

**United States Department of State**

**International Narcotics  
and Law Enforcement Affairs**

**Fiscal Year 2000 Budget  
Congressional  
Presentation**



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# Program Overview

## Objectives

Combating international narcotics and crime is a top foreign policy priority with the American people. Arguably, no other foreign policy concern affects so many Americans so directly, adversely, and persistently. Millions of our citizens are victimized by these threats daily. Moreover, drug and crime violence and corruption have become some of the most serious sources of instability in the post-Cold War era. The State Department, however, through its Bureau of International Narcotics and Law Enforcement Affairs (INL), is waging one of the most aggressive and effective attacks ever by the United States against the foreign drug and crime threat. INL is doing this with a mere 1.7 percent of the Federal anti-drug budget. Yet, by stopping drugs from ever being produced or reaching our shores, INL's programs arguably deliver the largest return of any federal anti-drug program.

Drug abuse in America is one social scourge that our robust economy cannot cure by itself. The Office of National Drug Control Policy reports that health, crime, and other direct and indirect economic costs of drug abuse totaled some \$110 billion in 1996, up from \$97 billion in 1992. Drug-related deaths increased over 60 percent from 1990, reaching nearly 15,000 in 1996. With some 14 million current users, the U.S. market remains volatile and attractive to foreign suppliers: they are, for example, offsetting recent declines in cocaine use with an expanding methamphetamine trade. Domestic prevention and enforcement efforts alone cannot cope with the avalanche of drugs still entering the United States; they must be supported by effective control efforts in the source and transit countries.

Other forms of international crime pose similarly daunting challenges. International crime is expanding into new geographic areas and activities. Central and Eastern Europe, and parts of Africa and East Asia, have joined the traditional Latin American and Asian narcotics source areas as leading international crime centers. Emerging crimes such as trafficking in women and children and high-tech and intellectual property rights crimes are demanding more of our attention, even as we continue to address money laundering, alien smuggling, stolen cars, and firearms trafficking. Together, these crimes take a substantial toll on our economy and foreign interests. We pay through higher costs and poorer quality of goods and services and lower standards of living at home because in increasingly dangerous, uncertain, and unregulated foreign environments we cannot protect our investments abroad.

Often, the countries that play the most critical roles in furthering the international drug and crime problems are the ones least capable of responding. Frequently, their law enforcement institutions are too weak to resist rich and violent drug and crime syndicates, and their economies too weak or small to generate alternative incomes for drug producers. Once in place, crime syndicates quickly secure their positions through corruption and intimidation. Their strategic attacks on the rule of law, and effective corruption of democratic and free market processes—as seen in Russia, Colombia, Mexico, Nigeria, South Africa, Pakistan, and elsewhere—erode the very foundations of states, putting our entire range of foreign policy interests at risk.

The President has answered these national security threats by making international narcotics and crime control a top foreign policy priority and directing us to respond aggressively. Our no-nonsense policy

is aimed at achieving greater U.S.-led international cooperation focused on the most critical drug and crime targets. INL's efforts are in direct support of the President's goal to reduce drug availability in the U.S. by 50 percent between 1996 and 2007. INL had a central role in developing the President's International Crime Strategy, and will strengthen existing programs and create new ones to support its objectives. These include extending our first line of defense and strengthening our borders, ensuring that global criminals have nowhere to hide, attacking international financial and trade crimes, and responding to emerging crime challenges.

INL's primary goals and objectives are as follows:

- To reduce and ultimately choke off the flow of illegal drugs to the U.S.;
- To deter, prosecute, and thwart international crime and criminal organizations;
- To identify, target, and eliminate those international drug and crime threats that pose the greatest danger to U.S. security interests; and
- To increase international awareness of these threats and strengthen the ability of national and multilateral institutions to combat them.

Where drugs are concerned, these programs should:

- Reduce drug crop cultivation through a combination of enforcement, eradication, and alternative development programs;
- Strengthen the ability of law enforcement and judicial institutions to investigate and prosecute major drug trafficking organizations, and to seize and block their assets; and
- Improve the capacity of host nation police and military forces to attack narcotics production and trafficking centers.

With respect to international crime, our programs are designed to:

- Develop training and information-sharing programs to combat money laundering, fraud, and other financial crimes, and the international trafficking of illegal aliens, women and children, stolen vehicles, and nuclear materials;
- Strengthen the International Law Enforcement Academies in Budapest and Bangkok and seek the creation or strengthening of additional institutions worldwide; and
- Thwart international crime's ability to undermine democracy and free-market economies in Eastern Europe, Russia, the New Independent States (NIS) and other vulnerable states.

We will also, as necessary, apply sanctions against countries that do not cooperate in responding to these threats.

## Performance

INL funds various bilateral and multilateral international drug and crime control programs to accomplish these goals and objectives. We continue to direct our greatest anti-drug efforts at Latin America, focusing on eliminating the cocaine and heroin trades and combating emerging methamphetamine trafficking from Mexico. Our overall aims are to reduce significantly coca and opium poppy cultivation, disrupt processing and trafficking operations in the region, and dismantle the organizations that dominate and finance the drug trade.

In keeping with the presidential directive, we are concentrating most of our efforts in the source countries of Colombia, Peru, and Bolivia. We are also attacking the major drug transit routes from South America to the U.S. They tend to shift between Mexico/Central America, and the countries of the western and eastern Caribbean, depending on the levels of enforcement. Thus, while we continue to work closely with Mexico (still the leading drug smuggling gateway into the U.S.) we will intensify efforts in the Caribbean to respond to signs of renewed trafficking there.

Our narcotics control priority in Asia is heroin. Efforts to attack the trade are complicated by security and political barriers that limit our access to the major opium and heroin producing countries—Burma and Afghanistan. Our efforts therefore focus on working through diplomatic and public channels to boost international awareness of the expanding heroin threat; promoting the United Nations Drug Control Program and regional financial institution involvement in eliminating the threat; bringing law enforcement efforts to bear against the leading heroin production and international trafficking organizations; and addressing the activities of the underground banking systems that finance drug operations. We will continue to support crop suppression programs in Laos—the third leading producer of opium poppy—and in Pakistan and Thailand, where we have access and government cooperation.

Regarding other forms of international crime, INL has increasingly taken the lead to define the threat, outline the policies to respond, and implement the training and other programs to confront it. Much of this is reflected in the President's International Crime Strategy. Through training and institution-building, our goal is to ensure that authorities have the skills, confidence, professionalism, contacts, and resources necessary to identify and investigate the most serious forms of international crime. To advance police cooperation, we will pursue efforts to establish International Law Enforcement Academies in the Western Hemisphere and in southern Africa. We will work to strengthen the abilities of foreign judicial systems, and we will intensify our efforts against money laundering and strengthen our international web against alien smuggling.

Despite the enormity of the task and the challenges ahead, INL's programs are achieving success:

- Tough but systematic application of the certification process has raised narcotics control commitment and cooperation by several major drug producing and transit countries.
- Eradication and alternative development programs are eliminating illicit cultivation at record rates: Peru mirrored its record 1997 level of coca crop reduction with a 26 percent net reduction in 1998. Bolivia had an unprecedented net reduction of 17 percent—far exceeding its 5 percent net reduction in 1997. In addition, INL resources in Colombia contributed significantly to the eradication of more than 65,000 hectares

of coca there (a 50 percent increase in eradication over 1997). As a result, a potential 135 metric tons of cocaine will not be arriving on U.S. shores.

- In Laos, INL programs successfully targeted for crop reduction the number one opium poppy-producing province in that country. Recent analysis of satellite photographs confirms that our project areas in that province are poppy-free.
- In 1998, the International Law Enforcement Academy (ILEA) in Budapest provided specialized training for 897 law enforcement personnel from 25 countries. An additional 250 police students from 15 countries participated in the 8-week core program. In the fall of 1998, the agreement for a new ILEA in Bangkok was signed. The first Key Leaders Conference was held in there in November, and the operation of ILEA Bangkok began in early 1999.

INL made strengthening anticrime coordination with and among European and other major donor countries a priority in 1998. We have been instrumental in focusing the attention of the G-8 Experts Working Group on Organized Crime on tracing electronic evidence across borders; thwarting the trafficking of women, children, and firearms; and adopting mutual legal assistance procedures for the 21st century. We are coordinating with the EU on many of these same issues as well as on combating child pornography on the Internet. Through these organizations we are successfully building a pattern of law enforcement cooperation on both sides of the Atlantic, and have recently persuaded the EU to make a substantial donation to alternative development in Peru.

Our policies and programs are underpinning commitments to stronger bilateral and multilateral cooperation. Following 18 months of preparation, the "United Nations General Assembly Devoted to Countering the World Drug Problem Together" (UNGASS) was a resounding success. The President and more than 30 other Heads of State and Government addressed the meeting held June 8-10. The major accomplishments reflect INL's role in leading the U.S. delegation throughout the process, and include the following:

The acceptance of the principle of shared responsibility; agreement that the artificial distinction between drug consuming and drug producing countries should not impede the joint action needed to counter a global menace on a global basis;

The endorsement without dissent of a comprehensive set of documents—a Political Declaration, a Demand Reduction Declaration and five action plans—to guide countries in cooperatively implementing a comprehensive counternarcotics strategy; (UNSG Annan noted that such unanimous endorsement was unprecedented);

The establishment in the Political Declaration of target dates for implementing the action plans, including a reference to the elimination of opium and coca by 2008.

## **Justification**

The FY 2000 INL budget request is formulated to support the Administration's comprehensive strategy for combating the global threat of narcotics and organized crime. While attacking the core targets, it emphasizes the need to strengthen host nation institutions so that key countries can bolster their own effectiveness in fighting international drugs and crime. The budget reflects a long-term



commitment to attack these problems globally. It underscores the need to create competent and honest counterdrug and anticrime forces in countries where laws and institutions are weak, and it promotes more effective action in nations where motivated and capable enforcement organizations are hampered by a lack of public awareness and political will.

Requested funding will permit INL to continue implementing the comprehensive heroin control strategy. The strategy supports efforts by multilateral organizations to reduce opium production in those major growing areas where our access is limited. At the same time, it strengthens law enforcement operations against the major processing, distribution, and financial organizations in countries where we have access. In addition, the budget request will enable INL to respond to the President's requirement to implement a comprehensive international crime control strategy. The anticrime strategy includes aggressive diplomatic initiatives to bolster international cooperation, backed by an expanded international training program. It places special attention on money laundering and financial crimes.

The FY 2000 budget request directs our greatest anti-drug efforts at Latin America, focusing on eliminating the cocaine and heroin trades and combating emerging methamphetamine trafficking from Mexico. This request will allow us to advance our source country approach against the cocaine threat in South America; it will provide for alternative development resources to buttress successful crop control efforts; it will allow continued materiel and logistical support to the police and military to block drug shipments out of the producing areas and through key transit zones; and it will furnish the training and other institution-building assistance needed to strengthen the judiciary's ability to resist trafficker corruption and to prosecute major cases successfully.

In keeping with the presidential directive, we are concentrating most of our efforts in the source countries of Bolivia, Peru and Colombia. We are also targeting the major drug transit routes from South America to the U.S. They tend to shift between Mexico/Central America, and the countries of the western and eastern Caribbean depending on the levels of enforcement. Thus, we will intensify efforts in the Caribbean to respond to signs of renewed trafficking there, while we continue to work closely with Mexico, still the leading drug smuggling gateway to the U.S. The Latin American Regional budget will particularly target drug interdiction efforts and money laundering in the Caribbean, Central America and the Southern Cone.

The FY 2000 INL budget request for the Asia/Africa/Middle East Regional account will continue to support crop suppression programs in Laos, Pakistan, Turkey, and Thailand, where we have access and government cooperation. This regional account complements U.S. drug control funding through international organizations, such as the United Nations International Drug Control Program (UNDCP). Through training, institution building, and information sharing, we will continue to strengthen law enforcement efforts against the major organizations that target the U.S.

The FY 2000 Interregional Aviation Support budget request will continue to focus on key aerial programs in Colombia, Bolivia and Peru, with temporary deployments of aircraft and personnel, on an as-needed basis, elsewhere in the Andean region and Central America. Reaching self-sufficiency status for aircraft maintenance and training programs in Peru and Bolivia is a continuing goal. The Systems Support and Upgrade account will focus on C-26 support, airborne surveillance initiatives, OV-10 refurbishment and testing and evaluation of the A-10 as a possible replacement for the OV-10 as a spray platform.

The International Organizations budget request will support multilateral drug control operations, programs and policy objectives of the U.S. and the UNDCP, the OAS Inter-American Drug Abuse Control Commission, and the Colombo Plan. The FY 2000 request for Narcotics Law Enforcement Training and Drug Awareness and Demand Reduction will support a range of training programs to improve technical and investigative skills of anti-drug law enforcement personnel, and to build public support and political will for implementing counternarcotics programs.

The anticrime program request will build upon collaborative efforts to combat international criminal activity, especially through law enforcement training programs, legal and regulatory reform, technical assistance in combating the trafficking in firearms and stolen cars, as well as other initiatives, such as those aimed at thwarting alien smuggling, financial crimes, and other illegal activities that negatively affect U.S. national security interests. INL will continue to manage the USG's interagency program at the International Law Enforcement Training Academies in Budapest and Bangkok and will support similar training programs in the Western Hemisphere and Africa. In cooperation with other U.S. agencies, INL will offer training and technical assistance programs in the criminal justice sector, particularly in countries in transition from civil strife or military rule to democratic rule. INL will draw on Freedom Support and SEED Act monies to assist the Bureau in these initiatives and to complement INC funds.

**INTERNATIONAL NARCOTICS and  
LAW ENFORCEMENT AFFAIRS  
FY 2000 BUDGET REQUEST  
(\$000)**

	<u>FY 1998 ACTUAL</u>	<u>FY 1999 PLAN</u>	<u>FY 1999 EM. SUPP.</u>	<u>FY 2000 REQUEST</u>
<b>NARCOTICS PROGRAMS</b>				
<i>Latin America</i>				
Bahamas	500	1,000		1,000
Bolivia	35,000	40,000	14,000	48,000
Brazil	500	1,200		1,500
Colombia	43,000	30,000	173,160	40,000
Ecuador	500	1,200		1,200
Guatemala	2,000	3,500		3,000
Jamaica	600	800		800
Mexico	5,000	8,000		10,000
Peru	32,000	45,000	31,940	48,000
Venezuela	600	700		700
Latin America Regional	4,000	11,000	13,500	10,000
Subtotal	<u>123,700</u>	<u>142,400</u>	<u>232,600</u>	<u>164,200</u>
<i>Asia/Africa/Middle East Regional</i>				
Laos	3,500	3,700		4,000
Pakistan	1,500	2,200		2,500
Thailand	2,000	2,700		3,000
Turkey	500	500		500
Asia/Africa/ME Regional	683	3,000		5,500
Subtotal	<u>8,183</u>	<u>12,100</u>		<u>15,500</u>
<i>Interregional Aviation Support</i>	38,000	51,000		50,000
<b>Total Country Programs</b>	<b>169,883</b>	<b>205,500</b>		<b>229,700</b>
<i>International Organizations</i>	4,517	9,200		12,000
<i>Law Enforcement Training and Demand Reduction</i>	9,000	8,000		9,000
<i>Systems Support/Upgrades</i>	-	4,500		5,000
C - 26 Support	4,000	-		-
Huey Upgrades - Colombia	14,000	-		-
<b>Total Systems Support/Upgrades</b>	<b>18,000</b>	<b>4,500</b>		<b>5,000</b>
<i>Program Dev. and Support</i>	8,600	8,800		9,300
<b>TOTAL NARCOTICS PROGRAMS</b>	<b>210,000</b>	<b>236,000</b>	<b>232,600 3/</b>	<b>265,000</b>
<b>ANTI-CRIME PROGRAMS</b>	<b>15,000 1/</b>	<b>20,000 2/</b>		<b>30,000</b>
<b>BOSNIA POLICE PROGRAMS</b>	<b>5,000</b>	<b>5,000</b>		<b>-</b>
<b>TOTAL INL PROGRAMS</b>	<b>230,000</b>	<b>261,000</b>	<b>232,600</b>	<b>295,000</b>

1/ Does not reflect FSA (\$21.6 mil) and SEED Act (\$30.7 mil) funding transferred from USAID for FY 98.

2/ The FY 1999 and 2000 budgets do not reflect FSA and SEED Act funding. This funding is included in the USAID budget request and will be allocated to INL.

3/ The Congress provided \$232.6 million in Emergency Supplemental funding in FY 1999.

**FY 1998 - FY 2000**  
**INTERNATIONAL NARCOTICS AND LAW**  
**ENFORCEMENT AFFAIRS**  
**BUDGET SUMMARY BY FUNCTIONAL ACTIVITY**  
(\$000)

	FY 1998 Plan	% Of Total Narc	FY 1999 Request	% Of Total Narc	FY 2000 Request	% OF Total Narc
Law Enforcement Assistance and Institution Development	93,419	44.5	301,390	64.3	105,500	39.8
Alternative Develop/Eradication	80,126	38.2	126,775	27.1	112,600	42.5
International Organizations	4,000	1.9	8,000	1.7	12,000	4.5
Drug Awareness/ Demand Reduction	4,555	2.2	6,090	1.3	7,700	2.9
Law Enforcement Training	6,700	3.2	6,200	1.3	6,500	2.5
Program Development and Support	21,200	10.1	20,145	4.3	20,700	7.8
<b>TOTAL NARCOTICS PROGRAMS</b>	<b>210,000</b>	<b>100</b>	<b>468,600</b>	<b>100</b>	<b>265,000</b>	<b>100</b>
<b>Anticrime Programs</b>	<b>1/ 20,000</b>		<b>25,000</b>		<b>30,000</b>	
<b>TOTAL PROGRAM PLAN</b>	<b>230,000</b>		<b>493,600 2/</b>		<b>295,000</b>	

1 Does not include FSA and SEED Act funding allocated from USAID for Anticrime programs.

2 FY 1999 regular INC appropriation is \$261 million. Emergency Supplemental amount is \$232.6 million.

## The Bahamas

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
.500	1.000	1.000

### Objectives

- Preclude use of Bahamian territory and territorial waters for the movement of cocaine or other illicit drugs;
- Enhance Bahamian ability to conduct increasingly sophisticated drug trafficking investigations to apprehend members of large trafficking organizations, to conduct effective maritime interdiction operations, and to conduct financial investigations to trace, seize and forfeit the proceeds of crime;
- Swiftly prosecute apprehended drug traffickers, money launderers and perpetrators of other types of international crime; and
- Assist the Government of the Commonwealth of The Bahamas to develop means to control drug-related corruption of public officials.

### Justification

The International Narcotics Control (INC) program, funded and managed by INL, will continue to assist the Royal Bahamas Police Force (RBPF) and the Bahamian court system, and will resume assistance to the Royal Bahamas Defence Force (RBDF). The INC program funds provide support for the Bahamian bases from which the U.S. and Government of the Commonwealth of The Bahamas (GCOB) carry out combined drug law enforcement operations. Increasingly, the Bahamas program has focused on training and equipping special units of the RBPF to conduct sophisticated drug trafficking and money laundering investigations. In addition, the INC program will assist the RBDF in developing a maritime interdiction capability. It will also assist the GCOB in developing the means to control drug-related corruption of public officials. The program will continue expansion of its judicial enhancement activities beyond the courts to include prosecutorial functions of the Attorney General's Office and training and exchanges for prosecutorial personnel.

The success of increasingly sophisticated local law enforcement and combined U.S.-Bahamas interdiction efforts had dramatically reduced the amount of cocaine seized in The Bahamas during the early-mid 1990's. Yet, during 1997 and 1998 seizures rose substantially, indicating that increased enforcement pressure on other transit routes has pushed cocaine trafficking back into The Bahamas. Marijuana trafficking through The Bahamas is also increasing, and the GCOB continues as a significant money laundering location.

Excellent drug interdiction cooperation between the U.S. and The Bahamas has permitted establishment of a significant interdiction and investigation infrastructure involving U.S. aircraft, ships and personnel. Operation Bahamas and Turks and Caicos (OPBAT), a combined effort by The Bahamas, the Turks and Caicos Islands police and Drug Enforcement Administration (DEA) to intercept loads of cocaine and conduct investigations, employs U.S. Coast Guard and Army helicopters assigned to joint interdiction bases in Nassau, George Town, Great Inagua, and elsewhere. The recent upsurge in cocaine trafficking through The Bahamas underscores the necessity of maintaining a strong OPBAT structure and improving the maritime end-game, which will require development of Bahamian maritime interdiction capabilities.

The overall objective of the narcotics assistance program is to strengthen Bahamian agencies engaged in counternarcotics activities, particularly the RBPF, RBDF and the GCOB judicial system. The program provides support for OPBAT bases, a Joint Information Coordination Center (JICC), training and materiel for Bahamian narcotics enforcement and security personnel, improvements in the judicial system, and public awareness and education efforts.

Through the **Narcotics Law Enforcement Project**, minimal support will continue for OPBAT bases that are operated by both Bahamian and U.S. personnel. This support will include base operating costs such as electricity, equipment repair and maintenance, air conditioning, runway resurfacing, and other support costs. We will encourage the GCOB to assume increased responsibility in OPBAT, and we will provide training and materiel assistance to the RBDF, in order to improve its maritime interdiction capability.

The program will fund training and equipment for the Drug Enforcement Unit of the RBPF, the principal drug law enforcement and investigation force. Continued support to the JICC will focus on improving its capability and usefulness to GCOB counterdrug efforts. Other RBPF elements will also receive assistance, including the Canine Squad, the Internal Security Division, and the Corruption and Investigation Unit, which is responsible for asset-forfeiture investigations. The program will also assist the GCOB in implementing its new anti-money laundering regime by building Bahamian money laundering regulatory, investigative and prosecutorial capabilities. A new anti-corruption initiative will assist the GCOB to develop effective internal controls and to investigate and prosecute corrupt security and justice officials.

The **Judicial Reform Project** has helped the GCOB to modernize the Bahamian judicial system. It includes assistance to the Attorney General's office as well as to the courts. Activities include training for members of the judiciary, prosecutors, and staff, police and other officers of the court, and complete computer automation of court documents, including an automated court reporter training program. Increased future funding will continue expansion of the program in the magistrate courts and the prosecutor's office. A key project element has been introducing Bahamian judges, prosecutors and court administrators to U.S. prosecution and court administration techniques. The success of the

project to date has been due in part to the willingness of the GCOB to change laws, regulations and practices in support of court modernization.

**Program Development and Support** funds will provide for salaries, benefits and allowances of permanently-assigned U.S. and foreign national personnel, short-term temporary duty (TDY) personnel, and other general administrative and operating expenses for program planning, design, implementation, monitoring and evaluation.

## **Effectiveness Measurements**

- Increased effectiveness of the combined counternarcotics operations of the U.S., The Bahamas, and Turks and Caicos Islands (OPBAT) in interdicting and deterring drug trafficking through the area;
- Improved capabilities of the Bahamian law enforcement agencies to conduct investigations leading to prosecution of drug offenders and money launderers and forfeiture of their assets;
- Increased efficiency and effectiveness of criminal justice institutions in bringing drug violators, including money launderers, swiftly to justice; and
- Increased Bahamian capability to prevent drug-related public corruption and to investigate and prosecute corrupt security and justice officials.

**THE BAHAMAS**  
**INL BUDGET**  
**(\$000)**

FY 1998    FY 1999    FY 2000

**Narcotics Law Enforcement**

Commodities:	75	165	305
Vehicles, technical equipment, spare parts			

Training	25	50	50
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Other Costs:	0	145	155
Repair and maintenance, fuel, boat support, operating costs			

Subtotal	100	360	510
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<b>Judicial Enhancement</b>	60	300	150
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**Program Development and Support**

U.S. Personnel:			
Direct-hire (1)	115	117	120
PIT/Contract (2)	45	47	50

Other Costs:			
International Cooperative Administrative Support Services (ICASS)	125	125	125
Program support	55	51	45

Subtotal	340	340	340
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<b>TOTAL</b>	<b>500</b>	<b>1,000</b>	<b>1,000</b>
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## Bolivia

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
35.000	40.000 <sup>1</sup>	48.000

### Objectives

- Promote strong, cohesive democratic government institutions capable of stopping narcotics production and trafficking in Bolivia;
- Eliminate the production and export of coca and cocaine products from Bolivia through the eradication of illicit coca, increased interdiction, and greater effectiveness in the prosecution and conviction of narcotics crimes;
- Establish and encourage sustained economic growth to reduce the effects of the drug trade on the Bolivian economy; and
- Strengthen and improve the efficiency of the Bolivian criminal justice system.

### Justification

Bolivia trails Peru and Colombia in the total amount of coca under cultivation, but produces coca plants with a higher percentage of cocaine alkaloid than Colombia, and produces more refined cocaine hydrochloride (HCL) than Peru. Bolivia produces over a quarter of the world's coca leaf, and about 30 percent of its cocaine supply, with approximately 38,000 hectares of coca under cultivation in 1998. The illegal coca/cocaine industry in Bolivia is generally under the control of host country groups. Bolivians smuggle essential chemicals from neighboring countries or divert them from licensed importers, transport them to Bolivia's principal coca growing area—the Chapare—where coca leaf is processed into cocaine base, and smuggle base to the Santa Cruz region for further refinement into HCL. Some HCL is, however, being processed in the Chapare.

<sup>1</sup> This does not include an additional \$14 million of FY 1999 Emergency Supplemental funding.

The goal of the counternarcotics program in Bolivia is to make the licit options offered by general and alternative development more attractive by pursuing an aggressive law enforcement and interdiction program, and an equally vigorous coca eradication effort. Justice sector reform is also a key component in our goal of democratic institution building. Bolivia achieved measurable success in 1998: cocaine product and chemical seizures and arrests increased from 1997 totals; the Government of Bolivia (GOB) eradicated a record 11,621 hectares resulting in an unprecedented net decrease of 17 percent in illicit cultivation; and the cultivation of legitimate crops in the coca-growing Chapare region expanded nine percent from 1997 to 105,000 hectares—more than three times the cultivation of coca.

The Bolivian government's five-year plan, which includes as a key objective the total elimination of illicit coca, is well underway. Aggressive actions taken in 1998 to eradicate coca and efforts to stem the tide of precursor chemicals from entering the country are evidence that the GOB is committed to sustained action.

The \$40.0 million of regular INC funds for the FY 1999 Bolivia program budget will be supplemented by \$14.0 million in emergency supplemental monies provided this year by Congress. This funding will be used to augment alternative development programs (\$5.0 million) and to support Bolivian air, riverine and eradication operations (\$9.0 million).

**FY 2000 Programs.** The proposed FY 2000 budget will support host country efforts to eliminate coca cultivation and processing by 2002, and will support law enforcement operations and chemical control efforts, enhance investigations and prosecutions of major drug traffickers, and improve intelligence gathering and dissemination. The budget request will also support ongoing efforts to strengthen the Bolivian judicial system. It will aid expanded economic growth in the Chapare region and elsewhere by helping Bolivia meet its international financial obligations and stabilize its economy as a necessary condition for sustained growth. As one of the poorest countries in the hemisphere with a 1998 per capita GNP of about \$1,000, Bolivia is unable to support any of the present counternarcotics or alternative development programs on its own.

There are two dozen counternarcotics programs in Bolivia for which INL provides funding and support. They can be grouped into four distinct areas: Narcotics Law Enforcement and Eradication; Alternative Development and Economic Incentives; Rule of Law and Administration of Justice; and Program Development and Support.

**The Narcotics Law Enforcement and Eradication Operations Projects** support civilian police units, which conduct counternarcotics law enforcement and coca eradication operations, and the military units that support them. It also assists the Office of the Vice-Minister of Government (formerly the Secretary of Social Defense) to assume greater responsibility for planning, coordinating and funding the GOB's counternarcotics efforts. Police units receiving USG support include the Special Force for the Fight Against Narcotics Trafficking (FELCN), with its uniformed interdiction force, the Rural Mobile Police Patrol Units (UMOPAR), the urban narcotics police, the Special Prosecutors of Controlled Substances that are assigned to the units, other investigative and intelligence gathering units, canine units, and two schools—the International Anti-Narcotics Training Center (Garras Del Valor) and the International Waterways Law Enforcement Training School.

The Bolivian military provides transport and logistics support to the police via air, land and river. The Red Devils Task Force (RDTF), under the Air Operations Support subproject, consists of Bolivian Air Force units operating UH-1H helicopters used in eradication and enforcement operations, and C-130

aircraft used to transport police, heavy equipment, and pre-stage fuel in areas not reachable by road, or made impassable through much of the year by heavy rains. The Blue Devil Task Force (BDTF), a Bolivia naval unit, was granted law enforcement authority in 1997, and is responsible for maintaining a military/counternarcotics law enforcement presence on all rivers and waterways to deny narcotraffickers the use of such means of transportation, and to make arrests and seizures. The Army Green Devil Task Force (GDTF) provides ground mobility support to the police for transport of personnel, fuel and commodities.

Although substantial progress has been made in law enforcement activities in terms of arrests and drug seizures, a great deal remains to be done. We will continue to assist FELCN develop an operational-level planning capability by using USG personnel in an advisory and training capacity, as well as improve its command and control over UMOPAR and the three special armed forces task force units under its supervision. INL will also assist them in establishing communications and coordination with other national-level counternarcotics agencies in the region.

Even with the significant eradication and interdiction results in 1998, a great deal remains to be accomplished in the third year of the Bolivian five-year plan. New coca is still being planted, and over 38,000 hectares of mature coca is still under cultivation. Providing additional training and equipment, especially critical communications equipment, to the UMOPAR and Ecological Police forces having to face violent ambushes and attacks from coca growers is paramount.

We also need to continue replacement of a rapidly aging vehicle fleet, the normal wear and tear of which is accelerated by their use in extremely difficult terrain. As the road system in Bolivia continues to improve, we will increasingly rely on less costly surface transportation to support counternarcotics units. However, even some of the newly constructed roads become impassable during the rainy season, requiring air transport to reach areas where eradication and law enforcement operations are being conducted. Only the C-130 aircraft can transport the helicopter fuel blivets necessary for long-range operations in remote areas. Additionally, the computers used by police and military units must be standardized and upgraded for improved intelligence gathering/sharing and case preparation.

Support for the waterways law enforcement program will continue in light of the GOB's recent decision (December 1997) to provide law enforcement authority to the BDTF. The BDTF has the capacity to conduct its own training, maintain standards of performance and carry out its mission with minimal USG advisory assistance. Permanent U.S. Coast Guard advisor support in Trinidad has been eliminated, as has the senior advisor position in La Paz.

The success of the counternarcotics strategy depends, to a large extent, on the ability of the GOB to convince the Bolivia public to accept the cultivation of coca and its processing into cocaine as a problem for Bolivia and not only for the U.S. Our support for **Drug Awareness and Prevention Programs** is, therefore, essential.

The Directorate of Controlled Substances, a civilian regulatory agency charged with monitoring non-governmental importation of controlled chemicals, has been successful in levying fines due to successful investigations of legal importers of controlled chemicals who were found to have diverted or re-sold the products to narcotics traffickers. INL program support has been dropped since revenues are sufficient to cover operating costs.

The **Alternative Development and Economic Incentives Project** seeks to promote counternarcotics-related development opportunities in the Chapare coca-growing area and elsewhere in Bolivia. The USAID-managed program directly supports efforts to replace coca farming with licit crops, thereby providing permanent gainful employment to a significant number of Bolivians.

We have encouraged bilateral and multilateral institutions to increase assistance, not only in the coca-growing region, but also in sectors such as road construction and rural electrification. This will enable U.S. efforts to focus more narrowly on agricultural production, agribusiness and marketing, thereby improving their success and cost effectiveness. However, some other donors have not warmed to the concept of conditions-based assistance, i.e., linking assistance to coca eradication

CONCADE, the 1999 successor alternative development project to CORDEP, will continue developing sustainable markets for licit products and providing technical advice, planting materiel and other assistance to farmers willing to abandon coca crops. An additional area of focus will be the Yungas, where all the "legal" coca is grown, but where approximately 3,000 hectares of illicit coca must be eradicated and replaced with licit crops. The Black Sigatoka banana disease continues to devastate traditional banana production, forcing as many as 3,000 families into alternative crops such as hearts of palm.

Balance of Payment (BOP) assistance supports macroeconomic development by providing funds to the GOB to help it pay external debt. Local currency generated through this assistance permits the GOB to support coca eradication efforts and joint development activities. This program was used to enable the GOB to provide direct compensation to farmers for voluntary eradication of coca. Under the Bolivian five-year plan, direct compensation was discontinued at the end of 1997, and replaced with community-based alternative development-style projects linked to specified levels of eradication.

The **Rule of Law/Administration of Justice Project** supports structural judicial reform in Bolivia. In FY 2000, the Code of Criminal Procedure (CCP), the remaining portion of a four-part reform package designed to make the Bolivian justice system more efficient, transparent, and accountable, should be implemented. Program funds will assist GOB ministries and elements of the legal system with this process. Resources are also focused on reducing opportunities for corruption in the judiciary and other public ministries.

**Program Development and Support** funds provide for salaries, benefits and allowances of permanently assigned U.S. and foreign national personnel, short-term TDY personnel, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation. This includes operations in La Paz and field offices in Cochabamba, Santa Cruz, Chimore and Trinidad.

## **Effectiveness Measurements**

- Significant net reduction of coca under cultivation, towards the goal of eradication of all illicit coca, and the creation of viable, licit employment and income-earning alternatives for coca growers;
- Substantial decrease in size of illegal coca sub-economy and exports;

- Arrest and prosecution of major drug traffickers with increased number of cases completed within legally prescribed periods in criminal courts;
- Increase seizures of cocaine and other illicit coca derivatives, precursor materials, and assets of the coca trade; and
- Increase the local population's awareness of the dangers of drug abuse and trafficking to Bolivia's economy and society.

**BOLIVIA**  
**INL BUDGET**  
**(\$000)**

	FY 1998	FY 1999	FY 2000
<b><i>Narcotics Law Enforcement</i></b>			
Ground Operations Support (FELCN, UMOPAR, Narc Police, Canine, GDTF, Chemicals, FIU, Prosecutors and Intelligence)	10,845	9,119	14,315
Air Operations Support (Red Devils Task Force and Other Police Air Support Units)	4,963	2,453	5,154
Riverine Operations Support (Blue Devils Task Force)	1,074	648	1,523
Field Support/GOB Infrastructure (Commodities, training, vehicle support facilities, field project offices, local and GOB support staff)	2,384	2,597	3,000
Subtotal	19,266	14,817	23,992
<b><i>Eradication Operations</i></b> DIRECO, Ecological Police	3,731	1,903	4,459
<b><i>Alternative Development</i></b> <span style="float: right;">1/</span>			
Alternative Development	6,000	15,000	10,000
Balance of Payments	4,000	3,000	4,000
Subtotal	10,000	18,000	14,000
<b><i>Drug Awareness/Prevention</i></b>	-	800	869
<b><i>Administration of Justice</i></b> <span style="float: right;">2/</span>	-	2,000	2,000
<b><i>Program Development and Support</i></b>			
U.S. Personnel:			
Direct-hire (4)	470	535	535
Contract/PIT (2)	40	45	45
Non-U.S. Personnel:			
Direct-hire (2)	70	75	77
Contract (44)	245	720	875
Other Costs:			
International Cooperative Administrative Support Services (ICASS)	215	350	350
Program support	963	755	798
Subtotal	2,003	2,480	2,680
<b>TOTAL</b>	<b>35,000</b>	<b>40,000</b>	<b>48,000</b>
<b><i>Emergency Supplemental Funds</i></b> <span style="float: right;">3/</span>	-	14,000	-
<b>TOTAL (Incl. Emergency Supplemental Funds)</b>	<b>35,000</b>	<b>54,000</b>	<b>48,000</b>

1/ Indicated amounts are provided to USAID for administration.

2/ In FY 98, \$2,000,000 in Anticrime funds was provided for AOJ programs. Amounts for FYs 99 and 00 are from country program INC funds.

3/ Includes \$5 million for AD and \$9 million for law enforcement support for FY 99.

## Brazil

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
.500	1.200	1.500

### Objectives

- Assist Brazil's efforts to improve the institutional capabilities of the Federal Police to disrupt the activities of major trafficking organizations, interdict illegal drugs and control precursor chemicals;
- Support programs to enhance the ability of the criminal justice system to arrest, investigate, prosecute, convict and sentence drug traffickers, and to dismantle international criminal organizations;
- Work to improve the effectiveness of Brazilian organizations that seek to reduce drug abuse and decrease the domestic demand for drugs; and
- Encourage Brazil to pass and implement laws to bring the government into compliance with the 1988 UN Convention.

### Justification

The Brazilian government stepped up its counternarcotics posture and activities in 1998. Federal Police authorities conducted coordinated operations with their counterparts in Peru, Colombia and other neighboring countries, in an effort to identify and interdict traffickers operating along the "air bridge" between the three countries and elsewhere in the Amazon basin. U.S. counternarcotics assistance played a valuable role in this effort, augmenting limited Brazilian resources and experience with equipment, support with personnel-associated costs, and information sharing and analysis.

Several pieces of key legislation became law in 1998. These include the shutdown legislation and the money-laundering bill. At the national policy level, and as a clear sign of Brazil's heightened concern over the negative role narcotics plays in the country's life, President Cardoso formed a new national anti-drug secretariat that will report to him through his military household. This new secretariat,

modeled after the U.S. Office of National Drug Control Policy, will oversee and coordinate the currently disparate counternarcotics activities of various federal law enforcement and drug awareness agencies. Brazilian military officials are continuing to expand their cooperation with U.S. counterparts in counternarcotics matters and have increased their border cooperation with neighboring countries through the establishment of agreements of understanding and cooperation to control illegal overflights and cross-border narcotics trafficking.

The **Narcotics Law Enforcement Project** focuses on the Brazilian Federal Police's (BPF) need to strengthen their intelligence and investigative capabilities, and improvement of the police counternarcotics infrastructure. Federal police operations in the Amazon region are stretched extremely thin, and despite significantly increased levels of GOB funding for these operations, the BPF require a wide range of additional support. With a major upsurge in narcotics smuggling along the southern route from Bolivia and Paraguay to Sao Paulo and Rio de Janeiro, and from those cities on to the U.S., BPF needs also are significant and growing in that area, particularly for investigative equipment such as tape recorders, video camcorders and digital still cameras.

Brazil has a large chemicals-manufacturing industry that helps supply precursors to cocaine laboratories in neighboring countries. A government program requires registration of all significant chemical shipments, but verification and enforcement are deficient largely due to a lack of adequate resources. Additional INL support will be provided to assist Brazilian efforts to step-up counternarcotics security at all the country's major ports through the monitoring of chemical shipments.

PROERD, the **Drug Awareness and Demand Reduction Project**, is a school-based education program that is modeled on the U.S. D.A.R.E. concept. This program, which is now self-sustaining and run by the state military police in Sao Paulo, has expanded into 14 additional states and the Federal district. Funds requested will be used to provide train-the-trainer instruction for the development of program monitors and to purchase material for classrooms. In conjunction with the Federal Drug Council, INL assistance will be made available to provide grants for other demand reduction projects. Initiatives under this grant program have included training of drug prevention educators and treatment technicians, creation of municipal drug councils, and publication of materials to heighten public awareness of the dangers of drug use. These drug awareness projects continue to be one of the principle tools available to the embassy to favorably influence Brazilian public opinion, and to build political will in support of narcotics control initiatives.

**Program Development and Support** funds will provide for salaries, benefits, and allowances of permanently-assigned full-time U.S. personnel and other general administrative and operating expenses for program planning, design, implementation, monitoring and evaluation and public diplomacy.

## **Effectiveness Measurements**

- Increased GOB political and financial commitment to counter illegal narcotics, especially through continued participation in joint law enforcement activities and increased asset forfeiture fund (FUNCAB) contributions to international efforts;
- Federal police investigations resulting in arrest and prosecution of drug traffickers, dismantling of major cartel operations, and interdiction of cocaine shipments; and



- Increased funding from CONFEN for project proposals submitted by local demand reduction organizations and greater public awareness of the dangers of drug abuse.

**BRAZIL**  
**INL BUDGET**  
**(\$000)**

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>
<b>Narcotics Law Enforcement</b>			
Commodities:	100	395	480
Vehicles, boats, radios, support equipment			
Training	25	175	200
Other Costs:			
Operational support, travel, per diem, dog kennel facilities	50	130	250
Subtotal	<u>175</u>	<u>700</u>	<u>930</u>
<b>Drug Awareness/Demand Reduct</b>	25	180	250
<b>Program Development and Support</b>			
U.S. Personnel:			
Direct-hire (1)	95	100	100
Contract (1)	15	20	20
Non-U.S. Personnel:			
Contract (1)	50	50	50
Other Costs:			
International Cooperative Administrative Support Services (ICASS)	70	80	80
Program support	70	70	70
Subtotal	<u>300</u>	<u>320</u>	<u>320</u>
<b>TOTAL</b>	<b>500</b>	<b>1,200</b>	<b>1,500</b>

## Colombia

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
43.000	30.000 <sup>1</sup>	40.000

### Objectives

- Eliminate the cultivation of opium poppy, coca leaf and marijuana;
- Strengthen host nation capabilities to disrupt and dismantle major drug trafficking organizations and prevent their resurgence; and
- Destroy the cocaine and heroin processing industries and stop the diversion of licit chemicals into illicit channels.

### Justification

The U.S. provides assistance in support of Colombia's efforts to counter the drug trafficking threat to its security, political system and economy; to counter the threat such activities present to the security, health and well-being of U.S. citizens; and to disrupt the narcotics trafficking infrastructure.

The primary focus of the USG-funded counternarcotics program is support for the Colombian National Police (CNP) Directorate of Anti-Narcotics (DANTI). Overall activities funded by the INL budget include the aerial eradication program, investigations aimed at disrupting trafficker organizations, and interdiction of precursor chemicals and shipments of finished cocaine HCL.

Counternarcotics assistance is provided for DANTI and other CNP elements, the National Narcotics Directorate (DNE), the National Plan for Alternative Development (PLANTE), elements of the military involved in counternarcotics, and other Colombian government entities, such as the Civil Aviation Administration. INL assistance supports the world's largest aerial eradication program, which targets both coca and opium poppy. It also provides operational funds to dismantle narcotics trafficking organizations by strengthening those institutions responsible for investigation of crimes,

<sup>1</sup> This does not include an additional \$173.16 million of FY 1999 Emergency Supplemental funding.

evidence gathering, arrest, prosecution, asset seizure, and other law enforcement actions. Other project activities include improving coordination of CNP and military counternarcotics actions, completing infrastructure support programs, supporting alternative development, improving the security of Colombia's ports, and sustaining public awareness and education projects.

The primary USG counternarcotics goal in Colombia is to help the Government of Colombia (GOC) to destroy all illicit cultivation and the infrastructure which supports production of illicit drugs. In order to obtain this goal, assistance concentrates on discouraging cultivators or would-be cultivators, and on increasing the GOC's institutional capabilities in this area. The aerial eradication program is our most powerful tool to accomplish this goal, and we intend to continue our full support. Results thus far have been mixed due to the inability to reach all of the growing areas. In the next two years, we intend to work with the CNP to expand the operating zone to all of Colombia's cultivation areas and produce a net decrease in the crop size. Simultaneously, we will support the CNP's recently inaugurated intensive opium poppy eradication campaign, which aims to destroy the entire crop within two years. We will also provide limited support to Colombia's alternative development efforts in the opium poppy region, thereby reinforcing the eradication efforts by providing viable alternatives for small farmers currently dependent on poppy cultivation.

INL also provides support for CNP operations aimed at the destruction of emerging narcotics trafficking syndicates through the arrest and prosecution of syndicate leaders and the confiscation of their assets, and to discourage money-laundering activity. INL assistance also sustains GOC drug awareness and education programs that seek to dissuade Colombians from engaging in narcotics activities.

The \$30 million of regular INC funds for the FY 1999 Colombia program budget will be supplemented by \$173.6 million in emergency supplemental monies provided this year by Congress. This funding will be used to meet critical Colombian needs for helicopters, base security improvements, prison security, interdiction aircraft for the Colombian Air Force and other support for the CNP and other elements of the Colombian government involved in counternarcotics activities, as directed by Congress. Multi-year funding was provided for many of the items designated in the emergency supplemental, so the overall out year support impact should be minimal for the first few years. When this supplemental funding runs out, however, an increase in the regular INC budget will be required for the continuing operational costs of the aircraft and other equipment provided to Colombia under this supplemental.

**FY 2000 Program.** The **Narcotics Law Enforcement Project** for FY 2000 requests commodity, training and operational support for CNP units tasked with interdiction and eradication operations. The funding request represents recognition of the central role of Colombia in narcotics trafficking and U.S. resolve to combat it as close to the source as possible. The DANTI will remain the principal GOC recipient of U.S. counternarcotics assistance to Colombia. Although operating below its full complement of 3,000 personnel due to cuts in host government funding, the DANTI should have the capacity to carry out the full range of counternarcotics activities. The project will provide support for the CNP air wing, including aircraft parts and maintenance, aviation fuel and lubricants, herbicide and other aviation-related support costs. Approximately 100 Colombian civilians are employed by the CNP to augment uniformed CNP aviation personnel. These include 12 T-65 pilots, other pilots and rotary- and fixed-wing maintenance and logistics technicians all funded by INL. Additionally, the NAS provides funding for a variety of DANTI operating costs, including such items as maintenance

and fuel for INL-supplied and CNP-owned vehicles, office supplies and equipment, maintenance of communications and other equipment, utility costs, minor facilities maintenance and repair, etc.

Training and institution building is a major focus of the FY 2000 program with the projected phase out of U.S. contractor aviation support personnel. As of 1998, NAS obligated the CNP to assume responsibility for budgeting, accounting, planning and training for the long-term and has prepared a draft letter of agreement for the CNP to assume total control and operation of the eradication program. INL-funded training programs are ongoing for CNP pilots, aircrews and maintenance personnel, and operational intelligence and professional development training for other CNP personnel.

The **Armed Forces Counternarcotics Support Project** will be directed to those activities that support the CNP's counternarcotics efforts or conduct independent counternarcotics operations. The Colombian Air Force (FAC) has previously been provided with C-130 aircraft by the USGG to support counternarcotics requirements of all GOC agencies. These aircraft require spare parts and engine overhaul services. Additional C-26 utility aircraft were delivered in FY 1997 under 506(a) drawdown authority, and require training, spare parts, maintenance and ground support equipment. The FAC, employing existing resources, carries out counternarcotics air interdiction missions in cooperation with USG (DOD) detection, monitoring and tracking activities. The Colombian navy (including marines and coast guard) has a variety of counternarcotics missions, including control of inland waterways to impede transportation of illicit drugs, precursor chemicals, and other drug-related contraband. Equipment, training, and technical assistance will be provided to Colombian riverine and coast guard harbor patrol programs.

Areas where aerial spray operations for crop eradication are carried out, particularly the major coca growing areas of Guaviare and Caqueta, are also characterized by significant armed insurgent groups in active conflict with the GOC. Presence of elements of any of the Colombian armed forces to enhance security in the spray zones is invariably desirable, and often indispensable, to safe and efficient conduct of spray activities. Proposed funding will deliver spare parts, supplies, equipment and training for elements of the Colombian armed forces engaged in counternarcotics activities.

The **Policy Issues and Drug Awareness Project** includes support for the GOC's counternarcotics policy board, the National Narcotics Directorate (DNE). The DNE is responsible for development of national policies on drug-related issues, including illicit crop eradication. They have specific operational responsibility for custody and distribution of assets seized in conjunction with drug trafficking offenses. The DNE carries out a variety of demand reduction activities and represents the GOC in various international drug control fora, including OAS/CICAD and UNDCP. INL support will fund surveys, conferences, and media products to promote general awareness of the problems created for Colombia by illicit drug production, traffic and abuse. This project will also fund the purchase of commodities or services needed to support anti-narcotics programs in the offices of the Attorney General and the Prosecutor General, and in the Ministry of Justice and the Courts.

The **Alternative Development Project** would be a NAS-funded, USAID-administered alternative development pilot program in NAS/USAID-selected opium growing regions. The proposed project will work in conjunction with PLANTE, the GOC's alternative development program and aims to achieve a fully sustainable array of counternarcotics activities that would complement the peace process.

**Program Development and Support** funds will provide for salaries, benefits and allowances of permanently-assigned U.S. and foreign national personnel, short-term TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring and evaluation.

### **Effectiveness Measurements**

- Reduced flow of illegal narcotics from Colombia to the U.S.;
- Sharp reduction and eventual elimination of illicit crop cultivation and Colombian self-sufficiency in managing eradication programs targeted at all illicit cultivation;
- Effective institutions capable of carrying out the full range of law enforcement activities necessary to prevent narcotics traffickers from using Colombia as their center of activity;
- Destruction of emerging narcotics trafficking organizations (e.g., arrest, prosecution, incarceration of key traffickers);
- Strengthened Colombian institutions capable of combating corruption and intimidation and expediting proceedings/trials against drug traffickers; and
- Seizure of major trafficker's assets and disruption of money laundering activities.

**COLOMBIA**  
**INL BUDGET**  
**(\$000)**

	FY 1998	FY 1999	FY 2000
<b>Narcotics Law Enforcement</b>			
<b>Colombian National Police</b>			
Commodities:	8,900	12,390	15,300
Aircraft parts, tools, avionics, and other equipment; radios, vehicles, field and investigative equipment			
Training: Aviation, tactical, intelligence	2,000	1,000	1,000
Other Costs:	29,400	8,660	10,500
Aircraft operations, contract personnel, forward base construction, U.S. advisors, project support			
<b>Subtotal</b>	<b>40,300</b>	<b>22,050</b>	<b>26,800</b>
<b>Military Counternarcotics Support</b> (Army, Air Force, Navy and Marines)	-	-	4,000
<b>Alternative Development Program</b>	500	5,000	5,000
<b>Policy Issues and Drug Awareness</b>	-	750	2,000
Miscellaneous grants, computers, training, operational support			
<b>Program Development and Support</b>			
U.S. Personnel:			
Direct-hire (4)	410	410	410
Contract/PIT (3)	90	90	90
Non-U.S. Personnel:			
Direct-hire (1)	50	50	50
Contract (15)	735	735	735
Other Costs:			
International Cooperative Administrative Support Services (ICASS)	270	270	270
Program support	645	645	645
Subtotal	2,200	2,200	2,200
<b>TOTAL</b>	<b>43,000</b>	<b>30,000</b>	<b>40,000</b>
<b>Emergency Supplemental Funds</b> <sup>1/</sup>	-	<b>173,160</b>	-
<b>TOTAL (Incl. Emergency Supplemental Funds)</b>	<b>43,000</b>	<b>203,160</b>	<b>40,000</b>

1/ FY 99 Emergency Supplemental Funds for Black Hawks, UH-1H upgrades, DC-3, miniguns, base and force security, base construction, A-37 program.

## Ecuador

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
.500	1.200	1.200

### Objectives

- Develop institutional capabilities to interdict illegal drugs and controlled chemicals, prosecute traffickers, seize drug assets and reduce money laundering;
- Improve intelligence collection, processing and dissemination against major trafficking organizations; and
- Promote public awareness and education on the dangers of drug abuse.

### Justification

Ecuador has long been described as merely a transit country for illegal drugs passing through enroute to the U.S. and other consumer markets overseas. The reality is that Ecuador is inextricably linked to—and part of—the trafficking chain in the region. Ecuador is an important center for the collection and distribution of illicit drugs to consumer markets worldwide, the provider of chemicals to producer countries, a money laundering center, and from time to time, a safe haven and headquarters for cartel members from Peru and Colombia. Although illicit drugs are not cultivated in Ecuador, they are increasingly processed there. Narcotics kingpins appear to be trafficking approximately 30-50 metric tons of cocaine per year through loosely monitored ports and road networks.

FY 2000 Programs. The Government of Ecuador (GOE) has a strong anti-drug law which criminalizes trafficking in drugs, chemicals and narco-assets; centralizes drug enforcement in the narcotics police; provides a counternarcotics role for the military; and establishes a ministerial-level drug council to oversee the GOE's efforts. In FY 2000, the U.S. will continue to encourage the GOE to place greater emphasis on **Narcotics Law Enforcement**. Support will be given via the Prosecutor General's office to the national police, military and the National Drug Council.



The **National Police Project** will focus on enhancing counterdrug law enforcement capabilities, especially in the areas of intelligence collection/analysis and interdiction of drugs and essential chemicals. Specific projects include strengthening airport enforcement with canine units, fixed and mobile roadblocks, aerial reconnaissance and drug eradication missions, support for the anti-narcotics intelligence center, and assistance for financial investigation units of the police and the Superintendency of Banks.

The **National Drug Council (CONSEP) Project** will emphasize ministerial-level drug coordination efforts. CONSEP serves as a data bank for financial reports on suspicious transactions submitted by banks. They control and monitor precursor and essential chemicals moving through Ecuador, are involved in expanding drug prevention training on a national basis, and coordinate the counternarcotics efforts of the military and police.

A new **Counternarcotics Military Support Project** is planned for FY 2000 that would complement U.S. Military Group (MILGP) airbridge efforts (e.g., infrastructure support for A-37s), and assist the U.S. Army Corps of Engineers in the construction of a jungle road checkpoint and a barracks at Baeza. In addition, funds are required for related military counternarcotics training and miscellaneous operational support.

**Program Development and Support** funds will provide salaries, benefits and allowances of U.S. and foreign national personnel, short-term TDY assistance, and other administrative and operating expenses for program planning, design, implementation, monitoring and evaluation.

## **Effectiveness Measurements**

- Increased investigations of narcotics trafficking and money laundering groups, implementation of a controlled chemical control program, higher conviction rates and more prosecutors trained in the drug law;
- Dismantling of Ecuadorian narcotics trafficking groups resulting from police training in intelligence programs; and
- Increased media attention to the message of community-based drug abuse prevention programs and increased public awareness of the dangers of drug abuse.

**ECUADOR**  
**INL BUDGET**  
**(\$000)**

	FY 1998	FY 1999	FY 2000
<b>Law Enforcement</b>			
Commodities:	30	175	165
Vehicles, radios, field equipment			
Training	15	70	70
Other Costs:			
Maintenance	20	100	100
Operational support	50	100	100
U.S. contract field advisor	75	75	75
<i>Subtotal</i>	190	520	510
<b>National Drug Council</b>			
Vehicles, computer equipment, training, operational support	--	60	60
<b>CN Military Support</b>			
Airbridge support	--	150	150
Training and other costs	--	140	140
<i>Subtotal</i>	--	290	290
<b>Program Development and Support</b>			
U.S. Personnel:			
Direct-hire (1)	120	125	130
PIT (1)	30	31	33
Non-U.S. Personnel:			
Direct-hire (1), Contract (2)	45	50	53
Other Costs:			
International Cooperative Administrative Support Services (ICASS)	73	76	76
Program support	42	48	48
<i>Subtotal</i>	310	330	340
<b>TOTAL</b>	<b>500</b>	<b>1,200</b>	<b>1,200</b>

## Guatemala

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
2.000	3.500	3.000

### Objectives

- Improve counternarcotics and law enforcement capabilities, as well as the judiciary and anti-drug legislation, which are key to a successful law enforcement program;
- Interdict illicit drugs and essential drug producing chemicals transiting through the country; and
- Eliminate the production of opium poppy production through eradication programs.

### Justification

There are six ongoing narcotics-related threats in Guatemala: cocaine transshipment through the country, opium poppy and marijuana cultivation, corruption of government officials, diversion of precursor chemicals, money laundering and growing domestic drug abuse. The Government of Guatemala (GOG) and the U.S. cooperate on a variety of counternarcotics and law enforcement activities, including narcotics interdiction, crop eradication and demand reduction. There is also cooperation and contact on stolen cars and money laundering legislation issues. We are investigating methods of providing assistance in Guatemala's attack on organized crime problem, which has become a national issue. Guatemala remains a major link for alien smugglers en route to the U.S. In addition, Guatemala serves as a regional support center for other INL programs in the region.

Guatemalan authorities increased cocaine seizures to 9.2 metric tons in 1998 from 5.84 metric tons in 1997. These seizures represent limited maritime and overland interdiction, given the large quantities of containerized cargo and the still inadequate inspection capabilities at all ports of entry to Guatemala. As a result of the San Jose Summit initiatives, INL support for interdiction efforts will include training, operational support and maintenance of equipment for the Guatemalan anti-drug police.

Marijuana production in the vast Peten region of northeastern Guatemala, bordering on Belize and Mexico, continues at slightly lower levels than 1997 thanks to Guatemalan eradication efforts. Host country authorities reacted to the slight increase in cultivation of opium poppy, which remained less than 200 hectares, by increasing eradication more than 30 percent. The narcotics control police units carry out manual eradication, air-mobile interdiction (formerly part of Operation Cadence), port control, narcotics investigations, riverine operations and road interdiction and inspection.

FY 2000 Program. The INL program for FY 2000 reflects a shift to a regional focus in interdiction and program support activities. This will assist Guatemala and its neighbors with common problems and stimulate the regional orientation necessary to respond to the considerable resources and ingenuity of narcotics traffickers. The **Narcotics Law Enforcement Project** will help the GOG organize, train and equip the Department of Anti-Drug Operations (DOAN) for interdiction and eradication responsibilities. Training will also focus on identification and seizure of illegal drugs. Funds will support the development of the DOAN staff through increases in professional training, including leadership and anti-narcotics intelligence analyst training. The GOG will provide ongoing training and support to units engaged in riverine/coastal patrols, air-mobile support and land interdiction. The project will also help the GOG improve the headquarters section, expand the activities of narcotics prosecutors and the new narcotics investigation squad, continue operations of the JICC and chemical control office, and complete the establishment and training of the port security project on the Pacific coast.

Re-establishment of Guatemalan aerial interdiction capabilities remains part of the **Eradication and Interdiction Project**, which supports the objective of deterring transshipment of cocaine and continuing eradication of opium poppy and marijuana. INL's aerial cocaine interdiction, reconnaissance and eradication program of the early and mid-1990's successfully reduced the opium crop to negligible levels and forced traffickers to land elsewhere. The redeployment of these assets outside Guatemala, in response to the President's source country focus, was followed by a documented increase in aerial trafficking events in 1997 and 1998. In response, we are assisting the GOG in establishing aerial interdiction and eradication capabilities. Training is ongoing in connection with the Central Skies program regional deployments.

Guatemala has no practical way to monitor the opium poppy grown in the rugged western highlands. Establishment of an aerial counternarcotics capability, modeled after the successful INL air programs in Peru and Bolivia, will correct interdiction and eradication weaknesses and provide a host nation capability to deter aerial traffickers and continue to keep gradually increasing poppy production at a negligible level.

The **Public Awareness Project** focuses on publications and presentations to inform Guatemalan citizens of the social and cultural damage inflicted by drug trafficking and drug abuse. Seminars and education programs will be developed to build public awareness and educate public teachers on the dangers of illegal drugs. It also provides targeted assistance to the legal system to promote effective use of the drug law through training and equipment.

The **Drug Prosecutor Assistance Project** provides funding for the special narcotics prosecutors unit of the Attorney General's office (Public Ministry) to expand the number of prosecutors, increase professional training, develop computerized case management, and increase drug convictions. This project supplies equipment and training in coordination with USAID judicial reform efforts.

**Program Development and Support** funds will provide salaries, benefits and allowances of U.S. and foreign national personnel, short-term TDY assistance, and other administrative and operating expenses for program planning, design, implementation, monitoring and evaluation. NAS Guatemala provides regional support to non-NAS countries in the region.

### **Effectiveness Measurements**

- Increased institutional capability within the DOAN for illicit drug interdiction, opium poppy eradication and prosecution of traffickers;
- Adoption of measures, legislative or regulatory, to strengthen the judicial system, leading to an increase in effective prosecution of criminal cases under the new penal code; and
- Enhanced degree of drug awareness, demand reduction, and counter-narcotics expertise developed among prosecutors, public health, media and educational institutions.

**GUATEMALA**  
**INL BUDGET**  
**(\$000)**

	FY 1998	FY 1999	FY 2000
<b>Narcotics Law Enforcement</b>			
Ground Operations Support	1,155	1,265	1,100
Field gear, computers, vehicles commo and investigative equipment, training and operational support			
Aviation Support	—	1,100	900
Aircraft parts, fuel, commo equipment, vehicles, training and operational support			
Maritime Support	—	250	125
Boat parts, fuel, field equipment, safety gear, vehicles, training and operational support			
Subtotal	1,155	2,615	2,125
<b>Narcotics Prosecutors</b>	285	260	250
Local personnel, commodities, training, operational support			
<b>Public Awareness</b>	150	200	200
Training, grants, operational support			
<b>Program Development and Support</b>			
U.S. Personnel:			
Direct-hire (1)	120	125	125
PIT (1)	25	25	25
Non-U.S. Personnel			
Direct-hire (1), contract (2)	80	85	85
Other Costs:			
International Cooperative Administrative Support Services (ICASS)	83	90	90
Program support	102	100	100
Subtotal	410	425	425
<b>TOTAL</b>	<b>2,000</b>	<b>3,500</b>	<b>3,000</b>

## Jamaica

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
.600	.800	.800

### Objectives

- Assist the Government of Jamaica (GOJ) in developing laws and regulations required to control international organized crime, especially drug trafficking;
- Improve the ability of the GOJ to conduct sophisticated drug law enforcement operations, including drug interdiction, marijuana eradication, money laundering and asset forfeiture investigations;
- Deny use of Jamaican territory for the illegal diversion of precursor and essential chemicals;
- Improve the GOJ's ability to fulfill the terms of our bilateral mutual legal assistance and extradition treaties;

### Justification

INL assistance for the GOJ helps the Jamaica Constabulary Force (JCF), the Jamaica Defense Force (JDF), the Jamaican court system and other GOJ agencies carry out effective drug law enforcement operations, prosecutions of arrested drug violators, and drug awareness programs. The counterdrug assistance program also assists the GOJ in improving its criminal justice capabilities, as a follow-on to USAID's recently completed Administration of Justice program.

Jamaica, favorably situated for cocaine trafficking from South America to the U.S., is also a traditional source of marijuana for U.S. markets. Jamaica's airstrips, ports and offshore waters offer many opportunities for traffickers. Growing cocaine seizures reflect increased use of Jamaica's well-established marijuana networks to also ship cocaine. Money laundering and illegal diversion of precursor and essential chemicals are also increasing in the Caribbean region, including Jamaica.

Extradition, which takes place under a 1991 treaty between the U.S. and Jamaica, has slowed due in part to Jamaica's addition of a level of appeal to the extradition process. Currently, some 18 cases are pending, after the GOJ and USG worked together to remove inactive cases from the list of pending extradition requests. In 1994, Jamaica passed asset seizure and forfeiture legislation. In July 1995, the USG and the GOJ exchanged instruments of ratification of our mutual legal assistance treaty and in late December 1995, the GOJ ratified the 1988 UN Convention. We continue to encourage GOJ passage of precursor and essential chemical control laws to complete its ability to implement the provisions of the Convention. We are also encouraging the GOJ to further amend its 1996 anti-money laundering law to bring it into conformity with international standards.

The JCF Narcotics Unit, the major Jamaican counterdrug law enforcement group, continues to undergo reorganization in response to corruption problems involving the disappearance of seized drugs from police and forensic laboratory storage facilities. The U.S. has provided extensive training and equipment to the JCF Narcotics Unit, the Contraband Enforcement Team, and the Port Security Corps, including an innovative program of integrity training for customs personnel. Jamaica's JICC, established with INL funding, is an important component of the GOJ's anti-narcotics data collection and analysis effort. Additional JICC support will update its equipment and provide further analysis training.

FY 2000 Program. All aspects of the counterdrug program are focused on Jamaican implementation of the 1988 UN Convention. The requested funding level for FY 2000 will permit the GOJ to undertake the intensity of drug and money laundering law enforcement and judicial activities necessary to pave the way for development of legitimate agriculture and commerce in this struggling economy.

The **Narcotics Law Enforcement Project** supports marijuana eradication and drug interdiction activities. The project provides fuel for all types of law enforcement operations and salaries for marijuana cutters. It also provides training and equipment for Jamaica's several anti-drug agencies (JDF, JCF, the Contraband Enforcement Team, and the Port Security Corps). Increasingly, the U.S. will support combined USG-GOJ efforts to target, investigate, prosecute, convict and appropriately sentence major Jamaican drug traffickers.

The **Anti-Money Laundering Project** will continue to support GOJ efforts to further amend its 1996 anti-money laundering law to meet accepted international standards. The project will also support the development of GOJ financial investigative and prosecutorial capability by providing technical assistance, training and computer equipment.

The **Judicial Reform Project** is designed to assist the GOJ first in adopting comprehensive drug control legislation and then in adjudicating drug violators. This project will continue to work via offers of assistance in preparing draft legislation and applying public diplomacy to support parliamentary passage. It will also improve the courts' ability to apply the laws, including the asset forfeiture laws passed in 1994, and legislation still in process.

Currently, the police frequently arrest drug traffickers, but seldom does one get a speedy trial or appropriate sentence. The fault lies in a legal system of full court dockets and trials that do not always take place as scheduled due to the absence of witnesses, arresting officers, and appropriate records. Even if a conviction results, sentencing is erratic. The judicial reform project will provide further training to judicial personnel. It will also continue to improve the security of judges, juries and



witnesses. A new anti-corruption initiative will deal specifically with assisting the GOJ to strengthen its internal controls and to develop the means to investigate and prosecute corrupt public officials.

The INL program provides limited funds for demand reduction activities, the majority of which are supported by the GOJ, NGOs, and other donors. However, because the Jamaican public is poorly informed about drug abuse and its consequences, we will work with the GOJ to increase awareness through provision of expert speakers and advice, provided directly and via regional programs.

**Program Development and Support** funds will provide for salaries and benefits of locally-hired support personnel and partial support for the Miami regional narcotics affairs officer's oversight of the program.

### **Effectiveness Measurements**

- Enhanced capability of the GOJ to enact and implement the full range of strong drug control measures;
- Reduction of harvestable marijuana cultivation and increased cocaine seizures;
- Increased number of major drug traffickers and money launderers arrested, convicted and given severe sentences; and
- Increased GOJ capability to prevent drug-related corruption and to investigate and prosecute corrupt security and justice officials.

**JAMAICA**  
**INL BUDGET**  
**(\$000)**

	FY 1998	FY 1999	FY 2000
<b>Narcotics Law Enforcement</b>			
Commodities:	190	210	235
Vehicles, communication and investigati equipment, computers, eradication gear, aviation parts, etc.			
Other Costs:	275	330	330
Fuel, training, operational support			
Subtotal	465	540	565
<b>Money Laundering</b>	100	100	100
Training and equipment			
<b>Judicial Reform</b>	50	175	150
<b>Program Development and Support</b>			
U.S. Personnel:			
Contract (1)	40	40	40
Non-U.S. Personnel			
Contract (1)	10	10	10
Other Costs:			
International Cooperative Administrative Support Services (ICASS)	5	5	5
Program support	30	30	30
Subtotal	85	85	85
<b>TOTAL</b>	<b>600</b>	<b>800</b>	<b>800</b>

## Mexico

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
5.000	8.000	10.000

### Objectives

- Prevent use of Mexican territory and territorial waters by international drug trafficking organizations to move cocaine, other illicit drugs, and precursor chemicals to the U.S.;
- Dismantle drug mafias and disrupt trafficking;
- Promote administration of justice and legal reform;
- Reduce and ultimately eliminate illicit drug crop production and methamphetamine trafficking;
- Control money laundering, including the vigorous seizure and forfeiture of trafficker assets; and
- Reduce demand for illicit drugs as well as promote community mobilization against drug trafficking and abuse in Mexico.

### Justification

The porous 2,000-mile U.S.-Mexican border and daunting volume of legitimate cross-border traffic provides near-limitless opportunities for smuggling of illicit drugs, weapons and proceeds of crime, and for escape by fugitives. Mexico is the principal transit route for cocaine entering the U.S., as well as a major source country for heroin, methamphetamine and marijuana. Mexican criminal groups facilitate the movement of hundreds of metric tons of cocaine from South America, as much as 50-70 percent of the total movement to the U.S., and are increasingly involved in its sale and distribution in the U.S. Mexican traffickers use their vast wealth to corrupt public officials, law enforcement and military personnel, as well as inject their influence into the political sector. The absence of a strong money laundering control regime before 1996, combined with the expanding financial strength of

Mexican-based trafficking organizations, caused Mexico to become one of the most important money laundering centers in this hemisphere, particularly for the initial placement of U.S. dollars in the international economy.

Mexican President Zedillo has made strong relations with the U.S. the cornerstone of his foreign policy. While the Government of Mexico (GOM) declined INC funding in FYs 1993-1995, the economic crisis in Mexico, compounded by a perceived worsening of the drug situation, led to the resumption of funding to support bilateral counternarcotics programs and activities, although well below the levels of the early 1990s. The U.S. is convinced of President Zedillo's commitment to reduce corruption and fight narcotrafficking, and his government has also taken many important intermediate steps forward. The goals are far from being reached, however, and many daunting obstacles remain.

The INL program, which draws heavily on the support of other USG agencies, particularly the Department of Justice, has been concentrating on specific areas where we can have the greatest positive impact, such as supporting the development of specialized law enforcement units, institutional development and modernizing and strengthening training programs.

FY 2000 Programs. Early in his administration, President Zedillo declared that narcotrafficking groups, aided by corrupt officials, pose the greatest threat to national security. Although he has initiated a massive reform and anti-corruption effort, extensive technical assistance and training is needed for this effort to succeed. In order to increase the professionalism and efficiency of GOM criminal and financial investigative units, as well as the public prosecutors office (Ministerios Publicos), the **Special Prosecutor's Office Project** will sponsor formal training for personnel assigned to these offices. INL has funded or facilitated a broad array of training and technical assistance, ranging from highly technical investigative techniques to new approaches to administration and personnel system management.

INL assistance is directed primarily to the Mexican Attorney General's Office (PGR), the national legal training academy (INACIPE), the counternarcotics planning center (CENDRO) and the Mexican Federal Judicial Police (MFJP), the Hacienda, and the Special Prosecutor for Crimes Against Health (FEADS). We have also offered technical assistance to the Mexican National Public Safety Commission, which is developing national standards for the police. The USG is fully supporting the further expansion and equipping of special investigative units dictated by legislation. Over the past two fiscal years, INL has worked closely with other U.S. agencies in supporting the establishment of specialized PGR investigative units and the financial investigations unit at Hacienda; it funded training as well as the procurement of computers and vehicles for the new units.

Technical projects currently underway with the PGR are the expansion of both their radio communications network to enable secure radio communications, and an information management network for the creation of an automated uniform statistical system for drug control. These and other technical developments will enhance the PGR's capability to analyze the current narcotrafficking situation and improve the effectiveness of counternarcotics operations.

Because of Mexico's size, remoteness of many of the trafficking and illegal growing areas, and the GOM's relative inability to project power into rural areas of the country, most of the counternarcotics law enforcement efforts depend on air mobility. The air/land interdiction operations are based on a mobile-basing concept, which allows police fixed-wing aircraft and helicopters to conduct operations

against major trafficking groups or sites from more secure locations. The PGR's Division of Air Services provides aviation support for the entire PGR, not just drug law enforcement. It supplies pilots, aircrews, and support personnel for more than 160 aircraft, including 27 USG-owned UH-1H helicopters along with spare parts, some maintenance unit kits, and training for pilots and mechanics from the USG, which support the NBRF and the eradication campaign. Guadalajara is the primary maintenance depot for the fleet although a separate maintenance depot has been established in Mexico City for UH-1H helicopters.

The **Aviation Support Subproject** once funded the maintenance for the entire PGR air fleet, including the USG-owned aircraft (reaching \$19 million by 1992), but under the GOM's policy of "Mexicanization", INL assistance has been focused on communications upgrades, specialized field support equipment, test equipment, training, etc. It is also seeking to enhance training and maintenance capabilities, encourage safe operation of the aircraft, and sound management practices. A potential problem, which may require INL assistance, is the maintenance of the sensor systems aboard the Mexican Citation tracker aircraft. These systems can only be repaired by cleared U.S. personnel; repairs are coordinated by the U.S. Customs Service through its own service contractors, and the embassy Narcotics Affairs Section (NAS).

The Mexican national eradication campaign consumes a large percentage of the PGR's operating budget (to support aerial eradication) and up to 25 percent of the Mexican military personnel during peak growing seasons. This effort had begun to show results in reducing net production in the early 1990s, but declined in 1994, in part because of growing budgetary difficulties. President Zedillo pledged a renewed eradication effort, which resulted in significant net reductions in production of opium gum and marijuana. While the USG is not being called upon for the costly aviation maintenance support it once funded, we will provide technical assistance, for example, to assist PGR technicians make effective use of an INL-provided tracking system and photographic equipment.

The Money Laundering Working Group serves as a forum to exchange ideas and reach agreements on a range of issues from training, to information exchange, to joint investigations. The recent implementation by the Mexican finance ministry (Hacienda) of new money laundering regulations was a result of stepped-up cooperation between the two governments. Mexican seizures of narcotraffickers' cash and assets have also reached record levels. The embassy and the U.S. Treasury are working with the Hacienda to establish a computer system for its **Financial Investigations Unit (FIU)**. This system will enhance Mexico's ability to track suspicious and large currency transactions, facilitate investigations, and ultimately improve the ability of the two governments to work together to combat international money laundering.

Mexico has emerged as a major transshipment point for precursor and essential chemicals, both to the Andean source countries and directly to the U.S. (e.g., ephedrine/pseudoephedrine used in methamphetamine production). The GOM has begun seizing these chemicals but recognizes that comprehensive chemical control legislation and more extensive training are still needed, particularly hands-on training for agents in the safe handling and ecologically-sound disposal of seized chemicals. INL continues to work with the Interagency Working Group on Chemical Diversion toward reducing the illicit diversion of chemicals and improving chemical control cooperation. Mexico has taken important steps toward establishing needed control measures through a proposed comprehensive chemical control law. It is also working to identify specific subject areas and personnel for chemical-oriented training that will be provided by the U.S.

INL funding provides ongoing assistance to the GOM's interdiction program, known as the Northern Border Response Force (NBRF). The NBRF complements the U.S. task forces established as part of the Department of Justice's **Southwest Border Initiative**. The NBRF began as a cooperative U.S.-Mexican air interdiction program aimed at stopping cocaine shipments from South America into Mexico, but has since expanded to include ground and maritime components. While the GOM has assumed most of the program's support costs, INL will continue to provide periodic assistance, particularly with specialized equipment and pilot activities to further enhance the GOM's interdiction capabilities, in addition to logistical, communications, computer and other support for the investigation of transnational criminal organizations. INL is also providing equipment and field support for the new Organized Crime Unit.

Another aspect of the eradication effort which has long been overlooked in Mexico is the impact that illicit cultivation has on rural communities. Law enforcement efforts were often aimed at small growers rather than drug kingpins who coordinated the production activities. We are working with Mexico to develop a strategy and programs to provide **sustainable development** for peasant farmers and assist the GOM with mounting law enforcement operations that loosen the grip held over these communities by drug traffickers. A sustainable development pilot project seeks to work with indigenous communities in drug-growing areas, to strengthen their resistance to pressure from narcotraffickers to grow and harvest opium poppy and to identify economic alternatives. INL plans to provide funds to the GOM or private sector groups to develop small-scale Community Pilot Projects in impoverished areas where drug crop cultivation is a serious problem. These projects will reinforce both counternarcotics and development goals by providing agricultural assistance, road building, community development projects and long-term technical assistance to municipalities. If successful, they may serve as the basis for international financial institution and other donor assistance.

Mexico has had an enviably low drug abuse rate over the years, but the most recent epidemiological survey, funded in part by INL, demonstrated that drug use is on the rise, particularly in border areas, high trafficking areas and tourist resort areas. Mexico has extensive experience and expertise in **demand reduction and awareness** activities, but presently lacks the resources to expand its campaign and broaden its drug use survey nationwide. To counter increasing demand for and abuse of illicit drugs, INL has funded a modest public information project to educate at-risk segments of the Mexico City metropolitan population with the help of three NGOs. We will continue to channel support to the GOM in this important area of demand reduction/epidemiology, and promote bilateral exchanges of information and training.

**Program Development and Support** will fund salaries, benefits and allowances of two permanently-assigned U.S. direct-hire officers, four U.S. contract personnel, foreign national personnel, short-term TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring and evaluation.

## **Effectiveness Measurements**

- Increase in number, and importance, of traffickers arrested, including key members of organized criminal groups (leadership, financial experts, transportation experts, etc.);

- Increase in drug seizures, including ground, air or maritime vehicles/vessels/aircraft, and arrest of the transport and support crews;
- Meaningful reforms implemented in the Mexican justice system and increase in efficiency and effectiveness of criminal justice institutions in bringing drug violators, including money launderers, swiftly to justice;
- Passage and implementation of new legislation to permit seizure of trafficker assets, control the diversion of precursor/essential chemicals used in manufacturing illicit drugs, and increase in seizures of diverted precursor/essential chemicals;
- Decrease in flow of essential chemicals into and through Mexico, especially ephedrine, pseudoephedrine, and methqualanone, as well as prohibited pharmaceuticals, such as flunitrazepam (Rohypnol);
- Sustain decline in net production of heroin and marijuana and development of viable alternatives to illicit crop cultivation or trafficking;
- Establishment of an ongoing drug use surveillance system in Mexico; and
- Increase in the Mexican population's awareness of the dangers of drug abuse and drug trafficking to the nation's economy and society.

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**MEXICO**  
**INL BUDGET**  
**(\$000)**

	FY 1998	FY 1999	FY 2000
<b>Judicial Sector Training</b>			
Special Prosecutor's Office and Federal Judicial Police (Training, equipment, vehicles and U.S. advisor)	1,850	1,750	1,700
<b>PGR CN Enforcement Support</b> (Training, technical assistance and commo/cpcomputer equipment)	700	1,500	1,250
<b>Financial Investigative Unit</b> (ADP equipment and training and miscellaneous support)	100	100	200
<b>CN Aviation Support</b> (repairs, training and advisors)	1,150	2,000	5,200
<b>Demand Reduction</b> (Drug use surveys, education materials)	250	250	300
<b>Southwest Border Initiative</b>	39	-	300
<b>Sustainable Development</b>	55	100	100
<b>Port Security Project</b>	-	1,300	-
<b>Program Development and Support</b>			
U.S. Personnel:			
Direct-hire (2)	250	274	250
Contract (2)	190	222	225
FSN Personnel:			
Direct-hire (2)	76	95	100
Contract (2)	31	34	37
Other Costs:			
International Cooperative Administrativ Program Support (ICASS)	104	130	130
Program support	205	245	208
Subtotal	856	1,000	950
<b>TOTAL</b>	<b>5,000</b>	<b>8,000</b>	<b>10,000</b>

## Peru

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
32.000	45.000 <sup>1</sup>	48.000

### Objectives

- Build host nation capabilities in order to foster institutionalization of Peruvian policy-making and coordination, and to “Peruvianize” all aspects of counternarcotics law enforcement;
- Reduce and ultimately eliminate the cultivation of coca and interdict trafficking of cocaine and cocaine base from Peru; and
- Support economic reforms that eliminate the illicit coca cultivation economy.

### Justification

In 1998, Peru’s total coca cultivation decreased by 26 percent to 51,000 hectares. Coca cultivation has declined steadily, from 115,300 hectares in 1995 to the current estimate of 51,000 hectares. The coca reductions are the result of a continuing trend of coca field abandonment and low coca leaf prices brought on by the USG-supported Peruvian Air Force “air bridge denial” program. This program has made it much more difficult for narcotics traffickers to export large quantities of cocaine base to Colombia by air from Peru’s coca growing regions. Traffickers faced transportation difficulties as a result, which led to a surplus of cocaine base at the farmgate that was priced lower than the cost of production. In addition, the Government of Peru (GOP) has embarked on an INL-supported manual coca eradication program which contributed to nearly half of the total coca hectareage reduced in 1998. These law enforcement efforts are complemented by an aggressive INL-funded effort to establish an alternative development program for coca farmers in key coca growing areas to ensure that these farmers remain out of coca cultivation. Despite these reductions, Peru continues to have the largest estimated potential coca production in the world.

<sup>1</sup> This does not include an additional \$31.94 million of FY 1999 Emergency Supplemental funding.

The principal goal of the U.S. counternarcotics strategy in Peru is to reduce, and ultimately to eliminate, production of refined coca products. This goal is consistent with the President's National Drug Control Strategy, and can be attained by helping the GOP develop an institutional capability to carry out an integrated counternarcotics program including law enforcement, coca reduction, alternative development, public awareness and demand reduction.

The counternarcotics program provides commodities, services, and technical assistance to Peruvian government agencies engaged in developing or implementing counternarcotics-related programs, including enforcement programs to disrupt coca cultivation, wholesale purchase, industrial-scale processing, and export of refined coca products. The program also includes judicial reform projects to improve Peruvian judicial process and training, and economic assistance programs aimed at both economic restructuring and sustainable development in coca cultivation areas. All specific projects are aimed at institutionalizing all aspects of the Peruvian counternarcotics effort.

Specific program initiatives include: training and equipping counter-narcotics law enforcement air, riverine and ground units; developing local municipalities; strengthening the judicial system; supporting microenterprises and local economies, as well as infrastructure and agricultural activities in coca-growing areas; supporting broad-based economic growth to establish a stable market economy; developing a commerce control infrastructure at major ports and inland waterways; establishing mobile air operations at forward locations for law enforcement operations against major Peruvian traffickers; controlling precursor chemicals at ports of entry and in the interior; developing actionable law enforcement intelligence; supporting Peruvian air force and navy efforts to intercept trafficking aircraft and control trafficking by water; and supporting government demand reduction efforts nationally and locally.

The \$45.0 million of regular INC funds for the FY 1999 Peru program budget will be supplemented by \$31.9 million in emergency supplemental monies provided this year by Congress. This funding will be used to augment alternative development programs (\$5.0 million), to support Peruvian air, riverine and eradication operations (\$6.0 million), and implement an A-37 modification program to include podded radar (\$20.9 million).

FY 2000 Programs. Involuntary eradication of coca seedbeds and mature coca is the focus of the Coca Eradication Support Project. This project provides important political and social messages that coca for sale to traffickers is illegal and economically risky, since harvested coca leaf is subject to seizure. This boosts the appeal of alternative development for coca farmers. In 1998, the GOP manually eradicated more than 7,825 hectares of coca. The FY 2000 budget requests funds to support 260 full-time Peruvian coca reduction workers affiliated with the Peruvian Coca Reduction Agency (CORAH), to sustain systematic destruction of coca in areas of high concentration, such as national parks.

An affiliated organization of CORAH, called CADA (Coca Survey and Verification), provides a means to verify the extent of coca reduction within communities which is a critical condition of continued alternative development funding. The CORAH civil construction unit, which is a subset of the main project, provides Peruvian counternarcotics law enforcement and military agencies with construction and facility improvement capabilities in outlying areas.

Coca reduction is occurring as a result of widespread coca field abandonment attributable to the Peruvian air interdiction effort, and a program to involuntarily eradicate coca seedbeds and mature coca through the use of CORAH laborers. Under a bilateral agreement signed in 1997, the USG's

**Alternative Development Support Project** has agreed to provide approximately \$25 million per year for five years to implement a community-based program to develop alternative sources of legal income and employment in exchange for coca reduction by local communities. For FY 1999, the USG, through INL, pledged additional funding of \$8 million at a multilateral Peruvian donor's conference in Brussels to expand the scope of the GOP alternative development effort. Now covering six key coca-growing regions of Peru, the INL-funded, USAID-directed programs provide key social and economic infrastructure, such as roads, potable water, health clinics, schools and other assistance. The FY 2000 program will continue these projects, and move into new areas to ensure that coca reduction gains remain permanent.

In addition to INL funding, CONTRADROGAS, the GOP counterdrug agency, has contributed Peruvian monies to this effort and has been successful in enlisting UNDCP, bilateral donors and local non-governmental organizations to participate in alternative development efforts. At the November 1998 donors' conference, other donors pledged over \$126 million in new funds for Peru's narcotics-related alternative development effort.

In coordination with this effort is a joint **Alternative Crop Research and Extension Project** between INL, the U.S. Department of Agriculture and the drug office of the Organization of American States (OAS/CICAD). This project will continue to perform field research into coffee and cacao diseases, with a focus on finding ways to increase production yields in alternative development areas, and developing international markets. The U.S. private sector has responded favorably to these efforts, and has offered expert marketing and scientific assistance.

**Counternarcotics Law Enforcement** efforts are structured around a mobile-basing concept which permits police using helicopters to conduct operations against major trafficking facilities from a variety of secure locations, using the Ucayali town of Pucallpa as the rear area logistical and maintenance depot. Under the 1996 CONTRADROGAS decree, the Anti-Drug Directorate (DINANDRO) of the PNP has taken on increased responsibilities for counternarcotics law enforcement, including illegal trafficking in essential chemicals and counter-narcotics riverine operations. Headquartered in Lima, it has operating units in several key narcotics trafficking areas, training bases at Mazamari and Santa Lucia, a joint riverine training school in Iquitos, and investigators in major urban areas. The narcotics field support subproject provides essentially all costs except salaries for training, equipping, and operating DINANDRO units and personnel, including units which are deployed on the rivers, units investigating trafficking, financial crimes, and chemicals trafficking and a major violators unit.

The **Counternarcotics Aviation Support Project** covers operating and maintenance costs for the National Police Aviation Division (DIVPA), which provides general aviation support for the entire PNP. It provides pilots, aircrews, and support personnel for approximately 17 Department of State-owned UH-1H helicopters and 11-14 Peruvian Mi-17 helicopters, which support coca eradication and law enforcement actions in the field. The aviation support funds the counternarcotics operations of the State-owned helicopters, providing fuel, maintenance, hangars and warehousing, aircraft rental when needed, and operational support for DIPA personnel. The FY 2000 plan continues to support the successful counternarcotics operations of the DIPA Mi-17 helicopters by ensuring that sufficient training is provided to institutionalize pilot and maintenance functions.

The successful Peruvian Air Force (FAP) program to intercept narcotics trafficking aircraft has forced traffickers to begin using other means to transport cocaine and cocaine base, such as via the extensive

river system. The **Armed Forces Counternarcotics Support** project provides limited INL assistance for the FAP and Navy to support the DINANDRO mission via training, and logistical support for counternarcotics operations in outlying areas. Support costs include training for pilots and mechanics, facility improvements, spare parts for aircraft and boats, and resources required to support police riverine operations for commerce control on inland waterways and container shipping ports.

The **Narcotics Intelligence Project** will continue to provide support for a national narcotics intelligence center to collect, analyze and disseminate information on major narcotics traffickers and their operations. This project has been instrumental in identifying and tracking major narcotics traffickers for Peruvian and other Latin American law enforcement agencies.

The chemicals needed to make cocaine are not produced in quantity in Peru, and have few legitimate uses in the rural coca growing areas where most coca processing takes place. The Ministry of Commerce and Industry is responsible for licensing and regulating the importation, sale, and use of these chemicals, while DINANDRO is responsible for investigating diversion or illegal trafficking of controlled chemicals. The **Chemical Control Project** will provide support to enhance the ability of the Ministry of Commerce and Industry to carry out its duties, and fund training and operational support for other agencies involved in chemicals control.

The Peruvian Customs Service cooperates with DEA, including intelligence sharing. The **Customs Narcotics Interdiction Project** provides limited logistic support for the Customs Service, e.g., vehicles, investigative and communications equipment, training, and operational support.

The **Narcotics Prosecutions Project** supports a unit of GOP prosecutors that have been granted special national jurisdiction to accompany police and military narcotics law enforcement operations to interrogate suspects and witnesses, take charge of evidence, supervise destruction of illegal facilities such as laboratories or airstrips, and prepare cases to be carried to trial. This project will continue support for the national narcotics prosecutors, provide training to personnel of the judicial branch that handles these cases, and provide selected jurisdictions with adequate resources to handle heavy narcotics caseloads. In addition, the FY 2000 funds cover the provision of vehicles, office equipment, communications and office rehabilitation to expand the scope and effectiveness of the narcotics prosecutors.

The **Counternarcotics Policy and Institutional Development Project** provides support to the CONTRADROGAS institution charged with coordinating and directing the overall counternarcotics efforts of the Government of Peru. In FY 2000, this project will support the further development of national drug control policies, make contact with multilateral and bilateral donors, and enhance communication and coordination between the various GOP counternarcotics agencies.

**Drug Awareness and Demand Reduction Project** activities will focus on providing the Peruvian public with information about the harmful personal and societal effects of cocaine production and abuse, conducting surveys on drug abuse to identify groups requiring assistance, and supporting educational fora for Peruvian prevention and treatment professionals. This project will continue to provide assistance to drug awareness institutions, and the Ministry of Education, to support drug awareness, abuse prevention and treatment programs.

**Program Development and Support** funds will fund salaries, benefits and allowances of permanently-assigned U.S. personnel, foreign national personnel, short-term TDY assistance, and

other general administrative and operating expenses for program planning, design, implementation, monitoring and evaluation.

### **Effectiveness Measurements**

- Reduction in the amount of coca cultivated in Peru;
- Immobilize cocaine production and transportation organizations;
- Reforms in the Peruvian justice system;
- Development of viable alternatives to the illegal coca economy, including implementation of comprehensive macroeconomic policy reforms and projects in and outside of coca-growing areas; and
- Increase in the local population's awareness of the dangers of drug abuse and drug trafficking to Peru's economy and society.

**PERU**  
**INL BUDGET**  
**(\$000)**

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>
<b>Narcotics Law Enforcement</b>			
Narcotics Law Enforcement Support	1,845	1,825	2,025
Aviation Support	7,300	6,000	7,850
Riverine Support	1,250	800	1,500
Subtotal	<u>10,395</u>	<u>8,625</u>	<u>11,375</u>
<b>Coca Eradication</b>	2,850	2,600	3,500
(commodities, labor costs, operational support)			
<b>Alternative Development</b>	1/ 15,500	30,000	28,000
<b>Armed Forces CN Support</b>	0	100	900
(Air Force, Navy and Coast Guard)			
<b>Customs/Chemical</b>	30	25	225
<b>Prosecutions and Judiciary</b>	25	300	500
<b>Demand Reduction</b>	1,200	1,150	1,300
<b>Program Development and Support</b>			
U.S. Personnel:			
Direct-hire (3)	578	595	615
Contract /Pit (3)	65	70	75
Non-U.S. Personnel:			
Direct-hire (2)	110	120	135
Contract (19)	350	385	420
Other Costs:			
International Cooperative Administrative Support Services (ICASS)	472	555	560
Program support	425	475	395
Subtotal	<u>2,000</u>	<u>2,200</u>	<u>2,200</u>
<b>TOTAL</b>	<b>32,000</b>	<b>45,000</b>	<b>48,000</b>
<b>Emergency Supplemental Funds</b>	2/ -	<b>31,940</b>	-
<b>TOTAL (Incl. Emergency Supplemental Funds)</b>	<b>32,000</b>	<b>76,940</b>	<b>48,000</b>

1/ In FY 98, \$14 million in AD money was transferred to USAID. Planned amount for FY 99 is \$28 million.

2/ Supplemental funding for AD, air, riverine, eradication and A-37 support.

## Venezuela

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
.600	.700	.700

### Objectives

- Improve the Government of Venezuela's (GOV) institutional capabilities to interdict drug shipments transiting Venezuela, restrict money laundering, control the diversion of precursor chemicals, and implement judicial reform;
- Institutionalize the GOV'S ability to identify and destroy illicit coca and poppy cultivation, primarily in the Sierra de Perija region near the Colombian border; and
- Encourage the GOV to implement its National Drug Control Plan, which includes a comprehensive and integrated framework for Venezuelan law enforcement and military organizations.

### Justification

Venezuela continues to be a major drug transit country. Large-scale drug shipments originate in Colombia and are hidden in commercial cargo leaving major Venezuelan ports destined for the U.S. and Europe. Venezuela is a transit country for chemical precursors, which are either exported legally to Colombia and other source countries, diverted for use in cocaine labs, or smuggled out of Venezuela for this purpose. The GOV has acknowledged that its financial institutions and other sectors of the economy are vulnerable to laundering of drug profits. In 1998, the GOV enforced new currency transaction reporting regulations and began to investigate suspicious financial transactions. The Venezuelan military continued an aggressive eradication campaign against small-scale opium cultivation along the northern border with Colombia.

FY 2000 Programs. Under the heading **Law Enforcement**, the **Interdiction Project** will provide assistance for Venezuelan police agencies, including the National Guard sector of the Venezuelan military, to strengthen their capability to interdict illicit drug shipments, and prevent the diversion of precursor/essential chemicals. The vast majority of drugs entering Venezuela from source countries



travel on one major land traffic route, normally from Colombia. The project will assist Venezuela in enhancing control on the border and establish a mobile road interdiction program to operate at key choke points. The implementation of new GOV administrative controls on chemical and essential precursors is planned and will include enhanced police ability to investigate diversion at border inspection points.

The Venezuelan military has taken effective action to control the cultivation of opium poppy on Venezuela's border with Colombia in the Sierra de Perija region. The **Crop Eradication Project** will continue to provide technical assistance to these military operations, including aerial reconnaissance and spraying, in an effort to control opium poppy cultivation and prevent Venezuela from becoming a source country for heroin. In 1998, GOV efforts helped maintain poppy cultivation below 200 hectares.

Venezuela is a target for laundering proceeds of illegal drug sales in the U.S. This was confirmed by U.S. Treasury's Operation Casablanca that resulted in the seizure of drug proceeds linked to Venezuela. GOV authorities have demonstrated their intention to combat money laundering through actions taken to close casinos and introduce currency transaction reporting. The **Money Laundering Project** will work with the Superintendency of Banking (SUDEBAN) to improve host country ability to detect and investigate money laundering occurring in Venezuela's financial institutions. In addition, the project will assist the law enforcement and judicial systems to pursue prosecution of money laundering cases. Requested funds will be used for training of banking officials, purchase of computers, and technical assistance, which will enhance SUDEBAN's ability to collect information on money laundering and improve money laundering investigations.

The **Drug Policy and Demand Reduction Project** supports the national anti-drug commission, known as CNA. On the national level, CNA is responsible for promoting better coordination among GOV law enforcement entities combating drugs, drafting and promoting anti-drug legislation, and coordinating the national demand reduction efforts. The embassy has a long-standing relationship with CNA, which is a central element of our strategy to maintain Venezuela's commitment to combating drug-related crime. The FY 2000 request will assist CNA programs to host training seminars, participate in multilateral anti-drug conferences, provide assistance for the JICC, and fund specific projects on demand reduction that meet USG goals and objectives.

**Program Development and Support** funds will provide for salaries, benefits and allowances of permanently-assigned U.S. personnel, U.S. contract personnel, Foreign Service Nationals and other general administrative and operating expenses for program planning, design, implementation, monitoring and evaluation.

## Effectiveness Measurements

- Increased monitoring operations and seizures on Venezuela's highways, ports and waterways;
- Implementation of legislation to control certain precursor chemicals;
- Criminalization of money laundering as a stand-alone crime and inclusion of conspiracy provisions in anti-drug law amendments;

- Identification of illicit drug cultivation and increased eradication of coca and opium poppy in the Sierra de Perija region near the Colombian border;
- Public opinion results indicative of increased awareness in Venezuela of the dangers of drug trafficking and drug abuse; and
- Increased media attention to the government's efforts to implement its National Drug Control Plan.

**VENEZUELA**  
**INL BUDGET**  
**(\$000)**

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>
<b>Narcotics Law Enforcement</b>			
Commodities:	80	100	95
Computers, herbicide, GPSs, investigative, lab and other equipment			
Training	55	70	80
Operational Support:	70	90	110
Eradication, interdiction and chemical control			
Subtotal	<u>205</u>	<u>260</u>	<u>285</u>
<b>Money Laundering</b>	20	50	50
<b>Drug Policy/Demand Reduction</b>	90	90	50
<b>Program Development and Support</b>			
U.S. Personnel:			
Direct-hire (1)	120	120	120
Contract (2)	60	40	40
Non-U.S. Personnel			
Contract (2)	33	25	30
Other Costs:			
International Cooperative Administrative Support Services (ICASS)	42	85	90
Program support	30	30	35
Subtotal	<u>285</u>	<u>300</u>	<u>315</u>
<b>TOTAL</b>	<b>600</b>	<b>700</b>	<b>700</b>

## Latin America Regional Cooperation

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
4.000	11.000 <sup>1</sup>	10.000

### Objectives

- Adopt and implement strong narcotics control legislation, improve the efficiency and effectiveness of judicial institutions to bring drug offenders to justice, including forfeiture of drug trafficker assets, and develop bilateral and multilateral mutual legal assistance cooperation;
- Expand maritime enforcement capabilities throughout the region by entering into cooperation agreements supported by training, materiel and combined operations;
- Strengthen host nation police/drug branch capabilities to enable better institutional response to threats of drug trafficking and drug-related crime, including interdiction of shipments of drugs and precursor materials, and control of money laundering in the region;
- Assist host nations to develop effective means to control drug-related corruption of public officials;
- Eradicate illegal drug cultivation by providing commodities and technical support; and
- Develop government and NGO institutional and resource bases to reduce drug abuse in the region.

### Justification

As drug control efforts in several Latin American program countries have become more effective, traffickers have sought new routes in the Caribbean, Central America and southern South America,

<sup>1</sup> This does not include an additional \$13.5 million of FY 1999 Emergency Supplemental funding.

and have developed new methods of transportation through major transit points. These areas are of increasing importance for the transshipment of cocaine, and to a lesser extent, opium and marijuana. Governments in most of these countries lack resources, strong law enforcement and judicial institutions, and adequately trained personnel to meet the challenges. Many of the countries covered in this account are also known money laundering centers or are emerging as such.

Latin America Regional funds support programs in countries where the drug threat warrants increased assistance due to increasing exploitation by traffickers and money launderers to finance and transship their illegal products. Latin America Regional funds will also be used to support nations whose abilities to counter drug trafficking and other criminal activities were adversely affected by the damage caused by Hurricanes Georges and Mitch. Regional assistance is used to improve host government capabilities in all aspects of drug control, including development of law enforcement and judicial institutions engaged in drug control and training. To assist in meeting the challenges of attacking the drug problem at the source, equipment and supplies will be provided to help develop programs to detect illicit cultivations for eradication, reduce drug trafficking, destroy drug processing and storage facilities, and assist in drug investigations, arrests and prosecutions. Additionally, this program will provide public information/ awareness materials to educate the public about the dangers of drug consumption and trafficking.

The \$11.0 million of regular INC funds for the FY 1999 Latin America Regional program budget will be supplemented by \$13.5 million in emergency supplemental monies provided this year by Congress. This funding will be used to procure observation aircraft to be operated by other USG agencies.

**FY 2000 Programs.** The Latin America Regional program will seek to strengthen these countries' abilities to more effectively address the ever-changing conduct of drug producers and traffickers. Funding is required to improve law enforcement cooperation and support for enhanced interdiction capabilities. Regional narcotics affairs offices in Miami, Panama and Guatemala will help manage multi-country programs in their areas of responsibility. As a follow-up to the Presidential summits in San Jose and Barbados in May 1997, funding will continue to support interdiction efforts throughout Central America and the Caribbean, including training, support and maintenance of equipment. C-26 aviation and maritime patrol vessel support in the form of spare parts, fuel and operational support will be provided in Barbados and maritime vessel support in Trinidad and Tobago. A new anti-corruption initiative will provide training and technical assistance to recipient nations to help them strengthen internal controls and to investigate and prosecute corrupt security and justice officials.

**Caribbean.** In response to increased drug trafficking, especially maritime trafficking, and money laundering in the Caribbean, an enhanced effort is needed to strengthen countries' law enforcement and judicial institutions by providing increasingly sophisticated training and equipment. By such mechanisms as maritime cooperation agreements and combined operations, the program seeks to encourage more vigorous regional counterdrug cooperation. Increased training, support and maintenance of equipment, as a follow-up to the Barbados Summit initiatives, will improve law enforcement cooperation. In particular, program funds will support the U.S. Coast Guard's Caribbean Support Tender, which will circumnavigate the Caribbean providing training, ship repair and maintenance services. INL funds will supply the necessary spare parts and training. We will sustain our support for the Regional Security System of the small, independent states of the Eastern Caribbean, to continue its development as a viable and operational counterdrug partner.

The Latin America Regional program supports Caribbean counternarcotics programs in the Greater and Lesser Antilles, the Guianas and other countries. The Department of State and U.S. law enforcement agencies actively encourage and support many Caribbean nations that cooperate in joint drug interdiction operations. The program will expand countries' drug investigative capabilities by providing existing JICCs with upgraded equipment and advanced training. New JICCs will be established where appropriate. Judicial systems will be strengthened via provision of training and court automation equipment. We will provide training to develop local community action partnerships for drug abuse prevention and to improve the effectiveness of drug treatment professionals. The budgets for Jamaica and the Bahamas appear as separate requests.

**Central America.** A full range of activities to assist Belize, Costa Rica, El Salvador, Nicaragua, Panama and Honduras disrupt trafficking and strengthen indigenous law enforcement infrastructures will continue in FY 2000. Special attention will be given to countries affected by Hurricane Mitch, to help affected nations rebuild law enforcement capabilities and strengthen internal control functions in the post-Mitch environment. In addition to ongoing training, law enforcement assistance programs include equipment, maintenance and repair of vehicles, radio networks, and other equipment. Increased interdiction efforts and law enforcement cooperation, as a follow-up to the San Jose Summit initiatives, will be required during FY 2000. Port security assistance will be provided to countries that actively export or transship products through port facilities. We also propose to provide training, equipment, and supplies to countries with significant maritime transit.

Judicial reform programs will provide training to bring judges and prosecutors up to date on narcotics law. In Panama, our counternarcotics program includes a significant level of support for the establishment of money laundering controls, including detection, investigation and prosecution of financial crimes. The budgets for Guatemala and Mexico appear as separate requests.

**South America.** Drug trafficking in the Southern Cone countries of South America continues to increase, as law enforcement agencies in the region uncover evidence of drug-related money laundering and drug transportation, linked to Colombian and Mexican organizations. Paraguay, Chile, Uruguay and Argentina are also used as transit points for cocaine originating in Bolivia. These governments are taking steps to implement legislation designed to provide the necessary legal tools to fight drug trafficking and money laundering. The FY 2000 plan includes support to Argentina to strengthen its capacity to disrupt trafficking and tighten port controls. In Paraguay and Chile, programs will assist the police to investigate and prosecute traffickers and train those in charge of enforcing new counternarcotics laws and money laundering legislation. In Uruguay, equipment and training will be provided to develop the enforcement capabilities of the narcotics police force, and provide the necessary tools to implement recent counternarcotics legislation.

## **Effectiveness Measurements**

- Adoption of effective anti-drug, anti-money laundering and anti-corruption statutes;
- Increased numbers of full six-part maritime agreements, especially with Central American countries;
- Decrease in illegal drug production;

- Increased capabilities of regional counterdrug law enforcement agencies, as demonstrated by larger quantities of drugs interdicted and seized or drug trafficking deterred and traffickers arrested;
- Increased prosecutions of major drug traffickers and money launderers, including forfeiture of the proceeds of crime, and disruption of trafficker networks;
- Increased host nation capacity to prevent drug-related public corruption, and to investigate and prosecute corrupt security and justice officials; and
- A decrease in drug abuse and an increase in intolerance of drug trafficking in the region.

**LATIN AMERICA REGIONAL COOPERATION**  
**INL BUDGET**  
**(\$000)**

		FY 1998	FY 1999	FY 2000
<b>Caribbean</b>	1/	2,000	4,860	4,860
Country assistance, e.g., computers, investigative and other equipment, aviation spare parts, fuel and operational support				
<b>Central America</b>	2/	1,100	4,875	3,875
Country assistance, e.g., operational support, herbicide, telecommunications and other equipment, program development and support				
<b>South America</b>		300	590	590
Non-Andean country assistance, vehicles, radios and other equipment, operational support				
<b>Regional</b>		600	675	675
NAS Miami, Telecom advisor, JICCs, seminars, computer equipment				
<b>TOTAL</b>		<b>4,000</b>	<b>11,000</b>	<b>10,000</b>
<b>Supplemental Funds</b>		3/	-	-
<b>TOTAL (Incl. Supplemental Funds)</b>		<b>4,000</b>	<b>24,500</b>	<b>10,000</b>

1/ Includes funding in support of a Narcotics Affairs Section in Barbados.

2/ Includes funding in support of a Narcotics Affairs Section in Panama.

3/ Emergency Supplemental funding for purchase of observation aircraft.





## Laos

### Budget Summary (dollars in millions)

<b>FY 1998 Actual</b>	<b>FY 1999 Estimated</b>	<b>FY 2000 Request</b>
3.500	3.700	4.000

### Objectives

- Increase drug enforcement efforts to combat production and trafficking of heroin;
- Build Lao capacity to reduce opium production; and
- Eliminate illicit drug use within the indigenous population.

### Justification

Although illicit opium production during 1998 was down 33 percent from 1997, Laos remains one of the world's largest producers of illicit opium. According to USG estimates, Laos produced approximately 140 metric tons during the 1998 growing season. Most of the production decline can be attributed to adverse weather conditions, as estimated production fell only seven percent. In addition to locally-produced opium, substantial amounts of heroin from Burma cross Laos to markets abroad. The overall decline in opium production in Laos coincides with counternarcotics efforts funded by the USG and other donors. This is an indicator that the developmental approach to lowering production levels is working. INL-supported special counternarcotics law enforcement units have contributed to record levels of heroin seizures in 1997 and 1998. Stopping the flow of drugs at their source is a key element of the National Drug Control Strategy and a primary goal of the embassy's counternarcotics plan.

The success of the U.S. crop control and law enforcement programs has attracted the attention of other potential donors. The Japanese have funded three small development projects in INL's Houaphan Crop Control Project area, and are considering another in the Oudomxai Crop Control Project area. The Germans have just signed an agreement with the Lao government to add explicit counternarcotics objectives to their rural development project in Luang Namtha province, and have assigned an advisor to support the Lao national drug commission. The UN Development Program (UNDP) has agreed to collaborate with the UNDCP in several rural development projects.

FY 2000 Programs. The **Narcotics Crop Control Projects** have been concentrated in Houaphan and Oudomxai provinces. Both projects are targeted at eliminating commercial opium production. The alternative development project in the Vieng Thong and Hua Muang districts of Houaphan, which included construction of three hydroelectric/irrigation dams, has succeeded in meeting its goal of bringing opium production down to below commercial levels. Both the Houaphan and Oudomxai projects are scheduled to end in 1999. Requested FY 2000 program funds will be used to begin a successor alternative development project in Phongsali province, identified by UNDCP in 1998 as the largest opium-producing province in Laos. The successful Houaphan model will be used in Phongsali, with road building to provide access to markets and government services, and support for alternative income activities such as weaving and raising livestock. In 1998, the Lao signed an agreement to begin an eradication program to supplement existing crop substitution efforts. FY 2000 monies will be used to support this effort in provinces where alternative development activities are already underway.

The **Narcotics Law Enforcement Project** encompasses a Vientiane-based special counternarcotics law enforcement unit, located in the Ministry of Interior, and other units in the provinces. The strategy is to develop a counternarcotics infrastructure capable of interacting with law enforcement agencies in the international community. The counternarcotics units provide assistance to the Lao Customs Department and National Commission for Drug Control and Supervision. The Lao have requested assistance in establishing more provincial units. They have also accepted a permanent DEA office at the embassy in Vientiane which is actively involved in liaison with and evaluating the effectiveness of these units. Approximately half of the proposed project request is for commodity support (e.g., vehicles, communication and investigative equipment and supplies), with the balance for operational support, training and additional program support costs.

The **Program Development and Support** funds provide salary and benefits for the direct-hire NAS position at the embassy in Vientiane as well as for foreign national personnel, TDY assistance and other general administrative support costs. Support for a U.S. contractor position is requested for FY 2000.

## **Effectiveness Measurements**

- Suppression of opium cultivation in Houaphan, Oudomxai and Phongsali provinces;
- Reduction, leading to elimination, of opium cultivation in expanded project areas;  
and
- Improved enforcement effectiveness resulting in more heroin seizures and arrests for trafficking.

**LAOS**  
**INL BUDGET**  
**(\$000)**

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>
<b>Narcotics Crop Control</b>	2,800	3,060	3,310
Agricultural assistance, alternative economic activities, infrastructure improvements, roads, water sources, dams; demand reduction, public health and education			
<b>Narcotics Law Enforcement</b>	380	250	270
Commodities and training			
<b>Program Development and Support</b>			
U.S. Personnel:			
Direct-hire (1)	130	130	145
Contract (1)	—	90	85
Non-U.S. Personnel			
Contract (1)	18	18	20
Other Costs:			
International Cooperative Administrative Support Services (ICASS)	54	60	65
Program Support	118	92	105
Subtotal	<u>320</u>	<u>390</u>	<u>420</u>
<b>TOTAL</b>	<b>3,500</b>	<b>3,700</b>	<b>4,000</b>

## Pakistan

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
1.500	2.200	2.500

### Objectives

- Arrest, prosecute and extradite major traffickers;
- Pass comprehensive money laundering legislation;
- Expand the poppy cultivation ban and eradicate increased amounts of poppy through alternative development assistance in close cooperation with the Government of Pakistan; and
- Increase political and public awareness of the negative impact of illegal drug use and trafficking.

### Justification

Pakistan is both a major producer and an important transit country for opiates destined for the international drug market. Pakistani opium poppy cultivation takes place in the remote, politically autonomous tribal areas of the Northwest Frontier Province (NWFP), along the largely unpoliced Afghanistan borders where heroin refineries shift flexibly between the two countries. Afghanistan is the world's second largest opium producer; an estimated 80 percent of Afghan opium enters Europe. The bulk of Afghanistan's drugs transit Pakistan to Turkey. One major routing is through the NWFP and back into Afghanistan to transit Tajikistan and Uzbekistan. Another is through Iran via the Chaggai Hills or to the Makran Coast of the Arabian Sea via another remote province, Baluchostan.

The release of DEA Foreign Service National Ayyaz Baluch in April 1998, arrested in Pakistan a year earlier in reprisal for the U.S. drug trafficking arrest of a Pakistani Air Force major, has resulted in a new era of law enforcement cooperation. Changes in Pakistan's counternarcotics law enforcement structure and leadership enhanced this cooperation. The Government of Pakistan (GOP) agreed to cooperate with the DEA in establishing an elite vetted unit to be trained and equipped by INL-

managed funding provided by DEA. This unit will concentrate on increasing drug seizures and dismantling major trafficking rings.

**FY 2000 program.** The **Law Enforcement Project** will assist Pakistani anti-narcotics and law enforcement institutions by supplementing their resources for more vigorous enforcement efforts, especially interdiction and training investigators. This project also improves Pakistani ability to successfully prosecute drug traffickers by training government prosecutors, attorneys and judges, and by funding prosecuting attorneys for counternarcotics agencies to supplement their meager staffs. Another objective is to improve control of opium poppy growth through better monitoring and provide alternative development assistance to the Khyber area in the NWFP, which historically has been the site of Pakistan's opium poppy cultivation. Seminars on money laundering will assist the Pakistani Government in drafting a comprehensive anti-money laundering law. Commodity assistance will include communication equipment, vehicles, computers, and technical equipment for the counternarcotics agencies' expanded operations and offices.

Pakistan estimates it has over three million drug addicts. The **Demand Reduction Project** will enable teachers, social workers and parents to recognize narcotics abuse and help them understand addiction issues. In-depth press briefings and journalists' visits to poppy cultivation areas will increase Pakistani drug awareness. Demand reduction training is primarily paid for from INL's Washington-managed training fund and is supplemented by the Pakistan country program budget. More training is available from the Colombo Plan, funded through the INL International Organizations contributions, which sponsors regional drug treatment seminars.

The **Development Assistance Project** consists of mainly road construction and other infrastructure projects, with a crop substitution element. The project objective involves building roads into previously inaccessible tribal areas of the NWFP to aid in the eradication of opium poppy, facilitating farmers' ability to deliver alternative crops to market, and permitting Pakistani law enforcement access to areas susceptible to heroin processing laboratories. The road projects are located in Mohmand and Bajaur Agencies, which showed a significant decline in opium poppy cultivation in 1996 and 1997 due to these projects. In 1998, following a year of increased poppy cultivation, vigorous crop eradication by the GOP lowered total area under cultivation to below 1996 levels. The FY 2000 budget request will permit implementation of the crop control strategy in the remaining, and more isolated, zones of poppy cultivation in Mohmand and Bajaur.

**Program Development and Support** funds provide for salaries, benefits and allowances of permanently-assigned U.S. direct-hires, U.S. contractors and foreign national personnel, short-term TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring and evaluation.

## **Effectiveness Measurements**

- Increased arrests, prosecutions and extraditions of major traffickers;
- Destruction of heroin manufacturing laboratories and arrest/ prosecution of their operators;
- Passage of comprehensive money laundering legislation;

- Reduction in opium poppy cultivation and expanded enforcement of the opium poppy cultivation ban in the NWFP; and
- Improved public awareness of the personal and societal costs of Pakistan's serious drug problems and benefits derived through the reduction of drug abuse.

**PAKISTAN  
INL BUDGET  
(\$000)**

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>
<b>Narcotics Law Enforcement</b>	0	536	965
Vehicles, radios and other equipment, training, operational support			
<b>Development Assistance</b>	965	1,025	650
Roads; irrigation, drinking water, and electrification projects; farm implements, seeds, fertilizer and operational costs			
<b>Demand Reduction</b>	-	-	100
Seminars, workshops, training, materials and supplies, travel and per diem of instructors and advisors, other costs			
<b>Program Development and Support</b>			
U.S. Personnel:			
Direct-hire (2)	297	351	328
PIT (1)	22	23	25
PSC (1)	-	-	150
Non-U.S. Personnel			
Direct-hire (2)	44	31	31
Contract (8)	23	36	40
Other Costs:			
International Cooperative Administrative Support Services (ICASS)	107	139	140
Program support	42	59	71
Subtotal	<u>535</u>	<u>639</u>	<u>785</u>
<b>TOTAL</b>	<b>1,500</b>	<b>2,200</b>	<b>2,500</b>



## Thailand

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
2.000	2.700	3.000

### Objectives

- Continue to build the Thai Government's counternarcotics capability by providing training and equipment for key units and programs;
- Sustain eradication efforts to keep opium cultivation suppressed;
- Increase political and public awareness of the negative impact of illegal drug use and trafficking; and
- Institute regional initiatives based on Thai experience and expertise.

### Justification

Thailand is part of the Golden Triangle, the world's largest production area for heroin available for export to the U.S. Over the past two decades, support for the Thai Government in anti-narcotics activities within its national territory has helped reduce production of opium from as much as 100 metric tons to around 25 metric tons per year. Due in part to the success of the opium eradication and highland development program, Thailand accounted for only one percent of the estimated opium production in Southeast Asia in 1998. Thailand has now emerged as a leader in the drug control area and has begun to develop information-sharing and training programs of its own for officials in neighboring and other countries. Nevertheless, Thailand remains a transit route for Southeast Asian heroin destined for the West.

**FY 2000 Programs.** The **Narcotics Law Enforcement Project** remains the centerpiece of our program in Thailand. The main focus is the targeting of drug kingpins, the arrest of traffickers, and the provision of methods and means to strengthen and improve Thai institutions. Thailand is one of the few regional countries with the ability and political will to assist the U.S. with assessing the extent of narcotics trafficking patterns and then shutting them down. FY 2000 resources will be utilized to bring

systems and training throughout the country up to the level of North Thailand, which has had priority over the past two decades as the primary poppy growing area and the region bordering the opium producing areas of Burma and Laos. A major area of interest in this regard is maritime smuggling in the Gulf of Thailand and the Andaman Sea that involves ships of various nationalities. INL support will also provide training and exchanges aimed at legislative and judicial representatives in order to enhance the growing anti-drug coalition in Thai Government and society at large.

The **Crop Control Project** focuses on eradication in addition to low-cost, small-scale development projects. This project has long involved the Thai Third Army, which by law cannot budget for its role in what is considered to be a law enforcement function. INL underwrites the crop substitution and opium eradication programs. Besides providing ongoing development assistance for the Royal Thai Army and other Thai Government agencies, the FY 2000 funding request will continue to support the annual destruction of approximately half the poppy fields in-country. Project funds will also pay the salary of a U.S. PSC field project coordinator.

The **Demand Reduction Programs** have been well received by Thai society. These programs involve both public agencies and the private sector. They build support for supply reduction efforts, thus helping to build the goodwill necessary for active cooperation in law enforcement and crop control. The FY 2000 request will help maintain a reasonable level of support to Thai programs and provide assistance to the anti-drug efforts of the NGO community and civil society in general.

The **Regional Narcotics Control Assistance Project** request for FY 2000 will enable Thai institutions to carry out initiatives in neighboring countries by employing local expertise and experience. Direct grant funds through the Department of Technical and Economic Cooperation will be available as "seed" or "topping off" money.

**Program Development and Support** funds provide for salaries, benefits and allowances for a permanently-assigned U.S. direct-hire position and local foreign national and contractor personnel, short term TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring and evaluation.

## **Effectiveness Measures**

- Continued high levels of heroin seizures, arrests and convictions of major drug traffickers;
- Disruption and dismantling of major trafficking organizations;
- Suppression of opium cultivation below 1,500 hectares; and
- Increased regional cooperation on seizures, arrests and convictions.

**THAILAND  
INL BUDGET  
(\$000)**

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>
<b>Narcotics Law Enforcement</b>			
Commodities:	250	300	475
Investigative and communications equipment, vehicles			
Training	50	100	150
Other Costs:	480	600	650
Task force support, personnel and project support, travel			
Subtotal	<u>780</u>	<u>1,000</u>	<u>1,275</u>
<b>Crop Control</b>			
Commodities:	50	150	150
Agricultural supplies, construction materials, training and survey equipment, vehicles, eradication and communications equipment			
Other Costs:	544	631	450
Technical assistance, training, survey support, agricultural extension and marketing assistance and other project costs			
Subtotal	<u>594</u>	<u>781</u>	<u>600</u>
<b>Demand Reduction</b>	100	150	200
Prevention, education, treatment			
<b>Regional Support</b>	80	300	400
<b>Program Development and Support</b>			
U.S. Personnel:			
Direct-hire (1)	120	120	125
PIT (1)	20	23	25
Non-U.S. Personnel			
Direct-hire (3)	49	50	62
Contract (1)	15	15	15
Other Costs:			
International Cooperative Administrative Support Services (ICASS)	109	120	135
Program support	133	141	163
Subtotal	<u>446</u>	<u>469</u>	<u>525</u>
<b>TOTAL</b>	<b>2,000</b>	<b>2,700</b>	<b>3,000</b>

## Turkey

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
.500	.500	.500

### Objectives

- Interrupt the flow of illicit drugs and precursor chemicals, eliminate heroin laboratories and prosecute major traffickers;
- Improve the quality of Turkey's licit opium crop to enhance its reliability as a supplier of narcotic raw material to the U.S. pharmaceutical industry; and
- Assist with development of strategies to address Turkey's domestic drug abuse problem, and prevent a surge in addiction resulting from heroin trafficking and availability.

### Justification

According to Interpol statistics, three-quarters of all drug seizures and arrests in Europe involve Turkish traffickers or narcotics transiting Turkey. The impact upon the U.S. of Turkish-related narcotics is less clear, but may be significant. Heroin-processing laboratories are located in areas surrounding Istanbul and in the more isolated southeastern part of the country, territory largely controlled by Kurdish insurgents. The Turkish law enforcement community is keenly aware of Turkey's role as a narcotics gateway to Europe, and is working aggressively to decrease both the transit and processing of heroin.

The U.S. primarily assists Turkey's investigation and interdiction efforts by providing equipment and training. Equipment constantly needs updating and replacing to keep up with traffickers who use the latest technology.

FY 2000 Programs. The **National Police Project** will continue to provide intelligence-gathering equipment to law enforcement personnel throughout the country. INL-funded equipment has provided information leading to several major seizures of narcotics. Information garnered using such equipment

has been provided to various European countries and to DEA offices in Los Angeles and San Francisco for further investigation.

The **Turkish Grain and Poppy Board Project** funds efforts to improve the alkaloid content of the licit Turkish poppy crop to reduce the need for law enforcement controls against diversion. The present low morphine content of the Turkish opium poppy makes it more costly to process, and creates financial disincentives for farmers to remain within the licit cultivation program. This project also aims to improve the quality of the Turkish opium poppy, in order to retain balanced sources of supply. Turkey is one of the two principal suppliers of licit narcotic raw material to the U.S. pharmaceutical industry, but the poor quality of Turkish opium poppy results in over reliance on the other major supplier, India, where diversion controls are less effective. With the growing demand for opium-derived medications, improved poppy crops will add to the world's supply of this vital resource.

The second stage of the **Customs Gates Interdiction Project** is funding a wide-area computer network for customs operations at seaports, as well as basic search and detection equipment for use on Turkey's eastern land borders. DEA estimates that half of the illicit drugs and precursor chemicals entering Turkey do so by non-land routes. Thus, control over maritime traffic is vital. Hundreds of thousands of containers are trucked across Turkey's borders with Syria, Iran, and Georgia each year. As commerce grows with Central Asia, the volume of traffic, including that in narcotics and precursor chemicals, is expected to grow as well, overwhelming the already thinly stretched equipment and materiel of Turkey's border guards and inspectors.

The **Jandarma Project** has successfully expanded the relationship with the USG beyond the Turkish National Police to the Jandarma, or rural police. It will continue the provision of basic equipment needs, which are frequently lacking among rural police, as well as training. The initial project is concentrated on the eastern provinces, where the important trans-Turkey morphine base and finished heroin smuggling routes traverse largely rural areas. This area is also the site of many heroin-processing laboratories.

The **Demand Reduction and Public Awareness Project** focuses on providing advice on public awareness programs to the Ministry of Health. The only treatment center in the country, the Amatem Clinic, is able to keep accurate information on drug abuse patterns and abuser profiles with the use of computers provided by INL.

## **Effectiveness Measurements**

- Actionable intelligence leading to the arrest and prosecution or extradition of major narcotics traffickers, and the disruption of their organizations;
- Increase in the quantity of heroin seizures and number of heroin laboratories destroyed;
- Improvement in the quality of licit Turkish opium poppy, resulting in a more stable and cheaper supply of licit raw material to the U.S. pharmaceutical industry; and
- Increase in the awareness of drug abuse as a domestic problem in Turkey and of the societal costs of narcotics trafficking.

**TURKEY**  
**INL BUDGET**  
**(\$000)**

	FY 1998	FY 1999	FY 2000
<b>Narcotics Law Enforcement</b>			
<b>Turkish National Police</b>	145	225	175
Vehicles, communications and detection equipment, photographic and other enforcement equipment			
<b>Grain and Poppy Board</b>	200	85	130
<b>Jandarma</b>	45	55	60
<b>Customs Border Interdiction</b>	55	80	80
Training and equipment			
<b>Demand Reduction/Public Awarene</b>	20	20	20
<b>Project Support</b>			
FSN Contract	25	25	25
Program support	10	10	10
<b>TOTAL</b>	<b>500</b>	<b>500</b>	<b>500</b>

## Asia/Africa/Middle East Regional Cooperation

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
.683	3.000	5.500

### Objectives

- Encourage countries to adopt and implement strong narcotics control legislation, improve the efficiency and effectiveness of judicial institutions to bring drug offenders to justice, and develop bilateral and multilateral mutual legal assistance cooperation;
- Strengthen host nation counternarcotics law enforcement capabilities to deal with drug trafficking and production, money laundering, and other crimes;
- Develop governmental and NGO institutional capabilities to address drug abuse and prevention; and
- Reduce the cultivation and production of illegal drugs through alternative development and eradication programs.

### Justification

Continued evidence of growing heroin shipments to the U.S. combined with increased U.S. heroin addiction dictate that counter-opium resources be applied with maximum flexibility over half the globe. This regional account complements U.S. drug control funding provided through international organizations, such as the UNDCP. Illicit drug production in Southeast and Southwest Asia has soared as opium poppy cultivation increases in Burma and Afghanistan. Drug trafficking patterns continue to expand exponentially through South and East Asia and into the Middle East and Africa, as local criminal organizations prosper and develop into worldwide networks. Weak governments with poorly developed and financed law enforcement infrastructures provide fertile environments in which trafficking organizations have flourished. The transnational character of illicit narcotics trafficking requires a regional approach for multilateral and bilateral programs.

**FY 2000 Programs.** The regional cooperation program is designed to help governments begin establishing counternarcotics law enforcement units, obtain training or equipment, and conduct demand reduction/public awareness campaigns. The intent is not to establish permanent programs, but to provide seed money for countries to help themselves and to complement UNDCP and other donor programs.

**East Asia:** The program in East Asia is designed to strengthen countries' law enforcement and judicial institutions and to help them develop the capability to deal with drug abuse by providing training and equipment, and some alternative development assistance. This is particularly true for China, Vietnam and Cambodia, where drug trafficking and abuse are rapidly growing problems, but where the governments have limited experience and capabilities in confronting these challenges. The program will also assist countries in developing legislative and judicial structures to deal more effectively with drug trafficking and money laundering. Small programs to enhance law enforcement and demand reduction capabilities are planned for a variety of countries in the region. The U.S. will also encourage and enhance existing regional cooperation in addressing narcotics control.

**Southwest Asia:** This program focuses on exploding opium poppy cultivation in Afghanistan. Increases to Afghan programs for FY 2000 are proposed to enable an expansion of alternative development/crop substitution programs in major producing areas. In other countries, the program supports law enforcement equipment and small demand reduction programs run by NGOs.

**Africa:** The regional counternarcotics program budget for Africa focuses on narcotics problems in Nigeria and southern Africa. In addition, there are a number of small projects in a variety of nearby countries designed primarily to assist with law enforcement institution-building in drug transit countries.

Training will remain paramount in the **Africa/Middle East** program. Although Nigeria is still the most serious threat, southern Africa will be an equally important focal point as the political flux allows narcotics trafficking and consumption to spread. Customs training, management training for counter-narcotics units, demand reduction programs, technical assistance and public education campaigns will also be useful. In addition, the U.S. is working closely with other donors to coordinate these efforts.

## **Effectiveness Measurements**

- Increased national political and financial commitment to combat crime and illegal narcotics production and trafficking;
- Increased institutional capacities of law enforcement agencies in the region measured by quantities of drugs interdicted, arrests of major criminals and disruption of trafficker networks;
- Adoption of effective counternarcotics and money laundering legislation and counter-corruption measures;
- Effective use of counternarcotics legislation, including conspiracy and asset forfeiture statutes;
- Reduction in the cultivation and production of illegal narcotics in the region; and



- Increased public awareness of the dangers of drug abuse, decreased levels of drug abuse, and increased resources committed to the problem by host governments.

**ASIA/AFRICA/MIDDLE EAST REGIONAL  
INL BUDGET  
(\$000)**

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>
<b>Commodities</b>	300	2,025	2,500
Vehicles, communications equipment, information systems, investigative and other equipment			
<b>Other Costs</b>	383	875	2,800
Training and operations support, surveys			
<b>U.S. Personnel</b>			
TDY experts, technicians	0	100	200
<b>TOTAL</b>	<b>683</b>	<b>3,000</b>	<b>5,500</b>



## Interregional Aviation

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
38.000	51.000	50.000

### Objectives

- Aerially-eradicate drug crops with herbicides;
- Support institution building of cooperating host government counter-narcotics aviation programs;
- Destroy cocaine and heroin processing laboratories and interdict drug trafficking activities by aerial transport of host government law enforcement personnel;
- Conduct aerial reconnaissance to locate drug crops and production facilities and verify eradication program results; and
- Develop and implement technological innovations to improve effectiveness and safety of aerial eradication and interdiction efforts.

### Justification

INL's aviation program is positioned to support host governments worldwide in their efforts to locate and eradicate drug crops, interdict drug production and trafficking activities, and develop their own institutional counternarcotics aviation capabilities.

The aviation program continues to work aggressively toward the strategic goal of significantly reducing the amount of illegal drugs entering the U.S. by eradicating raw materials for drug production where they are cultivated. Aerial eradication represents the most cost-effective method of illicit drug crop control, affording opportunities for large scale, fast moving campaigns. In those countries that have not yet initiated aerial eradication, aircraft are essential for transporting manual eradicators to otherwise inaccessible and/or unsecure drug growing areas.

INL's air program also provides crucial helicopter support to host country activities to interdict production and trafficking activities, ultimately reducing illegal drug entry into the U.S. Aviation reconnaissance resources are an essential element in locating, identifying and targeting drug activities, as well as verifying the results of operations. Medium-lift airplanes facilitate the movement of personnel and equipment to remote, underdeveloped, inaccessible, or unsecure regions where both infrastructure and law enforcement presence are minimal.

The Aviation Division is also furthering the operational goal of enhancing political determination to combat illegal drug production and trafficking by working hands-on with host government technical aviation personnel. By instilling aviation technical and management skills and transferring technology, INL is building long-lasting institutions that have the personnel resources and resolve to assume increased responsibility for counternarcotics air activities.

**Accomplishments.** Aerially-supported eradication programs are now underway in most South American drug-producing countries. In Peru, U.S.-owned helicopters transport local counternarcotics police and U.S. law enforcement advisors on counternarcotics operations using a mobile-basing strategy. In Bolivia, U.S.-owned helicopters enable the government to project authority over vast areas where drug traffickers previously operated with impunity. While some support for interdiction projects in Central American drug transit countries has been reduced, we have retained a regional capability to intercept drug smuggling aircraft, day or night, on a short-notice temporary deployment basis.

INL-funded institution building is making important progress throughout Latin America, leading to enhanced local capabilities and reduced American staffing. In Bolivia and Peru, host country pilots fly all missions. In addition, host country personnel perform an increasing share of maintenance and logistics support. The Colombian National Police are utilizing INL assistance in pursuing their aggressive eradication efforts against opium and coca cultivation, and we will be placing increased emphasis on host nation institution building there.

INL's Aviation Division has also made significant advances in technological innovations to improve aircraft performance characteristics. For example, it obtained, modified, and employed excess Department of Defense (DOD) OV-10 aircraft for spray operations. The result was an aircraft that provided more protection and safety for crews, while delivering herbicide in a very effective manner. Additionally, state-of-the-art satellite-guided precision spray systems have been incorporated into aerial eradication aircraft.

In FY 1999, the interregional aviation program will continue to: respond to aerial eradication requests from Latin American countries; support eradication programs in Guatemala, Belize, Panama, Colombia, and Venezuela; and provide support for helicopter operations in Peru and Bolivia. The aerial eradication campaign in Colombia will continue to receive special emphasis, with expansion of successful eradication efforts from the Guaviare to Putumayo and Caqueta regions. A high level of support will continue in Colombia in the areas of flight operations and instruction, maintenance quality control, and repair parts. This will help maintain a capability to sustain a high aerial eradication sortie rate against illicit crops. Successful institution building will allow us to continue to reduce U.S. contractor presence in Bolivia and Peru. The Aviation Division will continue to pursue technological innovations to improve aircraft performance and explore new variations of aircraft to enhance eradication capabilities at a reasonable cost.

FY 2000 Program. Interregional aviation activities will continue to focus on key programs in Colombia, Bolivia, and Peru, with temporary deployments of aircraft and personnel on an as-needed basis elsewhere in the Andean region and Central America. INL will exploit all opportunities for aerial eradication while maintaining aggressive interdiction activities. Host country self-sufficiency for aircraft maintenance and training programs in Bolivia and Peru will continue as a priority, and emphasis on host nation institution building will increase in Colombia. Further emphasis will be placed on programs to upgrade spray aircraft capabilities, including possible employment of the A-10 aircraft for spray missions, application of granular herbicides, and night missions. Finally, the Aviation Division plans to phase in additional State Department direct-hire or contract personnel as replacements for DOD detailees to ensure continuity of operations.

### **Effectiveness Measurements**

- Increased eradication of drug crops with aurally-applied herbicides;
- Success of host country interdiction of drug production and trafficking activities supported by USG air assets;
- Enhanced host government institutional capabilities to undertake counter-narcotics air operations safely and effectively;
- Continued transport of personnel and provision of logistical support for field activities; and
- Aerial reconnaissance missions to pinpoint drug production areas, facilities, and to verify eradication.

**INTERREGIONAL AVIATION**  
**INL BUDGET**  
**(\$000)**

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>
<b>Aviation Support Services Contract</b>			
70 aircraft fleet	32,000	43,000	42,380
<b>Parts, Maintenance, and Overhaul</b>			
DOD logistics services	3,500	4,450	4,450
Subtotal	35,500	47,450	46,830
<b>Operations Support</b>			
Salaries	935	1,620	1,620
Travel	200	200	200
Admin services and program support	1,065	1,380	1,000
Base support, Patrick AFB	300	350	350
Subtotal	2,500	3,550	3,170
<b>TOTAL</b>	<b>38,000</b>	<b>51,000</b>	<b>50,000</b>

## International Organizations

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
4.517	9.200	12.000

### Objectives

- Maintain strategic leadership in focusing and guiding the international drug control effort and create a political atmosphere which encourages other countries to view drug control as a major foreign policy concern and motivates them to strengthen domestic measures;
- Assist countries in developing the institutional infrastructure to reduce the production and trafficking of drugs by strengthening law enforcement agencies, modernizing judicial systems, and developing drug laws so that countries can investigate, prosecute, and punish major drug kingpins, and reduce the demand for drugs;
- Use UNDCP, OAS/CICAD, Colombo Plan and other international organizations to plan and execute programs which expand multilateral cooperation, advance U.S. international drug control goals or take the place of U.S.-funded programs in countries where there is limited U.S. presence; and
- Support efforts to make drug control an integral part of UN programs and to ensure that a wide range of UN assistance efforts further counternarcotics goals.

### Justification

As highlighted in the June 1998 UNGA Special Session, International Organizations (IO) are an increasingly key element in fighting the transnational problem of drug control. This meeting, attended by over 34 heads of state, including President Clinton, renewed the global commitment against drugs and underscored the growing emphasis on multilateral issues such as chemical control, money laundering and maritime cooperation, and elimination of illicit drug crops. It is essential that INL provide support through IOs for programs in these areas—with particular emphasis on tackling the escalating heroin problem.



Building effective counternarcotics institutions will strengthen democracy and promote the rule of law in many countries. U.S. support for multilateral organizations offers several advantages, such as promoting increased contributions from other donors and decreasing the perception that drugs are exclusively a U.S. problem. Multilateral programs also allow access in regions where the U.S. is unable to operate bilaterally for political or logistical reasons. Activities or initiatives sponsored by the UN, OAS and other multilateral organizations are often more palatable to countries sensitive to sovereignty concerns.

INL provides funds to international organizations such as UNDCP, CICAD and the Colombo Plan's Drug Advisory Program. Additionally, UN agencies and the international financial institutions and multilateral banks engaged in development programs in drug source countries have a role to play by factoring into their activities counternarcotics goals. INL will promote activities through UNDCP for these bodies to carry out.

**UNDCP.** The U.S. role as a major contributor to the UN drug effort helped bolster efforts to foster greater international focus on implementing the commitments of the UN conventions. The USG was able to achieve our main objective of establishing a framework for action at the UNGA Special Session that included key target deadlines. U.S. contributions to UNDCP have had significant impact on the operations and expansion of UN counternarcotics programs and policy and have led to increased commitment from other donors, whose primary vehicle for international drug control efforts continues to be the UN.

Recent U.S. contributions to UNDCP have fostered: expansion of the Southeast Asia program which targets the largest opium producer, Burma, through a cooperative program that includes China, Thailand, and Laos, and now includes a project in the Wa-controlled area of Burma and a project for the Kachin-controlled area; development of a program to support our eradication campaign in the second largest opium producer, Afghanistan; provision of UNDCP chemical control investigative training and administrative advice in Southwest Asia, Central Europe, and Latin America; development of a maritime training program; anti-money laundering assistance; establishment of a regional training project in the Caribbean to train prosecutors and judges in order to improve conviction rates on narcotics-related cases and development of a Caribbean regional law enforcement center; establishment of a demand reduction training center for Central European nations; provision of legislative advice which led to significant changes in anti-drug laws in Central Europe and the NIS in order to implement the 1988 UN Convention; and coordination of bilateral and multilateral aid to Central Europe and the New Independent States (NIS), and provision of training and advice to bolster law enforcement and customs institutions.

**OAS/CICAD.** Meanwhile, the demands for OAS involvement in the counterdrug arena are also increasing. CICAD is critical to U.S. international objectives in the wake of the Santiago Summit of the Americas. In addition to commitments by Heads of State to fully implement the anti-drug strategy in the hemisphere – which includes expansion of ongoing CICAD program and training activities – the Summit Action Plan includes endorsement of a U.S. proposal to develop a Multilateral Mechanism to monitor and evaluate counter-drug performance by the OAS member states. Assisting governments develop or refine drug strategies and improve their national antidrug capabilities is critical to the ultimate success of the Mechanism. This is one of CICAD's most important roles and its ability to assist member states is dependent upon steady support from the USG.

Direct results of U.S. contributions to OAS/CICAD include: development of model regulations and workshops to target money laundering and asset forfeiture, and a similar program for chemical control; establishment of a regional Central American legal development and training center which, among its many contributions, assists governments to develop and harmonize anti-drug laws and sentencing guidelines; development of a regional demand reduction strategy for the hemisphere, stimulating public awareness and drug abuse prevention campaigns through governmental and non-governmental organizations; coordination of demand reduction programming for street children and women; and development of a standardized system of ongoing epidemiological surveillance which has been implemented in Central America

**Colombo Plan.** As a result of the Colombo Plan's regional demand reduction training sessions in Southwest and Southeast Asia, nations have developed self-sufficient prevention, education, treatment, and after-care programs, in addition to national- and regional-level networks of public and private sector demand reduction programs that are designed to build strong public support and strengthen the political will. One area of interest to the international community is the model after-care and correctional drug intervention programs for juveniles developed in Southeast Asia.

U.S. contributions to the Colombo Plan's Drug Advisory Program (DAP) are having a significant impact on the development and administration of demand reduction programs in Southeast and Southwest Asia. The level of U.S. contributions has led to increased commitment from other donors, particularly Japan, Korea and Australia. Recent INL contributions to the DAP have fostered: development of host government-funded treatment programs in Pakistan, India, Nepal, Bangladesh, Thailand, Malaysia, China and the Philippines; development of a coalition of drug prevention programs in Southwest Asia; development of a drug prevention curriculum for Pakistani school systems; a major regional coalition of drug prevention programs in Southeast Asia (IFNGO); and a number of host government funded community and school-based prevention initiatives in ASEAN countries with IFNGO support.

**FY 2000 Program: UNDCP.** Increased USG assistance for UNDCP in FY 2000 will focus on supporting Executive Director Arlacchi's efforts to pursue a global strategy to eliminate opium and coca in ten years. INL funds will be used to: develop a global strategy to eliminate illicit cultivation; begin and sustain projects in the largest opium producing areas of South East Asia where the U.S. has limited access (e.g., Burma, China, Vietnam, China and Cambodia); support and leverage additional European support for programs in Southwest Asia where opium cultivation is escalating, specifically in Afghanistan and Pakistan; establish drug control institutions and regional cooperation in the NIS; coordinate and provide law enforcement training, judicial assistance, and demand reduction assistance to strengthen the counterdrug institutions in Central Europe and Africa; provide additional technical assistance to support the strengthening of host government institutions in the Western Hemisphere involved in the investigation, prosecution, and confinement of major drug traffickers; continue legal advice to assist the drafting and implementation of legislation to implement the 1988 UN Convention; continue chemical control training to assist governments to implement chemical control regimes; and continue a maritime cooperation training program.

**OAS/CICAD.** As a primary funding source for CICAD, INL plans to fund much of CICAD's key role in supporting hemispheric cooperation and coordination. The FY 2000 request will support programs that: strengthen national drug commissions by promoting interagency cooperation, maximizing use of national resources, and establishing a means of permitting these commissions to exchange

information; enhance the Central American Legal Development Center in Costa Rica, and initiate parallel centers for the Andean region and the Caribbean; promote effective national control of precursor chemicals, money laundering and arms trafficking, and promote multilateral cooperation in these areas; develop a program for coordinating international law enforcement training; provide specialized law enforcement training activities, such as customs inspection and maritime interdiction, as well as administration of justice support, such as witness protection and court reporting; expand and further refine sub-regional models and curricula for drug awareness education (school- and community-based), demand reduction, drug treatment training, and community mobilization; and conduct follow-on activities identified in the Alternative Development working-level planning meeting, such as building market links for products from alternative development project sites.

**Colombo Plan.** INL funds will expand the Colombo Plan's prevention and treatment networks, in addition to linking the Asian networks to their counterparts in Latin America and other regions of the world in the establishment of the first global prevention network. FY 2000 funding will also support: continuing workshops on the development of model after-care facilities and drug intervention programs for juveniles in correctional settings, evaluation of model treatment and rehabilitation programs for adults/juveniles in correctional settings, workshops for integrated policy development and implementation for the national-level drug secretariats of key producing and transit countries.

## **Effectiveness Measurements**

- Strategic UNDCP programs that target all aspects of the drug problem and include clear recipient commitment;
- Shift to subregional programs which address the transnational reality of the drug trade;
- Evaluation of programs against the achievement of genuine counternarcotics goals;
- Attention to potential new source and transit countries;
- Increased ratification and implementation of the 1988 Convention and support for the development of national institutions needed to achieve the Convention's goals;
- Elimination of illicit drug crops;
- Increased provision of law enforcement and demand reduction training, as well as treatment training where drug abuse is a serious problem; and
- Devotion of significant resources to the establishment of programs to assist governments with controlling the trade in precursor and essential chemicals, and to confront maritime trafficking.

**INTERNATIONAL ORGANIZATIONS**  
**INL BUDGET**  
**(\$000)**

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>
U. N. International Drug Control P	3,434	8,000	9,400
OAS/CICAD	983	1,000	2,300
Colombo Plan	100	200	300
<b>TOTAL</b>	<b>4,517</b>	<b>9,200</b>	<b>12,000</b>



# Narcotics Law Enforcement Training, Drug Awareness and Demand Reduction

## Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
9.000	8.000	9.000

## Objectives

### Narcotics Law Enforcement Training

- Contribute to the basic infrastructure for carrying out counternarcotics law enforcement activities in cooperating countries;
- Improve technical and investigative skills of anti-drug law enforcement personnel in key narcotics countries; and
- Increase cooperation and coordination between U.S. and foreign law enforcement officials.

### Drug Awareness and Demand Reduction

- Strengthen the ability of host nations to conduct more effective demand reduction efforts on their own;
- Encourage drug producing and transit countries to invest resources in drug awareness, demand reduction, and training to build public support and political will for implementing counternarcotics programs;
- Improve coordination of, and cooperation in, international drug awareness and demand reduction issues involving the U.S., donor countries and international organizations; and
- Utilize accomplishments in the international program to benefit U.S. demand reduction services at home.

## Justification

This program category includes two discrete functional activities. Law Enforcement Training is designed to assist cooperating countries in creating effective national organizations for investigating drug trafficking and interdicting illegal narcotics. Drug Awareness and Demand Reduction seeks to reduce the worldwide demand for illicit drugs by motivating foreign governments and institutions into giving increased attention to the negative effects of drug abuse upon society.

### Law Enforcement Training

International anti-narcotics training is managed and funded by the U.S. Department of State and carried out by the DEA, the U.S. Customs Service and the U.S. Coast Guard. Since 1971, INL has transferred approximately \$115 million to DEA, Customs and the Coast Guard, resulting in training for more than 66,000 foreign anti-narcotics officials. Generally, training programs in the U.S. are tailored to senior-level management and policy-level officials, while programs offered overseas are reserved for operational personnel.

Accomplishments. During the past year, INL training has become increasingly focused on encouraging foreign law enforcement agency self-sufficiency through infrastructure development. Basic instruction programs were provided only in countries having limited experience with anti-narcotics activities. Most of the training scheduled was in more sophisticated areas, such as executive and management development, asset forfeiture and financial investigations, use of special enforcement teams, counternarcotics security measures and instructional techniques.

Law enforcement training focused on the problems of heroin trafficking and abuse. Programs were provided to opium production and transit countries where USG access has improved recently (e.g., China, Vietnam, Cambodia and the Central Asian republics). Another area of focus was in the NIS. INL training paved the way there for a much broader program of USG law enforcement assistance, which was carried out during the fiscal year.

FY 2000 Program. Expansion of INL's law enforcement training programs constitutes one of the surest means for implementing the current USG counternarcotics strategy for institution-building and promotion of host nation self-sufficiency. Counternarcotics efforts overseas will be evaluated in terms of what they have done to bring about establishment of effective host country enforcement institutions, resulting in taking drugs out of circulation before they ever start their journey toward the U.S. The prime responsibility of USG personnel overseas must be seen as promoting the creation of host government systems which are compatible with and serve the same broad goals that ours do.

INL-funded training will continue to support the major U.S. and international strategies for combating narcotics trafficking worldwide. Emphasis will be given to promoting training on a regional basis, and to contributing to the activities of international organizations, such as the UNDCP and the OAS. INL will continue to furnish programs only to those countries considered to be high priority for U.S. anti-narcotics interests. Through the meetings of major donors, the Dublin Group, UNDCP and other international fora, INL will coordinate with other providers of training, and urge them to shoulder greater responsibility in providing training that serves their particular strategic interests.

Programs dealing with financial crimes (i.e., methods for promoting asset seizure and combating money laundering) will continue to expand. INL will maintain its role of coordinating the activities of Washington-based agencies in response to assistance requests from U.S. embassies. This will avoid

duplication of effort, and ensure that presentations represent the full range of USG policies and procedures.

The demand from foreign governments through U.S. embassies abroad for INL-sponsored training continues to exceed what can be provided with available resources. Spending for law enforcement increased slightly to \$7.2 million in FY 1998. SEED Act and FSA monies (transferred from USAID) were used to fund counternarcotics training in Eastern Europe and the NIS. Continued funding will allow us to accommodate the growing emphasis on law enforcement training as a vehicle for achieving many of the basic objectives of USG counternarcotics policy.

### **Drug Awareness and Demand Reduction**

**Accomplishments.** Because of INL-funded training and technical assistance, host governments have been able to engage their own national institutions, communities and resources to reduce their demand for illicit drugs. Programs developed from INL training have produced results, such as increased length of stay in treatment programs, which are now being studied to help improve U.S.-based programs. INL has been able to convince other donor countries and international organizations to provide support to priority USG international demand reduction programs.

Significant demand reduction accomplishments include the following: countries in Latin America and South Asia continued to develop and staff their own drug treatment/prevention programs; countries in South America implemented their own national-level drug awareness campaigns, in addition to conducting their own national-level epidemiological surveys; countries in South America and Asia conducted their own bilateral and regional demand reduction training, based on information learned in INL-funded courses; and the European Community, UNDCP, OAS, UNICEF, Colombo Plan, and host governments co-sponsored with INL regional training events in Latin America, South Asia, and Eastern Europe, and developed specialized drug prevention projects for high-risk youth in Latin America.

**FY 2000 Program.** INL-funded training will continue to strengthen host nation counternarcotics institutions so they can conduct more effective demand reduction and public awareness programs on their own. The program will give particular attention to cocaine producing and transit countries in Latin America and address the heroin threat from South Asia. Another area of focus will be in countries of Eastern Europe and the former Soviet Union. These activities will be undertaken in collaboration with other donor countries and international organizations to reflect the Administration's emphasis on increased multilateral activities.

The training and technical assistance program in FY 2000, however, goes beyond the traditional emphasis on treatment, prevention, education, and public awareness. While training will be increased in these four areas, the program will continue to expand its FY 1999 emphasis on the development of national, regional, and international coalitions of public/private sector organizations to strengthen international cooperation and actions against the drug trade. In response to PDD-42 on international organized crime, the training program will continue to address the role of youth gangs and related violence in the international drug trade by providing technical assistance on the development of intervention methods for this high-risk population.

FY 2000 programs will continue to involve the facilitation of cross-cultural, comparative research designed to directly benefit U.S.-based demand reduction programs. This research will be conducted



in collaboration with other USG agencies. Preliminary research conducted on foreign community-based treatment programs developed from INL-funded training revealed extremely impressive outcome data. Similar research will evaluate juvenile correctional institutions and youth anti-gang/violence reduction programs developed from INL-funded training with the intent of improving similar services provided in the U.S.

The **Public Awareness Program** will enhance the ability of host countries to build public support and strengthen the political will for implementing counternarcotics programs. Training will focus on the development of national-level drug awareness campaigns that demonstrate connections between the drug trade and other concerns such as economic growth, democracy and the environment. On the local level, training will focus on the establishment of effective drug awareness/education campaigns in schools and the community, including the use of media and advertising resources. Technical assistance will focus on helping host governments conduct sustained drug awareness campaigns by developing linkages between the corporate sector and the mass media.

The **Demand Reduction Program** budget request will accommodate the increased need for training, enhance the development of regional and national anti-drug partnerships, and facilitate cross-cultural, comparative research designed to improve U.S.-based services. At the policy level, the program will focus assistance on building and strengthening national-level counternarcotics institutions with the capacity to develop comprehensive counternarcotics policies, programs, and strategies. At the regional level, the program will enhance international coalitions of NGOs developed from FY 1996-99 to mobilize international opinion against the drug trade and encourage governments to develop and implement strong counternarcotics policies and programs.

At the grassroots level, the program will continue to help establish and sustain strong community partnerships and coalitions of publican private sector programs for drug prevention, expand community mobilization efforts, and create or enhance effective community- and school-based prevention programs. A goal of strong community-based partnerships is to establish demand reduction programs, which address drug-related crime and violence and support national policies. In support of this goal, INL will spearhead the implementation of the first International Drug Abuse Prevention Coalition via a world conference of international drug abuse prevention NGOs to be held in Thailand in November.

## **Effectiveness Measurements**

### **Law Enforcement Training**

- Appropriate foreign personnel receive professional training and are subsequently utilized to carry out counternarcotics activities;
- Host nations become less dependent on U.S. assistance and are able to deliver a wide range of anti-narcotics training on their own; and
- Closer cooperation between U.S. and foreign enforcement agencies, leading to enforcement actions that are disruptive to the illicit drug trade.

**Drug Awareness and Demand Reduction**

- Establishment of community partnerships and NGO coalitions; and
- Host nations establish and fund treatment, prevention and public awareness programs.

**NARCOTICS LAW ENFORCEMENT TRAINING,  
DRUG AWARENESS AND DEMAND REDUCTION  
INL BUDGET  
(\$000)**

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>
<b>Narcotics Law Enforcement Training</b>			
Drug Enforcement Admin. training	2,561	2,900	2,900
Customs Service training	2,266	2,300	2,300
Coast Guard training	397	500	500
Training operations support	183	100	100
Subtotal	<u>5,407</u>	<u>5,800</u>	<u>5,800</u>
<b>Drug Awareness and Demand Reduction</b>			
Contracts/Grants/Agreements	1,800	1,200	1,700
Training	1,793	1,000	1,500
Subtotal	<u>3,593</u>	<u>2,200</u>	<u>3,200</u>
<b>TOTAL</b>	<b>9,000</b>	<b>8,000</b>	<b>9,000</b>

## Systems Support and Upgrades

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
18.000	4.500	5.000

### Objectives

- Provide program cost savings through standardization of services, support and upgrade aviation performance characteristics through economy of scale procurement; and
- Provide flexibility for contracting cost fluctuations by maintaining a separate account for equipment upgrades and other contracting requirements.

### Justification

In FY 1997, INL initiated a **Systems Support and Upgrade Project** to include C-26 support, an airborne surveillance initiative, refurbishment of OV-10 Broncos, and upgrade of UH-1H helicopters. Through this funding, specialized systems that were previously not available were to be provided to meet counternarcotics mission requirements in support of surveillance, detection, eradication, interdiction and logistics. This project also allowed INL to improve the performance characteristics of existing systems to better utilize their capability, extend their useful life, and increase the effectiveness of reconnaissance, eradication and interdiction efforts.

#### C-26 Support

A total of 19 C-26 aircraft have been or will be transferred under Section 506(a)(2) authority to the governments of Mexico, Peru, Colombia, Venezuela and Barbados in support of the regional security system. To assist these countries to optimize the utility of these aircraft, the U.S. will investigate the feasibility of and encourage host nation participation in a centrally-managed logistics system that will allow nations to minimize spares inventory while maximizing availability. The result will be a reduction in total cost of ownership, higher flying rates, and greater levels of safety and standardization.

### **Airborne Surveillance Initiative**

One of the critical shortfalls in the current counternarcotics operational structure overseas is the lack of host government surveillance, detection, and monitoring capability. Traffickers operate with near impunity as they violate border integrity while transporting a variety of forms of contraband. Customs laws have been meaningless as air, land and maritime conveyances choose arrival points at their discretion. In short, many nations lack the fundamental means of assuring their own sovereignty.

In response, INL is funding the development of an airborne surveillance system that will be integrated and installed in a number of C-26 aircraft. These systems will be tailored to host government needs and will provide critical information to command and control centers capable of analyzing and disseminating data to appropriate regulatory or enforcement units. The system will be developed to augment and complement other effective elements of the enforcement system. Additionally, INL will coordinate with C-26 user nations to facilitate the movement of surveillance information across national boundaries.

### **OV-10 Refurbishment/A-10 Testing**

INL received 22 OV-10D aircraft previously used by DOD which increased capabilities for conducting massive coca and opium aerial eradication campaigns throughout Latin America, compared to existing T-65 aircraft. The employment of these aircraft, equipped with armored cockpits and twin engines, has increased speed, range, pilot safety and herbicide-carrying capacity. The OV-10 refurbishment program will allow for major modification of these airframes to reduce weight and modernize electrical, avionics, cockpit configuration, and special mission equipment, to take full advantage of the aircraft's capability and extend its useful life. Aircraft so modified will have a full day and night eradication capability.

In connection with the OV-10 program, INL intends to conduct testing to determine the feasibility of using excess A-10 aircraft as the next generation spray platform. Successful testing could lead to the eventual employment of these aircraft as spray planes with dramatically increased range, speed, payload and pilot protection.

## **Effectiveness Measures**

- Ability to provide specialized systems, especially air assets, to meet counternarcotics mission requirements; and
- Improve performance capability of existing systems to extend their effectiveness and useful life.

**SYSTEMS SUPPORT AND UPGRADES**  
**INL BUDGET**  
**(\$000)**

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>
<b>C-26 Support</b> Support contract for parts, maintenance and training	4,000	2,900	2,250
<b>Airborne Surveillance Initiative</b> Surveillance upgrades for aircraft platforms	0	1,600	2,250
<b>UH-1H Upgrades</b> Performance/capability upgrades	14,000	0	0
<b>Other Costs</b> OV-10 upgrades, A-10 upgrades	0	0	500
<b>TOTAL</b>	<b>18,000</b>	<b>4,500</b>	<b>5,000</b>



## Program Development and Support

### Budget Summary (dollars in millions)

FY 1998 Actual	FY 1999 Estimated	FY 2000 Request
8.600	8.800	9.300

### Objectives

- Develop and manage narcotics control and anticrime activities of the U.S. Department of State;
- Coordinate counternarcotics and law enforcement policy with other U.S. Government agencies; and
- Provide program, financial, procurement, and administrative guidance and assistance for narcotics and anticrime programs worldwide.

### Justification

Within the U.S. Department of State, INL has been charged with developing strategies and initiatives to achieve international counternarcotics and criminal justice policy objectives. The INL Bureau maintains a cadre of program and technical experts to meet various overseas and domestic requirements. Washington staff activities include but are not limited to the following: overall policy formulation, guidance and analysis; developing, guiding, evaluating and backstopping programs overseas; conducting periodic visits to embassy narcotics affairs sections to review, analyze, and make recommendations on programs and funds control; developing or sponsoring management control seminars for overseas staff; developing training programs for new personnel; and coordinating policy and programs with other agencies and governments.

Program Development and Support (PD&S) funds provide for the domestic administrative operating costs associated with the Washington-based INL staff. More than 70 per cent of the requested PD&S funds will be used for salaries and benefits of direct-hire INL employees, in addition to other part-time employees, contractors, reimbursable support personnel and re-hired annuitants. In FY 2000, these funds will support 85 direct-hire staff. Another 14 domestic positions are not funded from PD&S; one



is based in Miami and is funded from Latin America Regional program funds, and the rest are in direct support of interregional aviation activities and are therefore funded from that portion of INL's budget.

Staff travel is also provided under PD&S funding and is essential to review and evaluate the many programs INL supports worldwide, as well as to promote and advance international counternarcotics and criminal justice foreign policy objectives. In addition, PD&S funds are used for the following: other services including computer service personnel, computer maintenance and payments to the U.S. Department of State for the support services they provide; utilities, primarily telephone; computer equipment, software and office furniture; printing and reproduction (e.g., Congressional Presentation Document and the International Narcotics Control Strategy Report); and supplies and materials.

Headquarters' staff provides administrative support to personnel working on anticrime functions of INL. However, salaries and expenses of these staff are funded by the Department of State's Salaries and Expenses (S&E) account. The PD&S budget request for FY 2000 will also cover wage and price increases, including the annual government-wide cost of living adjustment approved by Congress, justified promotions and in-grade step increases, employee transfer costs, office remodeling expenses and inflation.

## FY 2000 Direct-Hire Staffing

INL is requesting a total of 146 permanent positions, not including the Assistant Secretary whose salary is paid for by the Department's S&E account. Of the 146 Bureau positions, 14 will be dedicated to anticrime programs and are also funded through the S&E account. The remaining 132 positions will be funded by the INC account. These positions are distributed as follows:

	American	Local	Total
<b>Domestic</b>			
Washington, DC	84	0	84
Miami, FL	1	0	1
<b>Subtotal</b>	<b>85</b>	<b>0</b>	<b>85</b>
<b>Overseas</b>			
Bahamas	1	0	1
Barbados	1	0	1
Belgium	1	0	1
Bolivia	4	3	7
Brazil	1	0	1
Colombia	4	3	7
Ecuador	1	1	2
Guatemala	1	1	2
Hungary	1	0	1
Laos	1	0	1
Mexico	2	2	5
Pakistan	2	2	4
Panama	1	0	1
Peru	3	2	5
Russia	1	0	2
Sarajevo	1	0	1
South Africa	1	0	1
Thailand	1	3	4
Ukraine	1	0	1
Venezuela	1	0	1
<b>Subtotal</b>	<b>30</b>	<b>17</b>	<b>47</b>
<b>Total</b>	<b>115</b>	<b>17</b>	<b>132</b>



## Anticrime Programs

### Budget Summary<sup>1</sup> (dollars in millions)

<b>FY 1998 Actual</b>	<b>FY 1999 Estimated</b>	<b>FY 2000 Request</b>
20.000	25.000	30.000

### Objectives

- Combat the growing threat to U.S. national security posed by international organized crime;
- Assist emerging democracies to strengthen their national judicial and law enforcement institutions' capabilities to counter illegal criminal activities through training, equipment, and technical assistance and by sponsoring coordination task forces;
- Strengthen efforts by the UN and other international organizations to assist member states to combat international criminal activity;
- As required by the OAS Convention, develop and provide training on the illicit manufacture and trafficking of firearms for Central and Latin America;
- Develop regional Small Arms Centers in Africa to ensure compliance with the Mali moratorium, and provide technical assistance and training with the goal of building stronger law enforcement networks to fight uncontrolled trafficking in small arms on the continent;
- Create networking among federal law enforcement agencies and counterparts in other nations to more effectively prosecute crimes in the U.S.;
- Provide sophisticated high-tech and technical assistance to combat new financial crimes and money laundering;

<sup>1</sup> NOTE: In FY 1998 INL was allocated \$21.6 million in Freedom Support Act (FSA), \$30.7 million in Support for Eastern European Democracy (SEED) Act funds, and \$4.5 million in PKO funds. INL anticipates receiving additional FSA, SEED Act and PKO funds in FY 1999 and FY 2000.

- Provide training in intellectual property rights, computer and telecommunications-related crime through local and regional issues-based training;
- Provide training programs to help curb alien smuggling, trafficking in women and children, and violence against women and children; and
- Support the establishment of international law enforcement training academies in the Western Hemisphere and Africa, and continue support of the Budapest and Bangkok training programs.

## Justification

The United States is making strides in several fora towards enhancing international cooperation in the fight against international organized crime. In FY 1998, over 4,000 law enforcement officers from Central Europe and the NIS received training under INL/ENT's Anti-Crime Training and Technical Assistance Program (ACTTA). Several agencies reported that partnerships forged through training with their Central European and NIS counterparts are solving cases of mutual concern. The State/INL-funded International Law Enforcement Academy (ILEA) in Budapest trained 250 NIS and Central European police managers during its eight-week program in 1998. Germany, the United Kingdom, Canada, Italy, Russia and the Council of Europe are providing instructors to teach units on nuclear smuggling, organized crime, VAT tax evasion, human rights, and media relations as part of the eight-week program at ILEA. President Clinton's UNGA speech in October 1995 referred to the Budapest Academy as a model for developing other regional academies around the world. In early 1999 the new ILEA in Bangkok began operations to train law enforcement personnel from that region.

INL has developed a financial training program for providing law enforcement, rule of law, and central bank training and assistance to emerging democracies. A prime focus of the training program is a multi-agency approach to addressing international financial crimes, law enforcement development, organized crime, and counternarcotics training. Supported by and in cooperation with INL, DOJ, Treasury Department component agencies (including the Financial Crimes Enforcement Network (FINCEN) and the Office of the Comptroller of the Currency (OCC)), the Board of Governors of the Federal Reserve (FRB), and non-government organizations offered law enforcement and criminal justice training programs worldwide.

During 1998, INL funded numerous programs to combat international financial crimes, including money laundering. Nearly every federal law enforcement agency assisted in this effort by providing basic and advanced training courses in all aspects of financial criminal activity. In addition, many federal agencies were provided funding to conduct assessments and develop specialized training in identified countries worldwide.

As in previous years, INL training programs continue to focus on the interagency approach and bring together, where possible, law enforcement, judicial and central bank authorities in assessments and training programs. This approach allows for an exchange of information and dialogue not usually undertaken by those attending the training seminars and has proven successful in various parts of the globe.

An initiative to work with the National Insurance Crime Bureau, the FBI and USCS is designed to recover U.S. stolen vehicles from Central America and the Caribbean. The U.S. has developed a

model treaty to identify, recover, and return stolen vehicles to their owners, and a training program for local law enforcement to recover these vehicles. This treaty has been signed with Belize, the Dominican Republic and Guatemala. Talks are still underway with Honduras, Panama, and Venezuela. Panama, El Salvador, Honduras, and Venezuela have received training on combating stolen car trafficking.

INL-sponsored ATF/USCS training provided Basic Firearms Trafficking courses in Latin America and the Caribbean, and advanced courses (conducted in the U.S.) for fifteen countries from these regions. Teams from these two agencies also performed needs assessments and assisted authorities in tracing seized firearms in ten countries. In addition, an International Firearms Regional Seminar attended by key law enforcement personnel from 15 countries was conducted last year in Miami.

Since 1993, an inter-agency working group chaired by INL has coordinated the interdiction of 15 Chinese alien smuggling vessels and the return of their illegal immigrants to China. Moreover, the U.S. is working with the Inter-Governmental Consultations group (IGC), the International Organization for Migration, the European Union, the Budapest Group, and the P-8 to coordinate enforcement efforts, assist origin and transit countries combat alien smuggling and trafficking in people, and to enact anti-smuggling laws where none currently exist. The United Nations General Assembly, the United Nations Crime Commission, and the International Maritime Organization have adopted resolutions condemning alien smuggling and directing the creation of protocols to the Organized Crime Convention regarding alien smuggling and trafficking of women and children.

The Caribbean Crime Initiative is designed to enhance ongoing efforts to combat organized criminal activity in the region. A regional witness security training program, for example, has been developed as part of this initiative. This program is being implemented to improve Caribbean government protection of witnesses prior to and during the trial.

In the area of critical infrastructure protection (CIP) issues, INL will carry out its responsibilities as the Department's functional coordinator. INL will lead the USG international outreach effort under PDD-63, through a program of inter-agency meetings and coordination, establishment of a database of USG international CIP activities, and travel to engage other nations, IOs and multinational corporations in CIP discussions and efforts.

FY 2000 Programs. The INL FY 2000 budget request is based on the requirements set forth in PDD-42, "International Organized Crime," and reflects the consolidated management of law enforcement and police training programs. INL will use federal, state and local law enforcement agencies, the International Criminal Investigative Assistance Program (ICITAP), and other organizations to provide law enforcement training programs and technical assistance to the New Independent States (NIS), Russia, Central Europe, Latin America, Africa, and East Asia. The program will place significant emphasis on financial crimes, money laundering, alien and weapons trafficking, and combating organized and financial crime. In addition for FY 2000, a total of \$180,000 is requested for the United States annual compulsory contribution to the Group of States Against Corruption (GRECO), an organization established under the auspices of the Council of Europe to promote adherence to anti-corruption norms.

## **NIS, Russia, and Central Europe**

**Russia and the New Independent States.** INL will fund advanced training programs to strengthen the capacity of the governments of Russia and the other states in this region to combat the activities of organized crime, including financial crimes and illegal trafficking. INL will continue to fund training and technical assistance programs in Russia and the NIS carried out by the FBI, Secret Service, DEA, Customs, IRS, State's Diplomatic Security and other U.S. federal law enforcement agencies. Assistance will focus on financial crimes, money laundering, organized crime, and drug trafficking.

**Central Europe.** INL will also support law enforcement training and technical assistance programs in Central Europe as SEED funding permits.

**ILEA.** INL will continue funding for law enforcement and criminal justice training programs at the International Law Enforcement Training Academies (ILEA) in Budapest and in Bangkok. ILEA provides an eight-week personal and professional development program for approximately 250 mid-level police managers each year. In addition, over 400 criminal justice officials receive specialized training yearly on a wide range of subjects.

**Alien Smuggling/Trafficking in Women and Children.** INL will assist the NIS, Russia, and Central Europe to more effectively combat alien smuggling and trafficking in women and children by assisting them with drafting anti-smuggling legislation, and by training and working through existing fora, such as the G-8 Senior Experts Group on Transnational Organized Crime (the Lyon Group) and the Budapest Group.

**Legal and Regulatory Reform.** Working with Justice and Treasury agencies, INL will continue the development of programs to assist central banks and other financial institutions to prevent and investigate financial fraud and money laundering. INL will also provide programs on witness protection, community policing, and drug and crime prevention, including prevention and investigation of domestic violence and sexual assault.

## **Latin America**

**Law Enforcement Training.** INL will support programs to assist justice sector, law enforcement and regulatory agencies in Latin America and the Caribbean in their efforts to combat international criminal activities, particularly financial fraud and money laundering. These programs will be designed to complement INL's ongoing in-country counternarcotics programs.

**Stolen Cars.** INL will fund the next phase of the program to negotiate bilateral agreements with regional governments. These agreements will provide standard procedures for the recovery and return from Central America of stolen U.S. vehicles and provide training for law enforcement agencies to reduce the several hundred million-dollar losses in car theft from the U.S. each year. The U.S. insurance industry strongly supports this program, which will expand to South America and other parts of the world where stolen U.S. vehicles are being marketed in large numbers.

**Alien Smuggling/Trafficking in Women and Children.** Through INL's efforts, many Latin American countries are beginning to improve their efforts to combat alien smuggling by enacting anti-smuggling legislation, and by coordinating enforcement operations against alien smugglers. INL will continue to assist these countries combat alien smuggling through training, information sharing, and coordinated enforcement operations.

**Firearms Trafficking.** INL will coordinate the third year of a joint ATF/Customs training program to assist Latin American countries to develop their own programs to combat firearms trafficking as required by the OAS Convention. Assistance will include teaching weapons identification, classification, nomenclature, markings for the purpose of conducting traces, and procedures for requesting U.S. law enforcement assistance.

#### **Africa and East Asia**

**Africa.** INL, in conjunction with Treasury, DOJ, DOD, CIA, and other State Department bureaus, is in the process of developing Small Arms Centers to provide law enforcement training and technical assistance in newly-emerging democracies that will emphasize respect for human rights by demonstrating how U.S. agencies function to enhance the rule of law. INL also will provide technical assistance on illegal trafficking in nuclear materials and small arms, community-based policing, administration of justice, money laundering and legislative and judicial reform.

**East Asia.** INL will provide law enforcement training to prevent financial fraud and money laundering, and to combat organized crime groups involved in alien smuggling and/or trafficking in women and children.

#### **Multilateral Organizations/Other**

**International Criminal Investigative Training Assistance Program (ICITAP).** INL will fund ICITAP law enforcement and forensics training will be provided for countries in transition from civil strife or military rule to democratic rule (i.e., Haiti, Bosnia).

**Multilateral Organizations and Initiatives.** Funding for the UN's Crime Prevention and Criminal Justice Branch and other multilateral organizations will be provided for specific justice sector and law enforcement training and technical assistance programs.

**Financial Action Task Force (FATF).** Contributions to key research activities and meetings of the FATF, not otherwise funded by the USG, international organizations, or operational expenses of the office will aid in addressing money-laundering crimes (i.e., Asia/Pacific Group; Caribbean Financial Action Task Force; OAS/CICAD and the Council of Europe).

#### **Program Support**

INL funding will support established narcotics and law enforcement affairs offices in Brussels and Moscow, including salaries and administrative costs, as well as soon-to-be-established offices in Kiev, Ukraine and Johannesburg, South Africa. Support funds will also be applied to certain domestic administrative costs associated with programs directed against transnational organized crime.

#### **Effectiveness Measurements**

- Minimized duplication of U.S. police formulation to combat international organized crime and international financial and economic crimes, particularly money-laundering, and international illegal trafficking, particularly alien smuggling and trafficking in women and children;



- Strengthened ability of emerging democracies and their institutions to deal with the challenges of organized crime groups and other crimes;
- Partnerships formed between U.S. law enforcement agencies and their counterparts in solving international cases of mutual concern;
- Reduction of organized criminal groups, illegal trafficking, and financial and economic crimes in the countries listed above; and
- Improved law enforcement capability and effectiveness of member states of the United Nations Commission on Crime Prevention and Criminal Justice.

## ANTICRIME PROGRAMS

### INL BUDGET

(\$000)

	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>
<b>Anticrime Programs</b>	<i>1/</i>	<i>2/</i>	
Alien Trafficking	2,058	316	2,146
Auto Theft	431	132	264
Border Control	0	175	350
Civilian Police Program <i>3/</i>	5,000	5,000	0
Corruption	0	1,411	1,400
Counternarcotics	0	441	640
Domestic Violence	0	478	800
Illicit Firearms	300	1,410	1,900
Intellectual Property Rights	0	893	1,200
Law Enforcement Training	7,013	11,800	16,200
Money Laundering	1,691	255	800
Organized Crime	0	803	1,200
Rule of Law	2,959	386	600
Trafficking in Women & Children	48	1,000	1,500
Program Development & Support	500	500	1,000
<b>TOTAL</b>	<b>20,000</b>	<b>25,000</b>	<b>30,000</b>

1 Does not reflect FSA (\$21.6 mil) and SEED Act (\$30.7 mil) funding from USAID for FY 1998.

2 The FY 1999 and 2000 budgets do not reflect FSA and SEED Act funding. This funding is included in the USAID budget request and will be allocated to INL.

3 In FY 1998 and 1999, INL funds were reprogrammed for civilian police activities in Bosnia.

