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La lucha de Colombia contra las drogas ilícitas

Acciones y resultados 2001



REPUBLIC OF COLOMBIA

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INTRODUCTION

In the name of the National Anti-narcotics Agency, once again, it is a great satisfaction and pleasure for me to present the balance of the actions that the Colombian State forwarded last year in the war against drug trafficking and related crimes. This book integrates the labor performed by the various institutions that are involved in carrying out the National Plan – The War against Drugs 1998 – 2002, which has enabled Colombia to continue its leadership in the international war against the world drug problem.

For the Colombian State, facing the drug trafficking problem is a challenge that demands the permanent commitment of the different government agencies, of private organizations, and of the civilian society to carry out continuous actions and strengthen the mechanisms of cooperation and coordination that enable us to establish highly-impacting alliances to constitute a common front against this problem.

We Colombians know perfectly well the political, economic, environmental, and social consequences of the illegal drug problem and the violence that it creates. Many years of commitment analyzing its causes and fighting against its manifestations have shown us the need for integrated, joint, innovative and, at times, daring action to overcome this problem, but part of the problem is beyond our national capacity to combat it.

A coordination plan, such as the one that we suggest must transcend the international ambit. The decisive action of the nations to fight manifestations within their territory is as important as a close cooperation among nations. The success of Operation Purple and Operation Topaz to control the diversion of potassium permanganate and of acetic anhydride, used to process cocaine and heroine are a more than proof of that. Actions of this nature aimed at controlling illegal weapons trafficking, asset laundering and drug consumption, among others, should be carried out in a multilateral fashion in order to combat the different manifestations of the drug problem and thus comply with the principles of co-responsibility and integrality and a balanced handling of the problem.

The Colombian Government is aware of the growing trend of illicit crops in recent years, in spite of the enormous efforts made by the security agencies to eliminate them. However, we are pleased to see how in the past year for the first time there was a reduction of 18,482 hectares as compared to the estimated areas in August 2000, based on the methodology that Colombia is developing with the support of the UNDCP through the Illicit Crop Integrated Monitoring System Project, to constantly identify and monitor illicit crop dynamics throughout the national territory.

Regarding coca crop eradication, last year the Government showed the best results in the past ten years, having eradicated 94,152 hectares by aerial spraying. The National Anti-narcotics Agency has designed an Environmental Management Plan, which enables to do follow-up on the Illicit Crop Eradication Program spraying operation technical processes as well as on the impacts that may be caused by planting the crops, spraying them, and on the cultivators' use of farming chemicals, among others.

As a long-term strategy and essential pillar of the present Government's policies is alternative development aimed at lessening the peasant population's participation in illegal activities through local and regional social and economic alternative building processes that are legal and sustainable. In 2001, the National Alternative Development Plan benefited 54,551 families with production projects and complementary projects; it set up 37,758 hectares with production projects, and signed 33 Social Alternative Development Pacts in the Department (Province) of Putumayo, which benefit near 30,000 families.

The National Anti-narcotics Agency put into operation the Colombian Drug Information System that offers the national and international community integrated, timely, and reliable information, as furnished by the institutions in charge of developing the anti-drug policy, including the sub-system relating to information on the Department of Putumayo. Using cartography, the system gives environmental, political, economic, social, and geographical information that will allow us to characterize the Department, evaluate the actions that the government has forwarded, and make accurate decisions as to the policy to develop.

Although this document synthesizes the State Institutions' efforts to comply with the **National Plan - The War against Drugs, 1998-2002**, we must not forget those actors who, from the private sector, - choosing the public interest over their own - have decisively and effectively fought to contribute to neutralizing the drug problem in our country.

GABRIEL MERCHÁN BENAVIDES

1. ILLCIT CROPS AND THE ERADICATION PROGRAM (Vienna Convention 1988, Article 14, Numbers 2 and 3)

1.1 ILLICIT CROPS IN COLOMBIA

The decade of the nineties was characterized by the expansion of illicit crops. This phenomenon is associated partly with a growing external demand and partly with a reduction in the crops in Peru and Bolivia. The United Nations Drug Control Program (UNDCP) estimates that there are 180 million persons worldwide who consume illicit drugs, which equals 3% of the world population¹. Total cocaine consumption is estimated at 650 tons of which 300 tons are consumed in the United States; 100 tons in Europe; 150 tons in South America, Traditional coca leaf consumption is 50 tons, and remaining in the other markets.².

In Colombia, the growing dynamic trend in this type of production activity has been associated, on one hand, with the behavior of the rural sector development model in recent decades, in its economic, social, institutional, political, and environmental aspects and, on the other hand, with the economic, transnational nature of the drug trafficking business. At present, zones with illicit crops have become the scenario of convergence for multiple phenomena with a great capacity to destabilize the nation. Colombia's social structures have suffered great changes regarding its ethical and value systems, consumption patterns, and customs.

The factors that have supported production are this business's high profitability, mainly in the distribution stages; its small agronomic demand; the fact that these crops are not perishable, which favors their storage, transportation and commercialization; and a great availability of resources for the producers and ensured markets alike; to name a few. Legal crops do not have these characteristics, at least not all of them.

Also, we must consider the transnational nature of this business with a great economic sustainability capacity due to the fact that the production of raw materials is only one link in the great chain of the dynamics that must satisfy a very broad external demand. Thus, the drug trafficking business's profitability increases in other stages of the process, given its association with other parallel illegal trafficking systems, such as chemical precursors, weapons, and financial resource management, among others.

Colombia makes huge efforts to reduce illegal crops. On one hand, it promotes development processes to transform the socioeconomic conditions of peasant families, settlers, and native Indians to enable the nation to build sustainable economic and welfare options that allow these populations to desist from the illegal activity. On the other hand, it does aerial spraying on industrial-type illicit crops. This double strategy allows Colombia to face this problem using differential treatment. Thus, for alternative development, on one hand, Colombia has carried out complementary production projects that have benefited 54,551 families. On the other hand, it has sprayed a total of 195,338 hectares of coca and

¹ United Nations World Drug Control Program, World Illegal Drug Trends, 2001.

² United States National Drug Control Policy Office, Cocaine Flow to Europe, Update 2000, Washington D.C., June 2000.

19,771 hectares of poppy over extensive cultivations or those of an industrial nature during the 1999 – 2001 period.

We feel that it is important to mention that unfortunately the efforts that the Colombian Government has made are mitigated when other countries do not exercise enough pressure to lower the consumption levels and to prevent and control chemical substance production and trafficking, weapons and ammunition trafficking, and asset laundering, which generate more added value to the production of illegal drugs.

1.1.1 Coca Crops and Estimated Production

During the eighties and part of the nineties, there was a great expansion in coca crops in Peru and Bolivia. In 1994 and 1995 the annual estimated surface was 201,700 hectares and 214,800 hectares, respectively, thus concentrating 77% of the crops in Peru and Bolivia. The campaign for the eradication and substitution of crops in Peru and Bolivia, the intense control and interdiction labor of flights from Peru to Colombia, and a fungus that destroyed great quantities of coca leaf in Peru were factors, among others, which contributed to the decrease in crops in those countries. At present, Colombia is considered the major producer and the number one processor country to obtain cocaine hydrochloride.

CHART 1

COCA CROPS IN THE ANDEAN REGION (hectares)											
	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
PERU	120.800	129.100	108.800	108.600	115.300	94.400	68.800	51.000	38.700	34.200	34.000
BOLIVIA	47.900	45.500	47.200	48.100	48.600	48.100	45.800	38.000	21.800	14.600	19.900
COLOMBIA *	37.500	37.100	39.700	45.000	50.900	67.200	79.500	78.200	160.119	163.289	144.807
TOTAL	206.200	211.700	195.700	201.700	214.800	209.700	194.100	167.200	220.619	212.089	198.707

Note: The figures for Colombia from 1991 to 1997 correspond to the satellite information reported by the United States Department of State, complemented by the fieldwork done by the Colombian National Police Anti-narcotics Division. The 1998 figure corresponds to the Inter-institutional Coca Crop Census, which does not include the whole country. The data reported for 1999, 2000 and 2001 corresponds to the Integrated System for Illicit Crop Monitoring Project (SIMCI is the Colombian acronym).

Source: United States Department of State, Colombian National Police Anti-narcotics Division, and Colombian National Anti-narcotics Agency. Integrated System for Illicit Crop Monitoring Project – LANDSAT and SPOT satellite image digital processing and interpretation

One phenomenon that enormously concerns national and regional governments alike is the migratory upward trend caused by the illicit crops dynamics. In Colombia, migratory currents have changed the demographic map of the territories with the greatest presence of illicit crops. That is why the population in Colombian Amazonia has increased from 50,700 in 1983 to 502,876, based on the 1993 census³. In the past three years, the phenomenon of the population's forced displacement has increased notoriously in Orinoquia and in Colombian Amazonia, and, very especially, in the Departments (Provinces) of Meta, Caquetá, Putumayo, and Guaviare.

³ Colombian National Administrative Statistics Department (DANE is the Colombian acronym)

The Departments of Caquetá, Guaviare, and Putumayo have grown at rates higher than the national average. It is important to add that these regions have been the scenarios of the greatest social, environmental, economic, and territorial conflicts because of the levels of inequity created by the lack of economic alternatives, by the population growth, by the drug trafficking problem, and by the armed confrontation, among others. Of the 44,800 hectares cultivated in 1994, 53.3% was concentrated in Guaviare, 20.7% in Caquetá, and only 9.2% in Putumayo; the three Departments totaled 83.2% of the national total. At present, dynamics have changed and 32.5% of the crops are concentrated in the Department of Putumayo, 10% in the Department of Caquetá, and 17.6% in the Department of Guaviare.

The need to determine the extension of illicit crops led the Colombian Government to initiate the project INTEGRATED SYSTEM FOR ILLICIT CROP MONITORING (SIMCI is the Colombian acronym), not only to identify and quantify the illicit crops existing in this country, but also to monitor and supervise the eradication process through the data obtained by the Illicit Crops Eradication Program (ICEP).

This project uses SPOT (optical) and ERS (radar) satellite images, as well as hyper-spectral aerial photography, which are integrated into a Geographic Information System (GIS) to analyze and evaluate the images that are integrated as a primary source into the system. The Project consolidates a methodology that supplies data to the UNDCP international supervision system, pursuant to the resolutions adopted during the period of special sessions of the United Nations General Assembly on the World Drug Problem held in June 1998, and Resolution 42/3 issued by the Anti-narcotics Commission regarding illicit crop supervision and verification.

The Colombian National Anti-narcotics Agency (DNE is the Colombian acronym) manages the SIMCI Project and the Colombian National Police Anti-narcotics Division operates the program. UNDCP manages the project funds.

As a result of this process, we estimate 160,119 hectares were sown with coca in 1999, 163,289 in 2000, and 144,807⁴ in 2001. **The decrease in the coca crops seen for the first time in the history of our country** is proof of the efforts that Colombia is carrying out to reduce illicit crops.

⁴ During the months of November and December 2001, a total of 8,877 hectares were eradicated using aerial spraying, which means that at December 31, 2001, the estimated total area was 135,930 hectares.

CHART 2

COCA CROPS IN COLOMBIA Definitive Figures Obtained by Department				
Department	1999 Area in Hectares	2000 Area in Hectares	Nov. 2001 Area in Hectares	2000/2001 Variation Percentage
Antioquia	3,644	2,547	3,171	24.9
Arauca	-	978	2,749	181.8
Amazonas			532	
Bolívar	5,897	5,960	4,824	-19.6
Boyacá	-	322	245	-23.1
Caquetá	23,718	26,603	14,516	-45.43
Cauca	6,291	4,576	3,139	-34.40
Cesar	-	779		
Cundinamarca	-	66	22	-66.66
Córdoba	1,920	117	652	457.26
Guainía	-	853	1,318	54.51
Guajira	-	321	385	19.93
Guaviare	28,435	17,619	25,553	45.03
Magdalena	521	200	480	140
Meta	11,384	11,123	11,425	2.71
Nariño	3,959	9,343	7,494	-19.79
Norte de Santander	15,039	6,280	9,145	-2.12
Putumayo	58,297	66,022	47,120	-28.63
Santander	-	2,826	415	-85.31
Valle del Cauca	-	76	184	142.10
Vaupés	1,014	1,493	1,918	28.46
Vichada	-	4,935	9,166	85.73
Chocó	-	250	354	41.6
TOTAL	160,119	163,289	144,807	-11.32

Source: Colombian National Police – Anti-narcotics Division and Colombian National Anti-narcotics Agency. Integrated System for Illicit Crop Monitoring (SIMCI) Project LANDSAT and SPOT satellite images digital processing and interpretation

The Integrated System for Illicit Crop Monitoring (SIMCI), whose methodology has been accepted by national and international organizations, showed the following results for the year 2001:

1. The areas measured with coca crops accounted for at November 2001 indicate a reduction of 18,482 hectares as compared to the areas accounted for at August 31, 2000 (14 months earlier).

2. The area studied in the year 2001 corresponds to the total area in the national territory. In the year 2000, 42% of the territory was studied, which corresponds to the zones where illicit coca crops have traditionally existed.
3. The increases seen in the Departments of Guainía, Magdalena, Norte de Santander, Vichada, and Chocó do not necessarily correspond to increases during this period. In those Departments the area studied increased.
4. The most significant decreases in areas with coca crops were seen in the Department of Putumayo with 18,902 hectares and in the Department of Caquetá with 12,087 hectares, for a total of 30,989 hectares.
5. The most significant increases in areas with coca crops were seen in the Department of Guaviare with 7,934 hectares, Vichada with 4,231 hectares, and Norte de Santander with 2,865 hectares, for a total of 15,030 hectares.
6. The lots with coca crops occupy an influence area or an affected area of 7,235,380 hectares. Influence area means the polygon that encloses all of the coca lots within a given region. From this data, we deduce an average sown area density in Colombia of 2 hectares of coca per 100 hectares of land.

Estimated Production

Based on fieldwork, the National police Anti-narcotics Division calculates that coca leaf yield is estimated at 100.3 arrobas per hectare per harvest, with a minimum production of four harvests a year. Potential cocaine production is estimated at 5.8 kg. a year. Along these lines, we estimate that 144,807 hectares sown with coca yielded a production of 840 tons of cocaine in 2001.

Also, from 1999 to 2000 an investigation was made to more precisely determine the potential productivity of the cultivated area⁵. The results obtained through ample field work carried out in the Departments of Caquetá, Guaviare and Putumayo, which included the analysis of the different varieties of coca grown, the quantities of coca leaf produced per hectare, the coca leaf yield, and the total efficiency of the different extraction processes, revealed the following:

Guaviare

Producers harvest an average of 66 arrobas of harvested coca leaf per hectare and harvest 5.7 times per year⁶. The annual coca leaf yield for Guaviare is estimated at 4.7 metric tons (weight of the fresh leaf) per hectare per year.

The predominant type of coca leaf in the area of Guaviare is *Erythroxylum Coca Ipadu variety*, or the Amazon low land coca.

Putumayo

Producers gather an average of 78 arrobas of harvested coca leaf per hectare and harvest 4 times a year. The annual coca leaf yield for Putumayo is calculated at 3.9 metric tons (weight of the fresh leaf) per hectare per year.

⁵ Small and Medium-sized Coca Cultivators' Production Costs in Putumayo, Caquetá and Guaviare. Sergio Uribe, Colombian National Anti-narcotics Agency (DNE) and United States Embassy Narcotics Affairs Section Office (NAS).

⁶ An arroba in Colombia equals approximately 12.5 kilograms. An arroba in Peru and Colombia is not the same weight unit. In Peru, an arroba equals approximately 11.5 kilograms.

The predominant type of coca leaf in the area of Putumayo is *Erythroxylum Novogranatense Novogranatense variety*, the traditional variety of coca leaf cultivated in this region.

Western Caquetá

Producers harvest an average of 60 arrobas of harvested coca leaf per hectare and harvest 5.4 times a year. The annual coca leaf yield in western Caquetá is calculated at 4.1 metric tons (weight of the fresh leaf) per hectare per year.

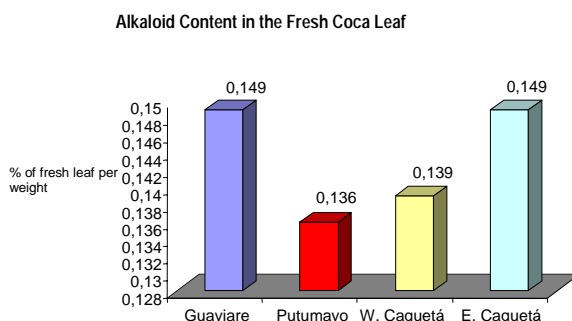
The type of coca leaf in the area of western Caquetá is *Erythroxylum Novogranatense Novogranatense variety* (this is based on limited information).

Eastern Caquetá

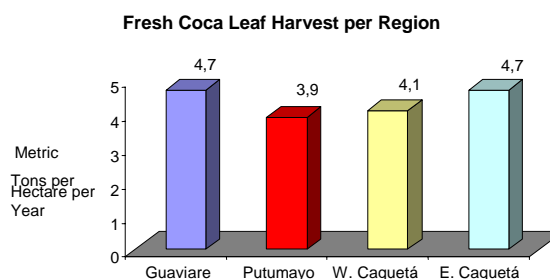
Producers harvest an average of 66 arrobas of harvested coca leaf per hectare and harvest 5.7 times a year. The annual coca leaf yield in eastern Caquetá is calculated at 4.7 metric tons (weight of the fresh leaf) per hectare per year.

It is worth mentioning that the volume of coca leaf is not necessarily related to the potential cocaine production, given that it depends on the quantity of alkaloid in the leaf. Based on the above, we found the following: Fresh coca leaf in Guaviare has an alkaloid content of 0.149% (or 0.52% of the dry weight)⁷. In the Department of Putumayo it has an alkaloid content of 0.136% (or 0.55% of the dry weight). In western Caquetá the fresh coca leaf has a cocaine alkaloid content of 0.139% (or 0.52% of the dry weight) and in eastern Caquetá the alkaloid content is 0.149%.

GRAPH 1



GRAPH 2



1.1.2 Poppy Crops and Estimated Production

For the most part poppy crops are located from 1,800 to 3,000 meters above sea level, in sloped areas in the forest belts near the mountains where there is no active presence of government institutions. The zones with illicit crops are characterized by being isolated areas, many times with very little population. They are located in peasant or native Indian settlements where the inhabitants have devoted themselves

⁷ The numerical difference between the content of cocaine alkaloid in the fresh leaf as compared to the dry leaf reflects the fact that a high percentage of the total weight of the fresh leaf is composed of water. When the water is extracted from the leaf, upon drying the leaf, the relative quantity of cocaine alkaloid in the leaf (as a percentage of the global weight of the leaf) increases. In Colombia, only the fresh leaf is used in the cocaine base laboratories. The fresh coca leaf is not commercialized as a separate product.

to these crops because they consider this activity a profitable form of production for marginal farming regions, as is the case in the Tolima, Cauca, Huila, Nariño, Cesar and Guajira regions.

In 1989 the first poppy derivate seizures were recorded. What was initially perceived as a substitution of coca crops for poppy crops was later confirmed to be a diversification of the illicit crops. During the 1992 to 1994 period, the increase in the cultivated area was notorious and 20,000 hectares were reported mainly in the Departments of Cauca, Huila, Santander, and Tolima. The Illicit Crop Eradication Program led to a reduction in the sown surface of an average of 6,350 hectares during the years 1999 and 2000. In the year 2001 the estimated area sown with poppy was 4,273 hectares, with a potential production of 43 metric tons of opium paste and 4.3 metric tons of heroine⁸. The poppy crops are located in the Departments of Huila, Cauca, Nariño, Tolima, and Cesar.

**CHART 3 GRAPH 3:
POPPY CROP ESTIMATES IN HECTARES
DEPARTMENT**

DEPARTMENT	1999	2000	2001
TOLIMA	1.500	800	687
NARIÑO	1.000	1.500	1.699
HUILA	1.000	1.000	692
CAUCA	1.300	2.000	1.150
CESAR	700	700	34
CAQUETA	300		
GUAJIRA	400	200	
META	300		
BOYACA			11
TOTAL	6.500	6.200	4.273

Source: National Police Anti-narcotics Division. Inter-institutional Illicit Crop Censuses. The 2001 data corresponds to the Second National Illicit Poppy Crop Aerial Census made in October 2001.



Based on United States Government reports, worldwide potential opium production increased in the year 2000 to more than 5,000 potentially available metric tons, a quantity large enough to cover the worldwide demand for heroine many times over⁹. Afghanistan exceeded Burma in the potential opium resin production, although not in total crops. There is poppy cultivation in Latin America mainly in Colombia and in Mexico, but, although it is not representative on a global scale, it is important on a regional level.

⁸ National Police Anti-narcotics Division

⁹ International Narcotics Control Strategy Report. United States Department of State, Bureau for International Narcotics and Law Enforcement Affairs, 2001

Colombia's market share is 1.28% of the world production and Mexico is showing a downward trend with a 0,41% potential production of the world supply.

POTENTIAL WORLDWIDE OPIUM PRODUCTION

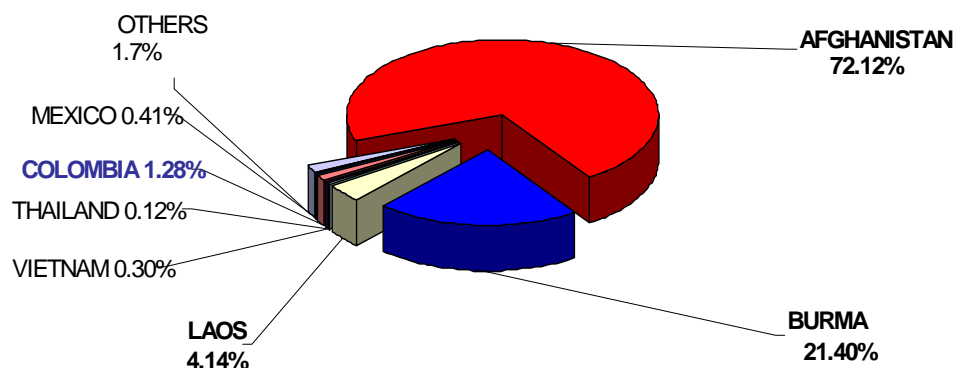
CHART 4 POTENTIAL WORLDWIDE OPIUM PRODUCTION

COU	1995	1996	1997	1998	1999	2000
AFGHANISTA	1.250	2.174	2.184	2.340	2.861	3.656
INDIA	77	47	30			
IRAN						
PAKISTAN	155	75	85	66	37	11
TOTAL SOUTHWEST	1.482	2.296	2.299	2.406	2.898	3.667
BIRMANIA	2.340	2.560	2.365	1.750	1.090	1.085
CHINA	19					
LAOS	180	200	210	140	140	210
THAILAND	25	30	25	16	6	6
VIETNAM		25	45	20	11	15
TOTAL SOUTHEAST	2.564	2.815	2.645	1.926	1.247	1.316
COLOMBIA	65	63	66	61	75	65
LEBANO	1	1				
GUATEMALA						
MEXICO	53	54	46	60	43	21
TOTAL	119	118	112	121	118	86
TOTAL	4.165	4.285	5.056	4.453	4.263	5.069

Source: United States Department of State, International Narcotics Control Strategy Report, 2001.
Colombian National Police Anti-narcotics Division (Data for Colombia in the year 2000)

GRAPH 4

COLOMBIA'S SHARE IN THE POTENTIAL WORLDWIDE OPIUM PRODUCTION IN 2000



1.2 ILLICIT CROP ERADICATION PROGRAM

The Illicit Crop Eradication Program through Aerial Spraying with Glyphosate (ICEP) answers to a State total action strategy against extensive illicit crops or illicit crops of an industrial nature. The decision to implement the program was due to the following factors, among others: the large increase in illicit crops, a good part of which are of an industrial nature; difficulties to access the lots by land or by river or due to

public order problems, all of which impede manual eradication; great pressure on the strategic ecosystems in Colombia; a broadened farming area, and strong environmental impact caused by the activities related to the illegal drug industry.

The ICEP is an official Colombian Government policy that has existed for several years; it is part of the drug plans traced by the competent authorities. It ensures that the agencies involved carry out the program with the least possible social impact and without producing significant damage to the environment. All of these decisions were at some point legally justified by the National Anti-narcotics Council pursuant to, among others, 1986 Act 30, 1993 Act 99, 1974 Decree 2811, 1994 Decree 1753, 1991 Decree 1843, and also 1994 Resolution 0001 and 2000 Resolution 0005 issued by the National Anti-narcotics Council.

1.2.2 Coca and Poppy Crop Eradication Balance

The chart below shows the evolution of the coca hectares fumigated using aerial spraying and manual eradication from 1994 to 2001.

CHART 5
COCA ERADICATION BALANCE, YEARS 1994 to 2001

DEPARTMENT	1.994	1.995	1.996	1.997	1.998	1.999	2.000	2.001	TOTAL
Guaviare	3.142,00	21.394,00	14.425,20	30.191,80	37.080,60	17.375,70	8.242,00	7.477,00	139.328,30
META	729,00	2.471,00	2.523,50	6.724,60	5.920,40	2.295,90	1.345,00	3.251,40	25.260,80
CAQUETA			537,10	4.369,90	18.433,30	15.656,00	9.172,00	17.252,07	65.420,37
PUTUMAYO				574,30	3.949,10	4.980,20	13.509,00	32.506,05	55.518,65
VICHADA		50,00	85,00		296,70	90,90		2.819,80	3.342,40
ANTIOQUIA			684,00				6.258,00		6.942,00
CORDOBA			264,00						264,00
VAUPES					348,80				348,80
CAUCA						2.712,60	2.950,00	741,10	6.403,70
NTE SANTANDER							9.584,00	10.308,30	19.892,30
NARIÑO							6.442,00	8.215,50	14.657,50
SANTANDER							470,00		470,00
BOYACA							102,00		102,00
BOLIVAR								11.581,10	11.581,10
Fumigation aerial	3.871,00	23.915,00	18.518,80	41.860,60	66.028,90	43.111,30	58.074,00	94.152,32	349.531,92
Manual eradication	1.033,00	1.487,00	4.507,00	2.262,40	3.126,10	1.045,70	3.500,28	1.745,30	18.706,78
TOTAL	4.904,00	25.402,00	23.025,80	44.123,00	69.155,00	44.157,00	61.574,28	95.897,62	368.238,70

1994-1999 Spraying Data Taken from the Colombian National Anti-narcotics Agency Environmental Auditing.

2000-2001 Spraying Data Supplied by the Anti-narcotics Police.

Source: Colombian National Police Anti-narcotics Division and Environmental Auditing

The Department of Guaviare shows the largest percentage of fumigation using aerial spraying, representing 39.8% of the nation's total. The coca crop eradication policy was initiated in the Department of Guaviare in 1994 because it was the major coca producer. There was an upward trend in the following years until 106,233 hectares were sprayed during the 1994 to 1998 period. One of the visible results of the eradication was a net reduction in the cultivated area in the region. However, simultaneously, there was more expansion in the Departments of Caquetá, Putumayo, the south of Bolívar, and Norte de Santander.

At present, the ICEP is concentrating its operations mainly in the Department of Putumayo due to the unusual increase of crops in that area of the country. Thus, in the year 2001, 32,506 hectares were fumigated which corresponded to 34.5% of the nation's total. Next in importance was Caquetá where 17,252 hectares (18.3%) were sprayed, Bolívar with 11,581 hectares (12.3%), Norte de Santander with 10,308 hectares (10.9%) and Guaviare with 7,477 hectares (7.9%).

CHART 6
POPPY ERADICATION BALANCE, YEARS 1994 TO 2001 (in hectares)

DEPARTAMENTO	1.994	1.995	1.996	1.997	1.998	1.999	2.000	2.001	TOTAL
HUILA	2.057,00	1.382,50	715,10	2.175,10	744,66	1.426,25	2.420,95	485,20	11.406,76
Tolima	1.169,00	1.548,50	4.843,00	4.289,50	1.452,08	5.556,50	3.719,96	339,40	22.917,94
CESAR	128,00	305,00	713,00	91,00	650,00	125,00	423,30	426,00	2.861,30
GUAJIRA	81,00	177,00	371,50		50,00				679,50
ANTIOQUIA			120,00						120,00
CAUCA	102,00	53,50	122,50	50,00		828,60	1.600,70	387,00	3.144,30
NARIÑO						312,80	1.089,50	630,00	2.032,30
CAQUETA				382,60					382,60
Fumigation aerial	3.537,00	3.466,50	6.885,10	6.988,20	2.896,74	8.249,15	9.254,41	2.267,60	43.544,70
Manual eradication	1.777,00	1.607,50	527,90	344,80	180,26	174,00	74,61	318,66	5.004,73
TOTAL	5.314,00	5.074,00	7.413,00	7.333,00	3.077,00	8.423,15	9.329,02	2.586,26	48.549,43

Source: Colombian National Police Anti-narcotics Division and Environmental Auditing

The above chart shows the historical record of the labors of eradication. It shows relatively effective, persistent control that has not allowed the number of existing crops to increase.

In the year 2001, 2,267 hectares were sprayed, mainly in the areas of most illicit crop density, that is, Nariño (27.8%), Huila (21.4%), Cesar (18.8%), Cauca (17%) and Tolima (15%). We have seen a reduction in the fumigation operations using aerial spraying because of the scarce availability of aircraft and because the ICEP is concentrating on coca crops.

In Colombia manual eradication is not representative, because of the difficulty to access the areas by land due to the topography and to the situation of armed conflict that exists in the production zones.

2. ENVIRONMENTAL MANAGEMENT

In compliance with environmental regulations, the Colombian National Anti-narcotics Agency created the "**Environmental Management Plan for Illicit Crop Eradication**" pursuant to the provisions in 1993 Act 99 and its 1994 Regulatory Decree 1753. The Plan contemplates excluding the zones in the National Natural Parks System, bodies of water, human settlements, and areas of economic interest, including the buffer areas for these elements, and zones with a plant layer other than illicit crops. Also, it contemplates a set of operational procedures to reduce to a minimum the impacts due to the spraying procedure itself and to the activities of handling herbicides at the operations bases as to handling the other elements or carrying out other activities susceptible of generating environmental impact.

2.1 Activities that Strengthen the ICEP

Environmental Management Plan Approval and Implementation. The object of the Plan is to establish the actions that the agencies that carry out the Illicit Crop Eradication Program Using Aerial Spraying with the Herbicide Glyphosate (ICEP) must apply to *prevent, mitigate, control, compensate, and correct the eventual negative environmental effects or impact caused by the program, including its follow-up, evaluation, monitoring, and contingency plans*. At present, it is in the implementation stage.

Because the eradication program is one of the Colombian State's commitments, the environmental management plan demands coordinating the objectives of prevention, mitigation, and compensation of the environmental impacts generated by spraying with glyphosate inter-institutionally at national, regional, and local levels, as well as coordinating them with organized communities.

Complaint Handling Program: The National Anti-narcotics Council adopted this program through its October 2001 Resolution 017. Its objective is to set forth an agile procedure to handle the complaints presented by persons presumably affected by the ICEP, for the purpose of ensuring that their fundamental rights are protected. This program is in the implementation stage.

Contracting International Technical Auditing: In its April 17, 2001 session, the National Anti-narcotics Council (CNE is the Colombian acronym) decided to contract International Technical Auditing for the purpose of reviewing the existing profile and broadening its action scope to evaluate impacts on the environment, on human health, and on farming and livestock activities. In December 2001, the public tender was declared void because no proposals were received. At present CNE has authorized the initiation of a new public tender process to be carried out in the year 2002.

Studies to Define Technical Aspects Related to the ICEP: The Colombian Farming and Livestock Institute (ICA is the Colombian acronym) did on-site verifications to determine the doses and technical parameters. Also, it made a study to evaluate the toxicity of the product in laboratory animals.

Characterization of Zones to Be Sprayed: In compliance with 2000 Resolution 005, the Anti-narcotics Police is forwarding the characterization of high sensitivity zones that may be affected by the ICEP.

Also, the National Anti-narcotics Agency forwarded the Total Putumayo Information System Project. The object of this program was to consolidate the inter-sector and institutional synergy within the framework

of Plan Colombia. It designed a model for information integration, to have updated, integrated data on this Department's physical, environmental, and social aspects of main interest, as well as on its municipalities, contained in one system.

2.2 Actions Regarding the Prevention and Mitigation of the Environmental Impact on Protected Areas and Strategic Ecosystems

There is an inter-institutional coordination office whose purpose is to develop total actions regarding the prevention and mitigation of the environmental impact on protected areas and strategic ecosystems. It is within the framework of the present drug policy. It is also within the framework of the environmental authority's policies, such as the National Biodiversity Policy, the Forest Policy, and the National Protected Natural Areas System Consolidation Policy. It is based on Social Participation in Conservation.

The National Alternative Development Plan (PLANTE is the Colombian acronym), along with the Natural Parks Unit, with the Regional Autonomous Corporations, and with local communities, has been developing specific actions to counterattack the environmental impact produced by illicit crops, contemplated in one of its five components, "Conservation of Fragile Areas and of Environmentally Important Areas".

At present, the Ministry of the Environment Parks Unit is carrying out different projects and activities that contribute directly as well as indirectly to reducing the pressure of illicit crops in the National Parks System Areas (ASPNN is the Colombian acronym). We describe these projects below:

- There are four projects, within the framework of Plan Colombia, currently in progress aimed at strengthening the ASPNNs. These projects are based on building a mechanism for territorial focusing, which acknowledges the complexity of the phenomenon and the need for a total focus, by approaching the environmental problems generated by the illicit crops from a regional perspective:
 - Strengthening environmental management and protecting the Amazon ecosystems in Chiribiquete Park threatened by illicit crops
 - Preserving and doing sustainable management for Nukak Natural Reserve threatened by the presence of illicit crops in the Department of Guaviare
 - Designing and carrying out actions in different agro-ecosystems and cultural contexts in the influence areas of the ASPNNs (Katíos, Pisba, Amacayacu, Cahuinarí, Sumapaz, Hermosas, Orquídeas, Nevado del Huila, Puracé and Tatamá; Galeras, Flamencos and Guanentá Flora and Fauna Sanctuaries; and Los Estoraques Unique Natural Area), as an effective coordination strategy
 - Supporting the environmental component of the lifestyle plans for ethnic communities (Puinawai and Nukak National Natural Reserves, Tuparro, Paramillo, Farallones de Cali and Munchique National Natural Parks)
- **Tinigua and Cordillera de los Picachos National Natural Parks:** By virtue of a covenant signed by and between the Ministry of the Environment Parks Unit, CORMACARENA,

CORPOAMAZONIA, PLANTE and the Losada and Guayabero River Environmental Peasant Association (ASCAL-G is the Colombian acronym), a project was carried out to create territorial environmental planning and alternative development planning for this peasant association's influence zone. To create these two plans, the following institutional intervention methodology was implemented: sensitizing community leaders regarding the different successful environmental planning experiences throughout the country, training leaders, characterizing the production systems in the zone and the environmental factors of non-sustainability, creating the territorial planning and alternative development plans, and doing a farm planning exercise. Once the territorial environmental planning and alternative development plans were created and the socialization with all of the members in the community was done, the projects were jointly created, to be implemented in the zone.

- **Tinigua and Sierra de la Macarena National Natural Parks:** The Parks Unit and the Tinigua and Macarena National Natural Parks Environmental Peasant Association worked together to design the territorial environmental planning plan and to implement a mechanism to reduce environmental factors of non-sustainability and thereby reduce the presence of illicit crops in the region.
- **La Paya National Natural Park:** As of the year 1996 a territorial legal indemnification program has been implemented in the protected area, with a voluntary manual eradication process in the zones affected by illicit crops. In parallel, work is being done, with the support of the Alternative Development Plan, on a project to strengthen the native Indian communities who have been affected by the presence of illicit crops.
- **Sierra Nevada de Santa Marta National Natural Park:** In the buffer zone northern coast sector, a territorial environmental planning and peasant farm-planning proposal is being worked on, as a strategy to contribute by substituting illicit crops.
- **Catatumbo National Natural Park:** The creation of the Lifestyle Plan for the Motilón - Bari native Indian population is being supported. Principles to defend the territory are being established, in particular those for preventing illicit crops or reducing their presence in the zone. This social process is the only one that has survived in this region; it is carried out with the support of the Unit and in coordination with other institutions, particularly the Ministry of the Interior.
- **Las Hermosas, Nevado del Huila, Puracé and Cueva de los Guácharos National Natural Parks:** In coordination with the Corporation for Cultural Environmental Protection and Territorial Planning, with PLANTE contributions, the PLANTE regional technical teams and the park's technical teams have forwarded the project *"Development of Sustainable Agrarian Systems in the Influence Zones and Buffer Zones of the Nevado del Huila, Puracé, Cueva de los Guácharos, and las Hermosas National Natural Parks, as a Conservation And Potentiality Strategy for the Regional Economy, as an Alternative to Illicit Crops."*
- The development of this project contributed toward preventing and gradually reducing illicit crops

in the influence areas of the National Parks mentioned. During this phase, an awareness was created in the communities regarding production alternatives to illicit crops, seeking to appropriately use the natural resources and conserve the protected areas, and, thus, obtain environmentally sustainable farming and livestock development.

- Furthermore, the project has enabled the communities to organize for the benefit of conserving, protecting, and using natural resources in a sustainable manner. This has been proven by activities carried out mainly in the Puracé and Nevado del Huila National Parks aimed at controlling indiscriminate fishing, hunting, tree felling, and burning.
- **Farallones de Cali National Natural Park:** A strategy to gathering the various social organizations is being created and, in several municipalities, the Municipal Rural Development Councils have been encouraged to join forces with the Municipal Farming and Livestock Technical Assistance Units (UMATAS is the Colombian acronym), so that solutions to prevent or mitigate illicit crops may be found through territorial environmental planning. Along this line of ideas, a project was formulated to the IABD for Ministry of the Environment environmental investments to help this institution in its intervention efforts in this massif. The project is based on illicit crop management and prevention in the south zone of the Park and in its buffer zone.
- **Las Hermosas National Natural Park:** Meetings with CORTOLIMA have been held for it to invest resources in a joint effort with the Parks Unit in the Magdalena river basin, as part of the illicit crop prevention program in this section of the Park.
- **Paramillo National Natural Park:** A special management policy is being created with the Embera native Indian communities. Also, steps are being taken to attend the displaced peasant communities, which add up to approximately 1,500 families who were directly or indirectly involved with the presence of illicit crops within this protected area. These persons are being attended even in the Park headquarters themselves located in Tierralta and in San José.
- **Nevado del Huila National Natural Park:** With the support of the Spanish International Cooperation Agency (AECI is the Spanish acronym) a territorial environmental planning project is being forwarded with peasant communities and Páez native Indians in the region of the municipalities of Toribio and Belalcázar. It consists of training for the community leaders and farm planning to reduce the factors of environmental non-sustainability and to diminish the presence of illicit crops, as a preventive strategy.
- **The Amazon Foothills Zone:** In this zone, work is being carried out especially with the Alto Caquetá Inga native Indian communities to support the territorial environmental planning component for the possible creation of a protected national park area. This is a means to consolidate territories and prevent the presence of illicit crops, which leads to the degradation of this zone so rich in natural and cultural biodiversity.
- **Matavén Jungle:** In this zone, in coordination with Fundación Etnollano, Colombian Agrarian Reform Institute (INCORA is the Colombian acronym), and PLANTE, an initiative for 16

reservations (representing 5 native Indian communities) is being supported, for the protection and conservation of a zone of approximately 1,200,000 hectares called "Selva Corazón de la Salud" (Center of Health Jungle). Also, in the Caño Chupare zone a possible peasant reservation zone for the settlers located there is being sought. This complete program seeks to consolidate both native Indian territories and peasant or settler territories to reduce the presence of illicit crops and to prevent them in the future.

All of these initiatives are part of a package of methodologies, strategies, and pilot experiences unique at a national level, in which the illicit crops problem is being approached from an environmental angle, joining many national, regional, and local actors' actions and good will to protect the environment, and ignoring their differences. However, the magnitude of the environmental impact that illicit crops are generating in the country is great and it requires effective measures and policies for it to be possible to replicate these plans in other parts of the country. It is necessary to take advantage of these experiences by strengthening the institutional capacity of the Parks Unit and, consequently, of the Ministry of the Environment.

3. ALTERNATIVE DEVELOPMENT¹⁰
(1988 Vienna Convention, Article 14, Number 3)
2000 National Alternative Development Plan Performance Report

3.1 Policy Background

In 1994 the Colombian State initiated the alternative development policy by creating the National Alternative Development Program (PNDA is the Colombian acronym) as part of its strategy to overcome the drug problem and as an instrument “to complement forced eradication campaigns through investments of a social nature to enable preventing, putting a stop to, and eliminating illicit crop production”¹¹.

The Program was basically set up to respond to the peasant rural development policy and to incorporate the constitutional principles of equity, participative democracy, decentralization, and development sustainability. To give these foundations consistency and solid legal grounds, Decree 0472 was issued on March 11, 1996; through which the Presidential Program PLANTE was created and in Article 2 it is defined as a “social policy instrument”.

After differentiating the two types of illicit crops, industrial crops and subsistence crops, and acknowledging the weak presence of the State and the structural limitations that characterize these regions, we concluded that the National Alternative Development Plan (PLANTE is the Colombian acronym) should have a mid-term scope and a long-term scope to accomplish its objective of contributing to the total development of the peasant and native Indian economy zones affected by illicit crops, to prevent their expansion, and to progressively and systematically reduce the affected area.

The policy was specifically aimed at the peasant and native Indian zones with a great concentration of small illicit crop cultivators and we defined that the policy target population would be the small producers settled in these zones, without them necessarily being involved in illicit crop cultivation.

In 1995, the scopes and orientation of PLANTE were determined and it was called the National Alternative Development Plan from then on¹², in concordance with the objectives and goals of the anti-drug policy.

The central aspects determined are worth highlighting: the ratification of the regional intervention strategy as a means to make the permanent development of the locations affected by illicit subsistence crops dynamic and to characterize four types of areas based on the incidence of illicit crops: i) high incidence areas, ii) low incidence areas, iii) potential expansion areas, and iv) Special management areas.

¹⁰ Report made by the National Alternative Development Plan

¹¹ National Economic and Social Policy Council (CONPES is the Colombian acronym) 2734 - National Planning Department – National Planning Department Farming Development Unit (UDA is the Colombian acronym) – UJS – Ministry of Justice and Law – Ministry of Agriculture and Rural Development, National Rehabilitation Plan, National Anti-narcotics Agency, Presidential Council for Social Policy. Bogota D.C., Colombia, October 12, 1994 (Approved version)

¹² CONPES Document 2799 dated August 23, 1995

In February 1997, an evaluation was made of the National Alternative Development Plan management¹³. Conclusions indicated that, notwithstanding the obstacles derived from the fiscal adjustment policy and from the difficult public order conditions present in the areas with high incidence of illicit crops, “the PLANTE program management, coordination, and operation mechanisms were consolidated”. The consolidation of the regional coordination offices was also a plus, obtained thanks to their improved technical capacity and to their having the logistics instruments to carry out the tasks assigned.

3.2 Alternative Development, a Fundamental Pillar in the Fight against Drugs and in the Peace Policy

The Colombian Government's anti-drug policy and, in particular, the National Plan to Fight Drugs respond to the commitments that Colombia acquired in the United Nations Convention against the Illicit Traffic of Anti-narcotics and Psychotropic Substances, held in Vienna in 1988, to the Anti-drug Strategy in this Hemisphere, and to the World Action Plan approved during the special session of the General Assembly of the United Nations in June 1988.

The alternative development policy is an integral part of the peace policy and of the National Plan to Fight Drugs: Colombia 1998 – 2002. It is a fundamental pillar for the actions foreseen in Plan Colombia to totally confront the causes and manifestations of the problem, with the help of government agencies, nongovernmental organizations, organized communities, and the population at large.

Because of its characteristics and nature, it is the National Government's policy, and a position shared by the international community, to forcibly eradicate industrial cultivations of illicit crops¹⁴, whereas alternative development plans have been initiated for illicit subsistence crops substitution.

In the mentioned context, the object of the alternative development policy is to eradicate illicit subsistence crops from the national territory, ensuring that the peasants, settlers, and native Indians definitely desist from carrying out these activities for their subsistence. In addition, alternative development intends to consolidate competitive, sustainable rural development processes that ensure the population's well being, democracy, and the integration of the peasant economy zones affected by illicit crops into regional and national development dynamics.

3.3 National Alternative Development Plan Coverage and Components

The National Alternative Development Plan covers 96 municipalities in 11 Departments throughout the country: Bolívar, Caquetá, Cauca, Guaviare, Huila, Meta, Norte de Santander, Nariño, Putumayo, Tolima and Guainía (axis of the Guaviare river), as may be seen on the map below:

¹³ CONPES Document 2905 dated February 12, 1997

¹⁴ A fundamental component of the worldwide interdiction strategy

GRAPH 5

PNDA DEPARTMENT COVERAGE AND COCA CROPS

**Cobertura Dptal PNDA
Y Areas de Coca**



The National Alternative Development Plan works with five policy components:

- Institutional and Community Strengthening
- Technology and Production
- Recovery of Fragile Areas and Special Management Areas
- Infrastructure for Rural Development
- Support to Native Indian Communities

3.3.1 Institutional and Community Strengthening

This component includes all actions aimed at consolidating the decentralization process and at modernizing the municipal administrations' and native Indian reservations' management capacity. We give special importance to developing projects and activities that favor rebuilding the social fiber through supporting the organization and strengthening associations and businesses in the affected communities.

3.3.2 Technology and Production

This component is aimed at promoting and supporting the initiatives that stimulate and enable to consolidate the development of local economy and regional economy by improving the factors and conditions that make up the different sector production chains, seeking to make them competitive and sustainable.

3.3.3 Recovery of Fragile Areas and Special Management Areas

This contemplates all of the actions aimed at preserving and recovering the agro-ecological environment in which the alternative development projects are carried out, with an emphasis on economic activities that enable us to improve the affected population's income. It includes making studies and projects aimed at preserving and taking advantage of biological resources, carrying out environmental education programs and projects, and the community organization processes for natural resource management and conservation.

3.3.4 Infrastructure for Rural Development

This foresees carrying out electrical power service programs and projects and improving the infrastructure for communications and basic sanitation, which contributes to improving the population's life quality and serves as a support to achieving modernization, competitiveness, and sustainable economic activities.

3.3.5 Support to Native Indian Populations

This strategy is aimed at carrying out actions that encourage the acknowledgement of ethnic and cultural diversity, that promote strengthening the native Indian jurisdictions, and that, at the same time, contribute to strengthening processes of autonomy, planning, and consolidation of the native Indian territories. We give particular importance in this strategy to carrying out programs and projects that enable us to improve the native Indian population traditional economic and production systems by promoting and stimulating them with competitive sustainable production and commercialization processes.

3.4 Characteristics of the Zones Affected by Illicit Crops

The peasant and native Indian economy areas affected by the presence of illicit crops are mainly located in the Andes, Orinoco River, Amazonia, Pacific Coast, and Magdalena Medio regions.

The colonization of these zones began as a result of a combination of factors, among which we highlight:

- *The expulsion of the rural population affected by the phenomenon of the political party violence that shook the country from 1948 to the end of the 1950s*
- *The difficulties for rural population from the interior of the country (Andean mountain chain and inter-Andean valleys) to access production inputs and particularly land*
- *The attraction of uncultivated land*
- *The successive "bonanzas" generated in the mid 19th century by the production of the cinchona bark and rubber and during the 20th century furs and skins, timber production, petroleum exploration and production, and*
- *The successive bonanzas in the prices of coca base as of the mid 70s.*

The greatest proportion of coca crops is found in the Amazon region and specifically in the Departments of Caquetá, Guaviare, and Putumayo. The areas of the Andean mountain chain most affected by the presence of poppy crops are located at 1,800 to 3,000 meters above sea level in the Departments of Antioquia, Cauca, Huila, Nariño, Cesar, Norte de Santander and Magdalena. They correspond to low mountain forest agro-ecological formations to high Andean forest and mountains with peasant and native Indian communities settlements whose production systems correspond to traditional forms of production.

There is a predominant topography in the Andean region of gorges with more than 25% angle slopes. In spite of the fact that a good portion of the soil is fertile because it is of volcanic origin, the Lands have been constantly degraded due to inappropriate use and management and due to the high exploitation pressure implicit in mini-farming and micro farming.

A large proportion of the territory affected by the presence of poppy crops corresponds either to the nucleus or to the influence zone of the Colombian massif.

Regarding socio-economic development and environmental conditions, the described regions are generally characterized by marginality, a scanty public utilities, communications and social and community equipment infrastructure, limited access to markets, low State presence, an increase in the floating population, economic backwardness, vulnerable ecosystems and environmental deterioration, and conflict and violence.

The human settlements lie in vulnerable, fragile agro-ecological surroundings with high poverty indicators. We estimate that in the 96 municipalities that have witnessed the intervention of the national alternative development plan, 73% of the population has unsatisfied basic needs and 44% is in a situation of absolute poverty.

Peasant farming is an activity that is mostly part of a subsistence economy and it is carried out by peasants, native Indians and settlers in zones of acknowledged social, political, and economic marginality.

This implies that around 77,000 peasant, settler, and native Indian families derive and/or complement their income with illicit crops for subsistence purposes, as may be seen in the chart below:

CHART 7
Estimate Number of Families Involved in Illicit Coca and Poppy Crops
for Subsistence Purposes

COCA CROP			
TOTAL AREA CULTIVATED WITH COCA	% AREAS OF LESS THAN 3 HECTARES	TOTAL AREA WITH LESS THAN 3 HECTARES	NUMBER OF FAMILIES INVOLVED
144.807	40.7%	58.936	61,696
POPPY CROP			
TOTAL AREA CULTIVATED WITH POPPY	% AREAS OF LESS THAN 0.25 HECTARES	TOTAL AREA WITH LESS THAN 0.25 HECTARES	FAMILIES INVOLVED
4,273	90%	5,580	15,383
TOTAL NUMBER OF FAMILIES INVOLVED			77,079

This phenomenon is due to a set of factors related to: a) the effects of the fight against drug policies adopted worldwide and locally, b) the measures of interdiction, repression, and control forwarded by producer countries such as Bolivia, Mexico, and Peru, which forced crop displacement and commercialization center displacement, c) an increase in consumer countries' demand and a decrease in the production costs of better quality illicit substances (cocaine and heroine), d) the appearance of new "promissory" markets, and e) the weakening of the monopoly structure of drug trafficking, a situation that gave rise to the appearance of new types of organizations who produce, commercialize, and distribute illicit substances.

To this we must add the privileged geographic situation of this country, the escalation of the armed conflict, and the structural limitations of the regions where the crop originates and spreads. These regions mainly located in the most remote territories are characterized by high indexes of poverty, scarce communications, basic utility services, and social and community equipment infrastructure, informal economies isolated from the markets, and scarce State presence. All of these factors added up have given drug traffickers a competitive edge to develop their activities with great profits.

3.5 The Problem Identified

Notwithstanding the National Alternative Development Plan achievements, there are still two types of problems: structural ones and situational ones. The structural problems are due to the fiscal and budget restrictions of recent governments and to the high degree of backwardness and marginality in most of the geographic zones where the National Alternative Development Plan operates. The situational problems are the result of variations in the policy based on the particular conditions of the moment: the geopolitics of the social conflict that the country is suffering, difficulties in inter-institutional coordination, the evolution of the illicit crops, and the inflexibility of the intervention zones assigned to the National Alternative Development Plan.

Both of these types of problems constitute a cause-effect relationship that converges into a particularly complex problem that must be attended to in both its dimensions: the institutional policy and the alternative development policy, by acknowledging its total multi-sector nature. A global description of the problem identified is presented below.

3.5.1 National Alternative Development Plan Intervention Area Flexibility

In spite of the fact that the evolution of illicit crops is a dynamic phenomenon whose expansion is evidenced by the number of hectares cultivated and by the number of municipalities and departments in our country that suffer the problem today, the National Alternative Development Plan's restricted coverage prevents it from facing the problem in its true dimension.

3.5.2 Budget Limitations

Even though recent governments have made efforts to assign more resources to the National Alternative Development Plan, resources are still very reduced when considering the requirements and the size of the problem.

Limitations in assigning National Budget resources prevent carrying out total actions in the municipalities currently covered by the National Alternative Development Plan, much less do they allow expansion to other zones in the country with the same problem. However, thanks to steps taken, we now have some international cooperation resources available, a result of the international community's acknowledgement of its shared responsibility in the drug problem.

International cooperation resources have enabled us to strengthen National Alternative Development Plan investments in the performance of production and complementary projects and in providing technical assistance and training services. Even so, the resources are not sufficient to respond to the needs that Colombia has in this area.

The limitation of our own resources also prevents the National Alternative Development Plan from channeling new international cooperation resources, as it cannot make the counter contributions that, in some cases, the donors demand.

3.5.3 Insecurity in the National Alternative Development Plan Coverage Zones

The situation of insecurity makes institutional action and peasants and native Indians participating in the identification processes and in carrying out the alternate development processes difficult.

3.5.4 Financing Instrument Rigidity

The National Alternative Development Plan has several financing instruments that enable it, on one hand, to support the creation and strengthening of companies for the production, transformation, commercialization, and distribution of goods and services by contributing the risk capital through

Farming and Livestock Company Incubator (INCUAGRO is the Colombian acronym) and, on the other hand, to finance short-, mid- and long-term production projects and complementary infrastructure projects for rural development, technology transfer, institutional strengthening, and the recovery of fragile areas and environmentally important areas.

However, the National Alternative Development Plan has met with great difficulties when trying to complement these instruments with those foreseen in the sector policies. That is because they are rarely adequate in terms of amounts or eligible activities due to the particular characteristics of the production systems and to the idiosyncrasies of development in regions where illicit crops are present and used for subsistence purposes.

3.6 Institutional Achievements

Among the main achievements of the National Alternative Development Plan, we highlight the creation of two financing instruments: the Business Capitalization Instrument, and the Association and Community Group Support System (IAGAC is the Colombian acronym).

Through the Business Capitalization Instrument, INCUAGRO Sole Proprietary Business was constituted for the purpose of giving support by supplying resources, creating and strengthening businesses for the production, transformation, commercialization, and distribution of goods and services that enable creating legal opportunities to generate income, promoting employment opportunities, and improving the living conditions of the population located in the National Alternative Development Plan influence zones.

The creation of INCUAGRO contributes to:

- Creating legal opportunities to generate income in zones affected by illicit crops
- Promoting employment opportunities and improving the living conditions of the population located in zones affected by illicit crops
- Promoting the development of business culture in the National Alternative Development Plan intervention zones, with ethical principles that foster equality, solidarity, and participation.

During 2001, the National Alternative Development Plan appropriated resources in the amount of 11, 257,000,000 Colombian pesos for INCUAGRO capitalization.

Simultaneously, work was done on identifying a portfolio to enable us to carry out projects for yucca starch in the Departments of Cauca and Huila, for red bell pepper in the South of Bolivar, for cattle for raising and husbandry in the South of Bolivar, and for plantain and citric fruits in Meta.

The Association and Community Work Support Instrument (IAGAC), enables us to promote the consolidation of traditional production activities, by financing technology transfer and development, production and commercialization, work capital, and equipment and infrastructure projects, and by supporting the organization and consolidation of the producers in the National Alternative Development Plan zones. This instrument contributes to:

- Improving legal production activities that generate income in the zones affected by illicit crops.
- Promoting the creation of employment and the improvement of the living conditions of the population located in the zones affected by illicit crops.
- Channeling important international cooperation technical and financial resources aimed at financing alternative development plans and projects.

It is worth highlighting the following projects as important experiences in applying the instrument (IAGAC):

- Development and processing *Guilielma speciosa* palm trees (*chontaduro* is the Colombian name) in the Department of Putumayo, with an accrued investment of COP\$ 2,500,000,000. The project is carried out by 5 associations that make up Agroamazonia and it groups 400 peasant families.
- Development and recovery of rubber crops in the influence region of the Caquetá and Orteguzza rivers in the Department of Caquetá, benefiting 438 families with a total investment of COP\$ 12,384,000,000.
- Installation of 1,000 hectares of African oil palm trees in the municipality of Tibú, Department of Norte de Santander, for the benefit of 133 families, with a total investment of COP\$ 9,783,000,000.
- Sowing 1,800 hectares of cacao, in an agro-forest arrangement. This project benefits 800 families in the municipalities of Arenal, Cantagallo, Morales, Rio Viejo, San Pablo, Santa Rosa, and Simiti in the Department of Bolivar, with a total investment of COP\$ 9,234,000,000.

Another achievement that deserves special mention is the decided support that the National Alternative Development Plan has received from international cooperation governments and agencies. Thanks to the contribution of their technical and financial resources, the Plan has been able to strengthen its intervention in the native Indian and peasant communities affected by subsistence illicit crops.

A summary of the resources received for this concept is shown below:

CHART 8

INTERNATIONAL COOPERATION RESOURCES RECEIVED		
Source	Period	US\$ Value
USAID	1999-2005	104,360,000
UNDCP	1996-2002	6,500,000
PEOPLES REPUBLIC OF CHINA	1997-1998	719,500
IADB JAPANESES FUND	1997	350,000
JAPAN – UNDCP	2001	253,945
OAS – IADACC	1998-2002	491,000
REPUBLIC OF KOREA	1996	110,000
UNDCP	1997-1999	200,000
FRANCE	1998-1999	66,250
TOTAL		113,050,695

In addition to the above- described, during the 1998 – 2001 period, the National Alternative Development Plan has:

- Generated more awareness in the peasant and native Indian communities regarding the need to eradicate illicit crops throughout the national territory.
- Generated and strengthened meeting spaces with the peasant and native Indian communities to define alternative development actions and voluntary eradication of illicit crops.
- Achieved detailed knowledge of the structural characteristics and of the socio-economic and cultural dynamics in the regions and municipalities that it covers.
- Substantially improved the capacity of peasant and native Indian organizations to manage and carry out projects.
- Strengthened inter-institutional coordination with the Colombian National Police, and the Colombian National Anti-Narcotics Agency.
- Benefited 54,551 families with production projects and complementary projects.
- Set up 37,758 hectares with production projects.
- Built 3,259 waterworks connections.
- Built or recovered 227 rural schools.
- Reconditioned 2,650 kilometers of tertiary roads.
- Built 4,028 electrical energy interconnection points.
- Built 666 sewer connections.
- Built 37 sports centers.
- Benefited 470,000 persons with health and education services.
- Signed 33 Alternative Development Social Pacts in the Department of Putumayo, 31 with peasant communities and 2 with native Indian populations. These pacts have committed near 30,000 families to eradicating illicit crops in their Department.

3.7 1998 - 2001 Budget

The chart below summarizes the National Alternative Development Plan budget allotment during the 1998 – 2001 period.

CHART 9

Summary of the Budget Allotted to the PLANTE Fund during the 1998-2001 Period				
In Million Colombian Pesos				
Item	Term			
	1998	1999	2000	2001
I. Operating Expenses	978.57	1,594.98	1,067.63	1,989.89
II. PLANTE Fund Investment	39,327.51	19,181.50	14,474.10	15,000.00
III. National Budget Resources in Other Agencies	5,818.62	2,360.99	4,129.72	21,000.00
III. International Cooperation and Donation Resources	2,335.13	2,803.13	3,410.61	75,120.73
Subtotal PLANTE Investment	47,481.27	24,345.62	22,014.43	111,12.73
Total Investment + Operation	48,459.84	25,940.60	23,082.06	113,110.62

3.8 New Alternative Development Policy Guidelines and Action Lines

In order to overcome the problems identified and achieve institutionalizing alternative development as a State policy, the National Alternative Development Plan Agency, with the support of the National Planning Department, created a document that will be submitted to the consideration of the National Economic and Social Policy Counsel (CONPES is the Colombian acronym).

This proposal is justified by the progress made by the National Alternative Development Plan, particularly the advances regarding building human capital and strengthening peasant and native Indian organizations, as well as the knowledge that it has acquired on the limitations and the characteristics of each region.

The proposal also acknowledges weaknesses in the peasant and native Indian community production systems, the problem derived from the increase of illicit crops in Colombia, and the need to support the efforts undertaken to achieve peace and counterattack the conditions that contribute to generating violence.

With these bases, we still need to adapt and fine-tune the strategies and the instruments that the Agency has, to ensure more impact on institutional management.

We have given particular importance in this proposal to aspects related to broadening the coverage assigned to the National Alternative Development Plan, and the establishment of permanent inter-institutional coordination mechanisms to ensure the appropriate, timely concurrence of the responsible entities in the total development of the regions affected by the subsistence illicit crops.

In addition, measures are proposed that enable us to make the National Alternative Development Plan management and financing instruments more flexible, in order to tailor them to the specific development needs and characteristics of each region.

Action Lines

A. Making the Coverage Flexible

Making the coverage flexible will enable the National Alternative Development Plan to annually define the municipalities where it will concentrate its intervention.

To make this choice, the following criteria will be taken into account:

- Budget availability to attend the areas selected.
- Municipalities with most illicit crops for subsistence purposes.
- The number of peasant and native Indian families affected by the problem.
- The territorial authorities' and the affected families' willingness and commitment to voluntarily and definitively eradicate illicit crops and to forward alternative processes.

B. Geographic and Population Concentration

The geographic and population concentration prevents the government effort from dispersing, and ensures the effectiveness and positive impact of the actions carried out, as it channels the promised contributions to a common end and favors the creation of scale economies. In addition, it enables us to adapt institutional intervention to the specific development needs of each locality.

To optimize the use of available human institution and financial resources, the National Alternative Development Plan will define its intervention priorities based on the following classification:

- High incidence areas
- Low incidence areas
- Potential expansion areas
- Special management areas

C. Inter-institutional Coordination

Given the total multiple sector nature of the alternative development policy, it is necessary to guarantee its effective coordination and, the concurrence of National level entities who have jurisdiction over this matter.

As a result of the coordination process, we intend to initiate a National Alternative Development System to enable us to:

- Establish mechanisms that ensure the integration of the alternative development policy into the national government macroeconomic and sector policies
- Concur in financing alternative development plans and projects,
- Enter into strategic alliances to guarantee the continuity and institutionalization of the alternative development programs and projects.
- Provide technical assistance and accompaniment to the territorial entities and to the native Indian populations.
- Follow up and permanently monitor the development of those programs and projects and propose the adjustments considered convenient.

D. Alternative Development Management Decentralization

Pursuant to the legal and administrative planning set forth in the Political Constitution, the Departments, as State intermediate coordination bodies, carry out a determining function in the processes of gathering, planning, following up on, and carrying out the alternative development plans and projects. In addition, we hope that, by virtue of the principals of being subsidiary and complementary, they will concur with the municipalities under their jurisdiction to support the institutional strengthening and local development processes.

The departments are also able to decisively support the creation of strategic alliances to establish meeting points that enable uniting resources and knowledge to solve the specific problems in defined geographic zones.

As fundamental entities in the State's political – administrative division, municipalities must provide the public utilities determined by law, build the works that local progress demands, plan the development of its territory, promote community participation and the social and cultural improvement of its inhabitants, and perform the other functions that it is assigned through the Constitution and by law.

Within this framework, the leadership of the Mayor and of the municipal authorities is an indispensable condition for the success of the alternative development plans and projects carried out within the municipal territory. And this process must culminate in the voluntary, definitive eradication of illicit crops for subsistence purposes.

E. Making the Finance Instruments Flexible

The National Alternative Development Plan will try to unify its financing policy no matter what resources nurture it.

The actions aimed at this perspective will further enable the National Alternative Development Plan to make the financing instruments that it has available more flexible and to adapt them to the idiosyncrasies of each region, to the characteristics of the peasant and native Indian communities production systems, and to development priorities in the zones affected by illicit crops for subsistence purposes.

The National Alternative Development Plan intervention model contemplates that the organization of the actions and the destination of the resources for the different intervention zones be specified in regional alternative development plans (RADP).

The actions foreseen in the RADP are concretely the identification and execution of short-, mid-, and long-term production projects and complementary infrastructure, social equipment, technology transfer projects, etc.

Due to the importance of economic factors in the peasants' and native Indians' decision to cultivate illicit crops, the National Alternative Development Plan will give special importance to financing short-, mid-, and long-term production projects.

The object of a short-term production project is to guarantee peasant and native Indian families their subsistence and some surplus to sell on the market, while regional alternative development plans are being created and mid-term and long-term production projects are being identified to guarantee these families a permanent, stable income. Mid-term and long-term production projects are aimed at encouraging socioeconomic development with competitive activities of a regional nature.

Simultaneously, the investments that promote the technical and financial strengthening of the peasant and native Indian organizations will have priority as well as those that improve their management capacity. We are convinced that, to a great extent, the continuity of the actions and achieving the objectives proposed depend greatly on such investments.

F. Total Information, Monitoring, Follow-up, and Evaluation System

The activities foreseen in this line of action are aimed at consolidating the process initiated by the National Alternative Development Plan in turn, aimed at modernizing and integrating the information systems. That is why there will be continuity in the equipment provision process, in the structure of networks and telecommunications, and in alphanumerical and geographic information systems, at both central and regional levels.

The infrastructure mentioned will enable us to have timely, appropriate information available for decision-making, especially in monitoring, follow up and evaluation activities for plans and projects carried out and for proposed goals met.

4. CONTROL OF TRAFFICKING AND DIVERSION OF CHEMICAL AND PHARMACEUTICAL SUBSTANCES (1988 Vienna Convention, Articles 12 and 13)

4.1 CHEMICAL SUBSTANCES USED BY THE INDUSTRY IN GENERAL

4.1.1 Seizure of Chemical Precursors

During 2001, we verified a growing trend in the number of seizures of most of the chemical precursors used to extract and refine narcotics as compared to the two previous years. Liquid precursor seizures increased 24.5% as compared to the year 1999 and of 51% as compared to the year 2000. Solid precursor seizures showed a similar trend; they increased 38% and 43.9% as compared to 1999 and 2000, respectively.

CHART 10
Chemical Substances Seized from 1999 to 2001

SUBSTANCE	1999	2000	2001	TOTAL
SOLIDS	988,666	948,063	1,342,289	3,279,018
LIQUIDS	1,182,550	974,842.8	1,482,640	3,640,328

Source: Colombian Drug Information System (SIDCO is the Colombian acronym), Colombian National Anti-narcotics Agency. Consolidated information of the Armed Forces, the National Police, Security Administration Department (DAS)

If we start with the assumption that there is a direct relation between the quantity of seized substances and their use in the illegal drug industry, then we may infer, based on Chart # 9, that substances such as methyl isobutyl ketone, methyl ethyl ketone, and di-acetone alcohol, are practically not being used in the illegal drug industry. Just the opposite occurs with acetone, which has increased in recent years to reach in 2001 twice the amount seen the year before. The same phenomenon can be seen in the case of the aliphatic solvents of which aliphatic solvent #1 is still the one preferred; its 275% increase as compared to the year 2001 well illustrates this fact.

CHART 10.1
CHEMICAL SUBSTANCES SEIZED

Gallons of Substance	1999	2000	2001	TOTAL
ACETONE	440,219	236,214	408,626.3	1,085,059.3
DI-ACETONE ALCOHOL	0.00	0.00	0.00	0.00
METHYL ETHYL KETONE	23,356	18,285	2,820	44,461
METHYL ISOBUTYL KETONE	14,540			14,540
ALIPHATIC SOLVENT #1	49,497	30,778.8	115,143	195,418.8
ALIPHATIC SOLVENT #2	1719	1009	1485	4213

Source: Colombian Drug Information System (SIDCO), Colombian National Anti-narcotics Agency. Consolidated information of the Armed Forces, the National Police, DAS.

As to strong acids, during the last two years we have verified an upward trend in seizures. In 2001 sulfuric acid seizures increased 22%; hydrochloric acid seizures increased more than 100%. What is important to highlight in this point is that during the last two years there were more seizures of sodium chloride and of potassium chloride, which are non-controlled substances that can be used in the

clandestine manufacture of hydrochloric acid or in the manufacture of hydrogen chloride that can be directly used to obtain hydrochloride. Thus, the supply of hydrochloric acid would be ensured not only through diversion or open contraband but also through clandestine production.

CHART 10.2
CHEMICAL SUBSTANCES SEIZED

SUBSTANCE	1999	2000	2001	TOTAL
HYDROCHLORIC ACID Gallons	37,917	16,459.1	33,482	87,858
SULFURIC ACID Gallons	75,807	52,406.64	63,894.9	192,108.54
SODIUM CHLORIDE Kg	27,654	17,046	30,544	75,244
POTASSIUM CHLORIDE Kg	2,290	4,766	1,456	8,512

Source: Colombian Drug Information System (SIDCO), Colombian National Anti-narcotics Agency. Consolidated information of the Armed Forces, the National Police, DAS.

On the other hand, it seems as if isobutyl alcohol is not being used to dissolve hydrochloric acid, because in the last three years there have been no seizures of this substance. It is possible that in this stage of the process other alcohols are being used: ethyl, isopropyl or methyl, for all of which there were numerous seizures during the same period.

CHART 10.3
CHEMICAL SUBSTANCES SEIZED

SUBSTANCE in Gallons	1999	2000	2001	TOTAL
ISOBUTYL ALCOHOL	0	0	0.79	0.79
ETHYL ALCOHOL		2,230	602	2,832
METHYL ALCOHOL	71,077	3,727	782.2	75,586.2
ISOPROPYL ALCOHOL	15,683	1,833	4,335	21,851
BUTYL ALCOHOL	200	2,263.2	10	2,473.2

Source: Colombian Drug Information System (SIDCO)-, Colombian National Anti-narcotics Agency. Consolidated information of the Armed Forces, the National Police, and DAS

Regarding the strong bases most used in processing alkaloid extractions, statistics show that sodium hydroxide (a non-controlled substance) has been on the increase. It is worth highlighting that since 1990 near 1,250,000 kg. have been seized.

As far as ammonia is concerned (ammonium hydroxide), in 2001 the seized volume decreased almost 30%; however, the seizures of urea grew (approximately 490% as compared to the year 2000) and this substance may be used as a raw material to produce ammonia or as a fertilizer for illicit crops.

CHART 10.4
CHEMICAL SUBSTANCES SEIZED

SUBSTANCE	1999	2000	2001	TOTAL
AMMONIA SOLUTION Gallons	32,798	40,732.82	27,084	100,614.82
POTASSIUM HYDROXIDE Kg.	485	1,425		1,910
SODIUM HYDROXIDE Kg.	71,748	69,100	111,540.2	252,388.2
UREA Kg.	62,685	37,995	224,994	325,674

Source: Colombian Drug Information System (SIDCO), Colombian National Anti-narcotics Agency. Consolidated information of the Armed Forces, the National Police, and DAS

During 2001, among the few pure substances for which the number of seizures decreased, we mention potassium permanganate (approximately 30% less pure substance than the previous year). This is most certainly due to intensified controls during Operation Purple, both nationally and internationally. We observed a slight trend toward diversification in the use of oxidants and toward the clandestine manufacture of potassium permanganate. Along these lines, we must highlight that for the first time potassium dichromate was seized, a substance with oxidant properties. In addition we observed an increase in the number of seizures of sodium hypochlorite and potassium manganate, precursors used for the clandestine production of potassium permanganate.

CHART 10.5
CHEMICAL SUBSTANCES SEIZED

SUBSTANCE	1999	2000	2001	TOTAL
POTASSIUM PERMANGANATE SOLUTION Gallons		5,527	12,965	18,492
POTASSIUM PERMANGANATE Kg.	71,193	70,801	50,166	192,160
SODIUM PERMANGANATE Kg.	404			
POTASSIUM DICROMATE Kg.			20	
POTASSIUM MANGANATE Kg.		11,000	1,455	12,455
SODIUM HYPOCHLORITE SOLUTION Gallons		493	2,750	3,243
SODIUM HYPOCHLORITE Kg.			4,208	4,208

Source: Colombian Drug Information System (SIDCO), Colombian National Anti-narcotics Agency. Consolidated information of the Armed Forces, the National Police, and DAS

The increase in the seizures of sodium sulfate and calcium chloride (8,577 Kg and 98,629 Kg from 1999 to 2001, respectively,) possibly indicates an increase in the solvent drying processes, especially in the formation of hydrochloride. It is possible that sulfate is also being used to recycle solvents. This analysis makes sense because distilling equipment has been found in most of the extraction and refining complexes.

Apparently the initial alkaloid extraction process has not changed. In the last three years we have noticed a continuous increase in cement and controlled fuels seizures, possibly due to how easy it is for drug traffickers and processors to obtain these substances either by diverting them from their legal uses or by entering them at the borders with neighboring countries as open contraband.

CHART 10.6
CHEMICAL SUBSTANCES SEIZED

SUBSTANCE	1999	2000	2001	TOTAL
GASOLINE Gallons	163,960	273,415	532,008	969,383
PETROLEUM Gallons	34,257	24,004	42,224	100,485
DIESEL Gallons	8,455	85,931.32	91,535	185,921
CEMENT Kg.	142,818	197,686	497,256.5	837,760.5

Source: Colombian Drug Information System (SIDCO), Colombian National Anti-narcotics Agency. Consolidated information of the Armed Forces, the National Police, DAS

The preference for using sodium carbonate over other carbonates still holds true. However, during 2001 there was a trend toward diversification in the use of alkaline salts because different substances were seized that enable the initial extraction of the alkaloids.

CHART 10.7
CHEMICAL SUBSTANCES SEIZED

SUBSTANCE	1999	2000	2001	TOTAL
SODIUM CARBONATE Kg.	566,356	298,010	59,521	923,887
SODIUM BICARBONATE Kg.	52	4,037	8,538	12,627
CALCIUM OXIDE Kg.	24,707	49,783	155,496	229,986
CALCIUM ANHYDRIDE Kg.			198	198
CALCIUM CARBONATE Kg.			255	255
POTASSIUM CARBONATE Kg.			30	30

Source: Colombian Drug Information System (SIDCO), Colombian National Anti-narcotics Agency. Consolidated information of the Armed Forces, the National Police, DAS

Different from previous years, during 2001 there were ammonium chloride seizures. It is used to adjust the pH in the morphine extraction process. Also, we observed acetic acid seizures. This is a substance that on its own does not serve to acetize morphine into heroine, but the seizures indicate that it is being used to substitute ammonium chloride. In 2001 statistics for activated carbon appeared. This substance is used to extract organic pigments when refining cocaine and heroine. And in 2001 to, we observed higher figures for acetic anhydride seizures, as a result of the initiation of Operation Topaz.

CHART 10.8
CHEMICAL SUBSTANCES SEIZED

SUBSTANCE	1999	2000	2001	TOTAL
ACETIC ANHYDRIDE Gallons	2,620	72.6	2,868	5,561
ACTIVATED CARBON Kg.			84,141	84,141
AMMONIUM CHLORIDE Gallons			450	450
ACETIC ACID Gallons			55	55

Source: Colombian Drug Information System (SIDCO), Colombian National Anti-narcotics Agency. Consolidated information of the Armed Forces, the National Police, and DAS

The diversity of solvents used for both extraction and refining of alkaloids did not decrease in the years included in this study. However, with the exception of acetone, we perceived a decrease in the seizures of organic solvents imported into Colombia and an increase in the seizures of aliphatic solvent #1 and thinner, substances manufactured in Colombia.

CHART 10.9
CHEMICAL SUBSTANCES SEIZED

SUBSTANCE in Gallons	1999	2000	2001	TOTAL
BUTYL ACETATE	6,270	124	3,458	9,852
ETHYL ACETATE	25,812	20,120.4	6,152.8	52,085.2
ISOPROPYL ACETATE	1,680	246	0.00	1,926
CHLOROFORM	122	385	0	507
ETHYL ETHER	54,421	17,887.5	14,264	86,572.5
HEXANE	9,502	1,188	0	10,690
THINNER	58,820	20,649	26,640	106,109
TOLUENE	24,566	3,515.5	5	28,087

Source: Colombian Drug Information System (SIDCO), Colombian National Anti-narcotics Agency. Consolidated information of the Armed Forces, the National Police, and DAS

In addition to analyzing the seizures and possible trends in the illegal use of the most common chemical substances used in drug production, in the reports sent by the Colombian Drug System control authorities (SIDCO), we have observed the seizure of a series of chemical substances that have no known use in the extraction and refining of alkaloids or that could not be classified. Apparently they are being used in the production of illicit crops.

CHART 10.10
CHEMICAL SUBSTANCES SEIZED

SUBSTANCE	1999	2000	2001	TOTAL
SULFUR Kg	0	68	0	68
CALCIUM CHLORIDE Kg.	7,371	34,273	56,986	98,629
AMMONIUM NITRATE Kg	0	0	2,390	2,390
POTASSIUM NITRATE Kg	0	0	2,150	2,150
SODIUM NITRATE Kg	0	0	1	1
ZINC OXIDE Kg	0	200	0	200
METHYLENE CHLORIDE Gallons	110	0	12	122
OTHER SOLID PRECURSORS Kg	3,546	150,904	58,200	212,650
OTHER LIQUID PRECURSORS Gallons	29,142	115,245.9	79,711	224,099

Source: Colombian Drug Information System (SIDCO), Colombian National Anti-narcotics Agency. Consolidated information of the Armed Forces, the National Police, and DAS

4.1.2 Operation Topaz

In compliance with the agreements made with the international community, the National Anti-narcotics Agency, in its condition as coordinating body, initiated the development of Operation Topaz with a study to determine the needs for acetic anhydride for legal industry. To do so, it made technical visits to 91 companies, during which the veracity of the transactions and of the buyers records was established.

Based on the study results, the following administrative type controls were made:

CHART 11
COMPANIES VISITED

Total number of companies visited: 91

RESULT	Number of companies
Keep their limit	35
Reduce their limit	21
Exclude them from certification	11
Renewed their certifications	14
Voided certifications	2
In process of voiding	5
Increase their limit	2
DNE abstained from issuing the certificate	1
Total	91

From the above, we may conclude that authorized industries are importing acetic anhydride for their own use exclusively from the United States and Mexico because there is no distribution of acetic anhydride for industrial use in Colombia. Also, we may conclude that most of the acetic anhydride in our country is

imported to produce salicylic acetic acid and acetaminophen, the main components in Aspirin and Acetaminophen, respectively.

Within the framework of said operation, inter-institutional coordination was strengthened through the Operational Technical Action Group (GATO is the Colombian acronym) made up of the agencies in charge of controlling chemical substances and in charge of communicating with the international authorities involved in their control at bilateral and multilateral levels, for the purpose of verifying movements. In addition, a training process for the industry and for the control agencies was initiated in order to illustrate the manners in which to use this substance and to divert it toward the illegal industry.

4.1.3 Operation Purple

In compliance with the World Action Plan approved by the United Nations Assembly in June 1988 and the Action Plan for Chemical Substances, Colombia has been carrying out strategies aimed at effectively controlling potassium permanganate. Along these lines, we can affirm that Colombia has real effective control on the legal use of this substance. By identifying the legal needs, thanks to a study made the year before, today it is possible to assign limits to the companies in a very accurate fashion and to do continuous follow-up on the use of this substance.

A timely response to the advance notifications received from the exporter countries has prevented the entry of a large quantity of tons of potassium permanganate, among which it is worth highlighting the cargo of 30 tons coming from China to a legally organized company that had no knowledge of the transaction.

4.1.4 Operation Thinner

The National Anti-narcotics Agency in coordination with the Anti-narcotics Police Precursors Control Group started a pilot study in the city of Bogota called OPERATION THINNER, aimed at determining the market, the users, and the real formulas of this substance within our country, in addition to defining the quality that the companies who recycle these substances must use.

The pilot study enabled us to conclude that most of the sales are made for extra fine, fine, and normal thinner, in which toluene and methanol are the most common controlled substances in the current formulas. The most used acetates are isobutyl, ethyl, and n- propyl, respectively. No consumption of MEK or MIBK is reported in acrylic thinner.

It is worth highlighting that isopropyl alcohol is only used in acrylic thinner formulas, ethyl acid does not appear on most of the formulas, which could indicate a possible diversion to the illegal industry.

4.1.5 Preventive Type Control

In order to have a joint view for administrative control with the institutions, the Agency initiated a process of visits to the Certification user companies. During 2001, 83 companies were visited for the purpose of accompanying them in their self-control, self management and team work processes. In addition to

verifying the above-described information, these visits enabled us to amply know the production processes carried out and to exchange experiences in order to adapt controls to existing regulations.

➤ Semester Reports

The National Anti-narcotics Agency designed an application to give better use to the information contained in the **semester reports** submitted by the Certification user companies. This information enables us to cross-reference information regarding controlled chemical substance purchasing, distribution, consumption, importation, production, and storage and to keep updated on national market trends.

➤ Commercialization of Seized Substances

Due to the elevated volumes of controlled substances seized stored in different points of the national territory and in order to minimize the environmental risks that their destruction could incur, the National Anti-narcotics Agency implemented a mechanism to sell the substances in the national industry that consumes them directly in their processes.

CHART 12

SALE OF CONTROLLED SUBSTANCES IN 2001	
Substances	Kg
Butyl Acetate	17,640
Hydrochloric Acid	6,800
Sulfuric Acid	109,218
Sodium Carbonate (Bogota)	5,240
Sodium Carbonate (Bogota)	13,000
Sodium Carbonate	18,240
Solvent No. 1	4,268
Mixture of Acetates	11,878
Potassium Permanganate	41,250
Thinner	2,809

4.1.6 Final Disposal of Chemical Substances

During 2001, approximately 33 tons of seized sulfuric acid was converted into aluminum sulfate that was used to purify the waters of the Villavicencio (Department of Meta) aqueduct.

28,776 Kg of controlled substances were destroyed using technical processes, because these controlled substances were stored in regions that were difficult to access. That made moving them and storing them in appropriate warehouses or using them in production processes impossible. Also, 78,481.7 Kg of said substances were donated to academic institutions and to State companies.

4.1.7 Chemical Substances Entered through Importations

During the past three years, we have not seen important changes regarding the importation of controlled chemical substances for the legal Colombian industry. Almost all of the substances that enter Colombia come from no more than four countries. From 1999 to 2001, the United States supplied our country with near 46% of all of the controlled chemical substances (19 different substances), Trinidad and Tobago with near 37% and Rumania with 10.5%, whereas in the past two years Bulgaria has increased its supply of controlled substances to Colombia representing 4.3%. It is interesting to note that the remaining 2.75% is shared among some 21 countries.

CHART 13
CHEMICAL SUBSTANCE IMPORTS BY COUNTRY OF ORIGIN
1999-2001

PAIS	1999	2000	2001	COUNTRY TOTAL
UNITED STATES	94.467.785,19	100.647.773,24	109.118.341,13	304.233.899,56
TRINIDAD AND TOBAGO	74.258.699,50	83.767.813,00	87.638.398,00	245.664.910,50
RUMANIA	26.500.650,00	25.000.400,00	18.594.000,00	70.095.050,00
VENEZUELA	5.296.817,60	945.028,62	584.758,32	6.826.604,54
BULGARIA	4.001.322,00	10.380.125,00	14.311.527,00	28.692.974,00
THE NETHERLANDS (HOLLAND)	1.554.768,60	1.157.760,00	1.378.758,00	4.091.286,60
MEXICO	962.509,80	1.024.615,48	977.586,61	2.964.711,89
BRAZIL	702.641,44	602.404,00	104.826,09	1.409.871,53
CHINA	615.850,00	235.000,00	15.692,20	866.542,20
GERMANY	353.102,58	674.592,64	47.626,32	1.075.321,54
ARGENTINA	262.778,00	199.965,00	2.800,00	465.543,00
REPUBLIC OF SOUTH KOREA	200.010,00	3,27		200.013,27
BELGIUM	40.480,00	134.362,00	1.636,20	176.478,20
HONG KONG	15.000,00			15.000,00
ECUADOR	8.691,95	7.941,88		16.633,83
SPAIN	5.845,00	1.045,00	1,00	6.891,00
SWITZERLAND	349,36	5,79	17,15	372,30
UNITED KINGDOM	125,00	1.803,00	1.655,18	3.583,18
SWEDEN	18,62			18,62
ITALY	10,00	104,00	288,00	402,00
CANADA	0,90		538,65	539,55
REPUBLIC OF SOUTH AFRICA		54.000,00		54.000,00
AUSTRIA		43,84		43,84
PORTUGAL		10,00		10,00
FRANCE		3,00	2.229,00	2.232,00
TOTAL	209.247.455,54	224.834.798,76	232.780.678,85	666.862.933,15

Source: National Tax and Customs Agency (DIAN)

Consolidated by the Colombian Drug Information System (SIDCO)

Regarding the analysis of the imports by substance, there were no important changes over the past three years. The number one controlled substance that entered our territory from 1999 to 2001 was sodium carbonate, with a 55% majority volume-wise; it came mostly from Rumania. In number two place we have ammonia from Trinidad and Tobago, with 39%. The remaining 6% of the imports correspond to 19 controlled substances that entered from different parts of the planet.

Although Mexico exported to Colombia less than 1% of the controlled chemical substances that entered our territory, it is interesting to mention that an important volume of acetic anhydride comes from that country.

CHART 14

IMPORTS BY SUBSTANCE

SUBSTANCES	1999	2000	2001	TOTAL
SODIUM CARBONATE	108.029.646,01	129.609.773,20	126.778.927,25	364.418.346,46
AMMONIA	88.148.628,63	83.770.473,87	87.652.560,44	259.571.662,94
ISOPROPYL ALCOHOL	3.771.960,99	3.760.021,04	4.054.270,88	11.586.252,91
METHYL ETHYL KETONE	3.289.906,57	3.083.408,84	3.763.589,94	10.136.905,35
ETHYL ACETATE	178.621,60	481,80	5.867.332,70	6.046.436,10
BUTANOL	1.312.733,11	1.475.942,97	1.958.311,03	4.746.987,11
ACETIC ANHYDRIDE	1.766.171,65	1.219.073,79	1.237.884,52	4.223.129,96
METHANOL	1.553.096,22	980.556,25	610.170,22	3.143.822,69
ACETONE	387.258,10	371.307,79	460.536,18	1.219.102,07
METHYL ISOBUTYL KETONE	288.016,10	99.462,43	61.394,10	448.872,63
THINNER	64.715,89	190.144,73	157.863,39	412.724,01
HEXANE	149.636,15	124.475,87	103.403,80	377.515,82
ISOPROPYL ACETATE	123.195,20	77.374,79		200.569,99
POTASSIUM PERMANGANATE (SOLID)	132.044,20	16.134,41	15.011,74	163.190,35
SULFURIC ACID	22.429,08	20.426,17	21.683,33	64.538,58
HYDROCHLORIC ACID	17.172,96	22.459,04	24.057,79	63.689,79
CHLOROFORM	7.213,29	8.711,35	11.297,60	27.222,24
ETHYL ETHER	1.658,74	2.017,60	1.477,07	5.153,41
TOLUENE	1.730,24	2.442,24	785,71	4.958,19
DI-ACETONE ALCOHOL	1.588,60			1.588,60
BUTYL ACETATE	32,21	110,58	121,15	263,94
TOTAL	209.519.985,37	225.036.120,54	232.789.045,03	667.339.150,94

Source: National Tax and Customs Agency (DIAN)
Consolidated by the Colombian Drug Information System (SIDCO)

4.1.8 Advance Notifications

During 2001, 56 advance notifications were received and answered before exporting controlled chemical substances. Most corresponded to Germany (32), Holland (12), and the United States (4). The others were from China (3), Spain (3), Belgium (1), and the United Kingdom (1).

Of the above advance notifications, five (5) were answered as being "Inconvenient" due to the fact that the following irregularities:

CHART 15
“INCONVENIENT” NOTIFICATIONS

COUNTRY	NUMBER OF NOTIFICATIONS	SUBSTANCE AND QUANTITY	COMMENTS
China	1	Potassium Permanganate, 30,000 kg	Illegal use of the name of a legally organized firm in Colombia
Spain	1	Potassium Permanganate, one (1) kg	The company does not have a permit to handle or import potassium permanganate.
Germany	1	Sulfuric Acid, 110.4 Kg	The importer company was filling out papers for a quantity larger than the one authorized.
Germany	1	Acetone, 2.1 Kg	The company that appeared as importer confirmed that it had not filled out any papers to import that substance.
Spain	1	Potassium Permanganate, 23 kg	The company does not have a permit to handle or import potassium permanganate.

For Operation Purple substances, nine (9) advance notifications were received of which three (3) were answered as being “Inconvenient”. For Operation Topaz substances, six (6) advance notifications were received that were qualified as “Convenient”.

4.2 CONTROL OF SUBSTANCES USED IN THE PHARMACEUTICAL INDUSTRY

Trough its National Anti-narcotics Fund, Special Administration Unit, under the Ministry of Health, Colombia has been developing a series of tools and procedures that have enabled it to respond to the commitments it has acquired regarding chemical substances and pharmaceutical products by virtue of the different effective instruments existing on the topic referred to in the 1961 United Nations Sole Convention on Anti-narcotics, the 1971 United Nations Convention on Psychotropic Substances, and Chart I in the 1988 United Nations Convention against the Illegal Traffic of Narcotics and Psychotropic Substances.

Along these lines, controls are made that include general market regulation based on the real scientific and medical needs within the country, their importation, the inventory of persons and companies authorized to use said substances, and permanent follow-up on their storage, converting, distribution, and destruction.

Said procedures are justified by carrying out the following processes: registration with the National Anti-narcotics Fund (FNE is the Colombian acronym) or with the Regional Health Secretariats, pharmaceutical laboratories, distributors, fragrances and scents industries, drugstores, hospitals, and clinics; assignment of allotments to guarantee handling a global limit, using medical and scientific criteria, and the distribution of this limit for controlled substances and controlled medicine to the registered institutions; imports and exports within the limits of the total allotments requested and authorized; converting control, where the controlled active substance used in manufacturing medicine is verified and inspected in duly authorized laboratories; distribution supervision and monthly consumption reports; consolidation of the information contributed by the pharmaceutical industry and raw materials

and special control medicine destruction control. Each one of these procedures is supervised by a National Anti-narcotics Fund official.

In addition to strengthening this Fund's control and supervision of special control substances, applying these methods ensures their rational use, which in turn guarantees appropriate availability, to meet the legitimate needs of the health systems, under controlled conditions.

CHART 16
STATE-MONOPOLIZED MEDICINE
OF NATIONAL ANTI-NARCOTICS FUND HANDLED MONOPOLIZED MEDICINE

(Grams)

SUBSTANCE	1999		2000		2001	
	ALLOTMENT	IMPORTATION	ALLOTMENT	IMPORTATION	ALLOTMENT	IMPORTATION
MORPHINE	119,176	93,098	119,176	9,367	17,995	0
MEPERIDINE	80,041	4,500	80,041	0	60,000	43,000
PETIDINE						
OPIUM	115,000	100,000	115,000	0	60,000	15,000
METHADONE	2,071	1,800	2,071	8,074	0	0
PHENOBARBITOL	2,990,000	2,850,000	2,990,000	1,025,000	91,000	978,250
HYDROMORPHINE	3,071	0	3,071	0	0	890
METHYLPHENIDATE	35,921	29,463	20,880	19,554	0	8,874
COCAINE	1	0	1	0	0	0
CODEINE	632,500	492,538	632,500	0	786,339	441,892

CHART 17
CHART I CONTROLLED CHEMICAL PRECURSORS
(Grams)

SUBSTANCE	1999		2000		2001	
	ALLOTMENT	IMPORTATION	ALLOTMENT	IMPORTATION	ALLOTMENT	IMPORTATION
EPHEDRINE	673,540	131,200	367,879	164,000	432,563	200,482
ERGOTAMINE	8,200	7,200	7,200	7,200	11,007	8,782
PHENYLPROPANOLAMINE	6,211,750	3,399,210	7,425,239	1,635,166	6,774,179	8
PSEUDOEPHEDRINE	9,036,714	4,487,380	10,023,189	5,254,818	15,017,184	9,257,696
HELIOTROPIN PIPERONAL	4,073,810	3,900,000	7,155,000	4,000,000	10,615,000	2,600,000

Source: The National Anti-narcotics Fund

The above chart shows the analysis of the imports information based on comparative data for the 1999 to 2001 period. In general terms, there was an average decrease in the year 2001 as compared to previous years, a reduction related directly to the economic crisis that our country underwent during this period.

We also observe a significant decrease in imports of the raw material Phenylpropanolamine, due to the requirements of the National Medicine and Food Control Institution (INVIMA is the Colombian acronym). After analyzing the possible relation of serious adverse effects with the active principle in Phenylpropanolamine, a hypothesis that different international reports had brought up, and after

considering the risk – benefit ratio, we recommended, as a preventive measure, the reformulation of all pharmaceutical products that contained this element, such as cold and flu medicine.

As a result of the reduction and reformulation of this substance, the importation of the raw material Pseudoephedrine increased, because pharmaceutical laboratories consider it the appropriate component to meet the technical, scientific, and medical reformulation requirements.

There was a decrease in Heliotropin importation mainly due to the economic recession. This component is used in our country to create flavors and scents, an industry that has been affected by the crisis that our country is currently undergoing.

The most representative countries from which Colombia imported these precursors were Germany, India, the United States, Switzerland, Brazil, Argentina, and China.

4.2.1 Results

Pursuant to the control on national industry allotment limits, the laboratories registered with the Fund have submitted requests for supplementary allotments of which 131 were approved and 32 denied. Said requests are for new registrations in the pharmaceutical industry and due to the fact that INVIMA obliged the laboratories that had medicine with Phenylpropanolamine to reformulate it.

As far as the allotments for the year 2002 are concerned, 84 requests and 13 supplementary requests were received from registered laboratories. Regarding raw materials and special control medicine, allotments were denied to 22 requests because the laboratories did not meet FNE requirements or because the requests did not obey scientific medical needs.

As to exportation, importation, and converting inspection, 577 importations and 16 exportations of pharmaceutical substances were authorized and the Fund attended 661 conversions and 31 destructions.

4.2.2 Control Strengthening

As a mechanism to strengthen the control and guarantee that FNE has the statistics that enable it to make decisions regarding the rational use of medicine, it has been developing a nationwide investment project. This will give the agency itself and also the Regional Health Secretariats a tool to enable them to compare the information given by the wholesale distributors (warehouses and laboratories) and retailers (drugstores and hospitals) for the purpose of consolidating that information and having accurate data on the consumption of Special Control Medicine. This in turn will allow them to define the scientific medical needs of the country as well as the policies to be followed.

In addition to the above, on a national level the National Anti-narcotics Fund is forwarding a project that has crossed our frontiers. It is the “**National Network for Handling Pain**” Program. This program seeks to help patients with especially chronic severe pain who require opiate analgesics as part of their total progressive care, in order to contribute to their relief in a timely, effective and cost-affordable manner, thus improving their life quality. In this manner, we seek to strengthen the distribution channels

of State-monopolized Medicine, narcotic analgesics (meperidine, hydromorphone, morphine, methadone) and to train health personnel.

4.2.3 International Plan

On a hemisphere level, Colombia was designated President of the Group of Experts on Chemical Substances for the OAS Inter-American Drug Abuse Control Commission (IADACC/OAS), headed by the National Anti-narcotics Fund. The topic developed during this group's meeting was controlled chemical substances used by the pharmaceutical industry. It is a challenge for the hemisphere to summons its countries to carry out joint actions to strengthen present day mechanisms that guarantee the rational use of controlled substances and special control medicine.

After having diagnosed the situation regarding the control of chemical substances used by the pharmaceutical industry, based on the questionnaires sent by the countries for that purpose, we saw the need to create the **Group of Experts on Pharmaceutical Products** within the IADACC to specifically attend this topic.

In the framework of the 30th Period of IADACC Regular Sessions, the GROUP OF EXPERTS ON PHARMACEUTICAL PRODUCTS was created and Colombia has been ratified President of this Group as well.

In this manner through the FNE, Colombia has played an essential role in establishing a fair balance between the supply and consumption of substances submitted to international control used for medical purposes, to avoid their diversion.

5. DISMANTLING THE PRODUCTION AND TRANSPORTATION INFRASTRUCTURE (1988 Vienna Convention, Article 3, Number 1, Letter a)

5.1 Destroyed Laboratories and Runways

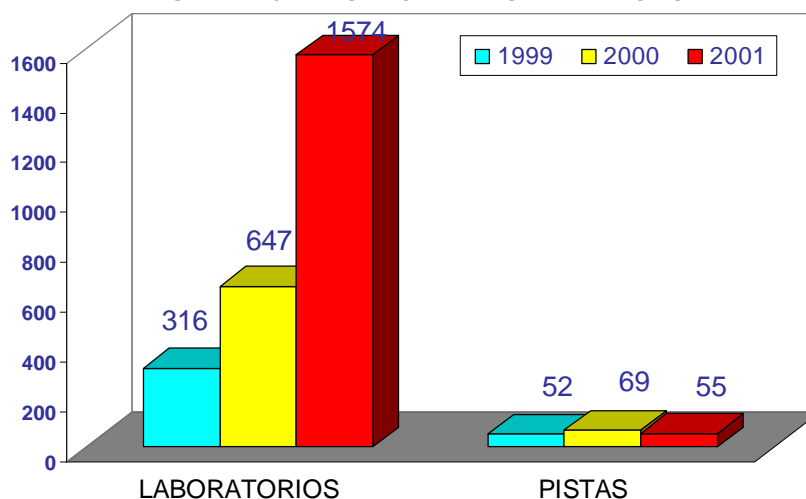
Dismantling the production infrastructures is a challenge for the state security and defense bodies because of their location in mountainous of jungle zones that are difficult to access and to the situation of armed conflict in those areas. In spite of those indicated difficulties, during the 1999-2001 period we have **dismantled and destroyed 2,541 laboratories**. In 2001 alone 1,574 laboratories were dismantled, mainly located on the Departments of Putumayo (49.5%), Norte de Santander (8.95%), Nariño (4.95%), Guaviare (4.51%), Antioquia (4%), Caquetá (3.74%), and Vichada (3.30%).

CHART 18

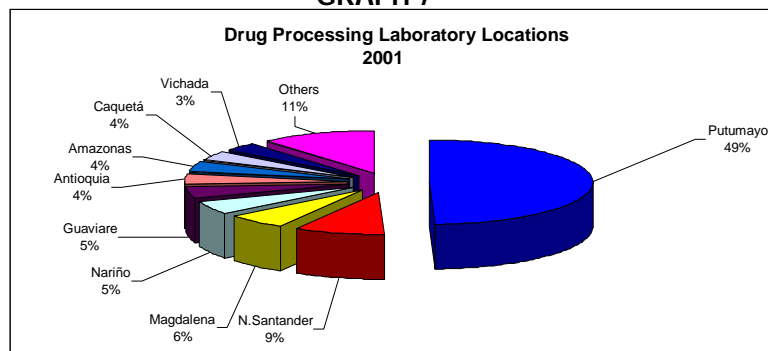
DESTROYED INSTALLATIONS				
	1999	2000	2001	2000 – 2001 Variation %
Destroyed Laboratories	316	647	1574	143.2%
Destroyed Runways	52	69	55	- 20.28%

Source: DNE Colombian Drug Information System (SIDCO). Consolidated Information from the National Police, Armed Forces and DAS

GRAPH 6 - DESTROYED INSTALLATIONS



GRAPH 7



The availability of the chemical products that the drug traffickers obtained through legal importation has decreased as a result of greater legal, administrative, and operative controls by the Colombian Government over the companies and the movements of chemical substances. Thus, the drug traffickers have been increasing their **chemical precursor recycling systems** used in the cocaine processing, to be able to reuse the same products over and over and thus the new scheme of **clandestine national manufacture of some precursors has arisen such as potassium permanganate and potassium manganate**, due to the controls made during Operation Purple.

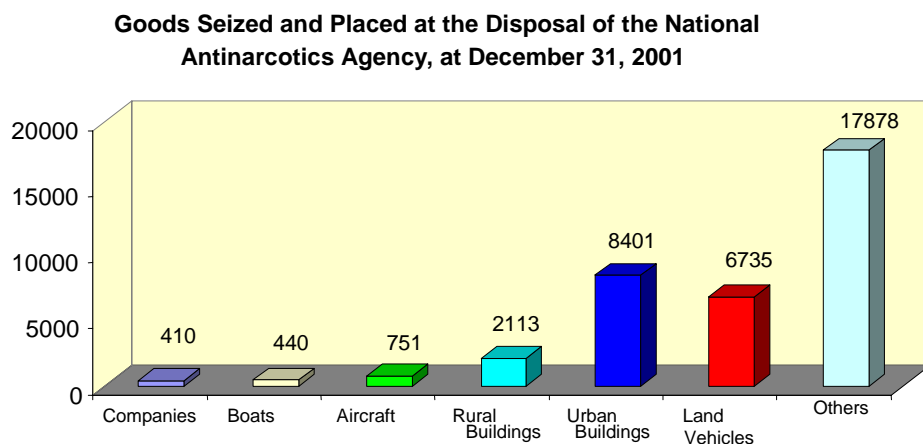
During the year 2001, we dismantled 10 clandestine potassium permanganate laboratories with 680 kilos and 11,057 gallons of solution and this fact proved the need for us to reinforce interdiction actions both internally and internationally.

Among the most outstanding operations for dismantling the production infrastructure, we mention *Operation Six Frontiers III*, carried out during October and November 2001, that achieved the destruction of 92 laboratories and the seizure of 385,696 gallons of liquid precursors and 246,772 kilos of solid precursors; *Operation Catatumbo*, carried out during May and June in Norte de Santander (Tibú), where 105 coca base laboratories were destroyed; *Operation Caucana*, carried out in September, in Cimitarra, Santander, where 40 cocaine base laboratories were destroyed and 1 runway was made useless; *Operation Gato Negro* (Operation Black Cat), carried out in Vichada and Guainía, where 46 laboratories were destroyed; and *Operation Decameron*, carried out in Valle del Guamuez, Putumayo, where 20 laboratories were destroyed.

5.2 Goods Seized and Placed at the Disposal of the National Anti-narcotics Agency

Within the process of combating the economic power of organized crime, during the period from 1989 to 2001, we have seized goods throughout the country such as 751 aircraft, 6,735 land vehicles and 440 boats, 2,113 rural and 8,401 urban buildings, communications equipment, and computer equipment, among others, of which a significant percentage have been allotted to government and nonprofit non-government institutions.

GRAPH 8



Source: Colombian National Anti-narcotics Agency Assets Sub-division

The problem of these goods has been a topic of much controversy in Colombia, therefore, the National Anti-narcotics Agency designed a project called "Administrative Project for Goods Seized from Drug Trafficking", which through Plan Colombia has been financed with 4.0 million dollars. The project's purpose is to implement an appropriate infrastructure to manage the goods in such a fashion that they offer economic and social profitability and contribute to strengthening the fight against drugs.

The action lines to be developed are the following: to have the inventory of all goods seized and placed at the disposal of DNE; to design and start up a management system; to define the type of management that is most appropriate for each category of goods; to audit the management of the goods.

At present, pursuant to the legal framework in force regarding management of goods, DNE may mainly use the following forms of management: temporary allotment of goods to official institutions or to legally organized common benefit institutions; direct management; management through third parties; and disposal of goods.

6. CONTROL OF TRAFFICKING AND DISTRIBUTION OF ILLEGAL DRUGS (1988 Vienna Convention, Articles 15, 16, and 17)

6.1 General Trends

Within the framework of globalization and the transnational reality of illegal narcotics trafficking, we have seen that one of the elements that most contributes to profile drug trafficking as a complex phenomenon is its *changing nature*. This may be proven by the constant evolution of organized crime to adapt itself to counterattack the efforts of repression and control made by the authorities.

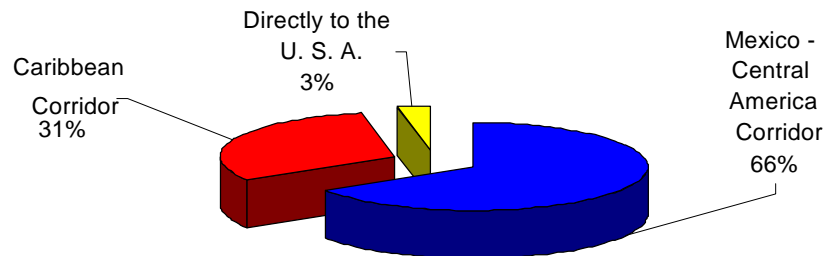
Therefore, we no longer have the modality of large criminal groups cartel-style, but we see *small low-profile specialized groups* who are characterized by being devoted to one or various phases of the drug trafficking chain. They have great mobility, they have sophisticated transportation and communication infrastructures, and they use multiple procedures that complicate investigation labors.

Illicit cocaine trafficking using **maritime routes and means of transportation** is most common now because of the advantages that the maritime means of transportation and its commercial infrastructure offer, mainly because of the viability to transport large quantities of illegal drugs. The present trend that we have seen is to use ever more complex trafficking routes and commercial maritime crafts that include container ships, fishing boats, go-fasts and even submarine crafts.

Based on UNDCP¹⁵ information, of the total quantity of cocaine detected leaving South America, 645 metric tons of coca hydrochloride is potentially moved to the United States, of which 130 metric tons were seized during transit. Also, near 104 metric tons were detected leaving for markets other than the United States, mainly going to the Iberian Peninsula which is the main entry gateway to the European market. Of the cocaine detected on its way to the United States during 2000, 66% used the Mexico – Central America Corridor route, 31% the Caribbean Corridor route, and 3% went directly to the continental United States.

GRAPH 9

Corridors Used to Send Cocaine to the United States in the Year 2000



¹⁵ Cocaine Movement. Office of National Drug Control Policy - UNDCP, February 2001.

6.2 CONTROL OF TRAFFICKING BY SEA AND BY RIVER

6.2.1 Present Trends in Drug Trafficking by Sea¹⁶

The drugs that go from South America to their final markets in North America and Europe go through a six-million-square-mile (fifteen-million-square-kilometer) transit zone, the approximate continental extension of the United States. This zone includes the Caribbean Sea, the Gulf of Mexico, and the eastern region of the Pacific Ocean.

The routes go mainly through Venezuela, Ecuador, Surinam, Brazil, and the south cone countries, particularly Argentina and Chile. Given its geographic proximity to Colombia and its Caribbean position, Venezuela has been affected by cocaine trafficking to the United States and Europe. Surinam is used as the transit country for cocaine trafficking from Colombia to the Netherlands, France and Belgium. Central American countries, above all Costa Rica, Guatemala, and Panama, have become intermediaries for trafficking to both the United States and Europe. In Europe more specifically, shipments go directly to Spain, Belgium, Germany, Great Britain, and Holland, or to ports in the Black Sea from which the shipments are distributed to the European Union.

Intelligence reports estimate that more than 90% of the cocaine volume that goes annually through the transit zone is transported aboard commercial sea crafts that may be multimode cargo transportation crafts and aboard non-commercial crafts such as fishing boats and go-fasts. The last are small, very fast boats that are hard to detect by radar and hard to see during daylight hours; this makes it even more of a challenge for the security agencies to control them. Even though some heroine seizures from go-fasts have been made, normally heroine is illegally trafficked using "mules".

The transit zone for transporting drugs has two completely different corridors: the Caribbean corridor and the Central America / Pacific Ocean corridor. The use of the Caribbean corridor has decreased as compared to the eastern corridor in spite of its having apparently favorable conditions, such as convergent maritime communication lines that are not as distant, within a space about the size of the Mediterranean Sea. These corridors are employed by drug trafficking organizations to send drugs toward North America and Europe.

From the above, we may infer the variety of means of transportation by sea that may be employed, that is to say: merchant ships with container or bulk cargo leaving out of the main ports on the Atlantic Coast that send drugs to overseas ports; fishing boats that set out with drugs usually to provision go-fasts out at sea who continue to the port of destination or fishing boats that transit directly themselves full of fuel and drugs or fishing boats that do relay; they transfer the illegal cargo from one boat to another. The new information on the possible presence of submarine crafts in the Pacific is also interesting.

In previous years we estimated that the drug trafficking organizations carried out their activity more frequently from March to November, with a significant drop during the months of December, January and

¹⁶ National Navy, 2002.

February. This situation changed last year. Colombian authorities made significant confiscations during the first months of the year and the Mexican authorities did so during the month of December.

It is worth mentioning that, in accordance with the patterns that the drug traffickers use, we have broken down into four areas the main zones where motorboats and crafts with drugs are kept and set out:

- La Guajira is the most northern sector on the Colombian Atlantic Coast, where contraband and cocaine and marihuana transportation have converged using go-fasts. In this area there is active trade with Venezuela and Panama whose coasts are comparatively closer to the Greater Antilles.
- Piedemonte de la Sierra Nevada de Santa Marta (Sierra Nevada de Santa Marta Foothills) has traditionally been associated with the marihuana bonanza period and the illegal exportation of marihuana in merchant ships. Today, it has become a zone for gathering cocaine or marihuana to be transported abroad in go-fasts. A large number of small rivers irrigates the zone, favoring the entry of this type of sea craft to the specific loading areas frequently far from the beaches, as go-fasts have a shallow draft.
- Golfo de Morrosquillo (Morrosquillo Gulf), a tourist area sprinkled with drug traffickers' private properties from which go-fasts set out toward different destinations: Greater Antilles, San Andrés y Providencia Archipelago, and Central America.
- Golfo de Urabá (Urabá Gulf), an area commonly associated with contraband of weapons and other elements from Panama, as well as with drug trafficking with Central America aboard go-fasts and merchant ships.

Of these areas, the first three use go-fasts and Mexico is an intermediate destination where the drugs are loaded for their final transportation toward markets in the United States.

Drug trafficking through the Pacific Ocean has a somewhat different panorama. The operations results in the year 2001 enable us to infer a relative decrease in the use of go-fasts as compared to fishing boats, for direct routes and in successive operations between the Colombian coasts and locations in Mexico. This, however, does not in any way imply that the go-fasts are disappearing as a criminal modality. Apart from a few cases that have involved the criminal use of go-fasts similar to in the Caribbean, experience shows that on the Pacific corridor mainly fishing boats are used to transport drugs toward North America.

6.2.2 The Navy's Anti-drug Strategy

The National Navy has designed a strategy to prevent organized crime from using the sea, river, and land spaces under its jurisdiction and responsibility, for the purpose of contributing jointly with other State agencies to prevent the criminal action of the agents that generate violence and weaken the economic capacity of these groups. To fulfill its mission, the National Navy has the following naval forces that cover the sea, river, and land jurisdictional areas:

- *Atlantic Naval Force*, with its fleets made up of surface and submarine units; with its Atlantic Air Sea Group made up of airplane and helicopter units; the Atlantic Coastguard Group made up of patrollers, bay motorboats, radar stations; the First Marine Infantry Brigade Command in charge of leading sea control naval operations in the Colombian Caribbean, as well as river and land control operations in areas under its jurisdiction and responsibility.
- *Pacific Naval Force*, with its surface units; the Pacific Air Sea Group made up of airplane and helicopter units; the Pacific Coastguard Group made up of patrollers, bay motor boats, radar stations, and the operational command of the Second Marine Infantry Brigade that carries the presence of the institutions to the Pacific Coast from the frontier with Panama to the frontier with Ecuador. Its naval, air-sea, coastguard, and radar station units permanently control the Colombian maritime areas in the Pacific Ocean. Its land jurisdiction includes 15 municipalities in the Departments of Chocó, Valle, Cauca, and Nariño.
- *The South Naval Force* that supervises and controls important river arteries, such as the Putumayo and Amazon rivers, along the frontier with Ecuador, Peru, and Brazil.

The naval force units belong to three main components:

- The Naval Component that has frigates equipped with modern sensors, weapon systems, and air-naval support; multiple purpose boats capable of mobile logistic support, troop transportation, and air-sea support; large ship tugboats and auxiliary units; airplane and helicopter aircraft capable of operating from the frigates and multiple purpose ships, which all together form a flexible force with ample sea supervision, patrol, and control capacity.
- The Coastguard Component equipped with modern electronic systems for monitoring and location on the land stations to cover the Atlantic and Pacific shores, complemented by highly flexible units apt to operate on inner waters and on the jurisdictional sea, which carry out an important maritime security function by repressing crime at sea.
- The Marine Infantry Component that is an integral part of the National Navy develops its operations under the land jurisdiction on the Caribbean and Pacific shores, on the island territories and on the rivers of Colombia, where its very capable amphibian force enables it to exercise river control and to efficiently support land forces.

It is organized into three brigades: the First Brigade that covers four Departments on the Atlantic Coast; the Second Brigade that covers four Departments on the Pacific Coast; two training centers for training future marines, and their Special Forces highly trained in all kinds of amphibian operations; and the River Brigade with its five river battalions made up of river combat elements that, with the support of the Navy Component, have the mission of river control over more than 12,000 kilometers of navigable rivers throughout the Colombian territory.

The sea and river interdiction in charge of the National Navy has had considerable success. In order to control its maritime environment, the Government of Colombia, through its Ministry of Foreign Relations, entered into the "Maritime Agreement to Suppress Illegal Trafficking by Sea", effective as of February 20, 1997, to develop and apply 1988 Vienna Convention on the Illegal Trafficking of Narcotics and Psychotropic Substances, Article 17. Pursuant to the mentioned agreement, during the past four years of

supervision, more than 81 tons of cocaine have been seized. Those results makes this tool one of the most efficacious ones in the fight against narcotics.

Conscious of the imperious need to join efforts in the international fight against drug smuggling, the National Navy has wished to awaken awareness to information exchange and operational coordination with other countries in the area. That initiative has had excellent appeal and was concreated by holding the First International Maritime Interdiction Seminar that, for the first time, joined the United States, Costa Rica, the Dominican Republic, Honduras, Mexico, Panama, Venezuela, Ecuador, and Colombia within the framework of an enriching rapprochement that enabled them to exchange perceptions on drug trafficking and the operational experiences of each country.

Complementarily speaking, we expect to increase the scope of this initiative through the active participation of the National Navy in compliance with the cooperation mechanisms previously signed with some other countries including operations acts, bi-national frontier commission meetings, naval intelligence meetings, and the Inter-American Naval Intelligence Conference.

As a complement to the strictly operational aspect, the National Navy is decidedly committed to training its personnel in the legal aspects related to internal management regarding Human Rights and International Humanitarian Law, which they must take into account at the moment of planning, developing, and carrying out their sea, river, air and land operations.

6.2.3 National Navy Operations Results

The National Navy's efforts in the fight against drug trafficking showed the following results in 2001: the seizure of 36 tons of cocaine, 119 kilos of heroine, 1,234 kilos of marihuana, 122,800 kilos of coca leaf, 32,596 gallons of liquid precursors, 88,745 kilos of solid precursors, 125 laboratories destroyed, and 260 boats detained.

The quantity of cocaine seized is equal to the potential produced in a cultivation area of almost 24,209 hectares of coca leaf considering only one harvest. The largest heroine seizure last year was made by the Pacific National Navy (67 kilos), for a total amount seized of 119 kilos.

We have spoken about the great results obtained in the departure areas and during transportation abroad. Just as important are the results obtained in the areas of crops and processing because if the production part of the illicit activity is destroyed then there will be fewer controls and efforts needed in the zones for transportation abroad. Therefore, it is worth remembering that with the coca leaves, precursors and inputs seized, around 4,000 kilos of cocaine could have been produced without mentioning the monthly productivity of the 125 laboratories destroyed.

We would like to highlight the seizure of 197,527 gallons of gasoline used to fuel the go-fasts out at sea and also as a precursor to create psychoactive substances.

6.2.4 Actions Carried out by the General Maritime Agency (DIMAR is the Colombian acronym)

The actions that the National Maritime Authority carries out to contribute to fighting drug trafficking are two-fold. Its first action is to regulate aspects regarding maritime activity in Colombian jurisdictional waters, specifically regarding the control and supervision of naval crafts and ships in Colombia's jurisdictional seas and rivers. Its second action is its labor within the National Maritime and Port Facilitation Committee (CNFMYP is the Colombian acronym) to prevent and control chemical substances and narcotics shipped on crafts devoted to international maritime transportation.

6.2.5 Actions Forwarded by the National General Prosecutor's Office (FGN is the Colombian acronym) National Anti-narcotics and Maritime Interdiction Unit

The National Anti-narcotics and Maritime Interdiction Unit was created pursuant to the 1988 Vienna Convention on Illegal Narcotics and Psychotropic Substance Trafficking and on the Agreement signed by the Government of the United States of America and the Government of Colombia, for the purpose of fighting drug trafficking and investigating the most relevant domestic and international cases.

The Unit has carried out different investigations that have enabled successful operations by our security agencies, to dismantle large drug trafficking organizations. Through intelligence, follow-up and monitoring labors, we have discovered these organizations' areas of action, their composition, their activities, their routes, the persons or companies involved, their liaisons, the resources or logistics that they use and their forms of production and distribution, among others. In this context, we highlight the following 2001 operations, to name a few:

Operación Fortaleza (Operation Strengthening): During a practice inspection made aboard the motorboat Actor under British flagship headed to Honduras, we found a container with 1,131 kilos of cocaine. Eight persons were arrested during that operation. *Operación Caballo Blanco (Operation White Horse)*: DIJIN and the FGN disintegrated an organization devoted to heroine trafficking and simultaneously United States authorities carried out another operation in Philadelphia. *Operación Transparencia (Operation Transparency)*: The Security Administration Department (DAS) and the FGN dismantled an organization that sent heroine and cocaine using Colombian and foreign mules, which used the following routes: Barranquilla-Miami, Barranquilla-Panama, Barranquilla-Panama-New York, Barranquilla-Panama-Miami and Puerto Rico, Cartagena-Miami, and Barranquilla-Venezuela-Miami. *Operación Nevado (Operation Snow-capped Mountain)*: The Bogota Judicial Police dismantled a network that sent heroine by using mules from Colombia through Guatemala to the United States. Sixteen persons were arrested. *Operación Cielo Azul (Operation Blue Sky)*: DIJIN and the FGN disintegrated an organization devoted to trafficking narcotics, which had liaisons abroad. They use the following route: They would leave from Caquetá, go to the southern area of Bolívar and there they would stow away on airplanes headed for Central America with final destination the United States.

6.2.6 Main Conclusions Regarding Trafficking by Sea

- The Colombia – Mexico route is still being used to transport drugs whose final destination is the United States but there is a preference to use the routes through the Pacific Ocean corridor and

the continental Central America corridor. Drug trafficking organizations of a transnational nature have been using these variants.

- There is preponderant usage of the sea with a preferential usage of go-fasts to transport drugs. In the Caribbean the go fasts predominate to transport the drugs from the place where they are shipped to their final destination and fishing boats are predominantly used for refueling out at sea. In the Pacific, the illegal cargo is transported on high-performance go-fasts that transport it to the first delivery point where it is put on board fishing ships to be transported to the following delivery point or to the final destination. That, however, does not imply that go-fasts are not sometimes used in the same fashion as in the Caribbean.
- The results make it obvious that there was an increase in heroine transportation and commercialization by sea, as heroine seizures increased significantly. The above is possibly due to the greater profitability of that business and to the ability to transport greater quantities than those normally carried by "mules".
- We determined that due to the evolution seen in organized crime, countries must focus more on identifying and dismantling organized crime networks and their financial and logistic structures through integrated actions, to be able to better fight the threat of drug trafficking and to better coordinate their actions in an integrated manner.

6.3 CONTROL OF THE AIR SPACE

6.3.1 Present Trends for Drug Trafficking by Air

We highlight four (4) routes for trafficking weapons and narcotics used by the drug trafficking organizations. They are:

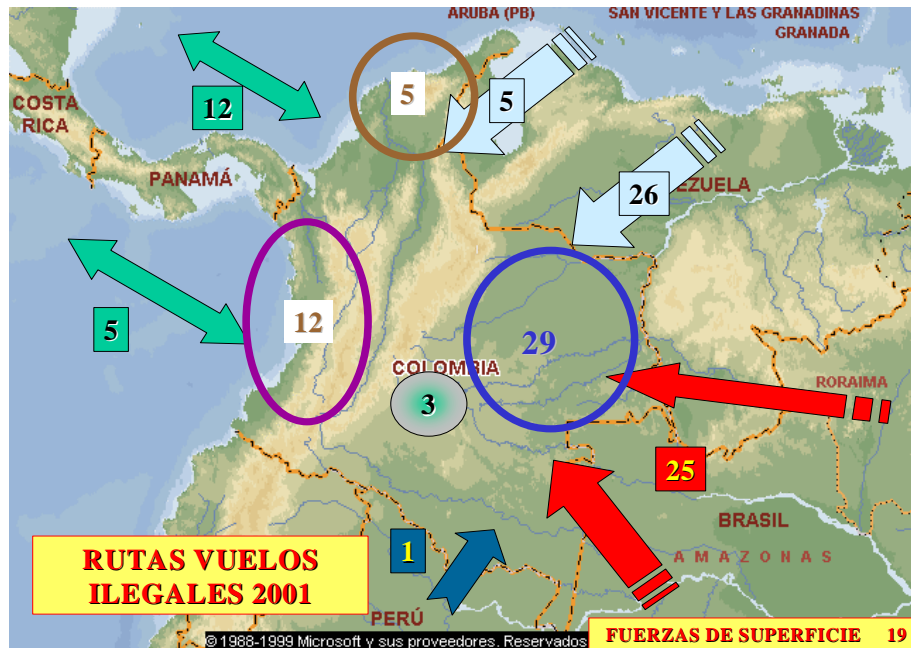
Route No. 1: Used by aircraft coming and going from Central America (Guatemala, Honduras, and Mexico) over the Pacific and over the Atlantic Oceans, especially through the Departments of Chocó, Valle del Cauca, Córdoba, and the part of Urabá in Antioquia.

Route No. 2: This route was the one most used by airplanes proceeding from Brazil and Surinam, whose final destination was the Departments of Vichada, Guainía, and Vaupés, where narcotics were exchanged for weapons.

Route No.3: The route that La Guajira used during the years 1999 and 2000 as a recovery point to send the alkaloids to the Caribbean islands, such as Cuba and Haiti, was moved to Venezuela near the Departments of Arauca and Vichada, due to the presence of the Colombian Air Force and its air space control.

Route No. 4: As far as illegal flights within the country, most occur in eastern Colombia (29), presumably on airplanes with "legal flight plans" that leave the airports of Villavicencio and Yopal to arrive at non-controlled aerodromes. After that stop, they continue with short illegal flights to mobilize narcotics from the production centers.

GRAPH 10
2001 Map of Illegal Routes



Tracking Trends

Tracking has shown a marked increase in flights during daylight hours with a percentage of 57% as compared to 43% at night. This is due to the effectiveness of the nighttime operation carried out by the Colombian Air Force (FAC is the Colombian acronym) airplanes. The above has obliged criminal organizations to cover their criminal activities by using legal daytime flights. This is evidenced by the high number of legal flights to aerodromes where it is difficult for the public force to be present. Another trend observed, as a result of the FAC's effective action, is a decrease in illegal flights and runways in the area of upper Guajira, which has led to the use of air space in Venezuela where our authorities have no control.

CHART 19

Illegal Flights Detected between Aerial Route Points – 2001	
COLOMBIA – CUBA	0
COLOMBIA – HAITI	0
ATLANTIC – CENTRAL AMERICA	8
PACIFIC – CENTRAL AMERICA	5
COLOMBIA – VENEZUELA (GUAJIRA – SANTANDER)	3
COLOMBIA – VENEZUELA (ARAUCA AND VICHADA)	25
COLOMBIA – PERU	1
COLOMBIA – ECUADOR	0
COLOMBIA – BRAZIL (AMAZONAS)	14
COLOMBIA – BRAZIL (VICHADA)	11
COLOMBIA – CARIBBEAN – VENEZUELA	2
SAN ANDRES	4
ZONE 1 Atlantic Coast	5
ZONE 2 (PACIFIC)	5
ZONE 2 (ANDEAN REGION)	7
EASTERN PLANES	29
DÉTENTE ZONE	3
VENEZUELA	1
SURFACE FORCES	19

Source: Colombian Air Force

6.3.2 Operational Results in Air Space Control

It is obvious that the controls over and knowledge of the *modus operandi* of these criminal organizations has increased, which translates into more operational results and greater impact on the illegal cultivation activity and drug processing activity. Along this lines, we highlight two joint operations carried out by the National Army and the Colombian Air Force called *Operación Gato Negro* (Operation Black Cat) and *Operación Siete de Agosto* (Operation August Seventh) where cocaine production and commercialization centers were attacked and alliances with international drug trafficking organizations were detected as they exchanged drugs for weapons.

The most important results of Operation Black Cat were, among others, the arrest of Luis Fernando Da Costa alias Fernandinho and the arrest of 88 Colombians and 7 foreigners; the destruction of 46 laboratories; the seizure of 675 kilos of cocaine in process and of 3,900 gallons of cocaine in process; and the immobilization of 59 vehicles, 5 boats, 2 airplanes and 61 weapons of different calibers. With the help of the military intelligence of Colombia and of Brazil, we had better knowledge of the handling and connections that these criminals had with other countries, the routes and means of transportations that they used. Also, the authorities were able to recover this zone of operations which is significant due to its geo-strategic location.

Operation August Seventh, carried out by the National Army and the FAC in the area of Puerto Alvira, in Chaparral, to the East of San José del Guaviare, restricted aerodrome operations at La Plata, Puerto Alvira, Chaparral, which served as logistic support bases for drug trafficking.

Also, we highlight the establishment of the Military Base in Barrancominas. This base enables us to maintain control in the Departments of Vichada and Guaviare and to prolong the efforts made in Operation Black Cat. Another important result is the restriction of temporary operations in airports near the production areas, such as the airports of Barranquilla, Pacoa, Puerto Alvira, La Plata and even the runway itself at Barancominas.

CHART 20
OPERATIONS RESULTS COMPARATIVE CHART

ACTION	1999	2000	2001	% 2000/2001 DIFFERENCE
AIRCRAFT IDENTIFIED	106.496	151.433	147.476	-3%
INTERDICTED AIRCRAFT	15	23	7	-70%
SEIZED AIRCRAFT	16	17	11	-35%
RECONNAISSANCE	103	215	329	53%
AIRCRAFT DETOURING	20	16	6	-63%
FLIGHT HOURS	575	557	591	6%
AIRCRAFT INSPECTED	1.150	1.247	2.548	104%
OPERATIONS PERFORMED	79	85	38	-55%

Source: the Colombian Air Force

If we compare the results in the year 2000 to those in the year 2001, we observe a decrease of 3% in the aircraft identified, of 70 % in the aircraft indicted, and of 35% in the aircraft seized, and of 63% in the detouring of aircraft to other countries. This decrease is a direct consequence of the Government of the United States' suspension of the Air Interdiction Covenant. In answer to that situation, the Colombian Air Force has multiplied its efforts to carry out 329 reconnaissance flights, which implies an increase of 53% as compared to last year. Also, actions were coordinated with the Army, the Navy and the National Police to carry out 2,548 aircraft inspections, which meant an increase of 104% as compared to the year 2000. Thus, with the support of technical and human intelligence labors, we have tried to reduce the negative impact of the suspension of the platform flights.

6.3.3 Colombian Air Force (FAC is the Colombian acronym) Control Strategy

Due to the fact that the FAC Command and Control Centers integrate the signals of the military radars and of the Civil Aeronautics radars, the FAC was able to detect a large number of illegal flights on the Marandúa radar located in the Eastern Air Group, many flights along the Colombian – Venezuelan border were seen. Next in importance as a source of detection were the United States platforms, which present a substantive change as compared to the other years, due to their suspending operations in the Colombian and Peruvian air space, which has produced a negative impact on the supervision and control of illegal flights.

The Ground Forces have increased the number of reports due, among other aspects, to restructuring by the Colombian Air Force Control and Command Center (CCOFA is the Colombian Acronym), which has enabled us to centralize all of the FAC operations and communications in one sole office, and to have permanent communication with all Public Force Units throughout the National Geography. Sensitizing

the other forces on the importance of the timeliness of these reports also led to the number of illegal flight reports increasing in the year 2001.

6.3.4 Main Conclusions Regarding Air Traffic

Drug trafficking has human and material resources to continue this activity on a long-term basis. Therefore, we need to consolidate multinational agreements for the purpose of obtaining conclusive results against drug trafficking organizations. The technical support given by the United States in the form of air space supervision through the platforms is definitive to achieve positive results. Due to the above, it is of vital importance to reactivate these operations to meet the strategic objectives in our fight against drug trafficking.

The Venezuela and Brazil air space is a favorable transit area, for planes coming from the illegal drug production areas in Colombia. To have conclusive results, we need the active participation of the authorities from these countries for the interdiction and control of those illegal flights.

We are limited as to how much more control we can have in areas, such as the Departments of Guainía, Vaupés and the south of Guaviare, due to the limited radius of action of the airplanes and due to the absence of platforms to complement the work of the ground radar.

6.3.5 Creation of the Inter-institutional Aeronautics Affairs Committee

The Inter-institutional Aeronautics Affairs Committee was created for the purpose of optimizing the existing communication of these institutions and exercising more control over our country's air space. It is made up of representatives from the Colombian Air Force, Civil Aeronautics, Anti-narcotics Police Civil Aviation Control Group, and the National Anti-narcotics Agency¹⁷.

It is worth highlighting, among others, the following achievements made by the Inter-institutional Committee regarding air control:

- Presentation of a regulatory proposal for the control of ultra-light planes
- Aeronautics Regulations modifications and addition project
- Three-party covenant for an on-line connection with Civil Aeronautics and the Anti-narcotics Agency Civil Aviation Control Group, which has been analyzed, reviewed and evaluated by the legal and systems departments of each one of the authorities; it is in its last phase of approval.
- Creation of a booklet that will include all of the formalities relating to the aeronautics sector and the formalities in which the committee members intervene
- Unification of the effective terms for the Narcotics Traffics Lack of Reports Certificates with the effective terms of the operations permits that the Civil Aeronautics grants and confirmation of the existence or non-existence of an operations permit or the existence of an authorization to finally obtain the permit
- Participation in the First Sports Aviation Seminar and in the National Agricultural Aviation Meet, scenarios used to ratify the control authorities position regarding transactions and operations carried out with ultra-light planes and to disseminate information on the administrative control using the Narcotics Traffic Lack of Report Certificate.

¹⁷ The DNE Anti-narcotics Group has headed the creation and development of the Inter-institutional Aeronautics Affairs Committee

- The DNE, through its Narcotics Group, issued 18 resolutions of abstinence and 13 resolutions of unilateral annulment of certificates and it issued 2,390 Narcotics Traffic Lack of Reports Certificates.

6.4 TRAFFICKING WITH “MULES”¹⁸

Based on control authority reports, drug trafficking using “mules” has increased, and for that reason, “specialized networks” have been consolidated for the preparation, handling, and transportation of narcotics. The effective participation of the authorities in the different airports throughout the country bore fruit with seizures of 768 kilos of cocaine and 260 kilos of heroine, by performing 456 anti-narcotics procedures in the different air terminals in Colombia with international itineraries. The airports in the country that are most used for this type of trafficking are El Dorado Airport in Bogotá, Alfonso Bonilla Aragón de Palmira Airport (Valle), José María Córdoba Airport (Antioquia), Matecaña Airport (in Risaralda), Ernesto Cortizos Airport (Atlántico), Rafael Núñez Airport (Bolívar), and Rojas Pinilla Airport (San Andrés y Providencia). The national authorities arrested 45 foreign citizens involved in narcotics trafficking activities as “mules” from the following countries, among others: Spain, United States, Italy, Panama, Venezuela, and Mexico. Foreign authorities reported the arrest of Colombian citizens mainly in Spain, Panama, United States, Italy, Mexico and Venezuela. Reports show a decrease in the use of direct routes and a trend toward using transit countries such as Ecuador, Chile, Argentina and Venezuela, among others, for the purpose of evading action by the authorities.

The main operations to dismantle drug trafficking networks through mules were:

Operación Embrujo (Operation Hexed) developed jointly between INTERPOL Spain and INTERPOL Colombia, in which a network devoted to using mules to pass drugs by ingesting them was destroyed. Additionally, drugs camouflaged in quartz crystals being sent in small packages through the mail were detected.

Operación Amistad (Operation Friendship), developed in coordination with the National Police, the National General Prosecutor’s Office and the Administrative Security’s Office, was able to dismantle a network of drug traffickers devoted to sending cocaine to European countries and Venezuela using mules.

Operación Carga Mortal (Operation Lethal Cargo), carried out in coordination with the National Police, the National General Prosecutor’s Office and the DEA, dismantled a heroine exportation and distribution network.

Operación Capricornio (Operation Capricorn), with the National Police, the National General Prosecutor’s Office and German Authorities, was able to dismantle an international network devoted to heroine and cocaine trafficking and trade by using mules and sending luggage. The route used was Bogotá, Frankfurt, Mexico, and the United States.

¹⁸ National Police Anti-narcotics and Colombian INTERPOL information

Operación Plataforma (Operation Platform), in charge of the National Police, was able to dismantle a transnational network devoted to heroine trafficking and trade that operated from Bogotá, Pereira, Cali, Cúcuta, Medellín to the United States. It was established that the organization used the Pereira / Bogotá / United States routes or Cúcuta / Medellín / United States routes.

Operación Cazador (Operation Hunter) was able to dismantle an organization devoted to heroine trafficking toward the United States and Venezuela, using mules.

6.5 GLOBAL RESULTS OF THE CONTROLS ON DISTRIBUTION CHANNELS

The global results of control actions over the distribution channels (maritime, air and land) during the 1999, 2000 and 2001 period is shown below:

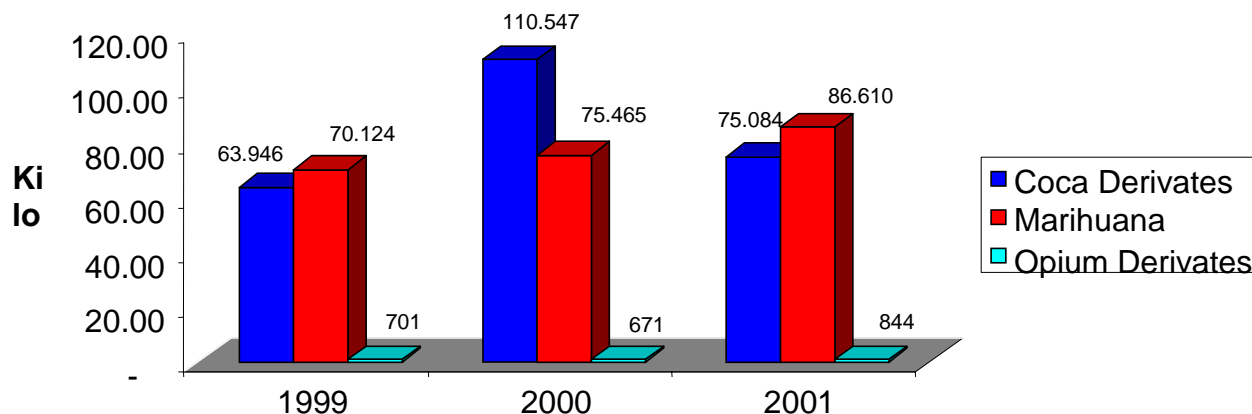
CHART 21

DRUG SEIZURES					
TYPE OF DRUG	1999	2000	2001	total	% var. 00/01
COCAINE (kilos)	47.003,00	89.856,00	57.235,76	194.094,76	- 36,30
Coca Base (kilos)	16.035,00	19.771,36	16.572,36	52.378,72	- 16,18
Coca Base in Process (gallons)	4.737,00		2.180,00	6.917,00	
Cocaine Paste (kilos)	365,00	118,44	52,50	535,94	- 55,67
Cocaine in Process (galones)	4.882,00	38.942,00	9.666,06	53.490,06	- 75,18
Basuco (kilos)	543,00	801,62	1.223,74	2.568,36	52,66
TOTAL COCA DERIV. kilos	63.946,00	110.547,42	75.084,36	249.577,78	- 32,08
TOTAL COCA DERIV. Gls.	9.619,00	38.942,00	11.846,06	60.407,06	- 69,58
Coca Leaf (kilos)	307.783,00	897.911,50	583.165,07	1.788.859,57	- 35,05
Coca leaf in process (gls)	9.702,00	10.180,00	139.167,00	159.049,00	1.267,06
Latex (kilos)	29,20	16,63	3,74	49,57	- 77,51
Morphine (kilos)	154,00	91,17	47,39	292,56	- 48,02
Heroine (kilos)	514,59	563,54	791,59	1.869,72	40,47
Codeine (kilos)	3,50	-	1,00	4,50	
TOTAL OPIUM DERIV. (kgs.)	701,30	671,34	843,72	2.216,36	25,68
PESESED MARIHUANA (kilos)	70.124,00	75.465,57	85.745,89	231.335,46	13,62
Solid Hachis (kilos)	338,00	-	0,20	338,20	
Marihuana en Process (litros)	4,00	37,85		41,85	- 100,00
Poppy Seeds (grams)	49.945,00	17.000,00	42,85	66.987,85	- 99,75
Coca Seeds (kilos)	754.032,00	1.678,50	99.250,23	854.960,73	5.813,03
Marihuana Seeds (grams)	25.214,00	121.350,00	11.310,00		- 90,68
Synthetic Drugs (compressed, ectasy)	1.022,00		22.750,00	23.772,00	
Unrefined Amphetamine		83,00		83,00	

Source: Colombian Drug Information System (SIDCO), Consolidated information from National Police Antinarcotics Division, Military Forces, Administrative Security Department (DAS)

GRAPH 11

1999-2001 DRUG SEIZURES



The State security and control agencies are making every possible effort to control narcotics trafficking, and they have been able to take great quantities of illegal drugs off the market. During the 1999 to 2001 period, they were able to seize 249,851.57 kilos of coca derivatives, of which 194,094.76 kilos were pure cocaine, 52,378.72 kilos were coca base, 535.94 were paste, and 2,568.36 kilos were crack. Based on UNDCP¹⁹, in recent years Colombia has reported the most important seizures of cocaine in the world, after the United States. This is a reflection of the decisive actions carried out by our control authorities. Estimates indicate that more than 14 million persons worldwide consume cocaine.

Regarding opium derivatives, during the same period, 2,216.36 kilos were seized, of which 49.57 kilos were latex, 292.56 were morphine, 4.50 were codeine, and 1,865.72 heroine. The 2001 seizures showed an increase of 25.08% as compared to the previous year.

It is worth mentioning that the 1999-2001 period recorded a lot of seizures of pressed marihuana, representing 232,199.72 kilos. In 2001, there was an increase of 14.76% as compared to the seizures recorded in the previous year. In the UNDCP report, Colombia reported marihuana seizures that represented 2% of the world total, placing itself after countries such as Mexico (37%), United States (29%), South Africa (7%) and Paraguay (5%)²⁰.

Although they are not representative in our country, synthetic drug seizures (22,750 Ecstasy pills) have us alarmed and suggest the need for prevention and control actions by the authorities.

It is worth mentioning that the efforts made by the security agencies have not only had quantitative results but also qualitative results of great transcendence, such as dismantling large drug trafficking organizations. Furthermore, we wish to highlight the actions that have been carried out in the Department of Putumayo, under Plan Colombia, due to the increase of coca crops and related activities.

¹⁹ World illicit drug trends. United Nations Office for Drug Control and Crime Prevention, 2001.

²⁰ World Illegal Drug Trends, United Nations Office for Drug Control and Crime Prevention, 2001.

The chart below shows the main operational results in the Department of Putumayo:

CHART 22

OPERATIONS RESULTS IN PUTUMAYO	
TYPE OF DRUG	2001
Eradication by aerial spray	32,506.00
Eradication by the manual method	42.00
COCAINE (kilos)	185.30
Coca base (kilos)	3,786.10
Coca paste (kilos)	28.00
Crack (kilos)	1.75
TOTAL COCA DERIVATES (kilos)	4,001.15
Coca leaf (kilos)	333,861.00
Coca leaf in process (gal.)	96,410.00
PRESSED MARIHUANA (kilos)	27.24
Poppy seeds (kilos)	10.00
Coca seeds (kilos)	1,058.12
Solid substances (kilos)	321,393.00
Liquid substances (gallons)	341,138.19
Farming chemical (kilos)	13,455.00
Laboratories destroyed	780
Aquatic vehicles	10
Land vehicles	126
Arrests	541

Source: Colombia Drug Information System - SIDCO.

Consolidated Information from the National Police, Armed Forces and Security Administration Department

During the year 2001, preventive and interdiction efforts were made mainly in the Department of Putumayo, because it concentrates the largest percentage of square meters sown with coca in the country. Thus, using the aerial spraying method a total of 32,506 hectares of coca were fumigated, which represents 31% of the national total. The production infrastructures that are located near the potential producer zones, were energetically fought, as can be seen by the destruction of 780 laboratories and the seizure of 321,393.19 kilos of solid substances and 341,138.19 gallons of liquid substances. 4,001.15 kilos of coca derivates, 333,861 kilos of coca leaf and 27 kilos of pressed marihuana were seized and 541 persons were arrested and handed over to the competent authorities.

7. CONTROL OF THE RECEIVING AND HANDLING OF ECONOMIC BENEFITS (1988 Vienna Convention, Article 3, Number 1, Letter B and, Article 5)

7.1 ASSET LAUNDERING

Organized crime – transnational and regional – is a growing menace for the security of a country's societies in a country and their legally constituted institutions. The product of crimes, such as illegal narcotics trafficking, trafficking of weapons and explosives, chemical substances, kidnapping, extortion, and administrative corruption, continue to strengthen these criminal groups' finances. World economic activities along with the financial stock market and the exchange market systems, among others, are breached by more and more sophisticated schemes for entering illegal capital into the legal economy.

In Colombia, the results against drug trafficking described in this document also include actions deployed by the State to control the receiving and handling of economic benefits based on the 1988 Vienna Convention, the recommendations of the International Financial Action Task Force, the anti-drug strategy in this hemisphere, among other international tools. The development of regulatory frameworks and inter-institutional actions aimed at preventing, controlling, supervising and sanctioning asset laundering are complemented by measures that have been adjusted to the dynamics of the phenomenon in the country.

The Colombian State has a solid inter-institutional organization that, among its functions, is responsible for designing the policies to combat asset laundering in its different phases. Also, the Financial Information and Analysis Unit (FIAU is the Spanish acronym) was created, specially, to detect cases of asset laundering. The diagram below shows the organizational structure of the institutions involved in preventing, controlling and sanctioning asset laundering.

GRAPH 12

Colombian Inter-institutional Organization against Asset Laundering



Below, we give the results in a concise fashion achieved by the State institutions committed to the fight against the economic structure of organized crime.

In 2001, the balance of the national governments steps to prevent, control and sanction asset laundering are positive and we add to them the diligent response of the private sector's activities to apply the measures aimed at strengthening the prevention and control of asset laundering.

7.1.1 Legislative Updating Regarding Asset Laundering

- The New Criminal Code, effective since June 2001, contemplates the repression of illegal drug trafficking set forth in 1986 act 30 and maintains the sanctioning of asset laundering and other criminal types increasing the sanctions that may be imposed in some cases.
- The New Criminal Procedural Code in its Articles 499 to 508 set forth relations with foreign authorities regarding international judicial cooperation especially related to extradition, undercover operations and supervised deliveries. It is the National General Prosecutor's Office responsibility to internationally develop these tools that will strengthen the institutions that work to combat organized crime.
- The Banking Superintendence reviewed and updated the basic legal circular to include provisions on asset laundering for its supervised institutions.
- September 2001 Decree 1957 binds notary publics to report legal acts that they become knowledgeable of while performing their duties that are susceptible to being considered as laundering activities. The Superintendence of Notary Publics and Registry issued an Instruction bulletin, in which it describes parameters and methodology to be employed by the notary publics, in order for them to comply with the mentioned Decree.
- 2001 Act 643 sets forth the proper policy for public income monopoly of gambling and lotteries; in its Article 46, it grants the National Games Council the authority to approve and issue the regulations and modifications to the different gambling and raffles modalities constituting an appropriate scenario to prevent asset laundering in this vulnerable sector.

7.1.2 Participation of Colombia in FATF South

The Financial Action Task Force for South America (FATF South) is an inter-governmental organization with a regional base that groups the countries in South America to combat asset laundering through their commitment to continuously improving national policies against asset laundering, and deepening the different cooperation mechanisms among the member states: Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, and Uruguay. In a condition of member consultant, Organization of American States / Inter-American Drug Abuse Control Commission (IDACC); in their condition as observers, the Inter-American Development Bank and countries such as Spain, the United States, France, Mexico and Portugal; and finally as related organizers, the International Financial Task Force (FATF) and the Financial Action Task Force for the Caribbean (FATF Caribbean).

FATF Results

During the First Plenary Session of Representatives held in Cartagena after the Memorandum of Understanding was signed, Colombia was elected Group President for the 2000 – 2001 period. Likewise, Colombia was designated to be the Executive Secretary for the mechanism until a Secretary was properly designated. Those activities became the responsibility of the Ministry of Justice and Law and of the Vice-minister of Justice and Law, respectively.

During the Second Plenary session of Representatives, held in Montevideo, Uruguay, in June 2001, the group financing and budgeting system was approved, which was justified by the criteria of proportionality based on the member states payment capacity.

As a first self-evaluation exercise, Colombia, in compliance with its secretary *pro tempore* functions, submitted a preliminary report that reflects the initial situation of the systems in the region, which was approved by the plenary session.

Also, the mutual evaluation program was concreated through the approval of the document “Mutual Evaluation Program Procedure Guide” and it was decided that the evaluations of the members who volunteer, Uruguay and Colombia, would be those to start with.

It is worth highlighting that as first President of FATF south, the Minister of Justice and Law of Colombia, presented the action program for the presidency, which was approved in the Plenary session. The three main objectives foreseen in the mentioned program were:

- To consolidate the operational and financial structure of the group
- To improve national anti-asset laundering systems that go against the FATF recommendations and those of FATF south with the support of evaluation mechanisms
- To integrate FATF south into the international network of similar initiatives and organizations

During the special session of the Third Plenary Session of Representatives held in Bogotá in August 2001, the representative of Argentina was designated Executive Secretary for the group.

In September 2001 the first seminar on FATF south experts training on mutual evaluations was held in Santa Cruz de la Sierra, Bolivia, the main objective was to train the team of mutual evaluators. FATF south has become well known as an ideal for a meeting place for the supplying demand of the training initiatives in accordance with the regional needs regarding this topic.

In December 2001, before holding the Fourth Plenary Session of Representatives, the opening of the FATF south Headquarters was formalized in Buenos Aires, Argentina, with the incorporation of the Executive Secretary, and the signature of the Headquarters agreement on privileges and immunities among FATF south.

The Fourth Plenary Session of Representatives that was held in Santiago de Chile closed the first round of work of FATF south under the presidency of Colombia. The President's report submitted by the

Ministry of justice and law was approved by the plenary session. Along these lines, it is worth highlighting the achievement of the objectives foreseen in the action program presented by Colombia as Group President that we described above.

In a parallel manner to the activities carried out within the framework of the Fourth Plenary Session the main anti-asset laundering authorities from the member states had a session of the Authorities Council for the purpose of defining the policy guidelines in the fight against financing terrorism adding this objective to their mandate.

7.1.3 Banking Superintendence of Colombia

The Banking Superintendence permanently performs the function of verifying the supervised institution's compliance with the regulations that are imposed through the obligation to adopt appropriate, sufficient control of the mechanisms, to avoid being used for asset laundering. In general, the supervised institutions have observed adequate compliance with the regulations corresponding to the prevention and control of asset laundering.

During 2001, the Banking Superintendence carried out 121 inspection visits to supervised entities for the purpose, among others, of reviewing compliance with the regulations on asset laundering control and prevention, thus achieving the following coverage:

- 50% of the total supervised sector
- 85 % of the credit establishments
- 21% of the financial service companies
- 40% of the capitalization companies
- 65% of the insurance companies
- 26% of the insurance and the reinsurance brokers and,
- 17 % of the money exchange offices.

During that year, no sanctions were given for non-compliance to the regulations, because in some cases, the analysis of the visit reports are underway and in others, the responses to the accusations formulated are being studied to determine the origin of the sanctions for the non-compliance identified during the mentioned visits.

Also, in 2001, the Banking Superintendence assumed the inspection and supervision of the money exchange offices, due to the capitalization process ordered in 2000 Exchange Statute External Resolution 8, issued by the Banco de la República (Central Bank) Board of Directors.

The study process culminated in confirming the responsibility expertise character and equity solvency of the persons who wished to acquire stock in the money exchange offices. Particularly, it consulted with the authorities of control and investigation in our country on the existence of records and background for both, the companies as well as the acquirers, including those who wanted to increase their holdings, and the congruence of the financial information submitted was reviewed to credit the equity solvency in the mentioned capitalization.

Likewise, we highlight the objective of updating and adapting effective rules to the continuous evolution and modernization that the international environment is undergoing regarding this matter. Also, it is working on concepts, procedures and responsibilities that make compliance with ethical, legal duties to which the supervised institutions are bound in their tasks to prevent and control asset laundering easier and more effective.

The Banking Superintendence is in the process of totally reviewing 1996 External Circular 007, Section 1, Chapter 9, Number 6, to reform some aspects among which we highlight the obligation of the client's knowledge and the responsibilities of the Board of Directors as well as the fiscal auditors and fiscal review board of the supervised institutions regarding said control.

These modifications are not intended to "invent" a new total asset laundering prevention system (SIPLA is the Colombian acronym) to dismount the present model but to make the process more rational and to make the obligations more explicit, in order to contribute to the improvement and strengthening of the existing mechanisms, which in addition will make the supervision labor easier. The issue of this modification is based on the experience collected over the past five years. The following were mainly taken into account:

- The results of the in-situ inspections made during this period
- The queries made regarding the topic
- The concepts that we have issued
- The grounds and considerations of several sentences made by the Council of State and the Constitutional Court, and
- Some of the modifications proposals submitted through the Compliance Officers Committee of the different professional associations. These meetings are still being held.

As of the last quarter in 2001, meetings are being held with the respective compliance officer committees of the different associations of the supervised institutions, for the purpose of their exposing their observations or comments regarding the project and for them too know the Banking Superintendence's position regarding each one of the projected modifications. Once the above labor has been done, we expect to issue a regulation in accordance with the expectations proposed.

In the organizational aspect we highlight the creation of a Consulting Board and the assignment to the Delegate Superintendent for Pension and Severance Pay Administration Companies of the coordination of topics referring to asset laundering control and prevention for the purpose of the Delegate Superintendent being the spokesman for the Banking Superintendence with the different national and international organizations related to this topic for him to prepare the corresponding projects that express the agency's position and the regulation modifications, if any, for him to unify within the agency the supervision criteria on this matter and for him to advise the different Delegate Superintendents on the best manner to apply them.

7.1.4 Securities Superintendence

The activities carried out by the security superintendence during 2001 regarding the prevention, supervision and control of money laundering its supervised institutions were carried out by the delegations for issuers for inspection and market supervision and market promotion and development.

The *Delegation for Issuers* through its issuer follow-up division made a total of 51 visits of a general nature to the securities issuer companies submitted to the exclusive control of the superintendence. Administrative acts that included the verification and evaluation of compliance with demanded duties for the prevention of asset laundering set forth in 1998 External Circular number 4 was carried out.

Along with those lines, the issuer followed up the division, made the requests to various companies for them to implement the controls that enable to prevent the practice of criminal activities through the securities market.

During 2001, the Delegation for Market Inspection and Supervision carried out 56 visits to stock exchange brokerage firms and to money makes inscribed in the national securities and broker registry.

In addition, within the investigations that it has been forwarding since before 2001, some decisions were made on some brokerage firms, to cancel their inscription in the National Securities and Brokers Registry as a sanction for non-compliance of stock market regulations and omission of asset laundering controls.

The Delegation for Market Promotion and Development, through its Market Promotion Division, in December carried out the seminar "Sanctioning Financial and Stock Market Crimes", in which the new criminal policy and the regulation on asset laundering were analyzed as well as the criminal responsibility of the managers and officials of the companies submitted to the control and supervision by the securities superintendence. The event had 250 participants who were officials belonging to the sectors supervised by the security superintendence and institutions in the Colombian Financial System as well as financial sector professional association legal representatives, to name a few.

7.1.5 Superintendence of Companies

The Superintendence of Companies has, among others, the function of supervising compliance with the money exchange policy, referring to violations due to the external indebtedness of individuals and legal corporate bodies, and of the international investment statute related to foreign investment in Colombia and Colombian investment abroad.

In compliance with 1997 Decree 3700, Article 2, in the year 2001 the Superintendent of Companies submitted 22 companies to control through a specific administration act which it issued. Based on the information supplied by the National General Prosecutor's Office Asset Forfeiture and Anti-asset Laundering Unit, and by the National Anti-narcotics Agency, it proceeded to modify 22 resolutions for companies compromised in Asset Forfeiture regarding the goods described in 1996 Act 333, article 3.

Simultaneously, the superintendence made two special visits to sports clubs submitted to their supervision as a consequence of 1996 act 333. In coordination with the National Anti-narcotics Agency, it made 22 visits to family group companies: the Castro Vargas Brothers, the Nasser Arana family, Alberto Orlande Gamboa, Nelson Urrego, and Jose Santacruz Londono. As a result of these visits, corrective actions were implemented aimed at achieving productive management and, at a short-term positive results are expected in the general balances of the intervened companies.

7.1.6 Workers' Credit Union and Associations Superintendence

In December 2000, the Workers Credit Union and Associations Superintendence issued external circular 0014 through which it gave instructions to the savings and loans corporations and to the multi-action total credit unions for them to adopt the asset laundering control and prevention mechanisms.

Pursuant to regulations it issued March 2001 circular 004, through which the formats and the periodicity for cash transactions reports were defined, which was modified by December 3, 2001 External Circular 009, for the report of exempt clients and suspicious operations reports for the Financial Information and Analysis Unit.

During the second half of the year, the Superintendence began its asset laundering inspection visits. It specially included the verification of compliance with the parameters defined in procedure manuals and designated compliance officers for the workers' sector.

7.1.7 National Health Superintendence

Pursuant to the issuance of January 2001 act 643, through which the policy proper to the public income monopoly of gambling and raffles, the National Health Superintendence carried out 5 training seminars aimed at the department (province) authorities, aimed at making the different gambling and raffle modalities known, among them, lotteries and special raffles, permanent betting, games and contests on a local level that operate in casinos. Also, they made regional authorities aware for them to have tools to enable them to effectively control the operations of said games, and to control the income there from.

7.1.8 Banco de la República (Central Bank)

Different from other Central Banks, Banco de la República does not supervise the financial system nor does it have regulatory functions regarding the prevention of asset laundering; however, the Bank has established several internal measures aimed at avoiding its central bank operations from being used for laundering resources from criminal activities. In its external activity, the bank actively collaborates with the authorities involved in asset laundering prevention.

On the Internal Front:

The Operations Analysis Units has existed within this institution since 1996. It is exclusively in charge of evaluating the other bank areas to detect unusual operations, verifying compliance with anti-asset

laundering procedures, submitting cash transaction reports to the Banking Superintendence and investigating and reporting any suspicious operation to the Financial Information and Analysis Unit.

During 2001, the Bank continued reinforcing its asset laundering controls in the areas of gold purchase, public debt certificate management and foreign investment recording. Also, the detection of operations with high-risk persons has been broadened to include those internationally indicated as terrorists.

On the External Front:

This front directed its efforts to the collaboration with other national and foreign authorities and organizations. Some of these activities are summarized below:

- It participated in various governmental groups (coordinated by the Ministry of Justice and Law and by the Ministry of Foreign Relations) devoted to preparing the Colombian State's response to international collaboration requirements in the world fight against terrorism.
- It received delegations from the government of the United States, Bolivia and Peru to disseminate the activities carried out by the Banco de la República regarding asset laundering prevention and control.
- It participated in the "Seminar: Drug Problem in Colombia", carried out in different cities throughout the country, with the conference "Asset Laundering Operations Detection and Control". Also, it participated in the Management Unit coordinated by the National Anti-narcotics Agency for the purpose of "Strengthening State institution legal and operational instruments to combat the drug trafficking organizations and the various manifestations of drug problems"
- It issued regulations to strengthen the money exchange market and foreign investments controls, such as July 19, 2001 External Regulatory Circular DCIN – 36, which gathers among others, the suggestions made within the Legal and Institutional Strengthening Management Unit coordinated by the National Anti-narcotics Agency.
- It implemented with the Financial Information and Analysis Unit, a mechanism to supply information by e-mail that ensures confidentiality and timeliness of the suspicious operations reports detected by the Bank.
- It attended, on a timely basis, request for information made by judicial and police authorities regarding 439 investigated persons.

The international standards regarding asset-laundering prevention recommend the implementation of controls over the financial system trade transactions, and it is not common to find central banks that adopt measures other than an adequate banking supervision, if that is under their jurisdiction. Therefore it is important to highlight the high degree of commitment that Banco de la República de Colombia has shown in adopting an asset laundering prevention policy in operations proper to a central bank.

7.1.9 Financial Information and Analysis Unit (FIAU)

During the two years that the Financial Information and Analysis Unit (FIAU) has been operating, it has received 26,963 Suspicious Operations Reports (SORs) that it has completely systemized and evaluated. This evaluation determined that 13,358 SORs are not susceptible to analysis as they do not meet the minimum information quality requirements or contribute relevant information or information related to the crimes that classify as asset laundering.

On the remaining 13,605 SORs, the Unit has forwarded labors of information gathering, cross-referencing and analysis. Through these labors, 30 financial intelligence reports were made associated with 1,160 Suspicious Operations Reports, which were delivered to the competent authorities.

Of these financial intelligence reports, 21 were delivered to the National General Prosecutor's Office for their possible follow-up in court and 9 were remitted to other authorities (Military Forces, National Police, Security Administration Department (DAS) and national Tax and Customs Agency (DIAN)), in order to forward field intelligence labors or to inform those agencies events that are under their jurisdiction.

As part of the significant progress that the FIAU has made, we mention the development of software to be installed in reporting institutions, which enables saving the SORs at the institution and later sending them electronically to the FIAU. This software has meant less time from the moment the report is written up to the moment that it is read and analyzed by the analysts, thus improving the quality of the information and lessening the workload at the FIAU.

Also, statistics models were developed that enable having updated information on the number of SORs received by institution, sector, type of institution, geographic location, SOR qualification, quality of the information received, and completeness of the information. The above seek to give feedback to the reporting institutions regarding the description and quality of the reports or SORs, for their continuous improvement.

Money Exchange Transactions

As we consider that money exchange transactions information is of great strategic value, that can help the FIAU to detect asset laundering operations as well as to contribute to carrying out another type of analysis on the topic, Covenants were established with twelve (12) Money Exchange Offices supervised by the Banking Superintendence for the purpose of receiving information on all of their transactions.

The above determined that the Money Exchange Offices must deliver a monthly electronic file containing all of the transactions for that month. Then, this information is included in an FIAU database to be structured and later analyzed. At the end of 2001, there are 15,000,000 records corresponding to the transactions made over the last 3 years.

At present, efforts are being made to carry out a similar process with Money Exchange Professionals.

Automatic Teller Machine (ATM) Transactions

During the year 2001, many reports were received on unusual transactions made with ATM cards, issued abroad, using ATM located throughout the county. This situation led to doing an analysis on this topic, for which purpose information was requested to the financial institutions that owned the automatic teller machine networks.

The information requested was recorded on to a data base, an application was developed for querying and analysis purposes, and the result was the identification of a great number of transactions to remove money from the ATMs with cards issued out side of Colombia.

In most cases these transactions correspond to some persons or groups of persons who are working in money brokering, who buy dollars in the country, deposit them into accounts abroad and then remove the same money from Colombian financial institution ATMs.

The analysis of the information received was reported to the competent authorities for them to continue analyzing if there is a relation here with some illegal activity.

Regulations and Instructions

During the second semester of 2001, the FIAU worked with the National Health Superintendence (gambling and contests) the Workers' Credit Union and Associations Superintendence (Credit Unions) and the Superintendence of Notary Publics and Registry, at reviewing existing regulations as well as at creating new instructions that regulate their supervised companies in order to deliver the SORs to the FIAU.

Databases and External Information

At present, one of the strengths of the FIAU analysts is their on-line access to the information of the following institutions:

- ❑ National Registration Office,
- ❑ Treasury Ministry Pension Bonds Office,
- ❑ Bogotá Chamber of Commerce
- ❑ Banking Association (CIFIN)
- ❑ Bogota Land Registry.

Also, it has information from the confederation of chambers of commerce information databases, the databases of the telephone companies in the main cities and the financial information on the main companies throughout the country.

During 2001, it also worked on defining the project "Centralized Information Consultation System" (SCCI is the Colombian acronym) whose intention is to design an information system that enables to consult existing information in the different State institutions regarding the identification of individuals and legal

corporate bodies, their legal criminal situation, their ownership and changes of ownership of real estate, personal property and financial assets.

During the initial phase, this project only involves some suggested institutions, but in a second phase it will integrate other State institutions for inter-consultation of information. This project will speed up data querying to the institutions that prevent and combat organized crime finances and it will increase the authorities' efficiency in the court process. Also, all of the institutions sub jested would benefit with one soul investment. The project is in the design phase and will be financed with Plan Colombia resources.

National Training

The FIAU delivered the new SOR format and the information capturing software that allows the reports made by said institutions to be directly loaded into the unit database.

By delivering this software and the later training that it gave to the reporting institutions employees on its use, the FIAU seeks to improve the quality of the SORs that it will receive in the year 2002. During this effort 183 institutions were trained such as Money Exchange offices, Trust Companies and Capitalization Companies, Commercial Financing Companies Association, Life Insurance and General Insurance Companies, and Banking Institutions among others, who attended 23 events in a 250-person auditorium.

This type of training that the FIAU offered to the reporting institutions, in its turn, complemented the actions of the financial sector regarding asset laundering prevention, thus improving the corporate knowledge on this topic.

Moreover, we must highlight that 21 information events were held on the general functions of the FIAU and on asset laundering in Colombia, to an auditorium 157 persons, among which, financial institutions compliance officers attended as well as intelligence officers of the Armed Forces, the accredited Diplomatic Body in Colombia and different State institutions involved in the topic.

International Affairs

During the year 2001, the FIAU performed three types of essential functions in the international ambit regarding asset laundering: a) it collaborated in formulating the Colombian exterior policy, b) it coordinated with the Ministry of Foreign Relations its execution through entering into applying and following up on international covenants And c) it initiated contacts for signing inter-institutional information exchange covenants with Financial Information Units throughout the world.

Likewise, it promoted strengthening the international controls over this crime, encouraged international cooperation and securing the principals of balance, mutilateralism and shared responsibility as efficacious tools to fight against the different manifestations of the world asset laundering problem.

In 2001, la FIAU signed inter-institutional instruments with the Financial Intelligence Units of Bolivia, Costa Rica and Panama. Also, it made contacts in negotiations of the same nature with Chile and the United Kingdom.

In addition, we must indicate that the country continued negotiating an agreement between governments with Mexico concerning this matter. Below, we have a list of the types of the instruments that Colombia has signed regarding the Asset Laundering process, as well as the country with whom it signed the agreement:

CHART 23

Countries	COVENANT / AGREEMENT	
	INTER-INSTITUTIONAL	GOVERNMENT
Bolivia	X	
Brazil	X	
Costa Rica	X	
Spain	X	
United States		X
France	X	
Panama	X	
Portugal	X	
Venezuela	X	X

One of the great strengths of the FIAU is that it belongs to the Egmont Group, an organization that groups different Financial Intelligence Units (FIUs) worldwide and that define themselves as “central, national organizations in charge of receiving (into the extent of their faculties, requesting), analyzing and disseminating financial information reports to competent authorities (i) concerning the earnings that are suspected to come from criminal activities, or (ii) required by the national legislation or regulations to combat asset laundering”; this affiliation has enabled FIAU to deepen and speed up the exchange of financial information concerning international level Asset Laundering operations.

Furthermore, the FIAU, pursuant to 1999 Act 526, Article 3, has responded to information requirements made by homologous Financial Intelligence Units within the frameworks of the instruments signed, and pursuant to the provisions in the Egmont Group. Consequently, during the year 2001, 16 international requests and 26 national requests from competent authorities were answered.

The Financial Information and Analysis Unit (FIAU) structured logistic, strategic and practical support to Colombia regarding its interlocution with other countries, in matters of Asset Laundering and this has involved exchanging financial information, signing inter-institutional agreements, and following up on international commitments in the following scenarios:

CHART 24

Country and Date	Ambit
Vienna, Austria, March 20 -I 29, 2001	44th period of United Nations Anti-narcotics Commission Session
Cochabamba, Bolivia, June 11 - 13, 2001	III European Union Latin American and Caribbean Coordination and Cooperation Mechanism Meeting
Kingston, Jamaica, May 21 – 22, 2001	IV Colombia – Jamaica Neighboring Country Commission Meeting.
La Haya, Netherlands, June 12 – 14, 2001	Egmont Group Plenary Meeting
Guatemala City, Guatemala, September 6 – 7, 2001	I Colombia-Guatemala Bi-national Commission
Caracas, Venezuela, October 1 – 2, 2001	XIV Meeting of the Mixed Commission Between the Bolivarian Republic of Venezuela and the Republic of Colombia for the Prevention, Control and Repression of the Illegal Narcotics and Psychotropic Substance Traffic.
Buenos Aires, Argentina, October 3 – 4, 2001	II Argentinean, Colombian Political Coordination and Integration Ministerial Commission Meeting.
Washington, United States of America, October 15, 2001	1 st Organization of American States Inter-American Committee against Terrorism Special Period.
Bogotá D.C., Colombia, October 16 – 17, 2001	II Colombian – Chile Technical Committee on drugs created through the Mutual Cooperation Agreement for the Prevention and the Undue Use and Control of Illicit Narcotics and Psychotropic Substance Trafficking.
Bogotá D.C., Colombia, October 17, 2001	IV Permanent Colombian-Chilean Bi-national Commission Meeting.
Caracas, Venezuela, October 19, 2001	V Conference against Legitimizing Capitals: "New Regulations on Prevention, Control and Supervision of Capital Legitimizing Operations"
Cartagena, Colombia, October 25, 2001	1 st Pan-American Congress on Asset Laundering Control and Prevention hosted by the Banking Association and Financial Institutions of Colombia (ASOBANCARIA is the Colombian acronym)
Washington, D.C., United States of America, October 31, 2001	Special Egmont Group Meeting on Terrorism
Bogotá D.C., Colombia, November 29 – 30, 2001	Meeting of the Foreign Relations Ministers of the Republic of Colombia and of the Republic of Peru.

We must highlight that Colombia actively participated in developing policy strategies and designs aimed at fighting terrorist organization finances within the Inter-American Terrorism Committee as President of the Group against Terrorist Finances.

Finally, 10 FIAU officials attended the training program carried out by the United States Department of Treasury Financial Network Crimes Enforcement (FINCEN) for financial analysts in order to sep them updated on the practices, techniques, and typologies used for Asset Laundering in the different sectors of the global economy.

7.1.10 National Tax and Customs Agency

The National Tax and Customs Agency (DIAN is the Colombian acronym), with the support of the Tax and Customs Police, continued strengthening its actions to fight contraband, one of the main means of laundering assets coming from drug trafficking. During 2001, the Customs Control Sub-division and the Foreign Trade Service Area made 14,233 confiscations of merchandise for a value of COP\$ 140,747.6 million, equal to US\$ 67,407,874. The confiscated merchandise belongs to the following sectors: vehicle transportation materials (17.4%); electrical materials and their components (15.1%); textile materials and their manufactured products (12.3%); art objects, antiques or collection items (10.5%) and, air, sea or river navigation aircrafts (8.2%), among others.

The balance of 2001 regarding the actions and control measures applied by the DIAN Money Exchange Control Subdivision over illegal money exchangers are shown below:

CHART 25

DIAN Actions against Illegal Money Exchangers During 2001

Control visits to illegal money exchange offices	86
Sanctions proposed in accusatory requests	\$7,963,131,880
Sanctions for fines paid through searches based on accusations made	\$938,619,567
Sanctions of executory fines imposed on illegal money exchangers	\$2,312,842,889

Also, the DIAN forwarded actions against non-declared foreign exchange entering and leaving the country with international travelers within the operation to fight Asset Laundering:

CHART 26

DIAN Actions against International Travelers

Operations to control international travelers	1,195
Sanctions proposed in accusations made	\$2,627,703,708
Sanctions for paid fines through searches, based on accusations made	\$1,616,867,108

RILO Group: Regional Customs Intelligence Liaison Office

The International Network RILO enables the region to interchange, receive, analyze, use and disseminate information regarding the fight against fraud, and to strengthen international cooperation regarding the fight against customs crimes. During 2001, the Colombia RILO Group made 38 queries to countries such as the United States, Panama, Ecuador, Puerto Rico, among others. The effectiveness of the answers received was 21%. In turn, it received a total of 8 queries from Chile, Mexico, Spain, Italy, among other countries, of which its response was 75%. Nationally, it issued 94 certificates of records of customs regulations violations after request made by the Banking Superintendence, the Securities Superintendence, and the Workers Credit Unions and Associations Superintendence, Coffee Toasters, Maritime Agencies, Customs Broker Companies, among others. In addition, it responded to information requests from the Colombian National Association of Industrials, the Customs Administrations throughout the country, and DIAN offices, among others.

7.1.11 Security Administration Department

The Security Administration Department (DAS is the Colombian acronym) attacks the illegal drug trafficking activity through judicial and intelligence investigations aimed at identifying and dismantling organizations devoted to narcotics trafficking and related crimes.

To do so, it has the Specialized Financial Investigations area and the Special Investigation Unit (SIU), which complies with governmental policy, combating drug trafficking and appropriating its assets; pursuant to 1986 Act 30, 1996 Act 333, and 1997 Act 365. During the year 2001 the balance is the following:

Close collaboration with the National General Prosecutor's Office in asset laundering investigations, seeking to identify the persons and organizations devoted to this activity, their *modus operandi* and to determine what financial and economic mechanisms are used to launder the money from drug trafficking and related activities.

As a Judicial Police body, it forwarded some investigations that were able to dismantle networks devoted to asset laundering, in addition to seizing money and arresting persons who are at the disposal of the Prosecutor's Office.

In 2001, DAS carried out the following investigations in its own initiative and because it was asked to do so:

CHART 27
INVESTIGATIONS INITIATED BY COLOMBIA AND THOSE INITIATED UPON REQUEST

	Court Investigations	Commissioned Investigations
Drug Trafficking	44	144
Asset Laundering	35	57
Illegal Enrichment	30	23
Asset Forfeiture	25	54
Persons Arrested	60	21

Training processes were forwarded with the different DAS Regional Offices throughout the country aimed at updating the Asset Laundering modes and the manner to track the money coming from these activities. The attendance was broadened to State agency officials who also combat this crime.

There is information exchange with Financial Institutions and feedback regarding new Asset Laundering schemes, in order to strengthen mechanisms that enable preventing this activity in the economy.

It collaborates with the financial Information and Analysis Unit exchanging information for the purpose of verifying investigations regarding this crime and taking the cases to court.

It supplies information on judicial records to the Colombian economy sector supervision and control agencies for the purpose of establishing that individuals are not involved or condemned in cases of drug trafficking.

7.1.12 NATIONAL GENERAL PROSECUTOR'S OFFICE

Apparently, the results do not compare to the magnitude of the phenomenon but, they are very significant, not only because they are the first results, because in spite of the great difficulties that exist in finding the illegal origin of money, the lack of international judicial cooperation, the multiplicity of operations, that are studied during an investigation, among others, the results have enabled Colombia to occupy a privileged position in this hemisphere regarding results in its fights against money laundering, only second to the United States of America.

The National Asset Forfeiture and Anti-Asset Laundering Unit, different from the action of other authorities around the world, has been able to forward in practice various investigations based on typology that had only been conceived in theory and, of which, there was no exact knowledge as to their dimension or magnitude.

The Unit considers that in 2001 it satisfactorily met its objective of initiating investigations of Asset Laundering derived from crimes, as contemplated in 1997 Law 365 and, also, investigations for drug trafficking and extortive kidnap. The table below shows the units results in 2001

CHART 28

NATIONAL GENERAL PROSECUTOR'S OFFICE NATIONAL ASSET FORFEITURE AND ANTI-ASSET LAUNDERING UNIT 2001 ASSET LAUNDERING		
Unit investigations underway		345
Preliminary	252	
Summary	93	
Securing Measures		208
Asset Laundering	150	
Illegal Enrichment	54	
Concealment of crime under 1995 Law 190	2	
Contraband	2	
Abstaining from measures		54
Persons detained		106
Accused	95	
Asset Laundering	51	
Illegal Enrichment	15	
Concealment of crime under 1996 Act 190	1	
Contraband	5	
Other Crimes	23	
Sentences		31
(15 foreseen and 16 condemnations)		
Asset Laundering	18	
Illegal Enrichment	5	
Contraband	2	
Other Crimes	6	

7.2 ASSET FORFEITURE

7.2.1 Asset Forfeiture Legal Actions Filed by the National Anti-narcotics Agency (DNE)

As all novel instruments, the Asset Forfeiture Act needed an adjustment space for its development to take off, exactly as the government has proposed. We admit that there have been obstacles that with time have been solved.

Thus being the situation, the National Anti-Narcotics Agency (DNE), since December 19, 1996 Act 333 has been effective, by virtue of the legitimization that it was granted in Article 8, has presented 117 asset forfeiture legal actions to the National General Prosecutor's Office.

Regarding the presentation of asset forfeiture legal actions, it is important to clarify that the DNE carries out a complete investigation labor that enables it to specifically establish the existence of grounds for connecting the criminal activity and the acquisition of assets owned by the accused. If we do not obtain the complete information that enables us to foresee that the legal action will be accepted, we do not proceed to its presentation, precisely to avoid its being rejected.

At present, the institution is still developing and applying the commitments set forth in 1996 Act 333, as it is one of the legitimate agencies to act by making investigations on assets, the profiles of persons involved in crimes that violate 1986 Act 30 and related crimes, test analysis and well-founded facts that enable us to present new Asset Laundering legal actions and thus, effectively cooperate to combat the drug trafficking phenomenon.

The status of the 117 asset forfeiture legal actions is shown below:

CHART 29

STATUS OF THE LEGAL ACTION	
Initiating the process	56
In the stage of notification	14
In the evidence gathering stage	13
For summing up	1
To the Prosecutor's Office for its decision	1
With a resolution of the decision:	3
For sentencing	18
With a sentence pending writ of execution	5
With a sentence with writ of execution	4
Annulled	1
Declared illegal	1

Also, the Legal Sub-Division has implemented a series of strategies aimed at achieving a unified criterion regarding the interpretation of 1996 Act 333, and has obtained a greater degree of effectiveness in applying it.

The strategies suggested by DNE regarding Asset Forfeiture Legal Action formalities are explained below:

- DNE adopted as a procedural strategy to request the Remedy of Appeal against the rejections to the legal actions presented to the National General Prosecutor's Office, for the purpose of obtaining a ruling in the second instance and, thus achieving unified criteria regarding this topic. It is important to mention that the rulings that have been given have, from every point of view, favored the agency in such a manner that the initiation of the respective forfeiture formalities has been ordered.
- DNE has been presenting asset forfeiture legal actions not only to the National Asset Forfeiture and Anti-Asset Laundering Prosecutors Offices Unit, but also to the different specialized

Prosecutors' Offices throughout the country. In this last case, the mentioned legal actions are filed with the Prosecutor who is in charge of the criminal proceeding, that is to say, in criminal court.

Thus, DNE has opted to apply two different strategies (in addition to appealing the verdicts that deny the action). One, it presents the legal actions within criminal trials when they are underway in the indictment stage and, two, it presents the legal actions to the Asset Forfeiture Unit when there is a verdict, when the case is being tried or when there is a judgment but there is no pronouncement on the assets.

- The DNE Legal Sub-division, with the support of other offices in this agency, wrote up a Bill of Law that contemplates the possibility of creating Specialized Asset Forfeiture Judges, as a consequence of the delay in the decisions made on assets being considered for Asset Forfeiture.

The creation of the mentioned judges is absolutely necessary, because at present, those who have jurisdiction to proffer asset forfeiture sentences are the Specialized Circuit Criminal Judges, authorities whose offices are completely congested with the excessive number of criminal trials involving detained persons. Such trials imply a great responsibility because of their nature and that circumstance leads to decisions on asset forfeiture being delayed.

Therefore, work groups have been formed with the National Asset Forfeiture and Anti-Asset Laundering Prosecutors' Office Unit and other agencies involved in the topic, for the purpose of studying the proposal and establishing viable alternatives, so that the mentioned project is taken into account. If it is. It will facilitate the legal existence of said judges.

For gathering evidence and seeking information, DNE has been in contact with the Cali Army Special Command. Said institution collaborates continuously and efficiently with the topic of asset forfeiture, supplying a great amount of material for evaluation and study. This has enabled DNE to file several asset forfeiture legal actions.

7.2.2 National General Prosecutor's Office Asset Forfeiture Legal Actions

During 2001, the National Asset Forfeiture and Anti-Asset Laundering Unit proffered 35 decisions that involved 1,781 pieces of real estate, 25 vehicles, 65 companies, and cash money in the amount of COP\$ 1,407,732,943 and US\$ 743,400.

To avoid eluding asset forfeiture, the National General Prosecutor's Office investigators have had to specialize themselves in various areas of law, such as Commercial Law, Notary Public Law, Civil Law and Customs Law. In addition, they have learned finance management and stock market operations and, technical accounting aspects, to name a few.

Among some of the mechanisms used by those who seek to avoid asset forfeiture, we mention processes of simulation, preliminary labor litigations, inheritances, trials of ownership, inscription of false legal businesses, shell companies, forgery or property titles and registration documents, assignment of

right to non-profit associations foundations and institutions, the purchase of goods abroad, and donations in payment²¹.

CHART 30

NATIONAL GENERAL PROSECUTOR'S OFFICE NATIONAL ASSET FORFEITURE AND ANTI-ASSET LAUNDERING UNIT ASSET FORFEITURE PROCEEDINGS		
Forfeiture Legal Actions		355
Preliminary	184	
Proceeding	171	
Initiation of Asset Forfeiture Formalities		64
Buildings	1,178	
Vehicles	41	
Aircrafts	3	
Boats	1	
Companies	56	
Trade Establishments	26	
Dollars	727,729	
Pesos	6,821,000,000	
Decisions to Proceed		35
Buildings	1,781	
Vehicles	25	
Aircraft	0	
Boats	6	
Companies	65	
Trade Establishments	1	
Dollars	743,400	
Pesos	1,407,732,943	
Sentences		4
Buildings	8	
Vehicles	1	

²¹ National General Prosecutor's Office. 1997 – 2001 Management Report

8. REDUCING THE DEMAND

8.1 Institutional Strengthening

For the purpose of strengthening drug consumption prevention in the Colombian population, in 1998 the National Government created the “Presidential Program for Confronting Drug Consumption” RUMBOS. Its express mission is to coordinate the design, development, dissemination, follow-up, and evaluation of the national total consumption prevention policy, by promoting inter-sector work and fostering the society’s active involvement in understanding, preventing, and controlling the problem.

For the purpose of converting RUMBOS into a State program, the Minister of the Interior, with the evaluation of seven (7) ministers, presented a bill of law to the VI Commission of the House of Representatives of the Congress of the Republic. It was approved in the first round of voting. After being evaluated by seven (7) Ministers and presented by the Minister of the Interior, this bill of law that converts RUMBOS into a State Program was approved. The second round of voting will take place during the third week of March 2002 and we expect the Senate to approve it before June.

For the purpose of regulating the operation of treatment and rehabilitation centers, the Ministry of Health issued Resolution No. 196 in February 2002, through which technical, scientific, and administrative regulations aimed at elevating the quality of health services to persons with problems associated with psychoactive substance consumption were set forth.

8.2 National Survey on Psychoactive Substance Consumption in Youths from 10 to 24 Years Old

One of the most important actions that the RUMBOS program carried out in 2001 with the support of the Colombian Observatory on Psychoactive Substance Consumption (PAS) was the coordination of the National Survey on PAS Consumption in youths, for the purpose of determining the status of drug consumption in our country, specifically in youths as the highest risk population, for which prevention actions must be a priority.

Taking into account the 1999 National Census experience, this National Survey is much more developed and evolved compared to the work done before. Taking advantage of all of the Department capitals interested in collaborating, a study was made using a cross-section of different groups and it was carried out in three stages to make it more accurate.

The National Survey included additional variables such as consumption frequency, incidence, and annual prevalence. A pilot test of the new instrument done before the study indicated the importance of including an item for the case of youths who start using psychoactive substances before 10 years of age into the consumption initiation age options. In addition, some modifications incorporated into the format made it not only easier to fill out but ensured the least possible number of mistakes due to ambiguities when answering the items because of not understanding the questions or any other error in the manner of answering that could make the results invalid.

A substantial change in the procedures compared to the census taken before was the design of a random sample, and that is why it is called a survey. It is true that the great size of the sample ($U = 305,869$) that was collected in 1999 based on answers made by youths throughout the country enabled us to obtain data that reflected the consumption trends in the country. However, we found that the methodology used in that census had some weaknesses. For example, we could control not some bias in gathering the data in some cities or municipalities. It was not possible to estimate the size of the error in the estimates or to calculate the reliability interval range of the prevalent answers obtained.

Once the survey was designed, it was applied by the selected institutions that voluntarily answered our request for them to participate. The application process in each one of Colombian's cities was carried out with the coordination and participation of the total prevention comities and of the local authorities in each city with the due supervision of the RUMBOS Program and of the members of the Colombian Observatory on PAS Consumption (OCCSP is the Colombian acronym). The Universidad Militar de Bogotá School of Medicine Research Center did the data processing.

Results

In total, 200,876 youths from 10 to 24 years of age answered the survey. 48.8 % of the youths in the sample were 10 to 14 years old, 43.4 % were 15 to 19 years old and 9.8 % were 20 to 24 years old. 47% were males and 52.3 % were females. 83.7 % of all of the youths were in junior high or high school whereas 16% were university students at the time of the survey. As far as the occupational distribution, 85.8% of the youths studied and 14.2 % studied and worked.

The results obtained were evaluated with quality indicators for the data, in accordance with the international statistical standards of Canada (STAT CANADA). These indicators are based on calculating errors in the estimates and the variation percentage. The following table shows the consumption percentages of the substances being studied.

CHART 31
Psychoactive Substance Consumption Prevalence and New Cases

Substance	Prevalence during Life	Prevalence during Last Year	Prevalence during the Last Month	New Cases during the Last Year
ALCOHOL	83.8	78.3	44.7	24.0
<i>Junior High and High School</i>	81.7	76.2	40.3	27.7
<i>University</i>	94.6	89.7	67.1	5.1
CIGARETTES	37.5	30.3	17.2	13.2
<i>Junior High and High School</i>	35.4	29.1	15.4	14.3
<i>University</i>	48.6	36.3	26.1	7.7
MARIHUANA	8.9	6.2	2.4	3.3
<i>Junior High and High School</i>	7.6	5.8	2.2	3.4
<i>University</i>	15.5	8.4	3.6	3.2
COCAINE	4.5	3.0	1.0	1.8
<i>Junior High and High School</i>	4.2	3.0	1.0	1.9
<i>University</i>	6.3	2.7	0.9	1.3
CRACK	1.2	0.8	0.2	0.4
<i>Junior High and High School</i>	1.2	0.8	0.2	0.4
<i>University</i>	1.2	0.5	0.1	0.2
INHALANTS	2.2	1.4	0.4	0.9
<i>Junior High and High School</i>	2.4	1.6	0.4	1.0
<i>University</i>	1.3	0.5	0.1	0.3
ECSTASY	2.2	1.7	0.6	1.1
<i>Junior High and High School</i>	2.0	1.6	0.5	1.1
<i>University</i>	3.2	2.2	0.8	1.4
PSYCHEDELIC MUSHROOMS	1.3	0.8	0.2	0.5
<i>Junior High and High School</i>	1.1	0.8	0.2	0.5
<i>University</i>	2.1	1.0	0.2	0.6
ACIDS	0.7	0.5	0.1	0.3
<i>Junior High and High School</i>	0.6	0.4	0.1	0.3
<i>University</i>	1.4	0.8	0.2	0.6
TRANQUILIZERS	2.4	1.7	0.6	1.0
<i>Junior High and High School</i>	2.1	1.6	0.6	1.0
<i>University</i>	4.2	2.2	0.8	1.1
AMPHETAMINES	1.1	0.6	0.1	0.4
<i>Junior High and High School</i>	1.0	0.6	0.1	0.4
<i>University</i>	1.4	0.6	0.2	0.3
HEROINE	1.1	0.6	0.1	0.3
<i>Junior High and High School</i>	0.9	0.6	0.1	0.3
<i>University</i>	1.6	0.6	0.1	0.2

Source: RUMBOS Presidential Program

The psychoactive substances most consumed by youths are the legal ones. Among the illegal ones, marihuana and cocaine are in first place. The present consumption (yearly prevalence) of ecstasy and tranquilizers is the highest, as compared to the present consumption of the other substances that show

low prevalence. In general, we may observe that an important percentage of the present consumption of these substances corresponds to new cases of consumption.

Regarding new cases of consumption, the initiation into substances such as, inhalants, cocaine, marihuana and, especially alcohol and cigarettes occurs a lot more frequently with junior high and high school students than with university students. Only in the cases of consumption of ecstasy and acid did we observe a larger number of new cases among university students. For the other low prevalence substances such as heroine, amphetamines, tranquilizers and psychedelic mushrooms we did not observe any important differences in the percentage of new consumption cases between the two educational levels.

Conclusions

In addition to the above results, the survey presents additional consumption indicators, such as consumption prevalence by gender and by city, frequency and starting age. Based on those additional indicators we may conclude that:

- 88,3% of the youths have never consumed heroine, cocaine, marihuana or ecstasy.
- Crack consumption tends to be decreasing when compared to the results of previous surveys.
- Alcohol and cigarettes are the substances most consumed in the school age population.
- The youths who consumed alcohol started before they were 14 years old in 80.7% of the cases; and 68.7% started to smoke cigarettes before that age.
- For the first time, the incidence of consumption (new cases) of alcohol and cigarettes is higher in women than in men in the junior high and high school age group.
- The results of this survey are an alert signal for us to intervene in a situation that is increasing.
- The consumption of legal and illegal substances starts when the youths are 10 to 19 years old, and for that reason, prevention must be aimed at that specific population.
- Although there is a slow gradual increase in the consumption of heroine, inhalants, ecstasy and tranquilizers, the number of cases is concerning.
- The psychoactive consumption ratio between men and women in 1989 was 10 men to 1 woman; in 2001 the ratio is 2 men to 1 woman.

8.3 Communications

Regarding communications, the fourth fundamental process, the Program implemented a project that enabled it to consolidate a space for disseminating prevention policies and the activities forwarded by RUMBOS. For the first time with a very well-defined image, there was presence in all of the Bogotá communication media and in the most important newspapers throughout the country. Effective rapprochement channels were created among the media and the RUMBOS officials, and there was an agenda of appointments that enabled RUMBOS to make broadcasting stations, news programs, and television programs familiar with its information, policies, and the results of its work.

As a communication process, we planned and supervised the launching of the prevention messages to be broadcast on radio and television we structured an ample action plan that includes editing and institutional video, a computer game for youths, dissemination campaigns on public transportation vehicles and in cultural, sports, and party spaces. Along these lines we will continue to encourage the

creation of new communication spots⁰ to ensure greater dissemination of the projects that RUMBOS is forwarding as a government program, in charge of designing psychoactive substance consumption prevention policies.

8.4 National Coordination for Decentralizing the Strategy for Reducing Demand

As a result of a restructuring process within the Presidential Program RUMBOS, during the month of June 2001, a regional coordination plan was adopted from the central office that contemplates the presence of one sole coordinator to be the liaison officer between the program policies and the 27 Department committees and 266 municipal committees that are in charge of prevention actions implemented in the different territorial institutions.

The presence of one sole interlocutor with the regions, who channels the concerns and needs that these regions have to the rest of the central team, has contributed benefits that have led to a greater comprehension of the proposals of the Program in its condition as coordinating body for the national prevention policy.

Under this plan we have attempted to answer regional needs, thus strengthening the processes of decentralization initiated in Colombia and of local autonomy, through training and support to the regions' planning and evaluation initiatives.

Thanks to this, we have reached consensus regarding the general guidelines of the prevention policy and unification of criteria, which are expressed in a series of documents that RUMBOS distributes to the different regions. Among those documents, we mention the municipal prevention committees formation manual, the minimum indispensable requirements to finance their projects, and priority guidelines for the annual performance of their proposals.

Through the UNDCP COL/99/012 project "RUMBOS Program Institutional Strengthening", the priority to continue strengthening the Department and municipal prevention committees has been defined as a network labor strategy that includes government actors, non-governmental actors and different ethnic groups (Nariño and Cauca native Indian leaders, Red de Mujeres Chocanas (Department of Chocó Women's Network), in order to optimize the technical, human, and financial resources aimed at consumption prevention. Also, the project has promoted the exchange of successful experiences between regions that have been able to develop their proposals more and others that have seen weaknesses in their processes.

Progress was made in government coordination, through the signature of a letter of intent between the Presidential Program RUMBOS and the Presidential Program Colombia Joven (Young Colombia). The intent is to join youth policies and prevention policies and to promote that union on a regional level. Along these lines, a first phase of the covenant was suggested in which training workshops are carried out in different cities throughout the county, focusing on youth home management with an emphasis on prevention.

Thanks to the work done in the regions, carried out by the Program central office consultants and the Program regional coordinators, there is more awareness and actions have been forwarded regarding the

importance of including consumption prevention into school educational projects. At present, we are working on an information systemizing process that will enable us to have more precise data from the municipalities and institutions that are strengthening this topic.

8.5 Project Financing

With the national budget resources corresponding to the 2001 period, the RUMBOS Program supported the development of 15 projects in 10 Departments.

Upon deciding to co-finance regional projects, the purpose of the program is to favor the National Drug Plan decentralization and to strengthen psychoactive substance prevention actions throughout the country.

Of the projects developed at a local level, two were aimed at strengthening the municipal prevention committees in Boyacá and Caldas; another two, in Tolima and Valle, were focused on creating and strengthening total prevention school committees. The Atlántico project was aimed at training dropout youths and or unemployed youths in the city of Barranquilla, in Bolívar, Caldas, Córdoba, Cundinamarca, Magdalena, Nariño, Tolima, and Valle. These projects were a response to community prevention initiatives whose emphasis was placed on offering the community tools to develop prevention strategies for the proper use of leisure time, for training in economic and labor activities to strengthen the group awareness of the drug problem through communications or production strategies.

During 2001, a project was initiated to validate a methodology to detect the presence of marihuana in the urine, sponsored by RUMBOS. The direct beneficiary is the Legal Medicine Institute (INMLCF is the Colombian acronym). The project is aimed at validating a low-cost, faster methodology to detect marihuana in the urine in cases of fatal and non-fatal injuries. An INMLCF official was trained in the United States to validate the methodology.

8.6 Evaluation Projects

Aware that evaluation is a fundamental axis in strengthening prevention treatment and rehabilitation centers because it is one of the bases to supervise their service quality, through the Program RUMBOS Colombia has defined an evaluation policy that consists of:

1. Promoting research focused on evaluating prevention and treatment models.
2. Encouraging including the evaluation component into prevention and treatment projects and programs, to enable measuring the performance and results of the different strategies and actions carried out.
3. Promoting evaluation as an exercise that will contribute to orienting, correcting the course of the interventions, and measuring the efficiency, efficacy, and effectiveness of the actions.

To develop this policy, the following activities were carried out last year:

◆ **Prevention Program Evaluation Training Workshop Seminar**

Given that one of the deficiencies of the prevention program is that it does not have a structured evaluation strategy, Fundación Mentor (Mentor Foundation) and Program RUMBOS gave a training seminar in which 20 NGOs participated. The experience was valid because it motivated the evaluation and creation of a support network for that purpose.

◆ **Evaluation of 15 Prevention Programs in 3 Capital Cities in Colombia**

In Colombia, over the last decade, several institutions have started programs for preventing the undue use of psychoactive substances. Unfortunately, it has been impossible to know their effectiveness. RUMBOS considered it important to do a pilot test to explore the prevention programs of five NGOs in each one of the following cities: Bogotá, Cali and Medellín. The study used an exploration methodology. Its purpose was to examine the level of conceptual coherence (contents and theoretical justification) of the prevention program performance and to look at the organizational structure and the elements needed to meet the NGO's objectives.

This evaluation allowed us to conclude that:

1. Prevention programs need support to strengthen the conceptual framework on which their intervention is based. This will enable more coherence between discourse and action.
2. The NGOs evaluated are legally organized institutions, which implies certain transparency and seriousness in their organizational management.
3. Due to the absence of evaluation strategies in the prevention programs, the institutions need to receive training on this topic, in order to make the programs last longer.

◆ **Opción Colombia (Option Colombia) Total Prevention Committees Evaluation Project**

During the years 2000 and 2001, RUMBOS and Opción Colombia (Option Colombia) carried out the organization and start up project for the Total Prevention Educational Committees in the municipalities of Armenia, Bucaramanga, Cartagena, Popayán and Ibagué, for the purpose of carrying out prevention actions, with school age youths and for school age youths, within their scholastic communities.

After a while, RUMBOS considered it relevant to examine the results of involving school youths and youths who have had no schooling in PAS consumption prevention activities. For this evaluation, qualitative and quantitative techniques were used. For this purpose, study groups were formed at the schools that had total Prevention Educational Committees and control groups were formed at schools that did not have such committees. The results showed that youths are an excellent resource for opening spaces in the school environment and for carrying out prevention actions. However, for their institutionalization, decided continuous support is required by the educational institutions' directors.

◆ Treatment Center Evaluation Project

The Special Fund of Japan, through the Inter-American Development Bank (IADB), approved financing the treatment center evaluation project, for a value of US\$ 322,500. It will begin in 2002. Thanks to this project, within 14 months, Colombia will have a treatment center evaluation system.

The main project components are: i) evaluation of minimum 400 treatment centers through the creation of an instrument; ii) the creation and dissemination of a treatment center directory; and iii) institutional support to 20 treatment centers in order to improve their service quality. Additionally, the Government of Colombia acquired the commitment to keep the directory updated and to do follow up on the treatment center service quality.

8.7 Research Projects

◆ Devil Worshipers and Drug Consumption

This research explores the relationship between devil worshippers and the consumption of psychoactive substances, a relationship that, in the case of Colombia, required empirical knowledge that would allow it to access tools to determine factors that are intrinsic to its structure and dynamic, which exist when this relationship is present or when it is plausible.

Through 26 semi-structured interviews to three different population samples: six researchers, seven officials and thirteen devil worshippers (active and formerly active), we intended to cover different perspectives that would enable us to give a complex look at the phenomenon of devil worshipping and validate the information supplied, for us to then build a reference framework for this particular phenomenon.

Among the conclusions included in the study, we found that the phenomenon of devil worshipping has a close relationship to psychoactive substance consumption. Said consumption is seen constantly and is a pre-requisite for entering these sects, according to what those who participate or have participated in those activities told us. Drug consumption is also related to committing criminal acts, because it acts as an de-inhibitor. Such criminal acts include homicide, rape, robbery, grave robbing and kidnapping, some of them are part of the rituals performed out by the group.

◆ Gangs, Violence, Drugs

This research was carried out in Ciudad Bolívar, Zone C in Bogotá. Interviews were made to 128 members of youth groups with the following characteristics: 1) Groups made up mainly of persons under 18 years of age. 2) Groups that identify themselves with a name or nickname to differentiate themselves from others. 3) Groups that identify a place as their meeting or gathering place, and 4) Groups that defy the regulations of adult society and traditional customs. To complement the information gathered in the interviews, four focus groups were formed with youths and adults from the zone.

The research describes the structure of these groups, their members' psychoactive substance consumption patterns, the existing relation between these groups and the crimes committed, and the group members' relationship with their family.

◆ **Analysis of the Co-dependency Phenomenon as a Clinical Situation for Consumer and Non-Consumer Families**

The concept of co-dependency has been the object of many debates over the past 15 years. The concept of co-dependency covers certain patterns of behavior in the family members and persons close to individuals who have compulsive behavior, particularly alcohol consumption and consumption of other drugs. The purpose of the first phase of the study was to empirically evaluate the phenomenon of co-dependency. To do so, a test was designed with three sub-scales that correspond to criteria to define the phenomenon. Then its psychometric properties were evaluated.

As a general hypothesis, we suggested that codependency is nothing more than a condition that indicates some trends or a particular pattern of behavior of affective dependency and that its association with chemical dependency is circumstantial. In the first phase of the study the sample ($N = 350$) was divided into two groups: those who had an affective tie to a person who is chemically dependent and those who did not. The differences between the groups were evaluated using the measurement system established for the defined criteria.

During the second phase, additional data was collected and the differences between the groups were examined in such a manner as to verify if the behavior or codependency is seen to a greater extent in the group of persons who have an affective tie with a substance consumer or not.

◆ **Rapid Evaluation of the Situation in Bogota of Drug Consumption through Injection, Risk of HIV Infection, and Related Sexual Risks**

In this project, strategies designed by the World Health Organization were used, for the purpose of obtaining fast, agile information on the risky behavior of users who inject substances in Bogotá. Simultaneously the study was done in 18 other cities around the world. The information was gathered by filling out a questionnaire, by doing in-depth interviews, by using focus groups and key informers. Up to now, the pilot test has been done on near 50 subjects, some of whom presently inject substances and others who previously injected substances.

This study will enable Colombia to make important decisions in coming years regarding the prevention measures that must be adopted concerning heroine consumption, which is showing an upward trend.

Based on the results of this investigation, training was given to drug dependency care teams in the cities of Bogotá, Cali and Cartagena on manners to approach consumers who inject substances such as heroine.

◆ **Inner-family Violence and Psychoactive Substance Consumption, an Exploration of the Relationship between the Two**

Based on the systematic review of scientific documents and on interviews made to 21 officials and to 201 persons who are victims of inner-family violence in Bogotá D. C., we sought to establish the level at which researchers, officials, and victims associate psychoactive substance consumption with violent behavior. Three hypotheses were made in order to organize the information obtained: (1) that a cause-

and-effect relationship exists between the two; (2) that the two events have no cause-and-effect association; and (3) that there is no type of association at all between the two. Although evidence shows that there is no cause-and-effect relationship between inner-family violence and psychoactive substance consumption, there is an important factor of association with the probability of inner-family violence situations.

8.8 Training

During the year 2001, training actions were carried out aimed at the following government agencies:

With the **Military Forces of Colombia**, a Prevention Program was implemented aimed at personnel of the Colombian Air Force, the Army, and the Navy. As part of the same initiative, strategies have been designed to improve the processes of incorporating prevention into specific populations, specific training within the training schools, and prevention at schools. This program will last for five years and has an evaluation component.

For the **National Police**, the RUMBOS action is aimed at training in consumption prevention 119 cadets who aspire to be Police Officials. The Sanitation Division team was sensitized for the purpose of exploring the possibility of inserting psychoactive substance prevention into schools nationwide and consulting was done for the DARE Program police educational team.

With the **Psychoactive Substance Consumption Prevention Committees** in the Departments of Valle del Cauca, Nariño, and Cauca, updated training on total prevention and specific prevention was given to its members.

9. PREVENTION AND ERADICATION OF THE ILLEGAL TRAFFICKING OF WEAPONS AND AMMUNITION

The weapons supplied to the drug traffickers and to other criminal organizations by international organized crime expose our institutions, infrastructure, and Colombia in general to an environment of insecurity and threat. This attempts against Colombian democracy as it has a negative influence on the conflict that Colombia is undergoing. In this context, it is necessary for the countries that produce weapons and for those used for the transit of weapons to exercise firmer control over commercializing weapons and over the later diversion of weapons for illicit purposes in our country, based on the principle of shared responsibility.

Factors such as our geographic position, the internal conflict, the free trade of war materials that exists among countries, the black market, and a large number of weapons floating around from past wars and external countries, have all increased weapon smuggling into Colombia.

Among the actions carried out to neutralize the smuggling of weapons, ammunition and explosives, we mention:

9.1 Creation of the Inter-institutional Antiterrorist Analysis Group (IAAG)

The Antiterrorist Analysis Group is made up of officials from the National Army, the National Police, and the Security Administration Department, specialized in military intelligence, explosives, weaponry, and criminology. They have the following functions:

- a) To directly gather information on trafficking of war materials and attempts with explosives, from the different State security agencies.
- b) To record the information and situation on weapons trafficking in its own database and to keep it updated
- c) To analyze the *modus operandi* of the trafficking of war materials and explosive devices and to disseminate the corresponding bulletins to State security agencies, for the purpose of informing them so that they may operate better and make better decisions.

The exchange of experiences and the difference in attributions of a judicial, investigative, technical, scientific, and technological nature, among others, enables us to adopt policies and procedures for better prevention and repression of war materials trafficking.

For the purpose of identifying international weapons traffickers, the routes that are used, and how to acquire war materials abroad, during the 2000-2001 period 131 weapons tracking requests were made to 37 countries, of which 71 requests were answered. in the year 2000 through the ATF (tracking of weapons manufactured in the United States) 9,869 requests (Hoster Plan) were made of which approximately 30 were answered. In 2001, 66 requests were made of which 23 were answered.

We have been able to identify several lots of weapons and ammunition legally sold and diverted for illegal purposes. Based on individual seizures, we have identified apparently legal cargos shipped to illegal armed groups in the Colombian territory. This was the case of the weapons from Jordan and others.

Of the actions carried out through tracking, we may conclude that a great number of weapons seized in the national territory were stolen or lost in Ecuador and Venezuela. This may well suggest that these countries are an important source of supply for outlawed groups and drug traffickers that operate in Colombia.

9.2 Actions Carried out by the Military Industry (INDUMIL is the Colombian Acronym)

INDUMIL, in its condition as a State trade and industrial company, is responsible for developing the Government policy regarding weapons, ammunition, and explosives. In its condition as manufacturing, commercializing, and distributing company, in the past two years it has implemented measures aimed at complying with international provisions regarding weapons, ammunition, and explosives for the purpose of controlling the manufacture, commercialization, distribution, and importation of the above products.

Below we show the main actions carried out by INDUMIL:

1. INDUMIL has adapted production procedures pursuant to the ISO 9001 international standards contained in the *Inter-American Convention against the Manufacture and Illegal Trafficking of Fire Weapons, Ammunition, Explosives and Other Related Materials*.

The above provisions establish an identification system for products in an individual fashion, with information regarding the sales code, the year of manufacture, and the consecutive packing number. This data enables us to track the product once it leaves the market. Its application is of a mandatory nature for all explosive products manufactured by the Military Industry, from the entry of the raw materials, passing through the production process, to the delivery of the product to the client.

The above procedures follow the provisions in the Inter-American Convention for Weapons Trafficking approved by our Congress as a Law of the Republic.

2. INDUMIL has actively participated in the project in process in the Congress of the Republic to reform 1993 Decree No. 2535 and its 1994 Regulatory Decree No. 1809, which cover weapons, ammunition and explosives, by incorporating into the new legislation topics, such as:
 - a- Weapon definition, classification, purchase, prohibition, identification, and traceability
 - b- Explosives definition, classification, and users; registration and sale of and control over raw materials nationwide; explosives responsibility, transportation, identification, traceability, and transfer
 - c- Explosives importation and exportation
 - d- Importation of equipment and other materials related to the manufacture of explosives, fireworks and gunpowder. The above project was approved in the plenary session of the Colombian House of Representatives and during 2002 it will pass to the Senate.

3. Regarding weapons importation, INDUMIL demands that manufacturers remit the weapons duly marked and numbered. For them to be legalized in customs, they are received at the General Warehouse through an act in which the number of each one of them is recorded. Later, the weapons are released and remitted to the different commercial stores for sale and, once they are sold, this act is recorded in an internal control ledger. The customer is given a document called value use in which the delivery of the weapon is recorded.

These are the processes and procedures and other activities that the Military Industry carries out and this is how it participates in the fight against the illegal trafficking of weapons and drugs.

Furthermore, the National General Prosecutor's Office has its Information Center on Criminal Activities (CISAD is the Colombian acronym). This office is in charge of storing statistical information referring to the investigations underway on crimes related to the manufacture, illegal trafficking of fire weapons, ammunition, explosives, and other related materials, as well as the writs issued by the prosecutors.

10. INTERNATIONAL PANORAMA

10.1 BILATERAL COOPERATION

Colombia maintains a constant labor aimed at encouraging international cooperation in compliance with the commitments it has acquired through the different effective international instruments, in particular, the 1988 United Nations Convention against the Illegal Trafficking of Narcotics and Psychotropic Substances.

To do so, it has carried out several bi-national meetings in 2001 (Costa Rica, Bolivia, Jamaica, Peru, Ecuador, Guatemala, Chile, and Venezuela) for the purpose of responding to the different manifestations of the illegal drug problem.

Among the most important aspects to highlight regarding the above-mentioned meetings, is the aspect corresponding to the cooperation offered by the government of Colombia in matters of training courses in asset laundering operation control and detection. Along these lines, it was agreed that the authorities in charge of the topic in the governments of Ecuador, Guatemala, Chile, Venezuela, and Jamaica would make visits to Colombia for this purpose.

Regarding cooperation exercises, it is worth mentioning the Workshop Seminar "Development of Joint Actions in the Control of Trafficking Narcotics and Chemical Substances along the Colombian-Peruvian Border", which was held in Leticia on October 30-31, 2001.

One of the most relevant results of the bi-national commissions regarding the agreed commitments was the workshops carried out in the year 2002. Thus, for the first months of the year 2002, an event of this type with Ecuador was confirmed, in order to broach the topic of illegal crop eradication and fumigation. Likewise, an agreement was made with the Government of Venezuela for a seminar hosted by DNE in the frontier zone. The seminar will cover the following areas: diagnosis of the frontier situation, identification of chemicals and precursors; synthetic drugs, and intelligence and casuistic techniques.

Also, the 1st Colombian – Mexican High Level Group Meeting on Security and Justice was held on July 24, 25, and 26 in Mexico City. One of the fundamental topics on the agenda was drug trafficking. The Group agreed on the need to exchange information and training on aerial interception and sea interception strategies, on the *modus operandi* used by organized crime, on intelligence operations, on drug consumption trends, and on police corps evaluation processes. It also agreed to coordinate bi-national workshops on the topics of interception and coordination, on the identification of chemical substances, and on asset laundering. It also agreed to study the possibility of entering into a bilateral agreement for seizing the assets from drug trafficking once asset forfeiture is declared.

For a similar purpose, a High Level Security and Judicial Cooperation Mechanism will be created between Colombia and Peru. The decision was made by the two nations' respective Ministry of Foreign Relations at the end of November 2001, as they coincided in the need to have a cooperation and policy

coordination agency to completely examine all affairs related to terrorism, the world drug problem and related crimes, weapons trafficking, and corruption.

The Vice Ministers of Foreign Relations or their equivalents were asked to coordinate this mechanism, with the participation of the Vice Ministers of Defense and Justice of both countries. The first meeting was held in February 2002.

10.2 ACTION IN MULTILATERAL FORUMS

10.2.1 44th Period of Anti-narcotics Commission Sessions, Vienna, March 20-29, 2001

The Commission dealt with eliminating illicit crops. First, it discussed stabilizing the world production and, second, it studied the factor of expansion. Colombia participated in these discussions. During the debate the delegation from our country expressed the need to review this conclusion as it ignored the contribution derived from the efforts made in Colombia. Along these lines, we highlighted the considerable number of cultivated hectares that had disappeared in our national territory thanks to our crop reduction programs. In addition, we mentioned the number of tons of illegal drugs seized and the seizures of chemical precursors as part of the efforts that we have forwarded.

Also, the Government of Colombia supported the recommendation of the International Narcotics Control Board to transfer acetic anhydride and potassium permanganate from Chart II to Chart I in the 1988 United Nations Convention against the Illegal Trafficking of Narcotics and Psychotropic Substances.

Furthermore, Colombia actively participated in the topic of money laundering, as one of the factors to which the Commission should give priority. It highlighted the importance of world and regional management in this area, and particularly the recent creation of the Financial Action Task Force Group for South America (FATF SOUTH).

Regarding judicial cooperation, Colombia presented to the Commission the resolution project titled "Judicial Cooperation: Strengthening the Authorities designated to Effectively Apply Reciprocal Judicial Assistance". The initial proposal was aimed at encouraging the implementation of the aspects defined during the 1988 United Nations Convention against the Illegal Trafficking of Narcotics and Psychotropic Substances related to judicial cooperation mechanisms.

Moreover, Colombia sponsored the following resolutions: a. Applying the information and telecommunications system for national and international drug control created by UNDCP. b. Encouraging international cooperation for reducing drug demand. c. Preventing drug consumption among youths by creating recreational activities for their leisure time.

- **Parallel Meetings**

Our delegation was also part of the parallel meetings carried out in the framework of the 44th Period of Commission Sessions. Of these, it is worth highlighting the 3rd European Union - Latin America and the Caribbean Bi-regional Mechanism Technique Meeting. During this meeting, Colombia announced the

delivery of two projects resulting from the 2nd High Level Meeting held in Lisbon during the year 2000. The projects were a. Project for the Centralized System for Information on Special Control Substances and Medicine throughout the Hemisphere and b. Strengthening the Communication Channels between National and International Authorities for Information Exchange, which will contribute to solving the illegal weapons trafficking phenomenon by making the authorities more aware of it.

10.2.2 29th Period of Regular Sessions of the Inter-American Drug Abuse Control Commission, Washington, May 29 – June 1

Among the topics treated was the issue of crop displacement. Here the Work Group recommended the Commission considered continuing studying the phenomenon in order to identify the conditions or factors that facilitate the appearance and diversification of the drug problem manifestations. It is also worth highlighting the recommendation made by the Work Group for the Commission to consider introducing a new indicator for the topic of displacement in the multilateral evaluation mechanism MEM.

During the discussions, Brazil, Canada, the United States, and Colombia agreed that the group had to recognize the importance of covering this topic within the Commission, for the purpose of achieving greater consensus regarding the concept and the characteristics of the problem to be studied. These delegations insisted on the need to go deeper into the topic before considering including a new indicator, in order to present a proposal that may significantly contribute to the MEM.

Finally, a transitory solution was reached: the definition of the indicator contents to be included in the questionnaire would be discussed during the 30th Period of Regular Sessions of the Inter-American Drug Abuse Control Commission.

- **Parallel Meetings**

During the Rio Group meetings, the topic regarding reducing the supply was covered. The Colombian delegation proposed including the topic of chemical precursor control. The group covered topics such as air, sea, and river control, identifying the need to strengthen the operational coordination mechanisms and information exchange, in order to better control the routes used by illegal drug traffickers.

Regarding alternative development, Colombia agrees to other countries having access to resources from international sources, with the condition that the alternative development projects be limited to those that correspond to the definitions established.

The importance of the MEM was discussed, as a triumphant show of the willingness of hemispheric cooperation. Its possibilities for improvement were also discussed. The results of the MEM should enable a coordinated action in the fight against the world drug problem.

10.2.3 31st Period of Regular Sessions of the Organization of American States (OAS) General Assembly, San José, June 3-5, 2001

Regarding the world drug problem, Colombia presented an initiative, which was received as part of the resolutions adopted, aimed at reinforcing policy dialog at the highest level regarding the region's achievements in fighting against this problem. This policy dialog will entail the results that are observed by implementing the MEM, as well as the experience that the member states contribute.

Also, Colombia proposed to summon a specialized Conference within the OAS for the purpose of identifying new policy actions and technical cooperation actions at an inter-American level in this area. It requested that the Assembly President request the formal presentation of this initiative from the relevant agencies within the Organization at a coming period of regular or special sessions of the Assembly.

The two proposals mentioned were justified during the plenary session of the Assembly in an intervention made by the Minister of Foreign Relations of Colombia. This intervention was delivered to the General Secretariat and to the participating delegations.

10.2.4 30th Period of Regular Sessions of the Inter-American Drug Abuse Control Commission, Caracas, November 12-15, 2001

Among the topics treated in the approved agenda, it is worth mentioning the follow-up reports to the recommendations for the MEM. The need for the countries to assume the commitment to fully participate in the mechanism was highlighted by their contributing information within the stipulated deadlines for the purpose of facilitating the evaluation process. In addition, the importance of those countries ensuring the continuity of their experts in the process was reiterated.

Colombia also actively participated in the meeting by presenting its report on chemical substances, in its condition as President of the Group of Experts on that topic.

The Commission approved the report and the group's recommendations, among them the creation of a new group of experts on pharmaceutical products. Colombia was elected to preside this new group that must meet during the year 2002 to develop the proposed work plan.

In the agenda under miscellaneous, the topic of the hemisphere's anti-drug strategy was broached and, particularly, how to review that strategy when some delegations stated that they wanted to include such topics as displacement and terrorism.

The Commission requested that the Secretariat prepare a proposal on the topics that must be strengthened or introduced into the strategy and they will be discussed during the next period of regular sessions.

Another meeting in which Colombia participated in the multilateral ambit was the Summit of the Americas, held in Quebec, April 14–15. In this meeting emphasis was given on encouraging multilateral and bilateral cooperation through mechanisms such as information exchange of policies and actions

related to drug prevention, treatment, rehabilitation, and supply control, along with the development of educational campaigns to prevent the public community from running the risk of consuming drugs by making them aware of the situation.

Also, on a continental level, Colombia attended the meeting of the Inter-governmental Work Group on the Multilateral Evaluation Mechanism (MEM), which was held in Washington D. C., from April 23 to April 27. The topics covered were the periodicity of the evaluations, the work methodology, problems and achievements in developing national anti-drug strategies, the follow-up on the recommendations, and the evaluation schedule.

10.3 REGIONAL COOPERATION

10.3.1 The Andean Community

10.3.1.1 The Andean Strategy for Fighting Drugs and Related Crimes Lima, May 13-14, 2001

The governments presented their National Drug Plan pursuant to the Andean strategy policy guidelines thus complementing it with the national and bi-national strategies on the same topic.

Colombia presented its National Drug Plan and its most important results during the year 2000 in the fight against drugs that the country is forwarding. The Andean countries requested more information regarding Plan Colombia and the National Drug Plan, topics that were duly illustrated, leaving the Andean country delegates satisfied. In addition, the Andean Community Secretariat requested a presentation on Plan Putumayo, but the Colombian delegation considered that it was not pertinent to do that for reasons of time and convenience.

Another aspect to mention regarding Colombia's participation is the fact that it participated in preparing the document that served as a base for the Strategy Action Plan Project, which was created by the Chancellery Special Affairs Division, a proposal that gathered policy guidelines that the Andean Community Secretariat wrote up based on the meeting held with the Vice-chancellors.

The document presented by Colombia was accepted almost in its totality. It was discussed, complemented, and adjusted by the other delegations and by the Andean Community Secretariat.

10.3.1.2 1st Meeting of the Andean Authorities Responsible for the Fight against Illegal Drugs and Related Crimes, La Paz, November 29-30, 2001

The most important commitments and achievements during this meeting are listed below:

- Regarding the next Period of Sessions of the Anti-narcotics Commission to be held in March 2002 at the United Nations headquarter in Vienna, there was an agreement to adopt joint positions during the period carried out from December 12-14, 2001, regarding the budget topic; that is to say, to support the proposals of the countries in the region aimed at avoiding a cutback in budget for our

region. After debating the topic, the countries agreed to support the Colombian proposal that is presented below:

- a) The strengthening of sustainable alternative development programs, including preventive alternative development programs, within the framework of international cooperation, and
 - b) The sustainability of illicit crop reduction as compared to drug demand: international cooperation, including United Nations cooperation.
- Also, there was an agreement to instruct our diplomatic missions to carry out the necessary steps to institutionalize meetings of the Andean countries with donor countries within the framework of the Anti-narcotics Commission sessions.
- It is worth highlighting that the national delegation obtained Andean support to propose the creation of a follow-up mechanism to the Panama Action Plan within the framework of the European Union – Latin America and the Caribbean Cooperation and Coordination Mechanism.
- There was also an agreement to define a community mechanism for timely response to the notifications received regarding controlled chemical substances exportation, to the Member States and among them. The Member States will write up a report on the notifications received and answered during the 2001 period, for the purpose of centralizing the information in the General Secretariat.
- There was an agreement to establish a community directory of chemical substance companies, producers, importers, and exporters, and it will be updated periodically. The member states agreed to remit the national directories to the General Secretariat maximum 30 days thereafter, for them to be exchanged among the Member States and incorporated into the web page.
- There was an agreement to carry out during the second semester of 2002 a coordinated operation among the anti-drug forces and the customs forces of each Member State regarding controlled chemical substance detection within the framework of the INTERPOL ANDES Project.
- The Andean delegations agreed to stand as one at International Meeting on Alternative development held in Feldafing, Germany, January 7–12, 2002. The coordination to write up a document expressing the meeting objectives was delegated to the CADA Technical Secretariat.

10.3.2 3rd European Union and Latin America and the Caribbean Meeting on the Mechanism for Coordination and Cooperation regarding Drugs Cochabamba, June 11–13, 2001

During the intervention made by the head of the Colombian delegation, attention was drawn to the importance of the Inter-American Drug Abuse Control Commission Chemical Precursor Expert Group's coordinating actions and programs aimed at controlling these substances. Therefore, it is imperative to develop coordinated action in order to be effective at that labor.

In the same intervention, how fundamental it is to prevent and sanction asset laundering as one of the pillars in the fight against the world drug problem was underpinned. Along these lines, the creation of the FIAU was highlighted, explaining that that is how our country complies with international standards on that matter. Also, we mentioned the legislation and institutional structure needed to achieve the proposed objectives.

In the external ambit, we mentioned Colombia's participation in the Financial Action Task Force of South America (FATF SOUTH), organization in which Colombia held the presidency until the end of the year 2001.

During the discussions, two central aspects were presented: co-responsibility and bi-regionality. The first covered the topic of alternative development and the second covered demand reduction (establishing national observatories and information exchange).

The topic of co-responsibility was handled by PLANTE in an Andean document on alternative development that was presented to the European Union authorities.

The mentioned document contemplates the fundamental aspects on alternative development perspectives in the Andean Region such as citizen participation, sustainability of alternative development projects, access to product markets, and displacement of illicit crops.

In the report presented, we highlighted the importance of the international community's institutional accompaniment and coordination in aspects such as knowledge transfer to the beneficiaries, cooperation resource management for applied research, and high quality technical assistance aimed at alternative development. This will be successful if sub-regional plans and projects are formulated in a manner as to conserve strategic regions from the ecological perspective and to comply with the global objective of the fight against drugs and related crimes.

To this, we add access to alternative development product markets. For that purpose, it is necessary to continue with preferential tariff systems along with exemption policies in the policies regulated by the World Trade Organization. As a complement to the above, it is essential for the peasant communities to have access to the financial and capital markets with internationally accepted interest rates. In this sense, the European fiscal authorities granting tax credits (tax discounts) to their companies who invest in alternative employment generation programs in the Andean Region would have great impact on the communities devoted to agriculture.

Bi-regionality was broached within the framework of information exchange on consumption trends. The Colombian delegation stated the importance of establishing national observatories on consumption, on consolidating them, and on interconnecting them or having interaction to establish a network and finally to exchange experiences, methodologies and results with the European Drug Dependency and Drug Addiction Observatory.

Finally, referring to chemical precursors and asset laundering, the Colombian delegation insisted on two fundamental arguments to achieve the Colombian Government's objectives. The first consists of effectively detaining the diversion of chemical precursors. If that is done then the amount of cocaine available would be reduced. Hopefully this can be done through the actions of the Member States. The

second alludes to the fact that the money that is the product of illegal transactions generated from the illegal drug industry is not kept in the countries that produce the illegal drugs. Therefore, an even deeper commitment to detain, prosecute, and confiscate such illegal money is needed from the countries where international financial centers are found.

10.3.3 1st Seminar of United against Drugs Quito, June 12 – 15, 2001

Among the reports presented, it is worth highlighting the report presented by the Functional Group on Air Interdiction, of which the Colombian Air Force was in charge. In this report we may appreciate a decrease in drugs transported by air. We also highlight the importance of the increase in the levels of trust among the forces who participate in United against Drugs (UCD is the Spanish acronym), which has led to an increase in international cooperation and coordination regarding air interdiction operations.

We also indicate that the Colombian team held the following bilateral meetings with Ecuador, Guatemala, Venezuela, and Peru. These countries stated their interest in continuing to carry out the border workshop seminars given on chemical precursors control sponsored by the DNE. Also, they expressed their desire to become familiar with the procedures used by the National Navy in its maritime interdiction operations.

Regarding aerial interdiction operations, the delegation from Peru indicated that it is necessary to establish exchange mechanisms for experiences and crews. It would be appropriate to negotiate a covenant on information exchange for aerial interdiction that could facilitate some of these tasks.

Regarding river interdiction, Peru proposed forwarding the exchange of crews to work on the Putumayo River under the figure of Ship Riders. In addition, they invited two students to the River Combat School of Peru.

10.3.4 2nd Meeting of the FATF SOUTH Representatives Plenary Session Montevideo, June 4-5, 2001

At the above meeting the action program was approved, which has the following objectives:

- To consolidate the operational and financial structure of FATF SOUTH
- To improve the national anti-asset laundering systems that go against the FATF recommendations and those of FATF SOUTH using the evaluation mechanisms as a support.
- To integrate FATF SOUTH into the international network of related initiatives and organizations

Colombia actively participated in the decision making for programs that were on the agenda such as the type of headquarters, the dues that the governments would pay, the system of mutual evaluation, and relations with international organizations.

It is worth mentioning that Colombia and Uruguay offered to initiate the system of mutual evaluation program.

Regarding relations with international organizations, it is worth indicating that the OAS-IADACC delegate informed us that, in its condition as a consulting member for FATF SOUTH, it would offer support in the following aspects:

- ◆ Access to the database on national legislation regarding asset laundering
- ◆ Collaboration in carrying out joint specialized training efforts
- ◆ Contribution of experience to coordinate and organize multilateral activities
- ◆ Support to the task of typology through the OAS-IADACC Group of Experts to control asset laundering
- ◆ Contribution to promoting FATF SOUTH with different specialized forums and governments interested in following the development of this mechanism

Also, the IADB Representative invited us to identify cooperation spaces in which its entity would be willing to back FATF SOUTH.

10.4 COLOMBIAN INTERNATIONAL COOPERATION AGENCY ACTIONS

During 2001, the Colombian International Cooperation Agency (CICA) forwarded several activities aimed at consolidating international community support regarding alternative development, consumption prevention, and strengthening the agencies related to controlled substances and illegal substances.

For the six (6) projects that the CICA is carrying out, it has near US\$ 119 million in international contributions and US\$ 47 million from the Colombian Government. 97% is devoted to alternative development. During this period, the most active sources of cooperation have been the United States and the UNDCP.

It is worth mentioning that during this period, projects have been carried out that, although they were not directly related to "illegal drugs", were included in complementary activities aimed at mitigating the effects of the fumigations, forced displacement, encouraging food safety, production development, and municipal and community strengthening in regions where illicit crops exist.

In the ambit of Technical Cooperation among Developing Countries, with the help of UNDCP, triangulation actions regarding substance control training have been carried out.

Also, within the framework of the donors work groups, different sources have made announcements regarding their interest in supporting total initiatives within which there are components related to the production and trafficking of narcotics, in defined regions such as the Colombian Massif and Magdalena Medio, in particular, regarding farming and livestock development and sustainable environment development.

Thanks to the progress made in the inter-institutional coordination that the Government of Colombia has achieved, it was possible in March 2001 to present, at the UNDCP meeting in Vienna, a joint position regarding the country's needs in the various areas of the drug problem, thus preparing a total demand;

and, on the other hand, to indicate the topics in which, with the help of international cooperation, we have been able to consolidate the policy and processes to reduce the problem.

Even though Colombia is going through an extremely severe fiscal crisis, it has made efforts to comply with international commitments such as paying its dues to the UNDCP and diverse national payments.

10.5 JUDICIAL COOPERATION

The 1988 Vienna Convention traced the framework within which the international policy regarding the prevention and repression of narcotics and psychotropic substances must be carried out. It suggested the need to internationalize efforts and to promote shared responsibilities, for the purpose of facing this problem in a coordinated fashion because this problem is a problem to which no country may be indifferent.

Article 7 in the Convention contains provisions to enhance mutual judicial assistance through which it is possible to speed up information exchange and evidence needed by the judicial authorities of the different countries in order to forward investigations, trials, and judicial proceedings that refer to the drug trafficking crimes indicated in the Convention itself.

In Colombia, applying Article 7 corresponds to the Ministry of Justice and Law and to the National General Prosecutor's Office, as follows:

The National General Prosecutor's Office: must receive and process, if the case should be, the judicial assistance requests that are formulated by the designated authority of the other Member States to the Convention, as well as to formulate judicial assistance requests that are related to the stage of investigation to the designated authorities of the other Member States to the Convention.

The Ministry of Justice and Law is in charge of formulating requests for assistance to the designated authorities of the other Member States to the Convention, that are required by the Colombian authorities regarding the stage of trials, as well as requesting to the designated authorities of the Member States to the Convention any other form of judicial assistance possible within the framework of Article 7.

Colombia has broadened international judicial cooperation and at the same time has made it more direct and expeditious. This means that regarding information needs and evidence to be contributed to the trials as well as any other form of judicial assistance, the judges may, through the Ministry of Justice and Law, transmit their judicial assistance requirements to the designated authorities of the other Member States.

On the other hand, it is the National General Prosecutor's Office who is in charge of processing the assistance requests that are formulated by the designated authorities of the other countries related to the stage of investigation, without needing to go through diplomatic channels.

Reciprocal Judicial Assistance Required by the Ministry of Justice and Law Specialized Circuit Criminal Courts

The Ministry of Justice and Law acts as Central Authority in the trial stage pursuant to 1988 Vienna Convention Article 7 *"Reciprocal Judicial Assistance"*, in which broad mechanisms are set forth in matters of mutual legal assistance through which it is possible to speed up information exchange and evidence needed to forward investigations, proceedings, and trials by the judicial authorities of the different countries regarding drug trafficking crimes.

Thus, in 2001, through the intermediary of the Ministry, the specialized courts made 24 judicial assistance requests to the different Central Authorities, such as Bahamas, Belgium, Brazil, Ecuador, Spain, United States, Holland, Panama, Peru, and Venezuela. Of these countries only five answered and nineteen are still pending an answer. This is illustrated in the chart below:

CHART 32
PERIOD FROM JANUARY 1, 2001 TO DECEMBER 31, 2001

COUNTRY	NUMBER OF REQUESTS	ANSWERED	UNANSWERED
BAHAMAS	1	0	1
BELGIUM	1	0	1
BRAZIL	1	0	1
ECUADOR	2	2	0
SPAIN	2	1	1
UNITED STATES	12	0	12
HOLLAND	1	1	0
PANAMA	1	0	1
PERU	1	1	0
VENEZUELA	2	0	2
TOTAL	24	5	19

Source: Ministry of Justice and Law

Also, the National General Prosecutor's Office has strengthened the cooperation with other homologous authorities and with the judicial aggregates stationed in our country.

CHART 33
REQUESTS MADE BY THE NATIONAL GENERAL PROSECUTOR'S OFFICE
TO FOREIGN STATES

STATE TO WHICH JUDICIAL COOPERATION HAS BEEN REQUESTED	SENT IN 2001	ANSWERED IN 2001
GERMANY	4	1
AUSTRIA	1	0
BAHAMAS	0	0
BELGIUM	1	0
BOLIVIA	0	0
BRAZIL	2	0
CANADA	0	0
COSTA RICA	2	0
CHILE	1	0
ECUADOR	0	0
SPAIN	12	4
UNITED STATES	33	4
EL SALVADOR	0	0
FRANCE	0	0
GREAT BRITAIN	1	0
GUATEMALA	0	0
HOLLAND	5	1
ITALY	2	1
LUXEMBOURG	0	0
MEXICO	4	6
PANAMA	12	3
PERU	7	0
SOUTH AFRICA	0	0
SWITZERLAND	2	0
TURKEY	0	0
VENEZUELA	3	0

Source: National General Prosecutor's Office

CHART 34
REQUESTS RECEIVED BY THE NATIONAL GENERAL PROSECUTOR'S OFFICE
FROM FOREIGN STATES

STATE THAT REQUESTED COOPERATION	RECEIVED 2001	ANSWERED 2001
GERMANY	2	2
AUSTRALIA	0	0
GREAT BRITAIN	1	0
HOLLAND	15	8
MEXICO	2	1
ITALY	1	0
PANAMA	15	4
PERU	2	2
POLAND	0	0
SWITZERLAND	1	0
UNITED STATES	26	13
SPAIN	5	4
CUBA	0	0
ARGENTINA	0	0
AUSTRIA	0	0
CHECK REPUBLIC	0	0
ECUADOR	0	0
FRANCE	1	0
GUATEMALA	1	1
HONDURAS	1	0
BRAZIL	1	1
JAPAN	1	0
SWEDEN	1	0

Source: National General Prosecutor's Office

10.6 PASSIVE EXTRADITION

1. Total number of extraditions requested in the year 2001, for narcotics trafficking and asset laundering crimes

CHART 35
PASSIVE EXTRADITION

REQUESTING COUNTRY	STATUS OF THE REQUEST	NUMBER OF REQUESTS
ITALY	In process	4
UNITED STATES	In process	35
	Extradition granted	3
CANADA	In process	3
	Extradition granted	1
DENMARK	In process	1
FRANCE	In process	1
PANAMA	In process	3
BRAZIL	In process	1
	Request removed	2
	Extradition granted	1
SPAIN	In process	2
ARGENTINA	In process	1
PERU	In process	1
	The Prosecutor's Office denied the arrest	1
TOTAL		60

Source: Ministry of Justice and Law

2. Total number of extraditions conceded in the year 2001 that include a request presented in previous years.

CHART 36
Extradited Colombians

COUNTRY REQUESTING EXTRADITION	CRIME	NUMBER OF COLOMBIANS EXTRADITED
UNITED STATES	Drug trafficking	10
	Drug trafficking and asset laundering	14
	Asset laundering	1
	Homicide attempt	2
PERU	Drug trafficking	2
TOTAL		29

Source: Ministry of Justice and Law

CHART 37
Extradited Foreigners

COUNTRY REQUESTING EXTRADITION	CRIME	NUMBER OF COLOMBIANS EXTRADITED
UNITED STATES	Drug trafficking Asset laundering	2 1
PERU	Drug trafficking	1
ITALY	Drug trafficking	3
ARGENTINA	Homicide attempt	1
CANADA	Drug trafficking and asset laundering	1
BRAZIL	Drug trafficking	1
TOTAL		10

Source: Ministry of Justice and Law

10.7 ACTIVE EXTRADITION

In the year 2001, our judicial authorities presented one (1) request for extradition to the United States for asset laundering²².

²² Information reported by the Ministry of Justice and Law

11. DECENTRALIZATION, MANAGEMENT AND COMMUNITY PARTICIPATION

The implementation of the National Drug Plan on a local level enables Colombia to lead efficient, sustainable drug control strategies aimed at attending and solving the specific manifestations of the problem in each Department and municipality. This process is being forwarded with the support of the covenant signed by and between the United Nations Program for Drug Control (UNDCP), The Colombian International Cooperation Agency (CICA) and the National Anti-narcotics Agency (DNE), Project AD/COL/99/C-81.

The process of decentralization of the National Drug Policy requires mobilizing the local authorities that are the authorities directly responsible for achieving this objective. The Regional Anti-narcotics Councils are the regional entities created through 1986 Act 30, who are responsible for ensuring on a regional level that the policies traced by the National Anti-narcotics Council are carried out and for approving the plans and programs that must be executed at a regional level in accordance with the idiosyncrasies of the different departments. These Councils are backed by different inter-institutional and interregional structures (regional technical units and/or prevention and control committees) to make the Department drug prevention and control strategies operational.

The Department strategies defined have focused on training, participative planning, formulating, implementing, and following up on projects, communication as a dissemination strategy and as a teaching instrument, and the support to form national and regional networks.

At the regional level, *training* has been organized and supported by the officials of the different inter-institutional sectors in charge of coordinating and executing the policy. It has been given to officials who make up the regional structures (Department and municipal) responsible for the execution, follow-up, and evaluation of the operational drug plans, teachers, students, parents, community leaders, peasants, NGO representatives, and the civilian society at large. Mainly Department officials have led the municipal training.

Inter-institutional *participative planning* has become the navigational chart to cover the drug problem in the Departments in a joint manner with the institutions that have the responsibility of forwarding interventions regarding this problem. Most of these strategies were adjusted during the first months of 2001 and the *formulation, implementation, and follow-up of projects* was carried out, some of which were co-financed by the AD/COL/99/C-81 Project.

Department structures have included *communication* as one of the primordial strategies to face drug problems in their localities. Information products and dissemination products as well as pedagogical ones have been created. They have taken advantage of public spaces and massive communication media as well as significant dates to summon the population and share information on the problem.

The design and implementation of a web page and the start-up of an internet site for the Program for the Decentralization of the National Drug Plan²³ has made it possible, on one hand, to disseminate the Colombian process worldwide and, on the other hand, to systemize the information and exchange experiences to forward the formation of national and regional networks.

Non Governmental Organizations have played a very important role in the decentralization process. These organizations have accrued developed knowledge through their action and their experience in their work with communities and populations. In addition to encouraging citizen participation, they have forwarded prevention projects in high-index localities of some of the manifestations of the drug problems.

These local initiatives presented to the Project are evaluated and selected based on criteria such as the trajectory of the NGO, the specific nature of the drug topic, the social processes and community processes developed, as well as the social impact, the inter-institutional coordination, and community participation. In this manner, we seek to strengthen social processes and community processes aimed at broadening the coverage, advancing, and going into more depth on the focuses, to design and produce educational materials, to systemize and evaluate experiences as well as to validate methodologies.

Finally, counter-party information system assembly enables us to determine the value of the contributions of the Colombian Government to the Project at central, Department, and municipal levels, regarding its different activities forwarded throughout the country, giving us an estimate of the mobilization and use of existing resources.

During the year 2001, we have initiated and maintained Regional Anti-narcotics Councils in 26 of the 32 Departments in Colombia. We have included programs related to the National Drug Plan into Departmental Development Plans. We have been able to form, strengthen, and put into operation Department and municipal structures. We have designed and implemented drug prevention and control strategies in 27 departments. We have formulated and developed 17 intervention projects with vulnerable populations. We have designed and developed pilot research throughout the country on the characterization of the so-called "mules". We have mounted a Department observatory on production, traffic, and consumption; We have given technical and financial support to 13 new local initiatives presented by NGOs and town halls. And we have created communications and educational products developed by the regions.

The Project has achieved a geographical coverage in the 32 departments throughout the nation and in 117 municipalities. 33,000 persons have been directly benefited, including national, Department, and municipal institution officials, persons associated with NGOs, and the population at large belonging to different sectors and groups.

The 13 new local initiative projects supported during this term have directly benefited 10,800 persons (children, youth leaders, street urchins, youth organizations, parents, teachers, community leaders, women, and NGO officials) in 22 municipalities throughout the country and in Bogota, D. C. Indirectly, the projects have attempted to reach the community as a whole.

²³ www.descentralizadrogas.org

Projects included in the Department strategies were co-financed and technically supported in many cases delivering equipment in commodatum. These projects are oriented toward:

- Training and developing self-management association groups aimed at sowing legal crops (cacao and corn) with groups of peasants and native Indians in the Departments of Córdoba and Norte de Santander. 240 native Indians in the Motilón-Bari community and one group of 36 peasants in three municipalities in Córdoba are being given support.
- Creating and strengthening cultural spaces for coexistence, expression, environmental preservation, citizen participation, and prevention in high-risk youth groups, for a total of 4,300 youths in the Departments of Amazonas (1,550 youths), Atlántico (300 youths), Bolívar (310 youths), Guaviare (1,860), Nariño (240 youths), and Valle (70 youths).
- Consolidating citizen organization processes at a municipal level with groups with broad citizen representation with the participation of public and private entities, NGOs, and community leaders, seeking to generate coexistence spaces for peace by developing strategies to prevent the three manifestations of the drug problems. These projects are being supported in the Departments of Antioquia (30 participants), Boyacá (2,400 participants), Cauca (45 participants), Cesar (150 participants), San Andrés y Providencia (120 participants), Santander (400 participants), and Vaupés (100 participants).
- Training teachers on the prevention of the different manifestations of drugs and on how to implement actions at their respective schools, in the Departments of Atlántico (246 teachers), Meta (60 teachers), and Putumayo (30 teachers).
- Carrying out prevention and rehabilitation processes forwarded by attention centers to the population who violates the laws and consumes drugs, in the Departments of Córdoba (67 inmates) and San Andrés y Providencia.
- There are two research projects underway as new experiences that intend to supply information on drugs. First, research on "identification of psychosocial and cultural factors associated with individuals and/or groups involved in the activity of "mules" from the coffee growers' zone" is being done (Departments of Risaralda, Quindío, and Caldas). This research is being done with a consortium of six universities (Nacional de Colombia – Manizales headquarters, Tecnológica de Pereira, Caldas, Quindío, Tolima, and ESAP). Second, in the Department of Nariño an inter-institutional team of government organizations and NGOs, with the support of the Project, is creating a permanent Department observatory for the prevention of production, trafficking, and consumption. This is a pilot experience to be replicated in other Departments.

The regional production of bulletins, radio programs, teaching booklets on prevention and on citizen participation, and a massive communications campaign on the radio and on TV aimed at drug trafficking prevention are being supported.

The project's technical team with the communications company Formato has created two pieces of material for preventing the supply of illegal substances. One aimed at the children and youth population is titled "Magic Seeds" and the other is aimed at official and the population at large "The Other Point of

View: a Cultural Perspective on Prevention". Also, three editions of the "Decentralization and Drugs Bulletin" were edited and the document "Memoirs of the National Drug Plan Decentralization Process" document was reprinted upon requests received by the different regions.

The "International Day for Fighting Illegal Drug Traffic and the Undue Use of Drugs" was celebrated and support was given to it. It focused on sports and academic activities in the Departments of Atlántico, Boyacá, Caquetá, Cauca, Cesar, Córdoba, Cundinamarca, Magdalena, Norte de Santander, Quindío, Santander, San Andrés y Providencia, and in Bogota, D. C.

In association with Fundación Mentor Internacional, the National NGO Meeting on Drug Prevention was held. Representatives of 27 NGOs throughout the country participated, all of them having broad trajectory and known knowledge on the covered topics. New knowledge was acquired, there was an exchange of experiences and many alliances were built.

Equipment was delivered in 2001 to support the department structures and the action plans for drug prevention and control.

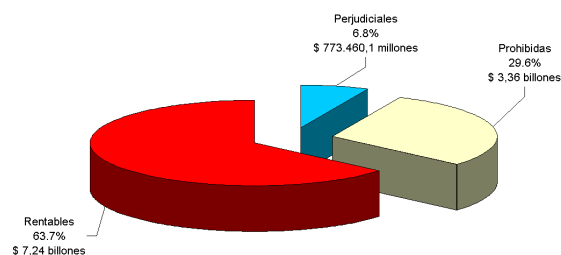
METHODOLOGICAL AND QUANTITATIVE APPROXIMATION OF THE ECONOMIC COSTS GENERATED BY THE ILLEGAL DRUG PROBLEM IN COLOMBIA (1995-2000) (Summary)

The Inter-American Commission for Drug Abuse Control (IACDAC/OAS), through its Multilateral Evaluation Mechanism (MEM) set forth as recommendation, *"To continue developing the ability to estimate the social, human, and economic cost of the drug problem"*. However, in Colombia methodologies that enable approximating this type of assessment have not been designed much less applied. There are some exercises that, due to limitations of information, have not completely broached the problem. That is why the National Planning Department (DNP), and particularly the Justice and Security Division (DJS) – Government Studies and Internal Affairs Group (GEGAI) wrote up a paper that includes a methodological proposal, based on the international literature on this topic to enable us to calculate the economic costs generated by the existence of a problem of illegal drugs. The result of this exercise is an important input, not only as a response to the IACDAC recommendations, but also as a source of information to approximate the economic consequences of the main problem that troubles our country at present.

Among the main results of the paper written up by the DNP, we highlight the following:

During the 1995-2000 period, the illegal drug problem in Colombia generated economic costs along the order of COP\$ 11.38 billion 2000 pesos (US\$ 5 billion 451.9 million). This is equal to an average yearly cost of COP\$ 1.89 billion (US\$ 908.6 million), that is to say, 1.08 % of the 2000 GDP. In 2000, this cost reached its maximum value of COP\$ 2.60 billion (US\$ 1 billion 246.2 million), equal to 1.48% of the GDP.

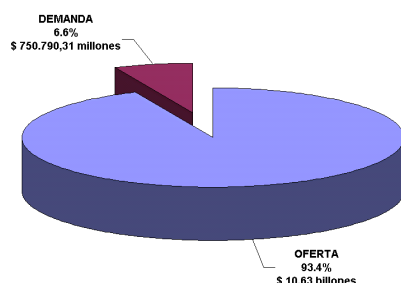
Graph 1: Economic Costs Generated by the Drug Supply and Demand Problem



Graph 2: Economic Costs Generated by Illegal Drugs

(1995-2000)

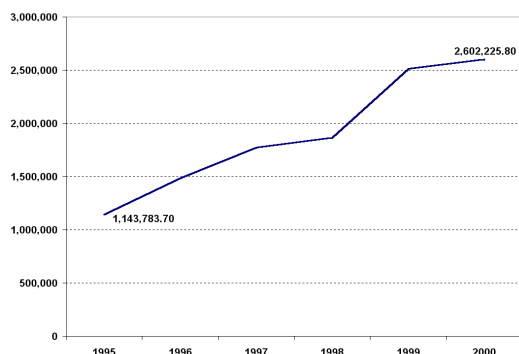
based on the Characteristic of the Problem (1995-2000)



Source: DNP-DJS-GEGAI

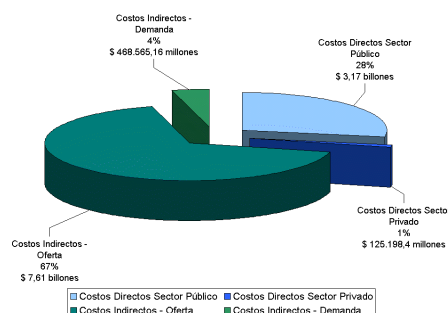
Source: DNP-DJS-GEGAI

Graph 3: Behavior of the Economic Cost Generated by the Illegal Drug Problem in Colombia (1995-2000)



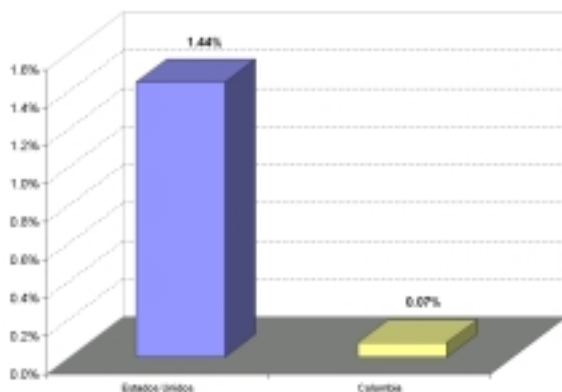
Source: DNP-DJS-GEGAI

Graph 4: Economic Costs Generated by Illegal Drugs Based on Type of Cost (1995-2000)



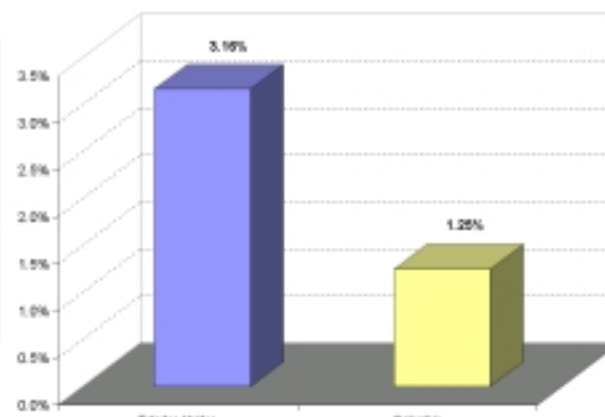
Source: DNP-DJS-GEGAI

Graph 5: Share of the Economic Costs Generated by Illegal Drugs regarding the Demand on the GDP – 1995 -



Source: NIDA, Department of Commerce – Bureau of Economic Analysis, UNDCP. Calculations: DNP-DJS-GEGAI

Graph 6: Share of the Expense Aimed at the War against Drugs in the Budget (Federal and National), Respectively – 2000-



Based on the above results, we may conclude the following:

1. Indirect costs have a greater impact on the economy than direct costs, due to the fact that they take into account the effects that fall back on society as a whole (loss of productivity and alternative use of factors).
2. The fact that an important percentage of the costs obeys to the prohibition of the production and consumption of illegal drugs does not imply that it is convenient to legalize drugs in order to reduce the costs of the problem, due to the fact that the costs associated with the harm facet and with the profitability facet would increase, assuming that decriminalizing consumption and production would lead to an increase in the number of addicts and in the number of cultivated hectares, respectively.
3. If the supply costs, both direct and indirect, (this has a weight of 93% of the total costs generated by illegal drugs) prevail over the costs related to consumption, it is possible to establish that State policies to confront the problem must be aimed at giving a priority to solving the supply problem. However, given the growing behavior of the direct and indirect costs associated with health problems and with premature mortality over the last six years, we must strengthen the measures aimed at fighting the psychoactive substance (PAS) consumption problem.
4. The calculations estimated in this study might be underestimating the real cost of this problem, due to the lack of statistical data that the methodologies proposed in Chapter Two of the paper demand. Notwithstanding, to partially solve this problem, a series of assumptions were established that enabled estimating the economic costs generated by the drug problem and by the war against drug trafficking in the case of Colombia.

5. Taking into account the problems related to seeking data on this topic, there should be an information system available that centralizes, with a homologous criterion, the statistics supplied by private sector institutions (clinics, hospitals, treatment centers, companies, etc.) and public sector institutions (institutions involved in the National Plan War against Drugs (PNLCD)). Along these same lines, the information capturing systems of the institutions that provide health care and treatment centers must be improved so as to include specific data on the illegal drug consumption problem. Also, the Colombian Drug Information System (SIDCO) under the National Anti-narcotics Agency (DNE) should design a methodology to determine the budgetable expenses of each one of the State agencies that handle the drug problem under the PNLCD.