage.
- To develop prevention activities for primary and secondary education students, 25,000 teachers were trained at 2,289 schools in the country through the course entitled "Drug Use Prevention for Public School Teachers" (using the methodology of distance education). An estimated 774,674 students have taken part in prevention programs implemented by the teachers.

---

<sup>3</sup> For more information see [www.obid.senad.gov.br](http://www.obid.senad.gov.br).

<sup>4</sup> For more information see [www.inca.gov.br](http://www.inca.gov.br).

<sup>5</sup> For more information see [portal.saude.gov.br/portal/sas/mental/area.cfm?id\\_area=851](http://portal.saude.gov.br/portal/sas/mental/area.cfm?id_area=851).

<sup>6</sup> For more information see [www.dpf.gov.br/web/main.htm](http://www.dpf.gov.br/web/main.htm).



- Regarding street/abandoned children, the country has implemented the Ambulatory Clinic that carries out interventions for the prevention of drug use and sexually transmitted diseases (STDs)/ Acquired Immune Deficiency Syndrome (AIDS) among children, adolescents, and youth living on the streets in the city of Salvador, Bahia. The country reports that from 1999 to 2006, the program provided assistance to 62,000 children, adolescents, and youth.
- Also implemented was the Lua Nova [New Moon] pilot project, which carries out interventions for the prevention of drug use and STDs/AIDS, and the social reintegration of at-risk young mothers and their children in the city of Sorocaba, São Paulo. In all, 409 children up to 14 years of age have participated in the project.

During the years 2004–2006, Brazil offered the following short refresher courses in drug abuse prevention and treatment:

**Specialized training in drug abuse prevention and treatment, 2004–2006**

Name of short refresher courses or in-service training	Prevention	Treatment	Participants	Number of participants		
				2004	2005	2006
Drug Use Prevention for Public School Teachers	X	—	Public school teachers	5,000	—	20,000
Community Counselors on Drug Use Prevention	X	—	Community counselors	3,000	—	15,000
Demand Reduction and Drug Supply for Public Security Professionals	X	—	Public security professionals	500	500	500
Community Therapy Focused on Issues related to the Use of Alcohol and other Drugs	X	—	Community therapists	—	720	720
Speakers' Training on Drug Use Prevention for those Responsible for the Suppression of Drug Trafficking	X	—	Federal Police	—	50	—
Drug Use Prevention in the Workplace: Learn to Help	X	—	Workers	—	—	3,000
System for the Detection of Psychoactive Substance Abuse: Referral, Brief Intervention, Social Reinsertion, and Follow-up - SUPERA	—	X	Health professionals of Brazil's unified health system	—	—	5,000
Specialized Online Course On Drug Investigations	—	X	Health and related area professionals	—	—	35

The country has universities that include courses on prevention and/or treatment in general undergraduate curricula, such as the ABC School of Medicine Foundation; the Nursing Schools of the University of São Paulo (Sao Paulo and Riberão Preto Campus), the Catholic University of Minas Gerais; the Federal University of Santa Catarina; the Federal University of Rio de Janeiro; the State University of Rio de Janeiro; and the Sociology School of the Federal University of Bahia.



Several universities offer postgraduate specialized courses in drug prevention and treatment. In this regard, the Federal University of São Paulo (UNIFESP) offers the following courses: Health Promotion and Prevention of the Consumption of Alcohol and Other Drugs: Education, Community, Justice, and Work; Psychotherapeutic Interventions in Chemical Dependency; Specialization in Chemical Dependency (virtual and non-virtual)<sup>7</sup>; Course on Specialization and on Improvement in Drug Dependency (Orientation and Care for Drug Dependents Program - PROAD),<sup>8</sup> and Specialization in Cognitive Therapies for the Treatment of Alcohol and Other Drug Dependencies (Drug Dependency Unit - UDED)<sup>9</sup>. In addition, the University of São Paulo offers the Interdisciplinary Group for Alcohol and Drug Studies (GREA) course on Specialization in Chemical Dependency.<sup>10</sup>

The country has not initiated actions to evaluate the effectiveness of prevention programs that are part of its demand reduction strategy.

Regarding research on the long-term impact of substance abuse prevention programs, the country indicated that in 2005 and 2006, the Center for Drug Abuse Study and Treatment—CETAD of the Federal University of Bahia, did a study on the Ambulatory Clinic: Prevention of Drug Use, children with STDs/AIDS, adolescents, and youth living in the streets in the city of Salvador, of the State of Bahia. In addition, the NGO Lua Nova [New Moon], conducted the “New Moon” study of at-risk young mothers and their children in the city of Sorocaba, São Paulo.

**CICAD views with concern that Brazil has been unable to establish a integrated national system of drug abuse prevention programs targeting key populations whose coverage and scope can be measured, which would enable an assessment of the country’s progress with respect to previous evaluation rounds.**

## **RECOMMENDATION:**

2. **ESTABLISH A NATIONAL INTEGRATED PLAN OF DRUG ABUSE PREVENTION PROGRAMS THAT TARGET KEY POPULATIONS, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.**

## **B. Treatment**

Brazil established minimum standards of care in drug abuse treatment at the national level, which are contained in the Manual for Psychosocial Treatment Centers. These are compulsory standards for the country, based on federal laws 11343/2006, 10216/2001, and Administrative Edicts 336/2002 and 816/2002. The Ministry of Health is the agency that maintains a national register of treatment centers and accredits centers and treatment programs. The Ministry of Health, Joint Commissions with SENAD, and state and municipal health authorities are the agencies responsible for compliance with these standards of care and for annual evaluation of the quality of services provided. The study “Evaluate the Psychosocial Care Centers” (“Avaliar-CAPS”)<sup>11</sup> and the National

---

<sup>7</sup> For more information see [www.uniad.org.br](http://www.uniad.org.br)

<sup>8</sup> For more information see [www.proad.unifesp.br/especializacao5.htm](http://www.proad.unifesp.br/especializacao5.htm)

<sup>9</sup> For more information see [www.unifesp.br/dpsicobio/extensao/cursos\\_2005/terapias\\_cognitivas/index.htm](http://www.unifesp.br/dpsicobio/extensao/cursos_2005/terapias_cognitivas/index.htm)

<sup>10</sup> For more information see [www.grea.org.br/especializacao/especializacao.htm](http://www.grea.org.br/especializacao/especializacao.htm)

<sup>11</sup> The *Centros de Atención Psicosocial* [Psychosocial Care Centres] (CAPs) are strategic health units responsible for primary mental health care (including users/dependents of alcohol and other drugs). The CAPs offer treatment in all of Brazil’s states and there are CAPSads in 22 states.



Program for Evaluation of the Hospital/Psychiatric Care System (PNASH/ PSIQUIATRIA) are the methodologies used to oversee compliance with the standards and the quality of service provided.

The modalities for drug treatment include outpatient clinics in 230 public sector programs that serve adults and minors of both genders. Residential facilities offer 50 public sector programs for adults and minors of both sexes. There are also 200 public sector harm reduction programs that serve adults and minors of both sexes.

Drug treatment services in the country include: 20,000 public family health teams for early detection, patient education, and case referral at the municipal level; 50 public and 600 private detoxification services; 230 public treatment and rehabilitation services and 230 public social reinsertion, both with municipal and regional coverage; and 5,500 private self-help groups with municipal coverage. All mental health services, whether outpatient or Centers for Psychosocial Treatment of Alcohol and Other Drugs (CAPSad), target all population sectors (including women, adolescents, prisoners, and adolescent offenders), although they may follow different admissions procedures. In this way, specific financing was established to care for juvenile offenders, a service coordinated with the Special Human Rights Secretariat.

Studies have been carried out to evaluate the effectiveness of the various programs for early intervention, use and abuse treatment modalities, drug abuse rehabilitation, and prevention of the most common infectious/contagious diseases among drug users. These studies use different criteria for determining successful treatment for drug dependents. The general indicator is the improved quality of life of the person, whether that is attained through abstinence or reduced use.

Regarding the demand for drug use treatment, Brazil did not provide statistics on the number of patients who received treatment or the total number of admissions for treatment. However, the country provided the following data on the number of treatment programs:

**Treatment Programs (CAPSad), 2004–2006)**

Year	Total programs	New treatment programs
2004	80	23
2005	102	22
2006	138	36

**CICAD recognizes Brazil's efforts to strengthen and expand opportunities for treatment and rehabilitation. However, since the country has not provided information on the total number of patients who received treatment or the total number of admissions to treatment during the years 2004–2006, CICAD has not been able to evaluate the national capacity for providing treatment opportunities for those who need these services.**

### **RECOMMENDATION:**

3. ESTABLISH A NATIONAL REGISTRY OF PATIENTS IN TREATMENT CENTERS THAT WILL PROVIDE INFORMATION ON THE TOTAL NUMBER OF PATIENTS WHO RECEIVED TREATMENT OR THE TOTAL NUMBER OF TREATMENT ADMISSIONS IN A GIVEN PERIOD.



### C. Statistics on Consumption

During the evaluation period, 2005–2006, Brazil conducted studies to estimate the magnitude of drug use in the general population (2005) and school population (2006). The study of the general population (persons aged 12 to 65) included 108 major cities. The results on prevalence of drug use are as follows:

**Prevalence of drug use in the general population – 2005**

Type of drug	Lifetime (percentage)			Last 12 months (percentage)			Last 30 days (percentage)		
	M	F	Total population	M	F	Total population	M	F	Total population
Alcohol	83.5	68.3	74.6	60.1	42.5	49.8	51.2	29.1	38.3
Tobacco	50.5	39.2	44.0	23.1	16.2	19.1	22.3	15.7	18.4
Solvents & Inhalants	10.3	3.3	6.0	–	–	–	–	–	–
Marijuana	14.3	5.1	8.8	4.2	1.5	2.6	3.1	1.1	1.92
Hallucinogens	1.8	0.6	1.1	0.44	0.23	0.32	0.15	0.17	0.16
Heroin	0.2	0	0.09	0	0	0	0	0	0
Morphine, Meperidine, and D-propoxyphene	0.9	1.6	1.3	0.27	0.70	0.52	0.18	0.40	0.31
Other Opioids Codeine	1.7	1.9	1.9	0.33	0.36	0.35	0.09	0.21	0.16
Cocaine HCL	5.4	1.2	2.9	1.45	0.21	0.73	0.75	0.13	0.39
Crack	1.5	0.2	0.8	0.20	0.06	0.12	0.09	0.04	0.06
Other Cocaine Type (Merla)	0.6	0	0.2	0.02	0.00	0.01	0.02	0.01	0.02
Barbiturates	0.6	0.8	0.7	0.09	0.25	0.18	0.00	0.10	0.06
Benzodiazepines	3.4	6.9	5.6	0.85	2.90	2.06	0.51	1.91	1.33
Amphetamines	1.1	4.5	3.2	–	–	0.71	–	–	0.28
MDMA (Ecstasy)	0.18	0.20	0.19	–	–	–	–	–	–
Other drugs									
Anticholinergic drugs	0.9	0.3	0.5			0.03			0.025
Orexigenic drugs	2.5	5.1	4.1	0.02	0.03	3.80	0.06	0	0.10
Anabolic steroids	2.1	0.1	0.9	2.3	4.87	0.18	0.09	0.11	0.08
Any illicit drug	–	–	22.8	–	–	–	–	–	–

The country also conducted the fifth national survey on consumption of psychotropic drugs among public school students in primary and middle schools in the 26 Brazilian capitals in 2004. The sample was 48,155 students and the results, released in 2005, are detailed in the following table.



**Prevalence of drug use among  
public school students in primary education and middle school, 2004**

Type of drug	Lifetime (percentage)			Last 12 months (percentage)	Last 30 days (percentage)
	M	F	Total	Total	Total
Alcohol	64.5	66.3	65.2	63.3	44.3
Tobacco	25.2	24.7	24.9	15.7	9.9
Solvents & Inhalants	16.9	14.3	15.5	14.1	9.8
Marijuana	7.9	4.1	5.9	4.6	3.2
Hallucinogens	0.6	0.6	0.6	—	—
Morphine, Meperidine, and D-propoxyphene	0.4	0.3	0.3	—	—
Other Opioids, Codeine	0.4	0.4	0.4	—	—
Cocaine HCL	2.8	1.3	2.0	1.7	1.3
Crack	1.1	0.4	0.7	0.7	0.5
Barbiturates	0.7	0.8	0.8	0.7	0.5
Benzodiazepines	3.1	5.0	4.1	3.8	2.5
Amphetamines	3.0	4.3	3.7	3.2	1.9
Other drugs					
Anticholergenic	1.3	1.0	1.2	0.7	0.5
Orexigenic	0.4	1.0	0.7	—	—
Anabolic Steroids	1.7	0.2	1.0	—	—
Any illicit drug	23.5	21.7	22.6	19.6	14.8

Brazil's studies of the general population and students of primary and middle schools did not include estimates on the perceived risk associated with consumption of drugs in accordance with the methodology used by Inter-American Drug Use Data System (SIDUC) of CICAD or other specialized agencies.

The country has an estimate of the number of drug-related deaths in 2005, with data shown in the table below:



**Estimate of Drug-Related Deaths, 2005**

Type of Drug	Total population
Alcohol	6,109
Tobacco	375
Solvents or inhalants	31
Types of cannabis (hashish, marijuana)	10
Hallucinogens	3
Opioids (heroin, morphine, opium)	44
Types of cocaine	24
Tranquilizers, sedatives, and depressants	22
Other drugs	65
Any substances of abuse	6,683

The National Transit Code (Federal Law 9503/1997); the Prohibition On Sales on State Roadways of São Paulo (State Law 9468/1996); and Regulations on Bar Closing Times in Diadema (Municipal Law 2107/2002) are the regulations Brazil has established at the national, state, and municipal levels with a view to preventing alcohol-related accidents in the country. The national institutions that enforce compliance with these regulations are the Police and Ministry of Health.

**CICAD views with satisfaction that the country is regularly conducting studies on the magnitude of drug consumption in the general (2005) and school populations (2004). This is a significant contribution to the Brazilian Observatory on Drug Information (OBID) and thus strengthens the National Anti-drug Policy (PNAD).**

### III. SUPPLY REDUCTION

#### A. Drug Production

Brazil detected a total cultivated area of cannabis of 35 hectares in 2004, 102 hectares in 2005 and 37.58 hectares in 2006. Regarding the potential production of cannabis, it was 684,752.52 kilograms in 2005 and 383,219.76 kilograms in 2006. The country states that it did not detect cannabis plants grown indoors during 2004–2006.

Brazil has a formal crop eradication program and uses forced manual eradication in the case of cannabis cultivation. The country reports that it does not have data on the total area of illicit cannabis crops eradicated during the years 2004–2006. However, the country presents the following data on total estimated financial expenditure to carry out eradication activities, based on planning of operations that were actually carried out.

Year	Total estimated cost (US\$)
2005	US\$117,020
2006	US\$211,720



Brazil states that it has found illicit organic drug laboratories, but does not report the type of drugs produced, nor the quantities or potential production capacity. In addition, the country reports that it has not found illicit synthetic drug laboratories.

**CICAD notes that the country does not have a centralized database that provides the number of illicit drug laboratories dismantled and their potential production.**

### **RECOMMENDATION:**

4. ESTABLISH A NATIONAL DATABASE THAT CONTAINS DATA ON ILLICIT DRUG LABORATORIES THAT HAVE BEEN DISMANTLED AND THEIR POTENTIAL PRODUCTION CAPACITY.

## **B. Control of Pharmaceutical Products**

Brazil has appropriate laws to control the diversion of pharmaceutical products, which are Administrative Regulations SVS/MS n° 344 (1998), and the Technical Regulations on Controlled Substances and Medications (1999). In accordance with the laws of Brazil, penal and administrative sanctions may be applied for the diversion of pharmaceutical products. The country reports that sanctions have not been applied during 2004–2006.

The country has a mechanism to monitor and prevent the diversion of pharmaceutical products applicable to health professionals and entities authorized to handle those products. The National Health Inspection Agency (ANVISA) of the Ministry of Health in Brazil is the authority responsible for coordinating the activities related to the control of pharmaceutical products. All pharmaceutical products containing substances listed in the international conventions are controlled in the country.

In the commercial sector, the following areas are included in the control mechanism for pharmaceutical products: import/export control, license control, monitoring distribution, inspection, administrative sanctions, registry of licensees, and registry of quantities of pharmaceutical products sold. In the health care sector, the mechanism for the control of pharmaceutical products covers license control, monitoring distribution, monitoring of prescriptions, inspection, administrative sanctions, and the transfer to judicial authorities of unusual cases detected by administrative authorities. Notwithstanding the above, the country lacks a system to compile information on administrative and regulatory activities and sanctions imposed in connection with them.

Brazil does not offer training courses for personnel in the public and private sectors involved in handling pharmaceutical products. In addition, the country does not have an automated information management system to facilitate the control of pharmaceutical products. The country reports that the lack of material and human resources are the main obstacles encountered by the national agencies in attempting to carry out their duties effectively.

The country has provided no data on seizures of pharmaceutical products used in the illicit manufacture of drugs, and says that the seizure of such products is decentralized in Brazil.

Administrative Edict SVS/MS No. 344/98 controls the sale of pharmaceutical products over the Internet in general, and through authorized Internet pharmacies. Activities for the control of the legal pharmaceuticals market are clearly defined under the jurisdiction of ANVISA. However, ANVISA and the Federal Police work together to detect illicit activities involving pharmaceutical products and drugs over the Internet and take all relevant measures. However, the country indicates that these institutions do not have procedures, investigation techniques, training, or equipment to detect



suspicious transactions or diversion of controlled pharmaceutical products or other drugs over the Internet.

**CICAD notes that the country does not implement training activities for personnel in the public and private sectors who are involved in handling pharmaceutical products. CICAD also notes that the country lacks an automated information system to facilitate control of these products. Furthermore, as in previous rounds, the country lacks information on the number of seizures and the quantities of pharmaceutical products seized. This makes it difficult to evaluate the effectiveness of the regulations and measures employed to prevent the diversion of pharmaceutical products.**

### **RECOMMENDATIONS:**

5. **STRENGTHEN THE INFORMATION SYSTEM ON PHARMACEUTICAL PRODUCTS TO PROVIDE DATA ON THE NUMBER OF SEIZURES, THE QUANTITIES OF PHARMACEUTICAL PRODUCTS SEIZED, AND THE APPLICATION OF SANCTIONS FOR THE DIVERSION OF THESE PRODUCTS.**
6. **IMPLEMENT TRAINING COURSES FOR PUBLIC AND PRIVATE SECTOR PERSONNEL RESPONSIBLE FOR THE CONTROL OF PHARMACEUTICAL PRODUCTS.**
7. **CARRY OUT RESEARCH AND TRAINING ACTIVITIES RELATED TO THE PREVENTION AND CONTROL OF ILLICIT TRAFFIC OF PHARMACEUTICAL PRODUCTS AND OTHER DRUGS VIA THE INTERNET, WHICH WILL ENABLE THE COUNTRY TO IDENTIFY ITS REGULATORY AND OPERATIVE NEEDS.**

### **C. Control of Chemical Substances**

Law No. 10,357 of December 27, 2001, Decree No. 4,262 of June 10, 2002, and Administrative Edict No. 1,274 of August 25, 2003 are Brazil's regulations for the control of the diversion of controlled chemical substances. Brazilian law provides penal, civil, and administrative sanctions for the diversion of controlled chemical substances in accordance with international conventions. The country has not submitted information on the number of times that sanctions were applied during the years 2004–2006.

The country has a mechanism to monitor and prevent the diversion of controlled chemical substances applicable to health professionals and entities authorized to handle those substances. All controlled chemical substances listed in the international conventions are controlled in the country.

The components of the internal mechanism used by Brazil's Federal Police Department to control the diversion of chemical substances are the national registry of licensees; license control for manufacture and distribution; import/export control; inspection; control of distribution; control of the final sale; transport control; pre-export notifications; and imposition of sanctions. The major problems encountered in the execution of this internal mechanism are the nation's size and length of its borders, and the lack of trained human resources.

In Brazil annual training courses on control of diversion of chemical substances are offered separately to administrative agents and to the police. However, the country reports that these courses do not satisfy the necessary demand for training.



The National System for the Control of Chemical Products (SINPQ) is Brazil's automated information management system for secure and efficient handling of information in order to control the diversion of chemical substances, which responds to the current demand.

Brazil exports controlled chemical substances and issued a total of 273 pre-export notifications in 2004, 443 in 2005, and 413 in 2006. The following table shows the number of pre-export notifications for controlled substances that were issued to countries and territories importing or transshipping these chemical substances.

**Number of pre-export notifications issued  
for controlled chemical substances, 2004–2006**

<b>Importing/transshipment countries</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>COLOMBIA</b>	22	27	56
<b>ECUADOR</b>	4	47	46
<b>BOLIVIA</b>	45	97	54
<b>URUGUAY</b>	67	71	67
<b>CHILE</b>	31	33	14
<b>PARAGUAY</b>	40	50	33
<b>PERU</b>	7	15	27
<b>SPAIN</b>	7	15	12
<b>PANAMA</b>	1	4	0
<b>ARGENTINA</b>	30	35	26
<b>ITALY</b>	0	5	0
<b>VENEZUELA</b>	9	7	64
<b>BELGIUM</b>	0	5	3
<b>UNITED KINGDOM</b>	0	4	0
<b>UNITED STATES</b>	3	20	0
<b>MEXICO</b>	3	1	8
<b>COSTA RICA</b>	1	3	3
<b>SOUTH AFRICA</b>	0	1	0
<b>GERMANY</b>	0	3	0
<b>CHINA</b>	1	0	0
<b>HONDURAS</b>	1	0	0
<b>JAPAN</b>	1	0	3
<b>TOTAL</b>	273	443	413

Brazil imports controlled chemical substances. The following table contains the number of pre-export notifications received from other countries and answered in a timely manner, as well as the total number of notifications received:


**Number of pre-export notifications received for controlled chemical substances, 2005–2006**

Number of pre-export notifications and responses	2005	2006
Number of pre-export notifications received	462	346
Number of timely responses sent (15 days maximum)	462	346
Number of timely responses sent in relation to the total notifications received	462	346
Number of pre-export notifications not approved	1	1

The country reported that during the years 2004–2006, controlled chemical substances were seized, the quantities of which are shown in the following table.

**Seizures of controlled chemical substances, 2004–2006**

Controlled chemical substances	Unit of measure	Quantities seized		
		2004	2005	2006
Acetaldehyde	LITERS	6	—	—
Ethyl Acetate	LITERS	1,536.5	—	304
Ethyl Acetate	KILOS	—	—	1,504
N-Butyl Acetate	KILOS	175.01	—	170
N-Butyl Acetate	KILOS	—	—	1,268
N-Propyl Acetate	LITERS	7	—	—
Acetone	LITERS	287.8	2,689.8	493.9
Acetone	KILOS	—	—	186.7
Acetonitril	LITERS	—	48	—
Acetic Acid	KILOS	55	110.2	826.3
Acetic Acid	KILOS	—	—	2,286
Boric Acid	LITERS	—	1	—
Hydrochloric Acid	LITERS	214	2,917.4	6,773.2
Hydrochloric Acid	KILOS	—	—	12,566.6
Formic Acid	LITERS	—	—	4.5
Formic Acid		—	—	144.5
Fluorhydric Acid	KILOS	18	11	—
Nitric Acid	LITERS	—	—	1
Sulfuric Acid	LITERS	—	502,302	2,253.25
Sulfuric Acid	KILOS	—	—	24,430
Sulfonic Acid	KILOS	—	—	40
Alcohol	LITERS	99	4.9	—
Butyl Alcohol	LITERS	—	2	57



Controlled chemical substances	Unit of measure	Quantities seized		
		2004	2005	2006
<b>N-Propyl Alcohol</b>	LITERS	–	1	113
<b>Ammonia</b>	LITERS	470	8,771	5,076.9
<b>Ammonia</b>	KILOS	–	–	29,022.9
<b>Acetic Anhydride</b>	LITERS	–	43	6
<b>Benzene</b>	LITERS	–	91	–
<b>Benzocaine</b>	LITERS	–	65	–
<b>Benzoin</b>	KILOS	19.5	–	–
<b>Sodium Bicarbonate</b>	KILOS	0.38	5,841	–
<b>Butylamine</b>	LITERS	–	2	–
<b>Caffeine</b>	KILOS	50	5	–
<b>Calcium Carbonate</b>	KILOS	150	–	–
<b>Potassium Carbonate</b>	LITERS	–	–	1.3
<b>Potassium Carbonate</b>	KILOS	–	–	1,600
<b>Sodium Carbonate</b>	LITERS	8,942.623	9,288	1,600
<b>Sodium Carbonate</b>	KILOS	–	–	76,537
<b>Cyclohexane</b>	LITERS	–	5	9.5
<b>Cyclohexane</b>		–	–	8
<b>Methylene Chloride</b>	KILOS	–	15,204.2	–
<b>Chloroform</b>	LITERS	–	640.2	82.5
<b>Chloroform</b>	KILOS	–	–	77
<b>Dichloroethane</b>	LITERS	–	15	–
<b>Dicloromethane</b>	LITERS	–	–	25
<b>Dipyrrone</b>	KILOS	12	155	–
<b>Pyridine</b>	KILOS	–	–	6
<b>Carbon Disulphate</b>	KILOS	–	–	4
<b>Sulfuric Ethyl Ether</b>	LITERS	63	102.9	19.1
<b>Sulfuric Ethyl Ether</b>		–	–	593
<b>Methyl Ether</b>	LITERS	–	–	6
<b>Phenacetine</b>	KILOS	–	–	26
<b>Formaldehyde</b>	LITERS	200	–	–
<b>Ammonium Hydroxide</b>	KILOS	–	57.5	6,809.2
<b>Potassium Hydroxide</b>	KILOS	–	106	260
<b>Sodium Hydroxide</b>	LITERS	428.4	150,507.5	9,012.6
<b>Sodium Hydroxide</b>	KILOS	–	–	25,553



Controlled chemical substances	Unit of measure	Quantities seized		
		2004	2005	2006
Sodium Hypochlorite	LITERS	—	9	88
Sodium Hypochlorite	KILOS	—	—	124
Lydocaine	KILOS	—	25	
Methyl Ethyl Ketone	LITERS	—	2,997	1,452
Methyl Ethyl Ketone	KILOS	—	—	1,444
Methyl Isobutyl Ketone	KILOS	—	18	2,732
Ammonium Nitrate	KILOS	23,390	—	—
Calcium Oxide	KILOS	—	—	2
Potassium Permanganate	LITERS	—	36	12
Potassium Permanganate	KILOS	—	—	25
Ammonium Sulfate	KILOS	—	—	3,900
Sodium Sulfate	KILOS	—	2	550
Carbon Tetrachloride	LITERS	—	7	—
Toluene	LITERS	—	1,325	5,957
Toluene	KILOS	—	—	5,945
Tetrahydrofuran	LITERS	—	—	2

**CICAD recognizes that the country has regulations and has taken adequate steps to prevent diversion of controlled chemical substances used in the illicit manufacture of drugs.**

## **IV. CONTROL MEASURES**

### **A. Illicit Drug Trafficking**

Brazil made the following seizures of illicit drugs during the years 2004–2006:

**Quantities of illicit drugs seized, 2004–2006**

Type of drugs	Number of seizures			Quantities of drugs seized		
	2004	2005	2006	2004	2005	2006
Morphine	—	—	1	—	—	0.085 kg
Heroin	4	3	8	62.696 Kg	19,892 Kg	95.05 kg
Coca Leaf	1	3	4	0.160 kg	0.230 kg	0.335 kg
Coca Paste	59	31	41	399.79 kg	543.51 kg	331.10 kg
Cocaine Base	1,409	1,577	2,091	14,628.99 kg	20,589.09 kg	13,781.89 kg
Crack	80	82	138	540.95 kg	936.69 kg	162.93 kg
Cannabis plants	116	177	176	2,376,693	1,859,934	1,150,036
Leaf Cannabis (grass)	1,079	1,364	1,142	209,658.04 kg	217,830.88 kg	163,432.05 kg
Cannabis Resin (hashish)	63	107	70	224.66 kg	803.30 kg	101.45 kg
Cannabis Seed	16	15	13	55.80 kg	324.31 kg	19.33 kg
LSD	5	9	13	715 doses	937 doses	31,785 doses
Amphetamine/ methamphetamine	2	1	5	138 pills	163 pills	2,710 pills
Other amphetamine-like stimulants	5	4	5	1,347 pills	29,567 pills	754 pills
MDMA (Ecstasy) and derivatives	24	24	19	82,703 pills	57,015 pills	21,658 pills

The country supplied information on the number of persons formally charged with illicit drug trafficking. However, no information was provided on the number of persons convicted of that offense. In this regard, the country provides the following data:

**Persons formally charged with illicit drug trafficking, 2004–2006**

Year	Federal Police	SENASP
2004	3,360	7,524
2005	4,408	10,173
2006	3,195	—

Brazil has no national or state provisions establishing that possession of drugs for personal use is lawful. When a person is formally charged with or convicted of illicit possession for personal use there are alternative sentencing measures. Pursuant to the new Law to Fight Drug Trafficking (Law No. 11.343/06), the mere possession of a narcotic substance, with no intent to traffic, can be punished with a simple warning on the effects of drugs, community service, or an educational requirement to attend a program or course. A fine may be imposed in the case of failure to comply with the alternative measures imposed.





Regarding the number of judicial cooperation requests related to illicit drug trafficking made and received by Brazil, based on international agreements, the country provides the following data:

**Requests for judicial cooperation  
in illicit drug trafficking cases made and received, 2004–2006**

Year	Number of requests made by Brazil	Number of requests received by Brazil
2004	2	1
2005	37	11
2006	6	10

Brazil's Ministry of Justice is the central authority responsible for making extradition requests to other states. Brazil has extradition treaties with Argentina, Australia, Belgium, Bolivia, Chile, Colombia, Ecuador, France, Italy, Lithuania, Mexico, Paraguay, Peru, Portugal, South Korea, Spain, Switzerland, the United Kingdom of Great Britain and Northern Ireland, the United States of America, Uruguay, and Venezuela. In the period 2004–2006, Brazil made 35 extradition requests in illicit drug trafficking cases.

Brazil's Ministry of Justice is the central authority responsible for receiving extradition requests from other states. In 2004–2006, Brazil received 56 extradition requests in illicit drug trafficking cases. Brazilian law does not permit the extradition of its citizens, but there are exceptions for cases of illicit drug trafficking and other transnational crimes.

During the years 2004–2006, Brazil has developed several specialized training courses on illicit drug trafficking for law enforcement, police, customs officers, prosecutors, and the Judiciary. The country says these courses satisfied national training needs.

**CICAD notes that there are deficiencies in the consolidation of national data on activities to control the drug supply. Understanding the difficulties inherent in the country's political/administrative characteristics (the federation) and geography (area), it is necessary to have a single database that consolidates information on illicit drug trafficking from police agencies, the Public Prosecutor's Office, and the Judicial Branch.**

### **RECOMMENDATION:**

8. **DEVELOP AN INFORMATION SYSTEM ON THE CONTROL OF DRUG ILLICIT TRAFFICKING THAT CONSOLIDATES DATA PROVIDED BY THE POLICE AGENCIES, PUBLIC PROSECUTOR'S OFFICE, AND JUDICIAL BRANCH.**

### **B. Firearms, Ammunition, Explosives, and other Related Materials**

The Army Command of Brazil, through its Bureau of Controlled Products Inspection (DFPC), is specifically responsible for issuance of import and in-transit licenses and permits, issuance of export licenses, cancellation of licenses and permits, and exchange of information within the country among relevant national entities. The Federal Police Department (DPF) is responsible for confiscation of illicitly trafficked firearms, ammunition, explosives, and other related materials. The Ministry of



Foreign Affairs, in turn, is responsible for information exchange on this subject with relevant national entities in other countries.

Brazil's Disarmament Law No. 10.826 of December 22, 2003 establishes the penalties and their duration for crimes related to firearms and ammunition. Brazil has not provided statistics on the number of persons formally charged with and convicted of illicit possession of and trafficking in firearms, ammunition, explosives, and other materials during the years 2004–2006.

Law No. 10.826 of December 22, 2003; Decree 5.123 of January 1, 2004; and the Regulations approved by Decree 3.665 of November 20, 2000 are the current laws and regulations establishing administrative controls over the importation, exportation, and in-transit movement of firearms, ammunition, explosives, and other related materials.

Brazil reports that the import of firearms, ammunition, explosives, and other related materials is subject to a non-automatic licensing regime prior to embarkation and clearance by the Army. In 2004, Brazil did not authorize the entry of one cargo of 14 firearms because the required licenses or permits were absent. There were no similar cases in the years 2005–2006.

Regulation (R-105), approved by Decree No. 3.665 of November 20, 2000, provides that the Army shall require the exporter of controlled products to comply fully with the regulations in effect in the importing country through the presentation of an import license or a certificate from the end user, issued by the competent agency in the importing country. However, this regulation provides no authorization for in-transit customs shipments of firearms, ammunition, explosives, and other related materials.

Concerning the quantities of illicitly trafficked firearms, ammunition, explosives, and other related materials confiscated during the years 2004–2006, Brazil provided the following data:

**Quantities of illicitly trafficked firearms, ammunition, explosives, and other related materials confiscated, 2004–2006**

Year	Firearms	Ammunition	Explosives	Related materials
2004	7,684	Data not available	Data not available	Data not available
2005	13,331	1,235,229	03	2,177,227
2006	16,329	183,875	34	116,774
<b>TOTAL</b>	<b>37,344</b>	<b>1,419,104</b>	<b>37</b>	<b>2,294,001</b>

There are no data on the quantities of firearms, ammunition, explosives, and other related materials confiscated in connection with arrests for illicit drug trafficking offenses. The country reports that there are no investigations that would make it possible to estimate, in percentage terms, whether any of the confiscated firearms, ammunition, explosives, and other related materials were destined for illicit trafficking organizations.

The country has a database that maintains a national record of the importation and exportation of firearms, ammunition, explosives, and other related materials. Firearms and ammunition records are retained permanently, but those for explosives and other related materials are kept for five years.

**CICAD notes that the country has appropriate and necessary measures for control of the possession and manufacture of and trafficking in firearms. However, as in**



**the previous round, CICAD views with concern the absence of a national system for collection and dissemination of data on illicit possession of and trafficking in firearms and ammunition related to illicit drug trafficking, and on the number of persons formally charged with and convicted of this type of offense.**

### **RECOMMENDATION:**

9. INCORPORATE INTO THE NATIONAL JUSTICE AND PUBLIC SECURITY INFORMATION SYSTEM (INFOSEG) OF THE NATIONAL SECRETARIAT FOR PUBLIC SECURITY, DATA PERTAINING TO THE NUMBER OF PERSONS FORMALLY CHARGED WITH AND CONVICTED OF THE POSSESSION OF AND ILLICIT TRAFFICKING IN FIREARMS AND AMMUNITION, AND THE QUANTITIES OF FIREARMS, AMMUNITION AND EXPLOSIVES SEIZED, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.

## **C. Money Laundering**

Brazil's Law 9.613 of 1998 does not criminalize money laundering as an autonomous offense, but establishes penalties of imprisonment and fines in case of non-compliance. The predicate offenses for money laundering are: illicit drug trafficking, terrorism and its financing, contraband or trafficking in firearms, ammunition or materials destined for their production, extortion through kidnapping, crimes against the public administration, and crimes against the financial system, committed by a criminal organization and practiced by one individual against a foreign public administration. Trafficking in human beings, organ trafficking, prostitution or pornography are not recognized as predicate offenses unless committed by a criminal organization.

Regarding legislation authorizing special investigative techniques to combat money laundering, Brazil reported that Law 10.217 of 2001 covers offenses committed by any criminal organization or delinquent association whatsoever. The law authorizes controlled action; access to documents, banking, financial, and electoral data and information; recording and interception of electromagnetic, optical, and acoustic signals and their recording and analysis through circumstantial judicial authorization, and the infiltration of police and intelligence agents.

Administrative controls to prevent money laundering apply to the banking sector, exchange houses, stock exchanges, insurance companies, real estate firms, insurance companies, lotteries, jewelry and precious metals stores, bingo, credit card companies, merchandise exchanges, and sales of art and antiques, but do not cover lawyers, notaries public, or accountants. Overseas banks and casinos are not included as they are prohibited by law and do not exist.

Brazil reports that its legislation imposes obligatory compliance on financial institutions and other responsible entities. In addition, the following control measures are established: reporting of large transactions, client register, client identity verification, transactions register, retention of registers, an enforcement official, independent audits, know-your-client policies, know-your-employee policies, and a ban on anonymous accounts. The Brazilian legislation also includes the imposition of administrative sanctions to regulated sectors and their administrators for non-compliance with these preventive responsibilities.



Regarding the number of persons formally charged with and convicted of money laundering activities during 2004–2006, Brazil provides the following data:

**Persons formally charged with and convicted of money laundering, 2004–2006**

Year	Persons formally charged	Persons convicted
2004	74	87
2005	75	183
2006	41	51

Pursuant to Supplementary Law No. 105 of 2001, the Financial Activities Control Council (COAF) has access to information protected by bank secrecy. This information is used for financial intelligence, and with a court order, for purposes of prosecution. The COAF, which has a staff of 39 employees, is an agency created in the framework of the Ministry of Finance and it has administrative autonomy and an independent budget. The President of the COAF is appointed by the President of the Republic on the recommendation of the Minister of Finance. The COAF, a member of the Egmont Group, sends its findings to police and judicial authorities for investigation. It may also share information with similar agencies in other countries, only on the basis of reciprocity or under agreements whenever the authorities so require. The COAF has signed 21 memoranda of understanding in that regard.

Regarding suspicious transaction reports, the country presents the following data for the years 2004–2006.

**Number of financial reports received and cases investigated, 2004–2006**

Year	Number of suspicious transaction reports received	Number of suspicious transaction reports investigated
2004	9,050	492
2005	29,124	762
2006	22,893	467

In Brazil it is possible to obtain documents and financial registers in money laundering cases. Under current law, these documents can be requested for purposes of financial intelligence or prosecution.

The National Anti-drug Fund (FUNAD), under the Institutional Security Cabinet of the Office of the President of the Republic, is responsible for the administration of assets seized in connection with drugs and substances trafficking offenses. However, the administration of assets seized from money laundering and other serious offenses is excluded. The country reports that it cannot provide the destination of these assets since it does not have a record of this information. In addition, the country does not have information on the value of the assets confiscated in money laundering cases.

Confiscation of assets is not possible in Brazil without a prior conviction. Confiscation is always supplementary to the main sanction. When necessary, the judge, after instructions from the Ministry of Prosecution, designates a qualified person for the administration of the assets, rights or valuables seized or confiscated, through a commitment register (Article 5 of Law 9613/98). Once confiscated,



the assets, rights and valuables always revert to the Union, except for the rights of the injured or a third party of good faith (Article 91 of the Penal Code and Article 7<sup>th</sup> of Law 9613/98). When the object of the confiscation is not available, any asset with the same value that belongs to the formally charged may be confiscated.

The number of requests made and received for prevent embargoes based on international agreements during 2004–2006 are shown below:

**Requests made by Brazil to other states for preventive embargos of assets, 2004–2006**

Year	Number of requests made by Brazil
2004	120
2005	48
2006	120

**Requests received by Brazil from other states for preventive embargos of assets, 2004–2006**

Year	Number of requests received by Brazil	Number of replies granting the request
2004	1	In process
2005	2	In process
2006	3	1

Regarding the effectiveness of the international cooperation system to prevent money laundering, Brazil sends and receives extradition requests in money laundering cases, on the basis of bilateral agreements or reciprocity. No statistics have been provided on the number of extradition requests sent and received for money laundering cases.

**CICAD note that Brazil does not criminalize money laundering as an autonomous offense. CICAD also notes with concern that the country does not criminalize trafficking in human beings, organ trafficking, prostitution, and pornography as money laundering predicate offenses, and that there are no administrative controls for lawyers, public notaries, and accountants, despite this being recommended during the Third Evaluation Round.**

**CICAD notes with concern that Brazil does not have an entity charged with the administration of assets confiscated in money laundering cases proceeding from crimes other than drug trafficking. The country also lacks a surveillance and information system on the value and destination of seized assets related to money laundering activities, which was also recommended during the Third Evaluation Round.**

## **RECOMMENDATIONS:**

10. **EXPAND THE LIST OF PREDICATE OFFENSES FOR MONEY LAUNDERING TO INCLUDE ALL CRIMINAL ACTIVITIES CONSIDERED SERIOUS CRIMES UNDER THE PALERMO CONVENTION (PUNISHABLE BY**



A MAXIMUM PRISON SENTENCE OF AT LEAST FOUR YEARS OR A MORE SERIOUS PENALTY), A REITERATED RECOMMENDATION FROM THE **THIRD EVALUATION ROUND, 2003–2004.**

11. **EXPAND CURRENT ADMINISTRATIVE CONTROLS TO PREVENT MONEY LAUNDERING TO INCLUDE LAWYERS, NOTARIES PUBLIC, AND ACCOUNTANTS, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.**
12. **EXPAND THE JURISDICTION OF THE NATIONAL ANTI-DRUGS FUND (FUNAD) TO SEIZED ASSETS RESULTING FROM MONEY LAUNDERING, PROCEEDING FROM SERIOUS OFFENSES OTHER THAN NARCOTRAFFICKING, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.**
13. **ESTABLISH A SYSTEM TO REPORT ON THE VALUE AND DESTINATION OF ASSETS SEIZED FROM OF MONEY LAUNDERING ACTIVITIES, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.**



## CONCLUSIONS

In the area of institutional strengthening, CICAD recognizes the existence in Brazil of a National Anti-drug Plan and a central authority, the National Anti-drug Council (CONAD), with authority and resources to coordinate the activities of the national plan. However, CICAD notes that the absence of an adequate budget for the Plan limits the latter's full application.

CICAD recognizes the country's progress in ratifying the majority of international instruments on drugs and related crimes. However, CICAD notes with concern that the country has not yet ratified the Inter-American Convention on Mutual Assistance in Criminal Matters (1992), a reiterated recommendation from the First Evaluation Round, 1999–2000.

CICAD recognizes Brazil's efforts to strengthen the Brazilian Observatory on Drug Information. In that regard, periodic studies on drug use in the general and school populations are highly useful for making the design and implementation of preventive measures more effective.

In the area of demand reduction, CICAD recognizes the efforts made in implementing several preventive and communication actions, targeting a number of key populations, such as preschoolers, elementary schools, and universities, the scope and coverage of which it was not possible to measure. However, CICAD views with concern that the country has not been able to establish a national integrated plan of drug abuse prevention programs that target key populations as recommended in the MEM Third Evaluation Round, 2003–2004. In that regard, only in schools has there been a significant effort to train teachers to carry out prevention programs among students aged 11 to 17, and coverage is low considering the overall school population in the country. Programs that target street children and other at-risk groups are also highly valuable, despite that fact that they are still limited to only a few cities in the federation.

CICAD recognizes the efforts to strengthen and increase the availability of treatment and rehabilitation services in the country. The existence of minimum standards of care, a registry of treatment centers and a system for their accreditation, as well as annual evaluation of the services provided by those centers, amount to a solid foundation from which to offer treatment and rehabilitation opportunities for those who need them. However, since the country has not provided information on the total number of patients that have received treatment or the total number of treatment admissions during the years 2004–2006, it has not been possible to assess the country's national capacity to provide treatment opportunities to those who need them.

In the area of supply reduction, CICAD notes that the country still lacks consolidated information on interventions for prevention and control of diversion of pharmaceutical products. The latter does not allow an assessment of the effectiveness of the regulations and measures used in the country to prevent the diversion of such products. However, CICAD recognizes that the country has taken adequate steps to prevent diversion of controlled chemical substances used in the illicit manufacture of drugs.

CICAD notes that there are still deficiencies in the consolidation of national data on activities to control the drug supply. Given the difficulties inherent in the political/administrative characteristics and geography of the country, it is necessary to have a single database that consolidates information from the institutions involved in this area.

CICAD notes that the country has appropriate and necessary measures to control trafficking in firearms, ammunition, explosives and related materials. However, CICAD is concerned about the lack of a national system for data collection on this type of offense.



In the area of money laundering control, CICAD notes that Brazil does not criminalize money laundering as an autonomous offense. CICAD also notes with concern that the country does not criminalize the trafficking of human beings, organ trafficking, prostitution and pornography as money laundering predicate offenses, and that the country does not have administrative controls for lawyers, public notaries, and accountants. In addition, CICAD notes that the country does not have an agency in charge of administering assets confiscated in connection with money laundering proceeding from crimes other than narcotrafficking, and lacks an investigation and information system on the value and destination of assets seized in money laundering activities.

CICAD recognizes the commitment and active participation of Brazil in the Multilateral Evaluation Mechanism process.





## SUMMARY OF RECOMMENDATIONS

The following recommendations are assigned to Brazil in order to assist the country in strengthening its policy to combat the problem of drugs and related activities and increase multilateral cooperation in the Hemisphere.

### INSTITUTIONAL STRENGTHENING

1. RATIFY THE INTER-AMERICAN CONVENTION ON MUTUAL ASSISTANCE IN CRIMINAL MATTERS (1992), A REITERATED RECOMMENDATION FROM THE FIRST EVALUATION ROUND, 1999–2000.

### DEMAND REDUCTION

2. ESTABLISH A NATIONAL INTEGRATED PLAN OF DRUG ABUSE PREVENTION PROGRAMS THAT TARGET KEY POPULATIONS, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.
3. ESTABLISH A NATIONAL REGISTRY OF PATIENTS IN TREATMENT CENTERS THAT WILL PROVIDE INFORMATION ON THE TOTAL NUMBER OF PATIENTS WHO RECEIVED TREATMENT OR THE TOTAL NUMBER OF TREATMENT ADMISSIONS IN A GIVEN PERIOD.

### SUPPLY REDUCTION

4. ESTABLISH A NATIONAL DATABASE THAT CONTAINS DATA ON ILLICIT DRUG LABORATORIES THAT HAVE BEEN DISMANTLED AND THEIR POTENTIAL PRODUCTION CAPACITY.
5. STRENGTHEN THE INFORMATION SYSTEM ON PHARMACEUTICAL PRODUCTS TO PROVIDE DATA ON THE NUMBER OF SEIZURES, THE QUANTITIES OF PHARMACEUTICAL PRODUCTS SEIZED, AND THE APPLICATION OF SANCTIONS FOR THE DIVERSION OF THESE PRODUCTS.
6. IMPLEMENT TRAINING COURSES FOR PUBLIC AND PRIVATE SECTOR PERSONNEL RESPONSIBLE FOR THE CONTROL OF PHARMACEUTICAL PRODUCTS.
7. CARRY OUT RESEARCH AND TRAINING ACTIVITIES RELATED TO THE PREVENTION AND CONTROL OF ILLICIT TRAFFIC OF PHARMACEUTICAL PRODUCTS AND OTHER DRUGS VIA THE INTERNET, WHICH WILL ENABLE THE COUNTRY TO IDENTIFY ITS REGULATORY AND OPERATIVE NEEDS.

### CONTROL MEASURES

8. DEVELOP AN INFORMATION SYSTEM ON THE CONTROL OF ILLICIT DRUG TRAFFICKING THAT CONSOLIDATES DATA PROVIDED BY THE POLICE AGENCIES, PUBLIC PROSECUTOR'S OFFICE, AND JUDICIAL BRANCH.
9. INCORPORATE INTO THE NATIONAL JUSTICE AND PUBLIC SECURITY INFORMATION SYSTEM (INFOSEG) OF THE NATIONAL SECRETARIAT FOR PUBLIC SECURITY, DATA PERTAINING TO THE NUMBER OF PERSONS FORMALLY CHARGED WITH AND CONVICTED OF THE POSSESSION OF AND ILLICIT TRAFFICKING IN FIREARMS AND AMMUNITION, AND THE QUANTITIES OF FIREARMS,



AMMUNITION AND EXPLOSIVES SEIZED, A REITERATED RECOMMENDATION FROM THE **THIRD EVALUATION ROUND, 2003–2004.**

10. **EXPAND THE LIST OF PREDICATE OFFENSES FOR MONEY LAUNDERING TO INCLUDE ALL CRIMINAL ACTIVITIES CONSIDERED SERIOUS CRIMES UNDER THE PALERMO CONVENTION (PUNISHABLE BY A MAXIMUM PRISON SENTENCE OF AT LEAST FOUR YEARS OR A MORE SERIOUS PENALTY), A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.**
11. **EXPAND CURRENT ADMINISTRATIVE CONTROLS TO PREVENT MONEY LAUNDERING TO INCLUDE LAWYERS, NOTARIES PUBLIC, AND ACCOUNTANTS, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.**
12. **EXPAND THE JURISDICTION OF THE NATIONAL ANTI-DRUGS FUND (FUNAD) TO SEIZED ASSETS RESULTING FROM MONEY LAUNDERING, PROCEEDING FROM SERIOUS OFFENSES OTHER THAN NARCOTRAFFICKING, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.**
13. **ESTABLISH A SYSTEM TO REPORT ON THE VALUE AND DESTINATION OF ASSETS SEIZED FROM MONEY LAUNDERING ACTIVITIES, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.**



[www.cicad.oas.org](http://www.cicad.oas.org)

**Organization of American States - OAS**  
**Inter-American Drug Abuse Control Commission - CICAD**  
**1889 F Street, N.W. Washington D.C. 20006**