

Brussels, 27 October 2017
(OR. es, en)

13421/1/17
REV 1

CORDROGUE 127
COLAC 106

NOTE

From:	Spanish Regional Chair of the Dublin Group
To:	Dublin Group
No. prev. doc.:	13634/16
Subject:	Regional report on South America

BOLIVIA

1. OVERVIEW

Since the group's last report (April 2017), there have been significant developments in the fight against drug trafficking; these were analysed by the local Dublin Group in La Paz on 21 September 2017.

- i) Following the adoption of the new legal framework on coca and illicit trafficking in controlled substances, there has been progress on the regulatory front with the recent approval of the regulation implementing the general law on coca, while the other regulation concerning illegal trafficking in controlled substances is expected to be approved in the very near future. Another key step will be the approval of the penal system code, which covers drug-trafficking offences.

- ii) The government has moved forward with the development of a sector plan on the **reform of the justice sector**, which is expected to be approved in the coming months.
- iii) On 19 July, the United Nations Office on Drugs and Crime (UNODC) released its **Bolivia Coca Crop Monitoring Survey** for 2016. The report shows that the area under coca cultivation grew from 20 200 to 23 100 hectares, after five years of continuous reduction (2011-2015). Meanwhile, between 2015 and 2016, the area rationalised/eradicated decreased by 40 % nationally, dropping from 11 020 to 6 577 hectares. The report also indicates that areas under coca cultivation have grown by 49 hectares in six out of 22 nationally protected areas.
- iv) The US Office of National Drug Control Policy published its 2016 monitoring results in August. The report indicates that there are 37 500 hectares of coca fields under cultivation – up 3 % on 2015 – and that the country's potential annual cocaine production has risen to 275 metric tonnes – an increase of 8 % compared to 2015.
- v) **Seizures.** In July, the UNODC released a **validation report on the information on the incineration and destruction of seized illicit drugs** for the first half of 2017. During that period, the Bolivian anti-drug agency, the FELCN (*Fuerza Especial de Lucha Contra el Narcotráfico*) seized 6 015 kg of cocaine base, 1 861 kg of cocaine hydrochloride and 9 148 kg of marijuana for retail sale. The controlled substances were incinerated/destroyed in 266 operations. The UNODC was involved in the incineration/destruction of 58 % of the cocaine base, 79 % of the cocaine hydrochloride and 64 % of the marijuana.

- vi) The government has formally requested financial support from the EU to carry out studies on **average coca leaf production and the coca leaf to cocaine conversion factor**. The EU has confirmed that it is willing to fund those studies via the UNODC. It is hoped that it will be possible to launch the studies at the end of 2017 or in early 2018.

2. INSTITUTIONAL FRAMEWORK

Following the adoption of law No 906 on coca and law No 913 on combating illegal trafficking of controlled substances, their implementation is underway:

The **regulation implementing the general law on coca (Supreme Decree No 3318)** was recently enacted (6 September 2017). Fundamental aspects: (1) clarification of the division of powers between institutions and strengthening of the role of CONCOCA (the national council for the renewed appreciation, production, commercialisation and industrialisation of and research into coca) as an interministerial strategic coordination body; (2) establishment of a mandatory biometric register for producers and traders and strengthening of the control system for routes and markets; (3) regulation of coca research and industrialisation.

The content of the regulation is quite satisfactory and largely complies with the UNODC's recommendations. Nevertheless, it will be necessary to closely monitor how thoroughly registrations and controls are implemented, and there is a degree of ambiguity in the section on research and industrialisation.

The **regulation implementing the law on combating illegal trafficking in controlled substances** is expected to enter into force in the coming weeks. The regulation is expected to govern three key aspects: (a) the role of the anti-drugs police force and new investigation instruments; (b) controlled chemical substances; and (c) registration, control and administration of seized items.

Law No 913 represents a major step forward in the fight against drug trafficking, governing fundamental aspects relating to investigation and resources management. It institutionalises the use of modern investigation techniques (e.g. telephone tapping, using informers and collaborators) which until now have not been included in the legal framework, and contains measures for taking a more international approach to tackling drug trafficking. Both the adoption of the regulation and the allocation of financial, human and technical resources are essential if it is to be a success.

There is some concern over the increase in the area which may be used for coca cultivation under law No 906, and over the sizeable decrease in the area eradicated and rationalised. While the area increase is not dramatic (in particular in the regional context, with much bigger increases in Peru and Colombia), it is a reversal of the downward trend of the past five years. Government and legislative efforts to promote coca leaf exports – contrary to the country's international commitments in the UN – are causing uncertainty.

The legislation does not meet the demands of all the country's coca farming groups, which played a key role in drafting it. Several appeals against the coca leaf law have been lodged with the constitutional court on grounds of unconstitutionality, both by ADEPCOCA, the association representing coca farmers in the traditional areas of the Yungas, and by a group of opposition politicians. After the enactment of law No 906, five municipalities in the Cochabamba department were declared in a state of emergency and were the source of public disorder due to the government's alleged failure to reflect in the law the agreement authorising the cultivation of 700 hectares of coca in the municipalities. These disagreements have led to violent clashes in a Yungas town between coca producers aligned with the government and coca producers challenging the coca law.

a) Strategic framework

The new National Strategy Against Drug Trafficking and for the Control of Surplus Coca Cultivation 2016-2020 (ELCN&CCEC), adopted in late 2016, is to be presented in a meeting of the UNODC's thematic working group on drugs in October 2017. The government is currently working on the action plan for the strategy, which is expected to be adopted in the last quarter of 2017. The National Strategy for Sustainable Comprehensive Development (EDIS) could be adopted in 2017.

3. INTERNATIONAL COOPERATION

- i) **UNODC programme** (funded by the EU and Denmark) The programme continues to make progress in the following areas: coca crop monitoring, legal assistance to strengthen the national legal framework, technical assistance to strengthen regional cooperation on implementing bilateral and multilateral agreements, validation of the destruction/incineration of seized illegal drugs and strengthening of forensics laboratories. There are also plans to incorporate into the programme the studies on coca leaf production and the coca leaf to cocaine conversion factor.
- ii) In the context of UNODC's proposals for facilitating regional cooperation between Bolivia and other countries in the region, further efforts have been made to promote the implementation in Bolivia of the **UNODC and WCO (World Customs Organisation) container checking programme (CCP)** as well as the **AIRCOP airport communication project and the CRIMJUST project**. Bolivia and the UNODC intend to sign memoranda of understanding on the first two this year.

- iii) **A police intelligence exchange centre has been set up** to tackle drug trafficking **between Bolivia, Brazil and Peru**, with offices in Brazil; it seems to have been operational since July 2017.
- iv) The International and Ibero-American Foundation for Administration and Public Policies (FIIAPP) is leading the **EU technical assistance and capacity-building programme for Bolivian institutions responsible for combating drug trafficking**. By the end of 2017, 36 courses will have been held, with more than 800 people from 16 different institutions receiving certification.
- v) In August, the **US** shared the results of, and methodology used in, its study on the extent of coca cultivation with the international community. Since December 2016, US and UNODC analysts have been communicating and exchanging technical information on methodologies. In July, the US and Bolivian governments signed a customs mutual assistance agreement allowing the exchange of information and collaboration in order to prevent illegal shipments and related criminal activities, including drug trafficking.
- vi) Bilateral cooperation with EU member states continues as regards capacity-building programmes for the FELCN and other Bolivian institutions involved in combating drug trafficking.
- vii) So far, police and judicial cooperation and information exchange in the fight against drug trafficking between EU member states and Bolivia have yielded few results, due to the lack of Bolivian human and technical resources and outdated legislation which makes it difficult to conduct effective police and judicial investigations.

4. RECOMMENDATIONS

We would make the following recommendations to the Bolivian government:

- i) Expedite **the adoption and implementation of the regulations implementing the new laws**, the launch of the **strategy for sustainable comprehensive development (EDIS)**, the drafting of the **sector plan for judicial reform** and the adoption of the **penal system code**.
- ii) Regularly include a yield analysis in coca leaf crop monitoring surveys in order to have realistic estimates of the volumes produced (tonnes) rather than just the area under cultivation (hectares), in accordance with UNODC recommendations.
- iii) Continue **strengthening cooperation** with neighbouring countries through the joint committees and bilateral agreements, in line with the UNODC's proposals.
- iv) **Implement and improve the supervision of legal markets for the sale of coca leaf**. According to the UNODC coca crop monitoring survey for 2016, just 58.7 % of national coca leaf production is sold on the legal markets of Vila Fatima in La Paz and Sacaba in Cochabamba. Most of the coca leaf sold on those markets comes from the Yungas region. There is no evidence justifying the increase in production in Chapare provided for by the new law. We recommend providing a more detailed explanation of the uses of coca in that province.
- v) **Update** legislation on '**precursor**' agents and extend the list of substances considered as such. The current list is outdated and is not as comprehensive as the lists in other countries in the region.

- vi) Promote the launch, drafting and publication of the two pending studies on **average coca leaf production and the coca leaf to cocaine conversion factor**.
- vii) Place a stronger **focus on prevention and treatment**, in line with the Bolivia's commitments in UNGASS (Special Session of the United Nations General Assembly on the world drug problem) and expedite the set-up of the regulatory body.

BRAZIL

1. OVERVIEW

Because of Brazil's extensive open borders with the three main cocaine producing countries, Peru, Bolivia and Colombia, large quantities of cocaine are brought to Brazil by land, river and air. However, the production of opiates, cocaine and synthetic drugs in the country continues to be of little significance.

In relation to consumption, as pointed out in previous reports, the lack of recent, reliable, nationwide statistics (the last ones date from 2005) constitutes a significant obstacle to analysing the challenges that the country faces in this field. The vacuum is only partially filled by sectorial studies, like the ones of consumption of crack and cocaine (2013) and of consumption in schools or the prison system. However, the third House Survey commissioned by SENAD to the Fundação Oswaldo Cruz (Fiocruz) should shed some light on the current situation by the end of this year. In the opinion of Brazilian Federal Police, cocaine and cannabis consuming is increasing however the seizures. This is due to consumption among general population and because Brazil is a very important transit country, mainly for cocaine, as a result of its geographical position.

Regarding synthetic drugs, Brazil is an expanding market for these drugs, and the EU is the main synthetic drug provider. This is an issue of serious concern in the consumption of methamphetamine and ecstasy, as well as the misuse of new chemical substances for the production of drugs.

As regards the fight against drug trafficking, according to the Federal Police data, in 2016 there was a significant increase in the number of seizures of cocaine (40,404 tonnes), as compared with 2015 (27,209 tons), but the seizures of cannabis (230.206 tons), decreased, if compared with 2015 (269,899 tons). This data only reflects the seizures from the Federal Police and doesn't include seizures from the states' civil police.

2. INSTITUTIONAL FRAMEWORK

a) Institutions involved in drugs policy

The Federal Police leads the Brazilian public policy on drug supply reduction and the National Secretariat on Drugs Policies (SENAD) leads the one on drug demand reduction. It is assisted by the National Council on Drugs Policies (CONAD), composed of representatives from the Government and civil society. Both institutions depend on the Ministry of Justice. The government actions are coordinated within the framework of the Multi-year plan 2016-2019, which targets the reduction of social impact of the use of drugs through preventive, care and social rehabilitation programs. Some federal and local authorities also implement drug related social projects, which offer housing, work, and other care activities in open community services, on a voluntary basis.

Regarding the prevention of drug use, the Brazilian government, with the assistance of UNODC, is investing in pilot projects, targeting families and schools, based on prevention methodologies from the United States and Europe. The three main projects are 'Tamo Junto', which focuses on school children aged 12 and 13, 'Elos' for children between 6 and 10 years old, and 'Famílias Fortes', which works with both children and adults in the family environment.

b) Legislative changes

The Federal Supreme Court (STF) is currently judging the constitutionality of article 28 of the law 11.343/06, which criminalizes the possession of drugs for personal use, although no prison sentences are contemplated. The court may establish quantitative parameters to distinguish drug possession for personal use and possession with the intent to trafficking in this judgement. This decision has been adjourned for the past few months, but it has been taken up again in the last few weeks. The results of this decision could have a great impact on prison releases (some studies state it could affect up to 70% of population imprisoned for matters related to drugs.)

The STF decided on June 2016 to stop considering first time trafficking a serious offence, as long as the offender has no criminal record. This decision might have a very direct relation with a large number of releases from prison, especially in the case of women.

Law 13.257/16, which regards rights of the child, establishes special treatment in some cases for mothers involved in drug crimes.

On July 2016 the Senate passed a project which establishes preliminary hearings should not take place later than 24 hours after detention. The implementation of this measure, which has already started in São Paulo, has a great importance in crimes related to drugs, from the point of view of procedural guarantees.

The designation of legal and illegal drugs in Brazil depends on an administrative body, the Agencia Nacional de Vigilância Sanitaria (ANVISA). This agency has recently authorised the legal use of cannabidiol, a derivative of cannabis, for therapeutic use.

c) Assessment of the government's political will to conduct a comprehensive and resolute drug policy

Given the size of the country and the multiple bodies involved (various Federal Ministries, state and local authorities, police, civil society, etc.), articulating a comprehensive and coherent drug policy remains a challenge. The political instability of the past two years together with budget cuts due to the adverse economic situation has not helped to develop new policies. The Minister of Justice has changed twice in the past six months. The new government is still working on their approach to drugs policy, being this a transitional period which is still undefined in many fields.

Nevertheless, there is a will of facing the problem of overcrowded prisons, which might result in new approaches regarding drug policies.

Some serious studies regarding the large percentage of the prison population related to drugs have been made by different institutions, such as DEPEN (National Penitentiary Department) or the Brazilian Forum of Public Security (Foro Brasileiro de Segurança Pública). The number of incarcerations for drug trafficking have increased 340 % in the past ten years, even more in the case of women (567 %). There is a growing social debate on this issue, with a significant part of the population claiming for changes on the criminal approach for drug policies which involve less judicial discretionality in the application of the law related to drug trafficking.

3. INTERNATIONAL COOPERATION

In the international arena, Brazil has been very active in the preparation of the Special Session of the General Assembly on the World Drug Problem (UNGASS), in April 2016. Brazil held an innovative approach at the UNGASS, regarding the drugs problem from a public health point of view, supporting harm reduction policies and the exclusion of death penalty. On the regional front, Brazil is satisfied that the different regional fora have been able to produce common declarations on the issue: CELAC (Quito Declaration, May 2015), UNASUR (Montevideo Declaration, August 2015) and Mercosur (Brasilia Declaration on May 2015, under the Brazilian pro tempore presidency). At the UNGASS, the debate and discussion regional networks were reinforced. These declarations, while respecting the framework of the current international conventions, call for a regional approach to drug policies based on a human rights perspective.

On the side of drug demand, in March 2015 the 2nd EU-Brazil Dialogue on Drugs took place in Vienna. The meeting took stock of the current cooperation on drug related matters and Brazil expressed interest in continuing to participate in EU funded projects related to drugs. Brazil's participation in the various EU programs (COPOLAD, SEACOP) has been very positive. For the next five years, FIIAP and Spain's Government Delegation for the National Plan of Drugs (DGPNSD), will be managing phase II of the COPOLAD Programme. The primary objective is to boost cooperative work on drug policy between the countries of CELAC and the EU.

Brazil conducts its cooperation with its neighbours within a framework of joint commissions on organised crime, but they don't meet on a regular basis. A recent meeting took place with Bolivia (June 2016), and Peru (2016). In August 2017, Brazil and Paraguay signed an agreement on border security and drug trafficking. Brazil maintains informal cooperation with some African countries as well, particularly with Portuguese speaking ones. Due to this cooperation, in 2017 Brazilian Federal Police joined Airport Communication Programme (AIRCOP), a multi-agency, anti-trafficking initiative in order to strengthen detection, interdiction and investigative capacities of participating airports in illicit drug source and transit countries.

Moreover, Brazilian Federal Police will join Seaport Cooperation Project (SEACOP), which seeks to build capacities and strengthen cooperation against maritime trafficking in countries on the trans-Atlantic cocaine route (West Africa and the Eastern Caribbean).

On the internal and operational side, the INTERCOPS program, implemented by the Brazilian Federal Police in Guarulhos airport since November 2014, has strengthened capabilities in the exchange of information on criminal investigations and working methodologies with the participating countries with very promising results, especially on cocaine human couriers.

As a result of 2016 Mini Dublin Group recommendations, from June 2017, a pilot scheme led by Brazilian Federal Police and Receita Federal is being implemented in main Brazilian shipping and cargo ports to improve national capacities to tackle maritime trafficking.

4. MINI DUBLIN GROUP ASSESSMENT OF NEEDS AND RECOMMENDATIONS

- i) On the demand side, the main challenge will be to successfully implement prevention and rehabilitation programs in different social and geographical contexts. It would be useful to continue the exchange of experiences in innovative methodologies in the field of drug prevention and the evaluation of public policies dealing with drugs.
- ii) On the supply side, urge to reinforce border control, by means of using advanced technologies as well as increasing the allocated human resources and including municipal, state and federal police institutions in integrated drug policies. A greater coordination of the different government levels (Federal, State and Municipal) is also essential in order to improve the fight against drug trafficking, as well as ensuring application of Federal judicial measures by state criminal justice.
- iii) Regarding legislative changes, a decision which establishes quantitative parameters to distinguish consumption from trafficking, based also on drug nature, would be helpful.
- iv) The lack of drug seizures official data, commits Brazilian government to make efforts in consolidating the National Statistics System on Public Safety (SINESP), especially in its capacity to aggregate the drugs seizures carried out by state police forces.
- v) In the area of international police cooperation, besides EU and UNODC programmes, the local implementation of the INTERCOPS project in Guarulhos international airport could be complemented by the establishment of a similar project led by Brazilian federal police and Receita Federal in the main Brazilian shipping/ cargo ports to improve capacities to tackle maritime trafficking.
- vi) The improvement of international cooperation with countries in the region is crucial to address the drug problem in the region. The active dialogue with Brazil in the UNGASS 2016 should be maintained.

PERU

The **national anti-drugs strategy 2012-2016 (ENLD)** has provided the guidelines for the action taken by the Peruvian State, which, through the National Commission for Development and Life Without Drugs (DEVIDA), has committed considerable resources to combating drug trafficking.

This strategy was designed to tackle the problem of drugs through a **comprehensive approach**, incorporating , among others, the aspects of *prevention, alternative development and eradication*. In this way, during the strategy's implementation period, the area under coca cultivation was reduced by 35.5 %. Official data published by the United Nations Office on Drugs and Crime (UNODC) – estimated on the basis of the Comprehensive Illicit Crop Monitoring System (SIMCI) – identifies a cultivated area of 40 300 ha for 2015, supporting the decrease in the coca-growing area.

1. OVERVIEW

a) Coca leaf, cocaine base paste and cocaine hydrochloride

Coca-growing area

Results for the coca-growing area in Peru for 2016 are not yet available. Through the Comprehensive Illicit Crop Monitoring System (SIMCI), the UNODC is currently working on a satellite analysis process, which involves identifying and measuring the area under coca cultivation in the various coca-growing areas using high-spatial-resolution images. Preliminary figures will be submitted at the end of August, and the final annual (statistical and analytical) report will be presented at the end of September.

However, it is worth mentioning that, given the current situation in the Apurímac-Ene-Mantaro River Valley (VRAEM), the 2016 figure for this area will not change dramatically, as the eradication (2016 target: elimination of 30 000 ha) and alternative development programmes, which fall within its scope, have yet to be implemented by the State.

Both the figure for the coca-growing area and other relevant figures in the Annual Coca Crop Monitoring Survey are the result of a methodology that has been validated at international level and agreed on with the Peruvian State, which, through DEVIDA, is directly involved in drawing up the Survey within the framework of the Monitoring Committee led by DEVIDA and the UNODC.

In addition to satellite identification and measuring, this methodology involves the corroboration of data through land and aerial field missions, which is backed up by official secondary data and an analysis of the results of the eradication programme. These elements are used to produce a final annual figure.

In 2016, the programme to reduce the area under coca cultivation focused its activities on Ucayali (Aguyta and San Alejandro -47.6 %), Pichis-Palcazú-Pachitea (Constitución -30.6 %), Tingo María (-9.4 %), Puno (San Gabán -9.2 %) and Loreto (-3.2 %). This reduction programme has resulted in the elimination of 30 150 ha of coca. The production areas which increased were Ucayali (50 %) and Valle Huallga (50 %).

Potential output

Similarly, it is still not possible to give an estimate for potential coca leaf production at the end of 2016, as this depends on the figure for the area under coca cultivation. Regarding potential cocaine hydrochloride production, the Group is aware that, through DIREJANDRO, the national police is working on the initial steps of conducting the necessary studies to determine the quantity of coca leaf required to produce 1 kg of cocaine hydrochloride and to define the types and quantities of inputs needed for its production. The UNODC has prepared a proposal to support the Peruvian State in carrying out these studies.

The data corresponding to the total volume of dried coca leaf consumed in the traditional way (9 000 tonnes, according to the National Institute for Statistics and Information Technology (INEI)) needs to be brought up-to-date. A register of coca farmers and a new census of coca leaf producers who sell their product through the National Coca Company (ENACO S.A.) need to be set up for this purpose.

Prices

According to DEVIDA, the national annual average price per kilogram of coca leaf for 2016 was USD 4.01 (PEN 13.03). Over the course of the year, prices peaked at USD 4.26 (PEN 13.83) in August and dropped to their lowest point at USD 3.52 (PEN 11.42) in September. The area with the highest prices was Inambari Tambopata, with a peak of USD 11.20 (PEN 36.38) in August.

Crop: Coca leaf, illegal

Year: 2016

Valleys	AGUAYTIA	CABALLOCOCHA	QUILLABAMBA	PICHIS-PALCAZU-PACHITEA-SATIPO	RIO APURIMAC	ALTO HUALLAGA	TAMBOPATA-INAMBARI	HUALLAGA CENTRAL-BAJO HUALLAGA-ALTO Y BAJO MAYO	Average for Peru
ENE	10.97			10.83	7.01	15.77	19.88	20.00	14.08
FEB	9.95			10.40	7.26	15.64	24.00	20.00	14.54
MAR	9.95			14.50	5.94	15.51	24.67	20.00	15.09
ABR	9.95			14.33	5.28	8.77	23.86	12.00	12.37
MAY	9.95			14.50	6.54	8.56	31.17	9.95	13.44
JUN	9.98			14.50	6.10	7.22	30.67	7.59	12.67
JUL	9.95			14.00	6.53	7.42	30.29	7.72	12.65
AGO	9.95			14.00	6.52	7.99	36.38	8.17	13.83
SET	9.90			14.00	6.52	8.28	21.67	8.18	11.42
OCT	9.97			14.58	8.43	11.05	20.33	9.41	12.30
NOV	9.65			10.50	10.26	10.98	20.00	10.29	11.95
DIC	9.95			10.50	7.47	10.70	24.00	9.76	12.06

Source: Devida regional offices

Report drawn up by: Promotion and Monitoring Directorate (DPM) – Monitoring Subdirectorate - Devida

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No annual average prices for cocaine base paste and cocaine hydrochloride have been reported at present.

Seizures

National police (DIREJANDRO) statistics for 2016 show that 35 733 kg of drugs were confiscated, 14 035 kg of which correspond to base paste (17.2 % more than the previous year). As regards cocaine hydrochloride, 13 958.62 kg were seized – 39.5 % more than in 2015.

In Peru, illicit drug traffickers continue to operate in collusion with national criminal organisations ('creole cartels and family clans'). These organisations transfer the drugs from the production areas to interim destinations in towns located mainly in the Peruvian Andes, before moving them on to coastal or border towns. In these places, the shipments are put together and, from there on, controlled by the international cartels.

The shipments – export of cocaine base paste and cocaine hydrochloride – are carried out by all available means. Overland transportation primarily heads towards the south-eastern part of the country – Puno and Madre de Dios – on the way to Bolivia; drugs transported by waterway are principally bound for Brazil; the sea route is more sophisticated since it operates through the creation and use of front export companies, with the 'merchandise' being hidden in the numerous containers that are shipped from the various ports daily.

The air route merits a separate analysis, as this type of drug trafficking requires additional infrastructure and makes use of (new or restored) clandestine airstrips. In recent years, the UNODC has been involved in identifying such airstrips. The results have been used by the State to arrange the decommissioning and destruction of these facilities.

Another worrying phenomenon is drug traffickers' growing use of illegal light aircraft, which operate from increasingly dispersed clandestine airstrips. The authorities have drawn up regulations to deter this practice, such as the law on the control, surveillance and defence of the national air space, known as the Air Interdiction Law. However, the State should incorporate additional control systems in the implementation of this law and provide the relevant public bodies with the necessary resources and logistics.

b) Poppy and other opiates

Statistics on these substances are managed by the national police, but there is no information on the methods used to generate them, and although it is known that all finds are destroyed, that information is not sufficient to provide a scientific diagnosis of the problem. In 2016, the Department of International Narcotics and Law Enforcement Affairs of the US Embassy in Peru (SAAL) commissioned CEDRO to carry out a study on poppy crops in the country. Preliminary reports show that there are more than 700 ha of poppy. There is evidence of an increase in demand for opium latex, which suggests an increase in the supply of the raw materials (crops grown for the extraction of latex). This is supported by the seizure figures: 7 729 kg of marijuana, 8 102 kg of opium latex and 1 338 kg of heroin in 2016.

c) Drug consumption in Peru

In Peru the annual prevalence rate for the consumption of illicit drugs among the general population is 1.5 %. The secondary-school population has a higher annual prevalence rate of 3.8 %. According to DEVIDA figures, 47 000 school pupils use marijuana, 23 000 of whom would be considered to be 'problem users'. In addition, 20 000 are reported to have used cocaine hydrochloride and cocaine base paste.

In both the general and school populations, consumption of illicit drugs is higher among males than among females (in the general population: 2.8 % of males compared to 0.4 % of females; in the school population: 4.5 % of males compared to 3.1 % of females). The average age at which people start drinking alcohol and smoking is 13.3, while the average age at which people start taking illicit drugs is between 12 and 14.3.

According to the chief executive of DEVIDA, Carmen Mesías, the cost associated with the consumption of drugs in the country is USD 1.5 billion.

d) Main approaches and results in the fight against drugs

Reduction of the area under coca cultivation: In 2016, the aim was to eradicate 30 000 ha. This figure was slightly exceeded, with an area of 30 150 ha eradicated. This figure will be used by UNODC to analyse the figure for the area under coca cultivation for the 2016 Monitoring Survey, taking into consideration both successful eradication (where the crop production is destroyed) and avoided eradication (in the event of re-eradication¹ and new plantations²).

In the VRAEM, the country's largest and most problematic production area, the productive reconversion programme has been suspended, and an evaluation process is currently ongoing 'to gauge its relevance'.

¹ Crop eradication carried out more than once in the same area. Some farmers reinstate coca cultivation after eradication. Re-eradication prevents replanting from reaching the productive stage. UNODC reports refer to this type of eradication as avoided eradication.

² The new plantations or new crops are eradicated and also do not reach the productive stage.

Interdiction and seizures: In 2016, in addition to the seizure of 35 733 kg of drugs, 505 cocaine base paste processing laboratories were destroyed. The National Commission for Confiscated Goods (CONABI) has carried out a number of public auctions. Arrests of drug mules ('burriers') continue to increase, especially at Lima Jorge Chávez International Airport.

Of the drugs seized in 2016, only around 250 g were ecstasy.

2. INSTITUTIONAL FRAMEWORK

a) Policy framework

The national anti-drugs strategy 2012-2016 expired in 2016, and the national authorities have developed a new national anti-drugs strategy for 2017-2021, which was published in *El Peruano* on 1 June 2017.

The new strategy focuses on reducing illegal trafficking and the consumption of drugs and their adverse social, political, economic, cultural and environmental effects, so that coca farmers move into a legitimate economy.

With a view to combining efforts, this new plan takes an interinstitutional approach, underpinned by a number of principles including mainstreaming, the diversity of populations, sustainability, non-discrimination, gender equality, interculturalism, and common and shared responsibility.

In line with the four strategic objectives for the previous period, the three strands of action on which the new plan is based are: integrated and sustainable alternative development (DAIS), control of supply, and reduction of demand. There is also a fourth cross-cutting strand: shared social responsibility.

The first of these strands focuses on post-eradication activities, such as creating lawful employment opportunities and promoting access to basic services (education, health, security and other social programmes). The second strand focuses on reducing illegal crops, increasing drug seizures and strengthening the capacities of the relevant institutions, and the third tackles prevention and treatment of the affected population. The last strand, which is based on a comprehensive approach, calls for the committed, synergistic participation of both the national and international communities and the projection of Peru's national interests in relation to this issue, through a foreign policy aimed at greater and more efficient international cooperation, and involving national institutions and civil society as a whole.

In quantitative terms, the new strategy aims to increase the area used for alternative crops by 4 000 hectares this year, and to engage the same number of families in post-eradication activities in the framework of alternative development. With regard to the actions aimed at reducing the supply of drugs, the strategy also intends this year to eradicate a further 5 000 hectares of illegal coca and increase the amount of cocaine seized to 40 tonnes. As regards the goals linked to reducing demand, it aims to achieve 20 % student participation in prevention programmes and sets an ambitious target of ensuring that 15 % of users receive treatment for drug addiction.

b) Main institutions

The monitoring of the new national anti-drugs strategy for 2017-2021 is the responsibility of DEVIDA, which works together with other government bodies and is the lead agency in the fight against drugs in Peru. Carmen Masías took over as head of the agency in 2016.

The institutions which support and coordinate with DEVIDA include: the Ministry of the Interior, through the Anti-Drugs Executive Directorate (DIREJANDRO) and the Directorate for the Control of Drugs and Illegal Crops, part of the Directorate General against Organised Crime, which is in charge of the special project for the control and eradication of illegal coca leaf cultivation in Upper Huallaga (CORAH); the Ministry of Defence; the national tax and customs administration (SUNAT); the Ministry of Agriculture and Irrigation; the Ministry of Justice; the Ministry of Foreign Affairs; and the Ministry of Health.

The National Coca Company (ENACO S.A.) is a public-sector company responsible for the trade in coca leaf and for the production of derivative products. This body keeps a register of legal coca leaf producers.

Other bodies with relevant responsibilities are the National Commission for Confiscated Goods (CONABI), the regional governments, the local governments, the courts, the public prosecutor's office and the national congress (committee on defence, internal order, intelligence, alternative development and combating drugs), the SBS (supervisory authority for banking, insurance and private pension fund administrators) and the Financial Intelligence Unit.

Given the number of bodies involved, it is essential for DEVIDA to have sufficient political standing and backing to be able to effectively play its role as the lead agency.

c) Legal framework and main legislative developments

The Peruvian government has taken legislative measures to step up the fight against drugs, notably Legislative Decree 1241 of 26 September 2015 and its implementing regulation, adopted on 24 June 2016, which strengthen the fight against illegal drug trafficking and authorise the destruction of vehicles transporting illegal substances. It reintroduces the criminalisation of the replanting of coca leaves, which can be punished by imprisonment for three to eight years. It also establishes a clearer definition of the competencies of the bodies involved in the fight against drug trafficking.

This law also includes issues related to (i) providing the national police with powers to carry out studies to determine the coca leaf to cocaine conversion factors, which need to be updated; (ii) the production of a new census of coca farmers who deliver coca leaf to ENACO; and (iii) the implementation of the register of land occupied by coca crops.

Law 30339 on the control, surveillance and defence of the national air space, also known as the Air Interdiction Law, which was enacted in August 2015 and in force from 2016, also enables law enforcement agencies to intercept 'hostile' aircraft.

3. INTERNATIONAL COOPERATION

The new national strategy illustrates the importance that Peru attaches to international cooperation, as the strand devoted to it has been designated a cross-cutting one, clearly indicating the authorities' conviction that this is a global problem which can only be tackled efficiently if it is tackled jointly.

International cooperation has continued to support various programmes, particularly in the areas of alternative development, judicial and police cooperation, and demand reduction. Amongst the actions carried out, it is worth highlighting the work of the UNODC, as well as the government's funding of the anti-drug trafficking programme run by the United States government's Bureau of International Narcotics and Law Enforcement Affairs (which pledged USD 36 million to combating drugs in Peru in 2016) and the alternative development programme run by the United States Agency for International Development (USAID), which pledged USD 16.2 million in 2016. The European Union (EU) is supporting the implementation of the strategy for 2012-2016 with funding of EUR 32.2 million, in conjunction with various Member States, through a consortium of European police forces and long-term technical assistance for DEVIDA, as well as an alternative development project in Satipo with funding of EUR 8 million. Further support worth EUR 12 million is currently being arranged. Japan is focusing on community development projects, in particular with its contributions to the programme being carried out by the UNODC in Trujillo through its Human Security Fund; Canada has been funding initiatives by the Organisation of American States (OAS) and the UNODC that benefit Peru (e.g. USD 1.5 million for the UNODC's container checking programme, to be implemented in the port of Callao) and providing direct support, such as training for the Peruvian national police by the Canadian mounted police and for the Peruvian customs (SUNAT) by the Canada Border Services Agency in risk assessment. The OAS provides support through the Inter-American Drug Abuse Control Commission (CICAD) for the 'institutional strengthening' programme supporting national drug commissions in Latin America, which receives financial support from Spain. On 18 and 19 May 2016, a meeting of the expert working group on alternative development was held. The United Kingdom provides technical assistance to the prosecution service, to the judiciary and to the police in matters including oral litigation, mutual legal assistance, prohibition and seizures.

During UNGASS 2016, Peru highlighted the encouraging results it had achieved through the implementation in several regions in the country of alternative development programmes, which had been successful in reducing areas of illegal coca plantations. It should also be borne in mind that, as part of a broad, integrated and balanced approach to tackling the global drug problem, proper consideration should be given to individuals, families, communities and society at large so as to promote and protect the health, security and wellbeing of the population.

The commitment vis-à-vis the 2030 Agenda for Sustainable Development should also be highlighted. The Group recognises that efforts by the Peruvian authorities to achieve the Sustainable Development Goals and effectively tackle the world drug problem are complementary and mutually reinforcing.

At regional level, Peru is stepping up cooperation with neighbouring countries. In March 2016, the prosecution service (supported by the British and US Embassies and the IOM) hosted the first Latin American Summit of Attorneys General. At that summit, ten Latin American countries committed themselves to promoting more direct and secure international cooperation. Some very fruitful bi-national meetings have been held with Brazil, Ecuador, Colombia, Paraguay and the US, and there is good cooperation with Bolivia. Nevertheless, it would be desirable to increase the level of joint activities, which remains insufficient. The **UNODC** is implementing a European Union project worth EUR 6.5 million to combat the demand for illegal drugs in the four countries of the Andean Community. The EU has launched a new demand and supply reduction initiative within the framework of the Latin America regional programme and COPOLAD II. These regional efforts are complemented by the EL PacCTO project (EU-Latin America assistance programme against transnational organised crime: rule of law and citizen security), which began in 2017 with funding of EUR 20 million, and the various Cocaine Route Programme projects currently underway: SEACOP (maritime cooperation), AIRCOP (cooperation in airports), GAFILAT-EU (anti-money laundering programme), CRIMJUST (strengthening institutions' capacities in criminal investigation and prosecution).

4. RECOMMENDATIONS

- i) **The Group notes the implementation of the national anti-drug strategy 2012-2016,** and the achievement of a number of its goals, particularly on eradication, and welcomes the fact that the country is dedicating substantial resources to combating drug trafficking. The Group hopes that the new strategy for 2017-2021 will follow the operational recommendations of UNGASS 2016, in order to achieve a more positive lasting impact in the fight against drug trafficking in Peru.
- ii) The Group urges the Peruvian government to continue the work being done by the lead agency (DEVIDA) and all the departments of the ministries and public bodies with responsibilities related to combating drug trafficking, so as to create a compact, well-coordinated and efficient state apparatus with adequate technical and budgetary resources. The new government team is urged to continue with this policy, which should reflect a unified and sustained effort.
- iii) The Group suggests that DEVIDA could host regional dialogues with relevant stakeholders from civil society, the scientific community and academia, to follow on from UNGASS 2016.
- iv) The Group urges the Peruvian government to keep up its efforts to ensure that the lead agency in the fight against drugs in Peru continues its process of consolidation, by increasing its authority, convening power across sectors, and budget, so that it can coordinate all the ministries and institutions involved.

- v) The Group stresses the importance of maintaining a sustained dialogue with DEVIDA which will allow it to be regularly informed of the results – achievement of goals and development of monitoring indicators – that are being obtained through the implementation of the new national strategy.
- vi) The Group considers it of the utmost importance that an estimate of the potential cocaine production be made available as soon as possible, taking into account that there are already appropriate legal provisions which allow DIREJANDRO to carry out studies aimed at updating the coca leaf to cocaine conversion factors, which is vital for evaluating real progress in the fight against drugs in Peru. Such studies could be resumed within the framework of the Monitoring Committee, under the auspices of the United Nations Office on Drugs and Crime (UNODC).

The Group feels that the government should rapidly implement the register of coca farmers and the production of a new census of coca farmers linked to ENACO. The UNODC already has a proposal drawn up in the La Convención y Lares region.

- vii) The Group recognises the efforts made by the Peruvian government **as regards seizures**; DIREJANDRO has been carrying out operations in this area with good results. However, official statistics still have very little significance. In this regard, the authorities need procedures for recording and analysing data, in order to obtain standardised, reliable data. The UNODC is preparing a proposal for the establishment of a system for the standardised registration of drug seizures and chemical inputs which are diverted to illicit drug trafficking, to support the national police (DIREJANDRO) and the tax and customs administration (SUNAT).

The Group believes that a programme to identify drug distribution channels and the import of chemical inputs via land, air or river should be implemented. This includes the identification and measurement of the areas used as secret landing strips. The UNODC has carried out studies of this kind since 2011 and has a proposal to present to the relevant authorities.

- viii) The Group acknowledges the efforts made by the Peruvian government with respect to the **control of precursors**; however, we require better knowledge of how diversions occur, and we need to improve the information and the national and regional legislative frameworks, and to establish monitoring mechanisms to detect diversion attempts. SUNAT should be strengthened.

These monitoring mechanisms should be supported by the collection and analysis of reliable information. Knowledge of the distribution and diversion channels for drugs and their chemical inputs could give the State a competitive advantage over organised crime.

In the same way, it would be useful to conduct studies to determine the quantities and types of both non-substitutable and substitutable chemical precursors in order to create and update the list of controllable inputs.

- ix) The Group also urges the Peruvian government to step up its efforts to **combat money laundering**, in accordance with its action plan, since money laundering is closely linked to drug trafficking, and particularly encourages it to comply with the FATF's recommendations on combating money laundering.

- x) The Group welcomes the legislative reforms that promote transparency regarding contributions to political parties and candidates and a better knowledge of the candidates in the various electoral processes, in order to prevent drug trafficking from infiltrating the country's politics.
- xi) The Group stresses the importance of effective action in the **VRAEM**, and urges Peru to pursue a multi-sectoral and interdisciplinary approach in this region that takes into account all the economic, social, environmental, law-enforcement and military aspects of the problem. The Group particularly urges the Peruvian government to conduct an assessment of the programme for productive reconversion, as so far there is no evidence of its achievements.
- xii) The Group repeats its recommendation that **national technical support should be increased**, with international support whenever possible, for all authorities involved in combating drug trafficking, though they should be subject to specific effectiveness criteria, so as to ensure the continuity of ongoing technical programmes. One of the main problems is the high turnover of senior law enforcement officials, which can make dialogue and staff training difficult. Technical assistance should also be increased in sectors such as the one responsible for procurement of equipment, in which the current procedures are hampering the State's action.
- xiii) **The training of judges, prosecutors, public defence lawyers and lawyers throughout the criminal justice system should be stepped up** so that they can carry out thorough investigations, since trials against drug traffickers often pit them against teams of well-paid, well-prepared and well-equipped lawyers. Staff turnover is lower in this area than in the police force, but appropriate measures for improving the effectiveness of such legal proceedings are also recommended. The Group is concerned about the low number of convictions recorded thus far in proceedings against large criminal networks involved in drug trafficking, and considers it vital to secure progress in the courts.

Coordination between these stakeholders should not only be based on specific cases, but should be a continuous process of interinstitutional collaboration.

- xiv) This is linked to the need to have a **faster exchange of accurate information** between the Peruvian authorities themselves (given the lack of coordination that at times has been observed between the prosecution service and the Peruvian National Police) and the authorities of the Group's member countries, in particular via the attachés responsible for interior affairs of the various embassies in Lima. That information and the speed with which it is transmitted are vital for achieving success in the fight against drug trafficking and dismantling international networks.
- xv) The Group encourages the government to continue the **efforts** Peru has made over the last year **to combat corruption linked to drug trafficking**, particularly at Jorge Chávez airport. It recommends that the Peruvian authorities intensify these efforts and remain extremely vigilant. The Group is also concerned by the increase in drugs leaving by sea, especially from the ports of Callao and Paita and some river ports, and urges the port authorities to step up their port control measures; similar measures should be taken at the land borders. The Group urges the Peruvian government to acquire the technical means and equipment to allow it to put a stop to illegal flights leaving the country.

- xvi) The Group notes the **release of the funds needed** from the authorities **to co-finance the annual survey on monitoring of coca leaf crops in Peru**, which is essential for providing a rigorous, objective estimate of the areas that have been cultivated or eradicated and, hence, of the extent to which the national strategy has been implemented. It trusts that the study can be financed in the same way next year.
- xvii) The Group urges the State to ensure that the new national anti-drugs strategy defines the relationship between the integrated and sustainable alternative development (DAIS) strand and the control of supply strand, so that they can be planned and implemented simultaneously and in a mutually supportive manner, thus avoiding time lags which would only work to the advantage of organised crime.

As regards alternative development, the Group recommends that this be kept within the parameters of development as such. The environmental, social and economic components must be duly substantiated prior to decision making. This will require additional budgets.

In this respect, and as a contribution to the new national anti-drugs strategy for 2017-2021, the UNODC has drawn up a proposal in connection with this issue, which aims to generate information and basic knowledge for decision making. In the same vein, this initiative proposes the introduction of more precise plans for the monitoring and follow-up of the implementation of DAIS, to consolidate the achievements made thus far, and to implement corrective measures (or to step up these actions, if they already exist).

- xviii) In accordance with the principle of shared responsibility, and bearing in mind the success of the national strategy and the fact that Peru's status as a producer country means that it remains an important factor in global drug trafficking, the Group considers that **the member countries should continue their international cooperation with Peru on this issue**. The Group also congratulates Peru on its increasing international cooperation with neighbouring countries in the fight against drug trafficking and recognises the ever more active role played by DIRANDRO within the American Police Community (Ameripol) in implementing a joint strategy to control drug trafficking.
- xix) The Group urges the Peruvian government to **maintain the aim of reducing demand for drugs in the country** by developing effective prevention programmes based on scientific evidence and covering prevention, treatment, care, recovery, rehabilitation and social reintegration, with special emphasis on vulnerable groups such as children, teenagers and women.

With this aim in mind, policies should be established to promote the development of healthy lifestyles, encouraging innovative initiatives, strengthening the capacity of local stakeholders and promoting new opportunities in terms of education, the family, entrepreneurship and good use of free time so as to reduce the risks to the most vulnerable groups and prevent them from becoming involved in drug consumption and other psychosocial risk behaviour.

Similarly, the Group urges the State to analyse, report and estimate the trend in new psychoactive substances through the implementation of the Global SMART Program, since synthetic drugs of this type are a problem among teenagers. In this context, it is necessary to generate reliable information on amphetamine-type stimulants (ATS), and their production, distribution, use and sale.

The Group stresses the need to strengthen government institutions in their capacity to generate information and up-to-date data on drug demand reduction by carrying out studies among the university population, including cost-benefit analysis on the implementation of prevention programmes. It is important to prioritise cross-cutting gender issues in the drug demand reduction programmes or projects.

- xx) The Group urges the Peruvian authorities and institutions to incorporate a gender perspective into drug programmes and policies, both through the active participation of women in the various stages of defining and implementing such programmes and policies, and by considering women's specific needs and situation with regard to this issue.

URUGUAY

1. OVERVIEW

From a regional perspective, **Uruguay is not an important country in terms of drug production;** however, the introduction of the new law on the regulation, sale and consumption of cannabis means that there is legal, state-regulated and state-controlled production of this substance in Uruguay.

The country's geographical location makes it **attractive as a transit country for drug trafficking.** The trends in such trafficking remain: cocaine from the Andean region bound for other parts of the world is the main substance that passes through the country.

The porous borders with the neighbouring countries (land border with Brazil and bridges with Argentina) continue to be the **main entry points** for drugs. There are mounting concerns about traffic on the River Uruguay at the border with Argentina, although bilateral efforts are being undertaken to try to control the problem. Most of the cocaine base paste is entering via Argentina, while cannabis appears to be coming in via Brazil and Paraguay. The port of Montevideo, a natural entry point for goods entering or leaving Paraguay (drugs are often hidden in containers of Paraguayan goods intended for export), and Montevideo's Carrasco International Airport (where 'mules' operate), remain **major transit points for drugs.** Many of those arrested in the context of micro-trafficking operations are women, which, according to the Uruguayan authorities, indicates that gender should be taken into account when considering the problem.

The government maintains that Uruguay **has not yet seen the 'cartelisation'** of groups involved in drug trafficking. Amongst these groups, Mexican, Colombian, Italian and Paraguayan organisations have stood out over the past year.

There has been **mounting concern over public safety in the drug 'bocas'** (spots where drugs are dealt), leading the government to increase its surveillance (230 'bocas' were dismantled in the first half of 2017). Forms of violence have appeared that were previously unknown in the country, such as contract killings and settling of scores, as well as control by local gangs over certain areas of Montevideo. However, the authorities assert that it is difficult to establish a direct link between the rise in crime and the increase in consumption, given that decreasing levels of public safety are part of a wider and more complex social problem.

The **national anti-drug strategy 2016-2020**, a framework document encompassing the measures to be implemented by the executive over the next four years as part of a comprehensive approach to the fight against drugs, was approved in March 2016.

At the Special Session of the United Nations General Assembly on the World Drug Problem (UNGASS 2016), Uruguay presented its contribution to the debate: a document setting out five main strands required for a comprehensive approach to drugs policy. The document explains **the country's innovative approach to control and regulation of the cannabis market**, and argues that regulation and control represent the best methods of avoiding illegal trafficking in cannabis. It also argues that prohibiting cultivation has caused major public health and safety problems. Uruguay has therefore requested a review of the measures prohibiting cannabis, advocating the study and follow-up of the measures being implemented. Its authorities believe that, if successful, the measures could represent an alternative to the current prohibition on cultivation which would be more beneficial for the international community. Uruguay also argues that, when regulating the use of cannabis, consideration should be given to the fact that every country has its own specific circumstances, and advocates flexibility in interpreting the Conventions.

At UNGASS 2016 Uruguay also argued **against the criminalisation of consumption**, as it considers that not all consumption is problematic, and proposed comprehensive policies to deal with the phenomenon. Uruguay does not consider that sentences as drastic as the death penalty should be inflicted on consumers, as is the case in some countries, nor that they should be imprisoned.

According to the Uruguayan authorities, UNGASS has not made progress towards eliminating the death penalty, or supported risk and damage reduction strategies or essential principles such as the proportionality of sentences. In their opinion, this **may create a space in which a future position can be coordinated with the European Union.**

With regard to CICAD (OAS), the action plan has been approved and work has been completed on indicators for the evaluation mechanism. The action plan by the UNASUR Council on the World Drug Problem constitutes another strand of work. It should also be mentioned that the Uruguayan authorities engage in bilateral dialogue with Canada, which is in the process of adopting a bill to regulate cannabis.

As regards the **control of supply**, in 2016 there were 2 850 arrests, compared with 2 554 in 2015. In the first half of 2017 there were 2 155 arrests. In 2016 a record 4.37 tonnes of marijuana were seized, compared with 2.52 tonnes in 2015 (1.11 tonnes in the first half of 2017). In 2016 a total of 148.803 kg of cocaine was seized (43.6 kg in the first half of 2017), as well as 137.746 kg of cocaine base paste. In addition, 223 020 doses of ecstasy were seized, compared with 54 533 the year before, which is clearly a significant increase (8 160 tablets seized in the first half of 2017). It is estimated that almost 80 % of Uruguay's illegal drugs market is accounted for by **cannabis**.

As regards consumption, the sixth national household survey on drug consumption, carried out by the national statistical office in 2016, found that 23.3 % of people between the ages of 15 and 65 had tried **marijuana** at least once in their lives, an increase of three percentage points on 2011. 16.7 % of consumers showed signs of problematic use in 2016.

The Uruguayan authorities consider that **the cannabis market is already regulated thanks to the new legislation**, although some details may still need to be worked out, such as the issue of medical cannabis. They also consider that the success of the new policy should not be measured purely in terms of its effect on the total number of consumers, since other variables must be taken into account (such as bringing consumers to a safe environment).

6.8 % of people between the ages of 15 and 65 had consumed cocaine at least once in their lives, a similar percentage as was recorded in the 2011 survey.

Consumption of **cocaine base paste** is considered marginal, with 0.7 % of the population declaring that they had consumed it at least once in their lives. In the case of hallucinogens, this figure rises to 3.1 %, while 2.8 % reported having used cannabis resin at least once in their lives. Consumption of other substances (inhalants, crack, ketamine, heroin) is even more marginal, with figures staying under 1 %.

However, increased consumption of **synthetic drugs** and the creation of a new market are cause for concern. Uruguay has an early warning system for detecting new psychoactive substances; Uruguay, Colombia and Argentina are the only countries in the region with a system of this kind.

Montevideo airport is the usual entry point for the **trafficking of synthetic drugs** originating in Amsterdam and bound for Buenos Aires (using the Buquebus service that connects the two sides of the River Plate), where they are consumed at electronic music festivals. The Uruguayan police authorities report that these substances all come from the Netherlands, via Madrid, and that drug mules ('burriers') use return flights to deliver cocaine in exchange for these substances. They also suspect that the traffickers may have a base in Spain.

Uruguay is also one of the countries that has reported a rise in the **use of NPSs** (new psychoactive substances), such as ketamine, though levels of consumption are not significant and are still well below those seen in North America and Europe.

2. INSTITUTIONAL FRAMEWORK

The President of the Republic, Dr Tabaré Vázquez, has declared that he supports and will maintain the principles and instruments initiated by the previous government, as set out in the recently approved new national anti-drug strategy 2016-2020. The strategy goes beyond the traditional model of reducing supply and demand and emphasises public health, well-being, justice and social harmony, as well as aspects linked to human rights, comprehensively addressing the drug problem in line with the parameters set out by Uruguay at UNGASS.

Following the entry into force of the regulation implementing the **law on the regulation, sale and consumption of marijuana** and the establishment of the **Institute for Cannabis Regulation and Control (IRCCA)**, registration of marijuana home-growers has started (with around 6 617 applications received and 51 cannabis clubs in operation in April 2017).

Two regulatory decrees for the use of marijuana for recreational and medicinal purposes have been approved. Two private companies (Simbyosis and ICC) have been licensed by the government to produce cannabis to be sold through the pharmacy network. Following the first cannabis harvest carried out under this new system, registration of consumers began on 2 May 2017, and on 17 July 2017 cannabis started to be sold in a total of 16 pharmacies.

Under the new rules, potential buyers have to be identified using a fingerprint reader, and registered with the Uruguayan post office. Registered consumers can purchase up to 10 grams per week in pharmacies and up to 40 grams per month, at a regulated price of 187 pesos (approximately USD 6.4). Only adult Uruguayan citizens who are permanently resident in the country and who have registered in advance are able to buy cannabis in pharmacies.

Many in the pharmaceutical sector have expressed concern over the new role they are to take on, and over the possible safety risks. After the first few weeks of the new system being in place, this concern seems to have faded and no noteworthy incidents have occurred. However, a significant financial problem has arisen, since international banks have reported that they are not authorised to conduct business with the companies participating in the new system, in accordance with US regulations. This has affected the pharmacies which have accounts with these banks. The Uruguayan government has sent senior national and Central Bank officials to address this issue with representatives of the US Congress. As a consequence, a number of pharmacies have dropped out of the system, and a further 20 which had shown interest in participating have opted not to. The Uruguayan government has started to look into the possibility that the controlled distribution of cannabis could take place in other establishments than pharmacies, which has also alarmed the pharmaceutical sector.

A **Scientific Advisory Committee** has been set up to evaluate the application of the law and its implementing regulation. The Uruguayan authorities are very keen to share the results of this new model with the international community and, in particular, to explain what it could achieve in terms of public health and safety (considering that it should be accompanied by a reduction in drug trafficking-related violence). To that end, studies are being carried out on the impact of the new rules on health, justice, the economy and human rights.

In order to increase the **decentralisation and deconcentration** of drug operations, all departments (regions) in the country now have drugs boards with a role in the coordination of regional and national policies, and 18 interdepartmental brigades have also been established to fight drug trafficking within the country.

Reform of the regulatory framework for establishments specialising in the care and treatment of problem drug users is being consolidated. In this context, the **Ciudadela project** on information, advice and referral for drug users now has 12 centres, and a further six are due to be set up in the period 2016-2020, ensuring that most departments have one body which can refer problem drug users to the **national care and drug treatment network (RENADRO)**.

As part of the COPOLAD II project, Uruguay intends to further develop its model for monitoring **chemical precursors**, with a view to extending controls to the domestic market in finished products.

August 2012 saw the adoption of **the National Strategy and Action Plan** against money laundering and the financing of terrorism, and work continues on the application of the FATF and IMF recommendations. Uruguay considers that the action plan has been carried out in its entirety and indeed has exceeded what was initially provided for. Uruguay will be evaluated in 2019. Whilst it is recognised that the authorities are doing some good work in this area, particularly in terms of legislation, Uruguay remains vulnerable to money laundering and financing activities.

During this parliament the **Confiscated Property Fund** has been bolstered so that it can work more effectively, and resources are being allocated to the different areas covered by the national strategy. An advisory committee on allocations has already been set up. It should be noted that the Fund increased in 2016 as a result of the rise in the number of seizures.

3. INTERNATIONAL COOPERATION

The National Drugs Board's international cooperation objectives include strengthening national capacities in order to take an integrated approach to a 'global and transnational issue', as well as managing offers of technical and financial cooperation which support the national strategy, and ensuring it is represented in scientific and institutional exchanges.

Examples of international cooperation projects include: the SAVIA project (by CICAD/OAS) to develop regional cooperation and local initiatives for drug demand reduction, which ended recently but will move into a second phase in 2017; the COPOLAD programme (Latin America-European Union), under which Uruguay is involved in the components relating to the consolidation of the national drugs observatories, training centres, and the gender approach; and support for the fight against money laundering in the countries of Latin America and the Caribbean (GAFILAT). In addition, the United States organised an international course on port interdiction, which included classroom instruction and practical activities on a variety of security issues relating to ports, and focused on inspection and detection techniques applicable to contraband. Course participants included officials from the National Customs Directorate, the National Naval Prefecture, the National Port Administration, the national army and other offices connected to law enforcement in the port sector.

With Uruguay's support, the network of Drug Observatories in UNASUR member countries was created in order to provide a stronger regional vision, with the focal points already designated. In February 2015, Uruguay and UNASUR signed an agreement to that effect. Uruguay has been elected as the project leader, due to an Uruguayan company having been awarded the tender. A study is being carried out on the most important aspects of the fight against drugs in the region, and a website is being created to share data between the network's member countries.

Uruguay engages in bilateral cooperation with Argentina on improving their early warning system, the community approach, and georeferencing technology. Bilateral cooperation is also being undertaken with Costa Rica. In 2016 a memorandum was signed with Canada and its Centre for Addiction and Mental Health.

Uruguay was an active participant in UNGASS 2016, maintaining that **the drugs problem can be tackled with new approaches. Many countries in the region are receptive to and supportive of the Uruguayan position within the framework of the OAS, CELAC and UNASUR.**

4. RECOMMENDATIONS

- i) The progress made on cooperation between departments and decentralisation and on strengthening institutions and technical training in the police and judicial spheres should continue.

- ii) Recognising Uruguay's efforts on money laundering, we recommend that it follow the recommendations of the IMF and FATF, as well as the action plan against money laundering and financing of terrorism. It is recommended that the Group maintain a continued dialogue with the recently created National Secretariat for the Fight against Money Laundering and Financing of Terrorism (SENACLAFT) in order to closely monitor progress made in this area.
- iii) Efforts and international cooperation with regard to control of chemical precursors, with a view to preventing their diversion to other countries, should be maintained.
- iv) As regards the law on the regulation of the marijuana market, we recommend that dialogue be maintained with international specialist bodies that have expressed doubts about the new rules and their compatibility with relevant international law.
- v) At the same time, it would be helpful to analyse the new rules adopted and to monitor their implementation and their effect on drug consumption in Uruguay. Particular attention should be paid to analysing the studies currently being carried out by the Scientific Advisory Committee; the Dublin Group should maintain an open dialogue with the former, given the innovative nature of Uruguay's legislation on cannabis.

- vi) The Group expresses its concern at the trafficking of synthetic drugs ('ecstasy') from Amsterdam and at the fact that Montevideo is being used as a point of transit to Argentina. The Group takes the view that it would be extremely helpful to provide funding for training courses, as requested by the Uruguayan police authorities, to help combat such trafficking. In this connection, any collaboration on the part of the Netherlands authorities could be very useful.

- vii) The Uruguayan authorities have also expressed interest in receiving help from the Dublin Group countries for the purpose of financing visits by experts, technical assistance and training in different areas related to the fight against drugs. In particular, they are requesting support for studies by the network of international experts set up to evaluate the impact of Law 19.172 and support for activities involving the exchange of best practices and lessons learned. The Group supports these requests.

COLOMBIA

1. INTRODUCTION. POLITICAL CONTEXT

a) Colombia is one of the main drivers of the discussion on the need to adopt a new approach to combating drugs in South America. This view has been given legal endorsement at national level: firstly through the inclusion in the final agreement to end the armed conflict and build a stable and lasting peace in Colombia, of 12 November 2016, of point 4, on 'Solving the problem of illegal drugs', based on the premise that a lasting and stable peace cannot be achieved without resolving the problem of drug trafficking, the eradication of which requires the active participation of the FARC; and secondly, through a combined strategy of forced eradication and voluntary crop substitution. Point 4 centres on three strands:

- Illegal crop substitution to generate conditions of greater well-being in communities, allowing them to transition to a legal economy which is economically, socially and environmentally sustainable. The so-called 'National Comprehensive Programme for the Substitution of Crops' (NCPS) forms part of Colombia's comprehensive rural reform. This will be a voluntary process for the farmers, who are committed to substituting crops and not replanting them. The government, for its part, is committed to illegal crop substitution programmes and territorial integration and social inclusion programmes in the context of comprehensive rural reform. The plan's target was to substitute 50 000 hectares in the first year, prioritising 40 municipalities in the most affected departments. As of 26 September 2017, the target is to ensure both the voluntary substitution of 50 000 hectares of coca crops and the forced eradication of the same area; 62 % of this target has already been met through the confirmed destruction of 31 000 hectares, according to the Defence Minister (Luis Carlos Villegas, the former Ambassador of Colombia to the USA).

- The drug consumption issue will be approached from a public health perspective, separating the treatment required by users, including complementary rehabilitation and social integration measures with a focus on gender.
- Combating drug trafficking. The government will focus its efforts on combating organised crime involving the production and sale of narcotics, including money laundering, and dismantling criminal organisations, networks and criminal gangs involved in drug trafficking.

b) At global level, Colombia's approach was endorsed by many of the Latin American countries at the United Nations General Assembly Special Session (UNGASS) on drugs in April 2016, when they adopted a common position.

There are also many points of convergence with the countries of the EU, mainly in terms of advocating a balance between health, human rights and security as the three factors to be taken into account in the fight against drug trafficking. The main point of divergence is whether the UN Conventions should be interpreted literally or flexibly.

c) However, almost two years after the agreement was legally approved on 29 and 30 November 2016, some shadows still hang over the fight against drug trafficking, which the statistics, showing a clear increase both in the area under cultivation and in actual production, confirm with little room for doubt.

In 2016, according to UNODC sources, the total area under coca cultivation in Colombia increased to 146 000 hectares (less than the 180 000 estimated by the US, but much more than the 90 000 hectares that the Colombian government had announced in July 2017), representing an increase of 40 % since 2014. Furthermore, while in previous decades the record actual production of an arable area of similar size was around 500 tonnes, because aerial spraying has been suspended and as a result the fully ripe coca plants are stronger, the current yield is much higher, with the UNODC's estimate for 2016 being 900 tonnes (much higher than the US estimate of 700).

Although there is no question that Colombia has experienced a setback, assessments of this setback have varied, with the **United States** being particularly critical. On three recent occasions, the US has made no efforts to hide the reasons for its differences with the Colombian government: Vice President Mike Pence's heavy-handed comments about drugs during his visit to Cartagena on 13 August 2017; the criticisms made on 12 September 2017 by Democratic Senator Dianne Feinstein, Assistant Secretary of State for International Narcotics William Brownfield, and by President Trump himself, who threatened to decertify Colombia; and lastly, the interview with US Ambassador to Colombia, Kevin Whitaker, published on 24 September in *El Tiempo*, in which he stresses the need to address the links that the FARC, in particular – which the US continues to deem an 'organisation of international terrorism' – still have with drug trafficking. William Brownfield had also already blamed the FARC for Colombia's failure to reduce its production, on the basis that drug traffickers pass themselves off as guerrillas, and that the political efforts invested in achieving peace have weakened the government's action against drugs.

d) The Colombian authorities, particularly Vice President Óscar Naranjo, Defence Minister Luis Carlo Villegas and Post-Conflict Minister Rafael Pardo, visibly discomfited by the recent disagreement with the Trump administration, have put forward arguments regarding the unavoidable transnational scope of the fight against drug trafficking, the relationship between supply and demand that fuels Colombia's networks, and the insufficient attention being paid by Washington to factors such as:

- the fact that the objective of peace is compatible with the fight against drug trafficking;
- the increase in the confiscations carried out by the Colombian security forces (362 tonnes out of a total of 600 tonnes confiscated across the Americas in 2016);

- upholding Colombia's sovereign decision to halt the use of glyphosate for aerial spraying, which was based partly on social protests regarding the fact that this practice was preventing manual eradication, and partly on the fact that some areas under coca cultivation cannot be sprayed (e.g. along the border with Ecuador, or in indigenous reserves or national parks).

However, as far as the US is concerned, the by-products of crime and agrarian reform which the FARC embody are inextricably linked to the peace process, the success of which depends upon them. Colombia has also taken a step back in terms of organised crime and crime associated with drug trafficking, with a proven increase in the number and volume of operations carried out, and in the geographical area in which the BACRIM (criminal gangs) operate.

2. GENERAL DRUG SITUATION IN COLOMBIA

According to the 2016 Integrated Illicit Crop Monitoring System (SIMCI) report, over 146 000 hectares are under coca cultivation in Colombia. The report indicates that 2016 saw the manual eradication of 18 227 hectares and the seizure of a total of 378 tonnes of cocaine hydrochloride – a record in Colombia's fight against drug trafficking.

Coca cultivation in 2016 was up 52 % on 2015, with many analysts attributing this sharp rise primarily to the government's decision to suspend aerial spraying with glyphosate, uncertainty about the results of the government's illegal crop substitution programme and, lastly, the lack of institutional control in regions seeing a significant increase in the area under cultivation (the departments of Nariño, Putumayo and Norte de Santander).

The increase in hectares under coca cultivation reflected in the various anti-drug agency reports means that there will be much more of the product on the main international demand markets, namely Europe and the US.

The resulting threat to international security was a particularly prominent theme in a statement by the Assistant Secretary of State for International Narcotics to the US Senate, in which a link was drawn between good bilateral relations and more aggressive crop eradication policy.

The SIMCI report for 2016 gives the following figures on the extent of illegal cultivation by geographic location and how much it has grown compared to 2015: Pacific region: from 40 594 hectares under cultivation in 2015 to 57 777 hectares in 2016 - an increase of 42 %; Central region: from 16 397 hectares in 2015 to 40 526 in 2016 - an increase of 147 %; Putumayo-Caquetá region: from 27 780 hectares to 34 505 - an increase of 24 % in the area under cultivation; Meta-Guaviare region: from 10 425 hectares to 12 302 hectares - an increase of 18 %; Orinoquía region: from 700 hectares in 2015 to 708 in 2016, a 1 % increase; Sierra Nevada region: from 7 hectares in 2015 to 35 in 2016 – although this is a very small area, it shows a major increase of 400 %.

In response to the rapid growth in the area under illegal cultivation – a threat already referred to in the mini Dublin Group's May 2017 report – the Colombian government implemented an illegal crop substitution programme³. According to statements by the Minister for Defence, it has been 50% completed (data provided for the first seven months of the year).

Given the significant increase in cocaine production at the point of origin, an increase in production facilities (*cocinas* - kitchens) in transit and destination countries is still expected. More specifically, the amount of base paste and cocaine base crystallisation labs is expected to grow, as is the number of facilities for extracting the substance where it has been infused into different materials or combined with polymers.

³ Objective for 2017: forced eradication of 50 000 hectares and substitution with legal crops on a further 50 000 hectares.

The likelihood of an increase in the amount of product available for consumers should be assessed as high. It is expected that shipments in containers bound for European maritime ports, primarily in Spain, Belgium and the Netherlands, will grow in number, there will be a return to the traditional methods of boat transport, and the number of 'mules' and contaminated parcel shipments will rise.

As regards departure points for the drug, the large number of shipments seized in the Pacific is worrying. More specifically, at the Ecuador-Colombia border, shipments are sent from the city of Tumaco in Colombia to ships anchored at sea in the Ecuadorian Pacific, in particular along the Esmeraldas coastline.

According to the Drug Observatory of Colombia, 'consumption is on the rise in the country, not only because a growing number of people are consuming drugs, as shown by studies, but also because the global phenomenon of emerging drugs is also present at national level, in that different substances are constantly coming on the scene and diversifying the illegal drugs market'.

As regards illegal drugs consumption habits in Colombia, marijuana is still the substance of choice, followed by cocaine. According to the SIMCI report, an increase in the use of synthetic drugs and new psychoactive substances has been detected among younger age groups and the upper echelons of Colombian society, which, as previously mentioned, is in line with international consumption trends.

3. ASSESSMENT OF THE COLOMBIAN AUTHORITIES' ANTI-DRUGS STRATEGY WITHIN THE INSTITUTIONAL, PRODUCTION, DEMAND AND TRAFFICKING FRAMEWORK, INCLUDING MONEY LAUNDERING AND CHEMICAL PRECURSORS

The prevailing opinion is that, despite what the statistics suggest, Colombia's basic focus and policy on drug trafficking will remain practically **unchanged** in the coming months. The fight against drug trafficking in Colombia is intimately linked to 'Comprehensive Rural Reform' (Points 1 and 4 of the Peace Agreement). It affects rural areas across the country, particularly those that are known for coca-growing (the departments of Putumayo, Nariño and Norte de Santander).

Despite the clarity of the forced and voluntary eradication objectives, in light of the considerable increase in production and flows, third countries, as they indicated in the meeting, are safeguarding their legitimate interest in keeping in check the volume of illicitly trafficked product in their respective markets rather than openly questioning the efficacy of such policies. As participants reiterated, the statistics unquestionably showed a worrying trend: on 31 December 2014 46 000 hectares under cultivation were registered, increasing to 96 000 hectares one year later and reaching 146 000 hectares at the end of 2016.

The Colombian authorities' anti-drugs strategy could be improved by increasing monitoring methods and controlling the extent of areas under cultivation. Although the possibility was raised of reintroducing more frequent surveys (*intercensales*) using aerial photography, the expense involved means that they will probably be used as an occasional, and geographically restricted, tool.

In response to a question from **Spain**, the representative of the **DEA** (Drug Enforcement Administration), Michael Torbert, reaffirmed that his organisation respected the decisions taken by Colombia in the context of the fight against drug trafficking, making clear that he was fully available to cooperate with the Colombian authorities, with the commitment required by a transnational challenge. He also informed the meeting of the DEA's recent launching of a programme to provide training on money laundering to the Colombian prosecution services, which are insufficiently equipped to handle money laundering cases.

Spain pointed out the undeniable utility of **glyphosate** (despite its harmful effects) or, as the case may be, other pesticides/herbicides, as well as the direct link between ending fumigation and the increase in production. Together with Spain, the United Kingdom set out the obstacles in the way of the **voluntary crop substitution** policy:

- insufficient State presence, fuelling a sense of impunity amongst those who observe that there are no penalties for failing to fulfil their obligations under the alternative development programme;
- deficient rule of law or Administration presence, which is necessary to ensure that the substitution policy pursued does not result in the proliferation of criminal gangs, as is currently the case;
- a lack of incentives for farmers whose incomes have been drastically reduced;
- a lack of assurances that the new activity and/or crops will be profitable, given that there are no secure arrangements for their marketing (which the government should promote; there is speculation that it will become mandatory for a percentage of agricultural inputs to be purchased by public bodies);

- insufficient public funding (despite the Post-Conflict Director, Gloria Ospina, having committed to allocating half of her budget to alternative development);
- the enduring problem of violence, that continues to claim lives, as well as the increasingly urgent security deficit (which is impacting on the international community, with even a UNODC official being kidnapped and held for two months); and
- concerns about the socio-economic as well as environmental sustainability of the support for alternative development.

The **UNODC** representative, David Álamos (Head of Area, Crime Prevention and Strengthening of Justice), as well as raising the issue of increased cultivation and production, addressed themes such as chemical precursors (about which nothing has been done), money laundering and, due to its importance in prosecutorial investigations, the so-called 'forfeiture of assets' (or attachment - out of court, in accordance with the Colombian system - of assets resulting from drug trafficking), to all of which he assigned the same importance. Italy, which inspired Colombian legislation in the latter area, considered legal reform to be necessary, arguing that rather than generating income for the State, seized assets were currently generating large amounts of administrative waste. The fight against drug trafficking in the area of 'forfeiture of assets' is also being hindered by:

- a backlog of cases in an overwhelmed justice system,
- disparities in the valuations of property carried out by different administrative authorities and
- the symbolic price (derisory in comparison with the market price) brought by the property upon liquidation.

The EU for its part, admitting that the EU funding available - not yet for Colombia but for a total of 17 Ibero-American countries - is very limited, stated that it appreciated the information given, with the aim of being able to design an effective EU cooperation strategy for the fight against drug trafficking in Colombia. This would determine whether the projects presented could be ranked favourably compared to other potential aid recipients.

4. PRIORITY NEEDS IN TERMS OF EXTERNAL ASSISTANCE

The priority needs set out in the previous report, issued in May 2017, remain applicable. Predictions about the increase in the area used for illegal crops have been confirmed and, consequently, the least desirable scenario - an increase in the circulation of narcotic substances in Europe - has become a reality. For that reason, providing financial support for security initiatives with the strategic objective of cutting off at source the outflows of illegal product is assessed as being of the greatest importance, with a particular emphasis on Colombia's importance as the world's main producer of cocaine.

5. RECOMMENDATIONS BY THE DUBLIN GROUP IN BOGOTÁ

- i. Promote the intensification of controls of the corridors used for illicit trade, focussing in particular on border areas, thereby strengthening cooperation between countries in the region.
- ii. Promote increased assistance for the intelligence-gathering and technical resources of the Colombian authorities responsible for the controls carried out on people and merchandise in ports and airports to reduce drug trafficking.

- iii. Promote further improvements to systems that monitor the number of hectares of illegal crops, and their harmonisation with the results of other monitoring systems.
- iv. Promote greater involvement of the European Union Member States in Colombia, both at bilateral level and as a whole, using an approach that combines information analysis with operational aspects.
- v. Promote the forum offered by the Bogotá Platform as the ideal tool for cooperation in the fight against drug trafficking between the European Union Member States and Colombia.
- vi. Promote support by the members of the Dublin Group for the Colombian government's policies of comprehensive reform of the rural system.
- vii. Promote knowledge of the legal and illegal economies that make up the drug trafficking value chain in order to break its principal links.
- viii. Promote intensified use of tools for the pursuit of illegal assets as a priority in the fight against drug trafficking.
- ix. Promote the strengthening of financial intelligence-gathering as regards the detection and pursuit of property resulting from drug trafficking and knowledge of different types of money laundering.
- x. Promote an increase in EMPACT funds as an essential tool for European cooperation to combat transatlantic cocaine trafficking.
