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cicad

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**ANNUAL REPORT OF THE
INTER-AMERICAN DRUG ABUSE CONTROL COMMISSION (CICAD) TO THE
GENERAL ASSEMBLY OF THE ORGANIZATION OF AMERICAN STATES
AT ITS THIRTY-SIXTH REGULAR SESSION**

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**ANNUAL REPORT OF THE
INTER-AMERICAN DRUG ABUSE CONTROL COMMISSION (CICAD) TO THE
GENERAL ASSEMBLY OF THE ORGANIZATION OF AMERICAN STATES
AT ITS THIRTY- SIXTH REGULAR SESSION**

The Inter-American Drug Abuse Control Commission (CICAD) herein presents its annual report to the thirty-sixth regular session of the General Assembly of the Organization of American States, pursuant to the provisions of Articles 54 (f) and 91 (f) of the OAS Charter. The report follows the broad headings of the Anti-Drug Strategy in the Hemisphere, approved in 1996.

EXECUTIVE SUMMARY

The Executive Secretariat endeavored to exercise a prudent financial management of budget and staff resources, matching program activities with priority needs and budget restrictions, because of a steady decline in allocations from the OAS Regular Fund and a projected fall in funding from traditional donors over the next two years. It undertook an aggressive campaign to increase funding from diversified sources, and achieved \$550,000 in extraordinary contributions in 2005. Member states were urged to increase their contributions in cash and in kind, to consider establishing an annual contribution, to augment their matching funds contributions to in-country activities, and to share existing expertise in member states with other countries through horizontal cooperation.

The Commission approved 33 member state reports and the *Hemispheric Report: Evaluation of Progress in Drug Control 2003-2004* that emerged from the **Multilateral Evaluation Mechanism** (MEM) process. These reports were presented to the OAS General Assembly in Fort Lauderdale, FL in June. The Government Expert Group (GEG) held the first drafting session to evaluate the progress made by member states in implementing the Third Evaluation Round recommendations. In preparation for the Fourth Evaluation Round (2005-2006) and as an additional sign of maturity of this key instrument, a Preparatory Meeting of the Intergovernmental Working Group (IWG) met to make an assessment of the MEM's performance over the first three evaluation cycles, to streamline its operations and procedures, and to increase its analytical content and relevance to decision and policy making. In addition, CICAD undertook an extensive campaign to raise awareness about the MEM process among governments in member states and with partners throughout the hemisphere with visits to Antigua and Barbuda, Saint Kitts and Nevis, Belize, Guyana and Dominica.

The Commission designated 2005 the "Year of Substance Abuse Prevention" and the Executive Secretariat stepped up its prevention activities in a number of member states. In 2005, CICAD's **Demand Reduction** program focused on school-based drug abuse and violence prevention, workplace prevention and drug treatment. The school-based prevention initiatives included partnerships with the Lions Club International Foundation, which promotes a Life Skills program, and with the National Strategy Information Center, which promotes a "Culture of Lawfulness", which underscores the importance of the rule of law, due process and justice in secondary schools. CICAD concluded an agreement with Chile's National Drug Council (CONACE), whereby Chile will provide horizontal

cooperation in demand reduction programs and organizational structures to member states in South and Central America.

The **Supply Reduction** unit was active in coordinating key initiatives among member states, especially in the areas of maritime drug trafficking, chemical and pharmaceutical products and specialized training for law enforcement agencies. It mustered more resources for maritime cooperation because of the increasing awareness that drug trafficking was increasing over sea routes.

The **Alternative Development** unit centered its efforts on projects that provide viable alternatives to illicit crops, like cacao, and make sustainable use of natural resources. A study of the environmental and human health impact of aerial spraying with the glyphosate herbicide on coca and poppy crops in Colombia was completed and the findings officially presented to the Government of Colombia, and to the scientific community and the general public through CICAD's website.

The **Legal Development** unit focused its efforts on the application of the *Inter-American Convention Against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives, and Other Related Materials (CIFTA)* and prepared draft legislation that will be reviewed by member states in 2006.

Building on its partnership with the Inter-American Development Bank (IDB), the **Money Laundering** unit continued its commitment to targeted training to improve the performance of financial intelligence units in South and Central America, as well as training judges and prosecutors to deal with money laundering offenses. Additional capacity building was provided in Central America and Brazil on how to track the proceeds from illegal activities and to seize property.

The **Institution-Building** unit continued its efforts to support the national drug commissions, concentrating on the decentralization initiative in the Andean region to increase local and municipal governments' capacity to deal with drug issues in their constituencies.

As part of an overall evaluation of the thrust of CICAD activities, the Executive Secretariat created a new unit, the **Educational Development and Research Unit (EDRU)**, to centralize CICAD activities targeted at academic and professional institutions and networks. The initiative also sought to take advantage of unique opportunities to establish collaborative working arrangements across the hemisphere to develop a cadre of drug-aware professionals capable of handling drug issues in public affairs. The unit sponsored and developed several programs for the introduction of drug-related content into the university undergraduate and graduate curricula of schools of nursing, medicine, public health, and education. CICAD and Brazil's Drug Abuse Secretariat (SENAD) agreed to a program in which SENAD and the University of Sao Paulo (USP) Nursing School at Riber o Preto will take primary responsibility for funding and equipping CICAD's ongoing on-line drug research training program for Latin America, which is run out of USP at Riber o Preto. In addition, SENAD also will be co-financing with CICAD a *multi-site research project* involving 24 universities in North and South America to study the relationship between *Women, Drugs and Violence*.

The **Inter-American Observatory on Drugs** (OID) completed the project to estimate the human, social and economic costs of drugs in the Americas, producing a methodology for calculating cost estimates (health, criminal justice, workforce, for instance), based on pilot studies in six countries. The findings were presented at the Summit of the Americas in November 2005. OID is working with three additional governments with interest in applying the cost-estimating methodology in their own countries. OID continued to fine-tune its set of own statistical instruments, the Uniform Drug Use Statistics System (SIDUC) and the Inter-American Supply Control Data System (CICDAT), as well as to support member states in applying these tools to their own countries.

Officers and Meetings of CICAD in 2005

The Commission held its thirty-seventh regular session in Santo Domingo, the Dominican Republic on April 26-29 and its thirty-eighth regular session in Washington, D.C. on December 6-9.

The Chair of CICAD for the 2004-2005 term of office was the Dominican Republic, in the person of Major General José Aníbal Sanz Jiminián, the Secretary of State, President of the National Drug Council. The Vice Chair for the same term of office was Bolivia, in the person of Ambassador Jorge Gumucio Granier.

At its thirty-eighth regular session, the Commission elected Bolivia as the Chair, in the person of Mr. Javier Viscarra, and Brazil, in the person of General Paulo Roberto Yog de Miranda Uchôa, as Vice Chair.

CHAPTER I. THE CICAD PROGRAM TO IMPLEMENT ANTI-DRUG STRATEGY IN THE HEMISPHERE

A. MULTILATERAL EVALUATION MECHANISM

Overview

The Multilateral Evaluation Mechanism (MEM) was established under the mandate of the Heads of State and Government at the Second Summit of the Americas held in Santiago, Chile in April 1998. The MEM came into being as a result of the recognition by the countries of the hemisphere that the complex and transnational nature of the drug problem requires a comprehensive, balanced response by them, acting in concert under the principle of shared responsibility. The overall objective of the MEM process is to stimulate advances in all aspects of the fight against illicit drugs in all the countries of the Americas, taking into account the different ways in which the drug problem manifests itself in each. The MEM pursues this goal by means of biannual national and hemispheric evaluations carried out by the Governmental Expert Group (GEG) that measure the counter-drug progress achieved by the 34 individual CICAD member states and by the hemisphere as a whole. Throughout this peer review process, which looks at institutional capacity, demand and supply reduction efforts and control measures, member states learn of the strengths and weaknesses of their anti-drug programs and are encouraged to correct deficiencies identified, seeking assistance from other members or CICAD as needed. Since its inception, the MEM has completed two rounds of evaluations, 1999-2000 and 2001-2002. The third round is nearing completion.

Third Evaluation Round 2003-2004

Third GEG drafting session

The third and final GEG meeting for the third evaluation round was held in Washington, D.C., February 28 to March 9. Experts analyzed and evaluated the comments and new information provided by member states and redrafted the reports accordingly, updating information where new data was provided for the year 2004. The GEG also drafted the final recommendations for the 33 national reports (506 recommendations in total) and final conclusions. All national reports were reviewed by the GEG Plenary prior to the conclusion of the meeting.

Likewise, the experts discussed and reviewed the draft hemispheric report that had been prepared by a core team of experts and the Executive Secretariat prior to the meeting. Once the drafts had been edited and completed, the reports were circulated to Commissioners prior to the thirty-seventh CICAD regular session.

Presentation of Third Evaluation Round Reports 2003-2004

The 33 national reports and the hemispheric report were reviewed and approved at the CICAD regular session in Santo Domingo, April 2005. All reports were later presented to the Foreign Ministers at the OAS General Assembly in Fort Lauderdale (June 2005)

where they were also made public at a news conference by the CICAD Executive Secretary.

MEM In-situ visit to Antigua and Barbuda

The first visit to a member state within the context of the MEM process was carried out August 16-18 to Antigua and Barbuda, the only state that did not participate in the first part of the Third Evaluation Round. The visit sought to promote the importance of the MEM among government officials and agencies and to build political support for the evaluation mechanism, as well as to highlight to policy makers the benefits to Antigua and Barbuda of its active engagement in the process. It was also important for the CICAD-MEM delegation to acquire first-hand knowledge regarding the situation in Antigua and Barbuda, given the lack of information provided by the country for the evaluation period 2003-2004.

The visiting team, consisting of five members in total from the GEG and CICAD Executive Secretariat, took part in meetings with the National Drug Council and key stakeholders in the MEM process. During the visit, CICAD's Executive Secretary was invited to address the Cabinet of Ministers. He informed the Prime Minister of CICAD's activities and the relevance of the MEM process. The Executive Secretary later took part in a news conference to highlight the visit's objectives and the efforts being made by the Government of Antigua and Barbuda in drug control. The visit concluded with a workshop on the MEM process given by the MEM Unit Coordinator, involving participants from 16 agencies. The mission report on the in-situ visit was presented to the Commission at its thirty-eighth regular session in December 2005.

First drafting session – Implementation of Recommendations from the Third Evaluation Round Report

The GEG met in Washington D.C., November 14-19 to evaluate the progress made by member states in implementing national recommendations put forward in the Third Evaluation Round reports. Once drafted, the reports were sent to the respective national coordinating entities for comments, responses to GEG questions and updated information. These considerations will be reviewed at the second drafting session in March 2006.

Fifty one requests for assistance were also received by 18 countries to implement priority recommendations, which will be analyzed by the Executive Secretariat.

Promotional strategy of the MEM

Following a presentation given at the CICAD thirty-seventh regular session encouraging member states to promote the MEM and the Third Evaluation Round reports, a number of member states organized specific promotional activities to present the reports to national authorities and/or the news media. These countries included **Belize, Ecuador, Grenada, Guyana, Haiti, Jamaica, Mexico, Peru, Paraguay, St. Kitts and Nevis, and El Salvador.**

Likewise, the MEM Unit embarked on a strategy to raise awareness of the MEM and increase and improve the level of participation in the process by member states as well as provide information workshops and meet with stakeholders involved in the Mechanism. **Antigua and Barbuda, Belize, Dominica, Guyana and St. Kitts and Nevis** were the first countries to be visited as part of this promotional strategy.

Pre-Intergovernmental Working Group meeting

A preparatory meeting of the Intergovernmental Working Group met in Washington, D.C. October 3-7 to discuss fundamental issues of the MEM process for the Fourth Evaluation Round due to commence in 2006, as called for at the Commission's thirty-seventh regular session. The Group analyzed the tentative schedule options for meetings, report drafts and publications in the next evaluation cycle, indicator sections, the drafting of recommendations and visits to countries, among other aspects. The Group presented a report of its findings to the CICAD Commission at its thirty-eighth regular session. The IWG will meet in February 2006 to determine final recommendations.

B. DEMAND REDUCTION

Overview

Reduction of the demand for illegal drugs and other substances of abuse involves, on the one hand, preventing or postponing initial use of drugs by intervening at an early stage with occasional users and non-addicts; and, on the other hand, dealing with the negative consequences of substance abuse for health and society with treatment, rehabilitation, and re-entry programs. Since 2002, CICAD decided that faced with new challenges in drug consumption, prevention and treatment, its programs should embrace all aspects of legal and illegal substance abuse in an integrated strategy. CICAD has concentrated on three priority components (CICAD/doc. 1460/05): **substance abuse prevention, drug treatment and rehabilitation, and training.**

In September in Ottawa, Canada, the seventh meeting of the Expert Group on Demand Reduction, chaired by Ms. Beth Pieteron, Director General of the Drug Strategy and Controlled Substances Programme, Health Canada dealt with the issue of the evaluation of prevention programs (CICAD/doc.1461/05), and also agreed on a work plan for 2006 to develop additional evaluation tools and make them available to member states.

Substance Abuse Prevention

In 2005, CICAD released the [CICAD Hemispheric Guidelines on School-based Prevention](#), the product of work by delegates during the sixth meeting of the Expert Group on Demand Reduction (Buenos Aires, September 2004). The Guidelines call member states to a new standard — to strive to conduct evidence-based prevention programs with comprehensive national reach at all levels of the educational system. They speak to strategies for conducting research, creating appropriate educational materials, training teachers, and carrying out and evaluating programs in a way that is responsive to regional, state and local needs expressed within each school. The document also includes a description of some existing research-based programs finding success in the hemisphere.

Life Skills Initiatives

In pursuit of these prevention goals, in March 2005, CICAD formalized a groundbreaking partnership with the [Lions Clubs International Foundation \(LCIF\)](#) that runs the international life skills building and substance abuse prevention program known as [Lions-Quest](#). Joining resources, CICAD and LCIF are giving interested OAS member states the opportunity to adapt and teach this evidence-based program, which has received high marks from the U.S. Department of Health and Human Services's [SAMHSA Model Programs](#) rating mechanism. The life skills approach employed by

Lions-Quest seeks to help young people develop a comprehensive set of emotional and social competencies, such as gaining self-confidence, managing emotions and building healthy peer and family relationships. In turn, critical thinking and goal-setting components empower students to make their own educated decisions about substance abuse and other risky behaviors. Community service through the local Lions Clubs forms an important part of the program.

Following the school prevention guidelines, the **Belize** National Drug Abuse Control Council (NDACC) has partnered with the Ministry of Education and the Belize Lions community service organization to steer the ***Skills for Adolescence*** substance abuse prevention and life skills program in elementary and secondary schools during the 2005-2006 school year. The CICAD Secretariat and LCIF jointly supported program design, training and startup costs. In July, a total of 60 teachers, principals, Lions service club members, parents and community partners were trained in the curriculum, and 48 classrooms in primary (Standard IV, 10 years of age) and secondary (Form I, 13 years of age) classrooms began to receive twice weekly lessons at the beginning of the school year in September. Participating schools are receiving monthly visits from a monitoring team of representatives from the drug council, education ministry, and municipal Lions clubs. A similar Lions-backed program was started in **Peru** in 2005. Evaluation of the impact of that project will be conducted by researchers from the Cayetano Heredia University in Lima.

Supported by CICAD, prevention experts from **Chile's** drug council, CONACE, shared their technical knowledge through an on-site course for colleagues from **Argentina** and **Paraguay**, held in March. Participants consisted of an inter-agency committee from Paraguay charged with designing a national substance abuse prevention program for the Paraguayan school system, and key prevention planners from the Argentine drug council, SEDRONAR. A total of 17 participants received 30 hours of training in school prevention policies, teacher training and content development for school-based programs, community and family activities to reinforce youth prevention, workplace prevention, and municipal programs to support prevention with marginalized youth and general population. In November 2005, the OAS General Secretariat signed a framework agreement of cooperation with CONACE, whereby Chile will provide training and technical assistance in demand reduction to other member states.

Culture of Lawfulness

In June, CICAD signed an agreement with the National Strategy Information Center (NSIC), a Washington-based non-profit organization, to promote the expansion and implementation of a Culture of Lawfulness programs in the hemisphere. Visits were made to **El Salvador** and **Honduras** in September resulting in CICAD joining in an initiative to expand the program to all ninth graders (13-15 years old) in 100 public schools in **El Salvador** in 2006.

In **Costa Rica**, the Costa Rican Drug Institute and the Institute on Alcoholism and Drugs conducted a major substance abuse prevention program, with financial support from CICAD, covering 500 schools and 65,000 students.

Workplace prevention

In March in **Colombia**, a media awareness campaign introduced the need for prevention of alcohol and other drug consumption in the workplace. Currently, a diagnostic study of

substance abuse in the workplace and the preparation of technical materials for workplace prevention are being designed.

The government of **Saint Lucia** signed an agreement that will start a project for the drafting of a workplace prevention policy as part of that country's mental health reform initiative. The Inter-American Observatory on Drugs will cooperate in this project by carrying out a study of patterns of drug use in the workplace of Saint Lucia and determine the scope of the policy.

Drug Treatment

In the area of treatment of drug dependency, rehabilitation and social reinsertion, CICAD has two ongoing programs: standards of care and integration of drug treatment programs into the national health care system, and drug treatment for incarcerated offenders. Six workshops on standards of care and national treatment systems were conducted in 2005, in which the standards were reviewed, updated and adapted to each of the countries. Representatives of the government and the private and public treatment centers participated in the workshops. The main achievement was consensus-building on the obligation and right to offer and receive quality service, and on the basic standards that drug treatment programs should meet in providing care.. The countries were **Bolivia, Paraguay, Honduras, El Salvador, Nicaragua, and Guatemala**. In the latter four countries, the workshops were organized jointly by CICAD and the United Nations Office on Drugs and Crime (UNODC).

Prison Inmate Treatment

The Government of **Peru** received financial and technical support from CICAD to establish residential treatment programs in two correctional facilities. In a project administered by the National Center for Criminological and Prison Studies of the National Penitentiary System (CENECP/INPE), programs based on the therapeutic community model were adapted for male inmates in the Ancón maximum security facility and for female offenders at the Chorillos penitentiary. It trained a team of 50 prison psychologists in the evaluation and diagnosis of addictive behaviors and personality disorders (50 hours coursework), as well as a crew of corrections officers to oversee security and support program delivery in the respective residential units. Following staff training, interested inmates were screened for eligibility and in each facility a core group of men and women commenced the program. With support from CICAD, 40 hours of follow-up training in intervention techniques was provided to all corrections and treatment officers involved in the program. This was capped with a national round-table discussion to bring to attention the need for addressing substance abuse and mental health problems in Peru's inmate population.

Now in its second year in **St. Vincent and the Grenadines**, the treatment and reentry program in Her Majesty's Prison saw the release of the first class of inmates who had participated in the program. In January, CICAD supported 26 hours of advanced on-site training for the therapeutic team, and orientation and basic training for new officers. CICAD also arranged for assistance in developing a mechanism for pre-release assessment and subsequent referral to local treatment providers for inmates completing the program and returning to the community. In November, the CICAD Secretariat met with ministerial partners to develop a sustainability plan for the program's future development.

In **Guatemala**, the National Prison Service received financial support from CICAD to establish a drug treatment program in the El Pavon Prison Farm. The Prison Service delegated execution of the project to the Guatemalan Mental Health League, a non-governmental organization that provided counseling services two or three times a week over a period of two years. The prison inmates reconditioned an abandoned building, which now serves as the counseling center. CICAD funding was completely expended by June 2005.

In **Grenada**, CICAD was asked to provide financial and technical assistance for training program officers in evaluation techniques of drug abuse prevention programs. This MEM-assistance program was delayed as the result of Hurricane Ivan and will begin in 2006 with support from the Government of Canada.

Publication

CICAD/OAS (2005). *Time to Prevent: CICAD Hemispheric Guidelines on School-Based Prevention*. Washington, DC.

C. SUPPLY REDUCTION, APPLICATION OF CONTROL MEASURES AND ALTERNATIVE DEVELOPMENT

Overview

CICAD's supply reduction and control activities are aimed at helping member states improve their capacity to reduce the production, distribution and availability of illicit drugs and contraband, such as chemicals used in the manufacture of drugs. The unit also helps strengthen legislation, regulations and other measures to control chemical substances generally associated with the production of drugs and pharmaceutical products that could lend themselves to abuse. It deals with a wide range of enforcement and control issues.

Three expert groups met to examine issues related to maritime drug trafficking (CICAD/doc.1404/05 and CICAD/doc.1443/05), the control of pharmaceutical products (CICAD/doc.1442/05) and the control of chemical substances (CICAD/doc.1441/05).

The Alternative Development Unit maintained its focus on supporting member states as the governments carry out alternative development projects. These projects are designed to reduce, eliminate and prevent cultivation of coca, poppy and cannabis, using a holistic approach to improve the overall social and economic situation of the population involved.

Training

The Supply Reduction and Control program included seven regional training seminars for law enforcement and customs agents on subjects such as control of chemicals and officer safety, maritime cooperation and interdiction of vessels on the high seas, profiling of suspicious containers and passengers, port security and the participation of the private sector in port and airport security. The seminars were held in **Canada, Colombia, Panama, Peru, United States and Venezuela**.

CICAD continued to support the Andean Counter-Drug Intelligence School (ERCAIAD) in **Peru**. In 2005, its sixth year of operation, the school held two six-week courses on counter-drug intelligence analysis (strategic analysis and operational analysis), and a one-week specialized course on intelligence analysis for prosecutors in Central America. ERCAIAD underwent an external evaluation, which determined that the school's impact had been constructive (CICAD/doc. 1414/05). CICAD and the Royal Canadian Mounted Police (RCMP) co-sponsored the third international police attachment program, which brought 15 law enforcement officers from several member states to RCMP units for classroom instruction and field assignments.

During 2005, CICAD continued its training program concerned with different aspects of organized crime. Working with the RCMP, CICAD co-hosted four regional seminars concerning advanced investigative techniques and undercover operations. The seminars were held in **Barbados, Colombia, Dominican Republic and Jamaica**.

Alternative Development

Due to limited funding, CICAD had to refocus its activities to projects that promote production and to design regional alternative development strategies for broad cooperation. In order to achieve sustainability of projects and a diversification of funding sources, CICAD approached the private sector as a step towards creating ties between private enterprises and alternative development efforts.

Regional

Andean Strategy for Integral, Sustainable Alternative Development

In 2005, in cooperation with the Andean Committee for Alternative Development (CADA), comprised of Bolivia, Colombia, Ecuador, Peru, and Venezuela as part of the Andean Community of Nations (CAN), CICAD funded the drafting of the Andean Strategy for Integral, Sustainable Alternative Development with the goal of integrating diverse national strategies in a regional strategy that aims to combat poverty and take advantage of natural resources of the countries. Under the chair of Colombia, the preparation of the strategy started with a round of interviews with government authorities as well as visits to projects in the member countries over four months. A strategic development plan was written and put in operation in October 2005.

Andean Countries Cocoa Export Support Opportunity (ACCESO)

CICAD participated in a public-private alliance called Andean Countries Cocoa Export Support Opportunity (ACCESO), to strengthen the cacao supply chain, from field production to the consumer, in Bolivia, Colombia, Ecuador and Peru. In June 2005, CICAD coordinated the formal launching of the program with a technical conference that brought together participants from several segments of the production chain. The Executive Secretariat of the program was established in Lima, Peru. Its board of directors includes representatives from the following institutions: World Cocoa Foundation, U.S. Agency for International Development (USAID), Inter-American Institute for Agricultural Cooperation (IICA) and CICAD. The first board meeting set the goal of drafting guidelines and a work plan for the first year of program activities. CICAD decided to support the program components of technical assistance and training to farmers, seeking to increase the impact in the field. CICAD's investment in this project will be \$200,000 over three years (CICAD/doc. 1461/05).

Bolivia

Generalized Land Use Evaluation and Management System (GLEAM)

GLEAM is a data analysis system that uses remote imaging via satellite to determine land use in support of alternative development. It is currently being used in Bolivia as part of the alternative development program, permitting several institutions to better understand the current and potential land use in the Yungas region. The information generated by GLEAM was used to carry out feasibility studies and evaluate projects, as well as to support territorial planning and prioritization of productive areas. The GLEAM system provides information on small-scale cattle-raising and the cultivation of banana, citrus fruit and cocoa, as well as information on the existing infrastructure in the region. The project has formed strategic alliances with other institutions and projects related to the country's agricultural development, expanding the capacity to collect and exchange information. Currently, CICAD is seeking to expand this system's application to other areas of Bolivia, such as the Chapare, the Altiplano (high sierra plateau) and the tropical valleys.

Issuance of Land Ownership Titles

In 2003 at the request of the Bolivian Government in cooperation with Bolivia's National Agrarian Reform Institute (INRA), CICAD began a project to survey the land and issues titles to 1,000 farmers in the Yungas region. With deeds to the land in hand, owners could apply for bank loans to invest in legal (non-coca) crops, sell the land or transfer ownership to their children. However, against the backdrop of a persistently unstable political environment, the project fell behind schedule, and to date no titles have been issued. The Executive Secretary requested an external audit to identify and evaluate the causes of the non-compliance. The auditor's report and recommendations were presented and approved by the Commission during its thirty-seventh session of CICAD.

Rehabilitation and Modernization of Banana Production in the Alto Beni for Export

CICAD's support for this project ended in June, and project management was handed over to the Government of Bolivia with assets and infrastructure ceded to the growers association as a capital investment in BANA BENI SRL. The company itself is being managed by its members. As part of the transition to the new arrangement, new methods of fertilization, disease management, and productive infrastructure were developed to improve the quality of the produce. Several trials were made with exports to the United States and neighboring countries, with a market opening established in southern Peru. The program also locked in contracts to supply fruit to the school breakfast programs in the cities of El Alto and La Paz, as well as with an agro-industrial company to market banana pulp in Europe. New installations for BANA BENI SRL, located in the city of El Alto, were built with the capacity to ripen and market 4,000 boxes a week, and three trucks were purchased for transporting produce. The business strategy and corporate structure of the company were strengthened through capacity building.

Modernization of Organic Cacao Cultivation in the Alto Beni, Bolivia

This project was designed to double the volume of certified organic cacao from the Alto Beni sold domestically and abroad. Thus far, the project has convinced the producers of the Alto Beni of the value of comprehensive development. The producers benefited from increased production and yield of their organic cacao plantations, as well as a 26% increase in the price of certified organic cacao and a 13% increase in the price of cacao undergoing organic certification. The El Ceibo growers cooperative developed a strategy for production, post-harvest, administration, planning and marketing, focusing on the

local market for unprocessed and processed produce to strengthen those capabilities that might later be applied to exporting processed products.

Colombia

Study of the Effects of Aerial Glyphosate Spraying and Illicit Crop Cultivation on Human Health and the Environment

In April, the results of the study were presented to the Government of Colombia and made available on the CICAD [web site](#). The scientific team held a news conference in Bogotá, reported the findings to several scientific fora, and prepared responses to commentaries made by several organizations.

Dominica

Organic Banana Production and Pest Management

In 2005, this project expanded its showcase plots to demonstrate the use of organic farming and pest management techniques. This change also brought in new project personnel.

Peru

Tropical Crops Institute (ICT) – Training farmers in the Apurimac and Ene River Valley (VRAE)

The Tropical Crops Institute (ICT) renewed agreements with both CICAD and the Narcotics Affairs Section of the US Embassy in Peru to conduct agricultural extension training in more than 700 locations in Tingo María, Tocache, Juanjui and Tarapoto for 3,000 beneficiaries. Training was provided on topics such as using more technical methods to increase cacao yield, propagation systems, fertilization, pruning, and pest management. Leadership scholarships also enabled farmers to live and study for five days at the ICT-NAS/CICAD Experimental Station in Tarapoto.

Publication

Comité Andino para le Desarrollo Alternativo (CADA), *Estrategia andina de desarrollo alternativo integral y sostenible*. Bogotá, Colombia: 2005

D. LEGAL DEVELOPMENT

Overview

The Legal Development unit provides counseling and legal assistance to the different units of CICAD, giving legal advice on topics and procedures in the areas of drugs and related subjects. One of its most important tasks is to review model regulations. This unit is also in charge of administrative and legal tasks, advising the CICAD on OAS policies and procedures as well as funding obligations. As such, it is responsible for formulating and drafting of Memoranda of Understanding and other agreements.

Control of Arms and Explosives

The Legal Development unit is concentrating on prevention and control of trafficking in firearms through application of the *Inter-American Convention Against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives, and Other*

Related Materials (CIFTA). In cooperation with the United Nations Regional Center for Peace, Disarmament and Development in Latin America and the Caribbean (UN-LiREC), CICAD has organized a series of training seminars on control of firearms. In addition, it developed the System for the Administration of Light and Small Arms (SALSA), initially in four Caribbean pilot countries (the Bahamas, Grenada, Jamaica, and Trinidad and Tobago) in 2005. SALSA is an online database to track and manage the movement of firearms, ammunition, and other explosives from the point of origin to their destination. However, in order to shift from its pilot phase to broader application, the SALSA service has to undergo technology upgrade and secure long-term hosting. Building on the relationship between CICAD and the UN-LiREC, these two organizations have agreed to continue working on SALSA, once funding from the EU to UN-LiREC has been secured. (CICAD/doc. 1468/05).

As an outcome of the CIFTA, CICAD's Secretariat and the Secretariat of Legal Affairs have finished working on the first piece of model legislation on the subject of firearms and ammunition marking and tracing. A first draft was completed in December, and an expert group is to meet to review the draft in February 2006.

Other Activities

With the governments of the United Kingdom and the Bahamas, as well CARICOM and UNLiREC, CICAD organized and participated in a regional seminar on firearms transfer control initiatives in the Bahamas in early May. It also participated later that month in a similar seminar held in Lima, which in addition to the UK, CICAD, UNDP and UN-LiREC involved the Government of Peru and the Andean Community. In June, CICAD made presentations on illicit brokering in firearms at two UN Department of Disarmament Affairs (DDPA) workshops on that subject.

The Legal Development Unit has been working with Costa Rica's *Instituto Costarricense sobre Drogas* (ICD) and the Ministry of Public Security of that country to improve and update that country's firearms record-keeping system and to provide computerized tamper proof firearms licenses. A formal agreement is expected in early 2006

E. MONEY LAUNDERING CONTROL

Overview

Responding to increased requests for CICAD training and assistance to combat money laundering as a consequence of drug trafficking, CICAD set up a unit that provides technical support and training to CICAD member states in the financial, legal, and law enforcement areas. It also serves as the secretariat for the CICAD Expert Group on the Control of Money Laundering. In 2004, the activities of the Money Laundering Control unit focused on the meetings of the Expert Group for Money Laundering, training programs, technical assistance and participation in conferences and seminars.

Expert Group

The group dealt with the issues of organized crime, such as forfeitures, special investigation techniques, international cooperation and money laundering as a criminal offense. A report (CICAD/doc.1452/05) was presented at the thirty-eight session of the Commission.

Training

Money-laundering control training efforts concentrated on judges, prosecutors and law enforcement agents.

1. Workshops for judges and prosecutors were held in **Brazil, El Salvador, Costa Rica and Honduras**. The course material was developed under the Money Laundering Control through the Judicial System Project (IDB/CICAD).
2. In a joint initiative with the United Nations, mock money laundering trials were held in **Venezuela, Peru and Chile**.
3. Law enforcement agents (police, customs agents, prosecutors) were trained:
 - a. The first phase in **Costa Rica, Guatemala, Panama, Honduras, El Salvador, Dominican Republic and Brazil**.
 - b. The second phase of the trainer training program in **Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay and Venezuela**.

Technical Assistance

Technical assistance focused on the creation and development of financial intelligence units through the IDB/CICAD project. Recipients were **Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Peru, Uruguay and Venezuela**. The program wound down in April, having provided assistance in the areas of training, organizational design, and technology acquisition. In August, assistance activities started for a second phase with Central American countries: **Costa Rica, El Salvador, Nicaragua, Panama** and the **Dominican Republic**.

With the United Nations, several evaluation visits were made to **Colombia, Guatemala, Nicaragua** and **El Salvador** to assess the feasibility of an interactive, online education program.

Ecuador received technical assistance for the drafting and debate of money laundering legislation that was approved in September 2005.

Other Activities

Representatives of the unit participated in the following seminars, conferences and forums: South American Financial Action Task Force (GAFISUD), Financial Action Task Force (FATF-GAFI), United Nations Expert Group on Special Investigation Techniques, United Nations Expert Group on Witness Protection, INTERPOL's Expert Group for training on money laundering.

F. INSTITUTION-BUILDING

Overview

CICAD supports most member states in drafting, updating, and decentralizing their national drug control strategies and programs, and helping them to identify the strengths and weaknesses of their institutional structures. Technical assistance is often provided on the drafting of laws and regulations on various aspects of drug control, and organizational development in the national drug control commissions. It also continues to

cooperate with the national drug commissions to develop national observatories on drugs in cooperation with the Inter-American Observatory on Drugs.

Decentralization of Counter-Drug Policies in the Andean Countries

This project, begun in June 2003 and funded by the Government of Spain's *Agencia Española de Cooperación Internacional* (AECI) and promoted by its National Drug Plan (*Delegación del Gobierno para el Plan Nacional sobre Drogas, Ministerio de Sanidad y Consumo*), overcame the initial challenge of implementing activities in all five participating countries and engaging scores of local governments while working with the national drug commissions (CICAD/doc.1455/05). Ecuador and Venezuela were the final two partners to join the project's decentralization efforts. Much groundwork had to be laid to prepare both national and local leaderships for this new approach, as well as adapting the project to differing national legislations, jurisdictional issues and political.

The project goals were to:

1. Raise awareness about the issue of decentralization among national political authorities.
2. Strengthen national drug commissions for coordination of the process in each country and establish decentralized units.
3. Prepare training plans for local players and develop training materials.
4. Establish regional, local and coordination structures across the different administrative levels.
5. Carry out participative local assessments of drug use.
6. Train regional and local players on aspects related to basic national demand reduction policy, administrative, planning, evaluation and prevention project execution aspects.
7. Formulate consensus-based regional and local plans that are feasible and consistent with general planning:
 - National strategy
 - Local/regional development plans: ensure their continuity and financing

Among the achievements in 2005 were: carrying out 11 local assessments of the drug situation in 12 municipalities in **Bolivia** and drafting training material; holding an interdepartmental meeting and drafting training materials in **Colombia**; launching the project in **Ecuador** with seven participating municipalities; holding inter-regional meetings in Cusco, Tarapoto, Ayacucho, and Chiclayo in **Peru**; and starting up activities in 12 cities in 11 states with local assessments in each one, holding coordination meetings and preparing training materials in **Venezuela**.

Within the region, the project took advantage of opportunities for horizontal cooperation by drawing on member states' expertise. In 2005, Colombia provided assistance to Ecuador and Bolivia while Peru assisted Venezuela.

Planning began for an additional stage of the project over the next two years, with the AECI's continued financial support.

G. EDUCATIONAL DEVELOPMENT AND RESEARCH

Overview

The Educational Development and Research Unit (EDRU) strives to encourage a greater understanding of drug issues by working with universities, professional associations, and other institution in the hemisphere. It aims to address the scarcity of professionals with adequate specialization, scientific knowledge and research skills in the drug field by introducing drug-related curriculum in undergraduate, graduate (specialization, masters and doctoral levels) and research programs. It applies a multi-disciplinary, holistic approach to the study of the drug problem. In addition, EDRU provides specialized courses for CICAD staff, members of national drug control commissions and other professionals involved with activities related to the drug problem, as well as provided technical and financial support for research.

University Partnership Projects

Since 1997, CICAD has been developing several models of collaboration with universities in the Americas, and has been expanding on success (CICAD/doc.1458/05). This initiative started with schools of nursing in 1998, which incorporated a broad range of course content in the areas of health promotion, prevention of drug use and abuse, and social integration in undergraduate and graduate nursing curricula, as well as the development of extension activities and pilot research studies. This approach was expanded to include schools of public health, and exploratory work has begun with schools of medicine and education.

Schools of Nursing in Latin America

At present, 16 university schools of nursing in 11 Latin American countries are involved. A model curriculum with drug-related content was developed and published in 2004 for undergraduate and graduate nursing programs (specialization, masters, and doctorate). Thus far, over 15,000 nursing undergraduate and graduate students have studied to work in fields related to health promotion, drug use and abuse prevention, social integration and nursing care for individuals with drug addiction.

In 2005, CICAD has entered a new phase of collaboration, expanding beyond the original pilot schools of nursing through partnerships with the association of schools of nursing and the national drug control commission of each country. This is being implemented in Argentina, Colombia, Chile, Peru and Mexico. The CICAD schools of nursing project also organized two international meetings on leadership and research to discuss the contribution of the nursing profession in the area of drug issues in Latin America in August 2005 in Florianopolis, Brazil. In the two meetings, 80 representatives came from universities of Canada (1), the United States (4), and Latin America (18), as well as representatives from the Ministry of Education of Brazil, the National Anti-Drug Secretariat (SENAD), the Municipal Health Secretariat, the Brazilian Nursing Association and authorities of the Federal University of Santa Catalina.

Schools of Public Health

EDRU is extending its experience developed with the schools of nursing and medicine to other disciplines. Together with the Pan American Health Organization (PAHO), CICAD undertook an evaluation of 13 university schools of public health in Central America, South America, and the Caribbean to determine how these schools handle drug and international health related issues in their curricula. The evaluation was made possible

by a grant from the Government of Turkey. A joint technical report on the evaluation findings was published in 2005. In October 2005, CICAD and PAHO organized a four-day conference on drugs issues and international health with the participation of representatives of 14 schools of public health. The objectives of the meeting were: to develop a regional proposal to include drug-related and international health content in graduate curriculum and to establish a network for the exchange of information among schools of public health in Latin America.

Schools of Medicine

A pilot initiative with the ABC Foundation School of Medicine in São Paulo, Brazil was launched in 2004 to incorporate drug content into undergraduate and graduate medical curricula, extension activities and research. In 2005, the ABC Foundation School of Medicine incorporated drug-related content into the undergraduate medical curriculum, implemented extension activities with drug-related content at the community level, and initiated research studies on drug issues.

University Partnership Graduate Projects

On-Line Specialization Research Capacity-Building Program for Health Professionals (PREINVEST)

In March 2005, CICAD and the School of Nursing at the University of São Paulo at Ribeirão Preto (Brazil) launched an on-line specialization research capacity-building program for health professionals to study the drug problem in Latin America with 32 participants (29 nurses, 1 medical doctor, and 2 psychologists) from 10 countries of Latin America. The U.S. Government and the OAS Fellowship Program provided financial support for this program. The students are gathering data for research studies in their own countries. The first class will graduate in August 2006. For more information about the On-Line Research Program go to <http://preinvest.cicad.oas.org>. This program will be receiving support from the Government of Brazil, through an horizontal cooperation signed between CICAD and SENAD for a period of three years - 2006-2008.

Research Projects

CICAD is partnering with 23 universities (4 in the United States and 18 in Latin America) to conduct comparative studies on *Women, Drugs and Violence in the Americas*. The research groups have prepared three pilot studies to carry out in early 2006. This initiative has also obtained the support of the Government of Brazil, through an horizontal cooperation agreement between CICAD and SENAD, in which Brazil will take a co-lead in implementing the study.

Multilateral Evaluation Mechanism (MEM) Assistance Projects

EDRU provided technical support to the Executive Secretariat in the preparation of an agreement between CICAD and the Government of Brazil-National Anti-Drug Secretariat (SENAD) in response to a MEM assistance request. The study will focus on government and non-governmental organizations working with problems related to alcohol and other substance abuse. CICAD will finance half of the cost of the study and SENAD the other half.

CICAD and National Drug Commission-Specific Professional Training

The need for technical training was identified among CICAD staff members. This year, CICAD offered four short workshops (two or three days each) for all staff members on the methodology of logical framework for project design. Members of the national drug commission of Uruguay were invited to participate in a training session on logical framework for project design, offered by Inter-American Agency for Cooperation and Development (IACD) of the OAS.

CICAD Publications.

CICAD and EDRU has published the following documents in 2005 related to the schools of nursing project in Latin America:

CICAD/OAS (2005). *El Currículo de Enfermería con el Contenido de Drogas para los Programas de Pregrado y Postgrado: La Experiencia de la CICAD en América Latina*. Segunda Edición, Rio de Janeiro.

CICAD/OAS (2005). *La Contribución de las Escuelas de Enfermería en el Campo del Fenómeno de las Drogas en América Latina: Un Proceso en Construcción Liderado por la CICAD/OEA*. Lima, Peru

CICAD/OAS (2005). *El Liderazgo y el Planeamiento Estratégico en los Programas Académicos de Enfermería y el Fenómeno de las Drogas en América Latina*. Lima, Peru.

CICAD/OAS (2005). *Undergraduate and Graduate Nursing Curricula with Drug Content: The CICAD Experience in Latin America*. Serie 11.

CICAD/PAHO Publication

CICAD-EDRU and PAHO's Human Resources Development Unit published the following document in 2005 on the Schools of Public Health Project in Latin America:

CICAD-PAHO (2005). *The Drug Phenomenon and the Field of International Health: A Study of Realities and Perspectives at the Schools of Public Health in Latin America*. Washington, D.C.

H. INTER-AMERICAN OBSERVATORY ON DRUGS

Overview

Created in 2001, the Inter-American Observatory on Drugs (OID) is CICAD's statistical, information and research branch. Its mandate is to promote and support a hemisphere-wide drug information network with and for CICAD member states, that provides scientifically valid, up-to-date and comparable information on the production, trafficking, use, and societal impact of drugs. Informed by a sound, evidence-based picture of the drug problem both nationally and at the hemispheric level, CICAD member states, individually and collectively, can better understand -- and design and implement policies and programs to address -- all the dimensions of the drug problem.

The Observatory provides the underpinnings for the MEM indicators and for national anti-drug efforts by helping countries improve the collection and analysis of drug-related data; by promoting the establishment of national observatories and the use of standardized methods and data; and by providing scientific and technical training for, and the exchange of, experiences among professionals working on the drug problem.

The OID reported its activities to the Commission at the thirty-eight session in December (CICAD/doc.1444/05).

Statistics on Drug Use

In 2005, the statistical area of the Inter-American Observatory on Drugs broadened its support to the national drug commissions for the measurement of the magnitude of drug consumption.

Review, Evaluation and Redesign of Survey Methodology

In March 2005 in Lima, Peru, a group of regional experts and observatory staff members reviewed, evaluated and redesigned the methodology of the Inter-American Drug Use Data System (SIDUC) service for several segments. Surveys on drug consumption by household, by high school students, by patients in treatment centers, by admissions in hospital emergency rooms were all singled out for reassessment.

Surveys Conducted

Household surveys: In 2005, surveys were carried out in **Belize, Costa Rica, El Salvador, Guatemala, and Nicaragua**. The reports should become available in the first half of 2006. Preparations advanced for surveys in six South American countries that are planned for 2006 in a joint initiative with the United Nations Office on Drugs and Crime (UNODC).

High School Students: Surveys were carried out in **Antigua and Barbuda, Chile, Costa Rica, Grenada, Honduras, Paraguay, Peru, Ecuador, Saint Lucia** and **Venezuela**. Results of some of these surveys should be available by end-2005 while other results will be published in the first half of 2006. In addition to the reports of each country, comparative reports by region will also be prepared.

University Student: A special methodology for surveying university students should be ready for application starting in 2006.

Patients in Drug Treatment Centers: Support was provided to **Argentina** and **Nicaragua** for these surveys.

Admissions to Emergency Rooms: Surveys were carried out in **Argentina** and the **Bahamas**.

Public Employees: **Saint Lucia** implemented a survey of public employees in late 2005, as part of a work place prevention program.

Statistical Indicators on Supply Reduction

CICDAT national coordinators' meetings

At the a meeting of Caribbean Observatories held in Barbados in June 2005, the national coordinators exchanged their experiences of using indicators of the Inter-American Supply Control Data System (CICDAT) and received training on new sources of information and on the use of CICDAT software. The participants also received training on the SIDUC software.

Information on arrests, indictments and convictions in Suriname

Following up on a MEM recommendation, Suriname began a project for the creation of a database system to collect information on arrests, indictments and convictions in this country's judicial system.

Promotion of CICDAT software

In 2005 the updating of the web-based drug control data software was finished. The Observatory began activities to promote this new software among national observatories. This system permits the standardization of information and its transmission among the member states and the CICAD Executive Secretariat. In addition, the institutions of each country that generate the data (police, customs service, army) can send the data electronically to the national coordinator, which in turn processes the data, verifies it and transmit it via the Internet to the OID.

Annual Statistical Summary

The 13th edition of the Drug Statistical Summary was published in December 2005 and contained information for the period 1999-2004.

Study on estimating the human, social and economic cost of drugs in the Americas

In 2003, the Observatory started a project to prepare a methodology for estimating the human, social and economic costs of the drug problem in the hemisphere. This initiative arose from a mandate for the Action Plan of the Third Summit of the Americas in 2001, which was renewed at the Fourth Summit in Mar del Plata in November, 2005. It also gained momentum from a similar recommendation contained in the CICAD Hemispheric Report 1999-2000. The cost project underscores the importance for the member states of CICAD's role in combating against illicit drugs because this specific information and analysis about the economic impact on society give the governments additional criteria for adopting decisions based on more solid information how to most effectively spend scarce public resources. Six countries (**Barbados, Chile, Costa Rica, El Salvador, Mexico and Uruguay**) participated in the project.

During a meeting of the Pilot Country Group of the Cost Project, which took place on January 18-20 in Panama City, Panama, the participants reviewed the advances achieved during their field work and agreed to concentrate on wrapping up the studies underway and hand over the available information to the investigating team of the University of Medicine and Dentistry of New Jersey, Robert Wood Johnson Medical School (UMDNJ/RWJMS) for the final analysis. Over the final nine months, the participants concentrated on completing their studies and inputting the data in the program's web page so that final reports could be produced on each country. The investigating team focused on finishing the final draft of the Manual that documents the

methodology used in the Cost Program. A final meeting for this initial phase took place on September 26-29 in Washington, D.C.

The results of the study and its methodology were presented to the heads of state and government at the Summit of the Americas in Mar del Plata Argentina, November 4-5, 2005. Reports were also presented to the Commission at the thirty-seventh (CICAD/doc.1423/05) and thirty-eight (CICAD/doc.1455/05) sessions.

For the next stage of this project, the governments of **Argentina**, **Colombia** and **Peru**, which had been participating as observers in the pilot stage, expressed their interest officially in taking part in the program and beginning their respective studies. Colombia presented a proposal to carry out a study on the segments attributable to drug crime, and Argentina delivered a proposal for estimation of the costs of the drug problem in this country.

Information

The Information Unit of the Observatory concentrated on the promotion and dissemination of information related to drugs through its [web site](#), on the start-up of its Help Desk services, and on the online news bulletin, the *Observer News*. The Transnational Digital Government completed its third year of activity. The Observatory continued giving support to member countries so that they could collect information for the MEM process and develop and strengthen their national observatories.

Observatory Help Desk

The Observatory's Help Desk continued to respond to requests for information about programs, projects and publications in CICAD, and about information and documents related to drugs.

The Observer News

In its third year, the quarterly online newsletter continued to appear in Spanish and English. It focused on highlighting activities in the 34 member states as well as providing updated information about CICAD programs and projects. It also reported on new tendencies in drug use and innovative methods of prevention and treatment.

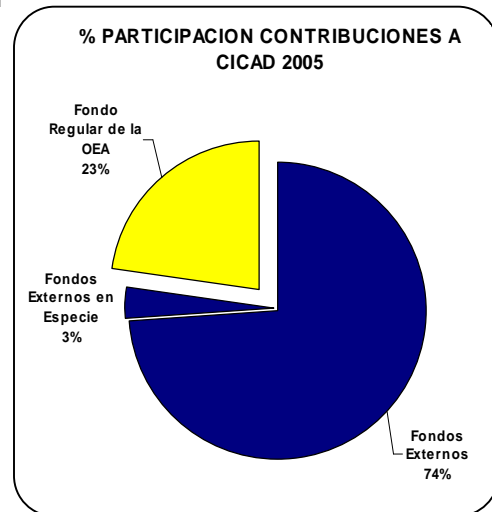
Transnational Digital Government

CICAD continued to manage the project, with its subcontract extended until April 2006. CICAD coordinated training sessions for project leaders in the pilot countries (**Belize** and the **Dominican Republic**) at the University of Florida so that they could become competent in updating the system for its application in their countries. The project concentrated its efforts this year in developing databases and data structures to be able to carry out national and transnational tests in early 2006.

CHAPTER II. FINANCIAL AND BUDGETARY CONSIDERATIONS

A. CICAD'S CURRENT BUDGETARY SITUATION

Each year CICAD seeks to fund its projects and activities through allocations from the Regular Fund of the OAS and contributions of external donors in cash and in kind. During 2005, CICAD received a total of US\$8,843,508 in cash and US\$121,540 in kind. Under total contributions received, the OAS Regular Fund provided 22.4% (US\$1,996,318) and the contributions from external donors, both in cash and in kind, provided 78% (US\$6,968,730).



The deterioration in CICAD's financial situation, especially with regards to the Regular Funds, has caused CICAD to intensify its efforts to reach out to potential new donors and increase the contributions of the existing ones. In addition, the Executive Secretariat has redoubled efforts to promote horizontal cooperation among member states and established strategic alliances with international organizations and institutions that develop drug-related projects in the member countries. The Executive Secretary reported to the Commission on the financial status, made recommendations for adjusting the new budget parameters, and explained how fundraising efforts had proceeded (CICAD/doc. 1453/05).

The following tables show the detailed contributions in cash and in kind received and represent preliminary financial information, requiring review by the OAS External Board Auditors:

CASH CONTRIBUTIONS TO CICAD IN 2005

Country – Donor Agency	Contribution
United States	\$ 5,382,221
OAS Regular Fund	\$ 1,996,318
Canada	\$ 790,938
Spain	\$ 237,440
Inter-American Development Bank	\$ 174,042
Mexico	\$ 135,925
France	\$ 47,468
Dominican Republic	\$ 30,000
Colombia	\$ 15,000
Brazil	\$ 10,000
Chile	\$ 10,000
Total contributions in cash	\$ 8,843,508

SPECIAL AND IN-KIND CONTRIBUTIONS

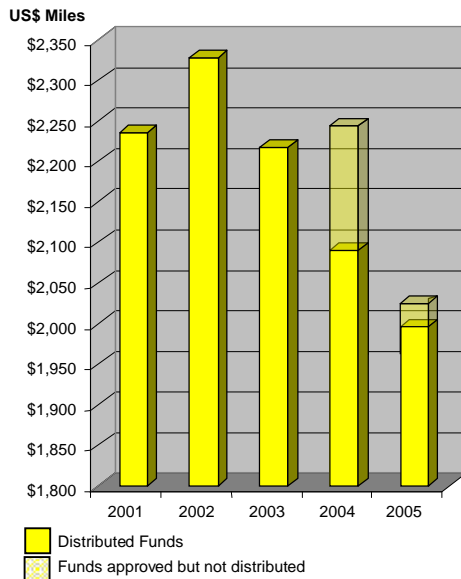
(Approximate amounts)

Country -- Donor Agency	Contribution
France	\$ 96,000
Peru	\$ 13,000
OAS Fellowship Department	\$ 7,540
Panama	\$ 5,000
Total contributions in kind	\$ 121,540

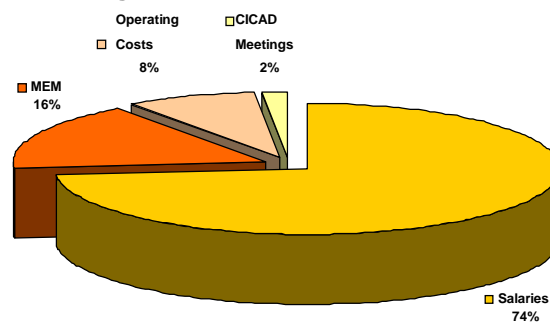
TOTAL CONTRIBUTIONS	\$ 8,965,048
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B. OAS REGULAR FUNDS

Regular Fund CICAD
2001-2005



Regular Fond Distribution 2005



CICAD's allocation of the OAS Regular Fund in 2005 was reduced by 10.6% to \$2,008,100, down from the US\$2,247,000 approved for 2004. Of the approved funds, as of October 31, 2005, US\$1,996,318 had been distributed to CICAD accounts. These funds were used to cover about a third of CICAD personnel costs (US\$1,552,404), the functioning of the MEM (US\$325,600), the operating costs of the Office of the Executive Secretary (US\$168,200), and the staging of two statutory meetings of the Commission (US\$31,000). For 2006, there will be another reduction of 3.2% from the approved 2005 budget revenue.

C. FUNDS REQUESTED AND RECEIVED (EXTERNAL DONORS)

As end-2005, the total contributions received from external donors in cash was US\$6,961,190. These contributions were received for several programs as follows:

1. Contributions of the United States of America: US\$5,382,221

INL (Bureau of International Narcotics and Law Enforcement Affairs – U.S. Department of State): US\$5,382,221.

- i. In 2005, CICAD received US\$3,000,000 as an annual contribution of INL to finance programs in CICAD, some of which are to be disbursed in 2006.
- ii. In addition to the previously mentioned contribution, the INL provided funds for three projects of the Money Laundering Unit for US\$523,180 as follows: Development and Strengthening of Financial Intelligence Units of Central America (US\$248,180), Mock Trials in Money Laundering for the region of Central American and the Dominican Republic (US\$155,000), and the Judicial Training Program in Central American and the Dominican Republic (US\$120,000).
- iii. Through INL, the NAS of Nicaragua made a special contribution of US\$130,000 for the support of three project that were being carried out in Nicaragua: Culture of Lawfulness (US\$80,000); Development of the Financial Intelligence Unit in Nicaragua (US\$20,000); and to carry out a course of the Risk Profiling in Customs Operations (US\$30,000).

2. Contribution of Canada: US\$790,938 (CND\$972,100)

a. Foreign Affairs Canada (FAC): US\$706,214 (CND\$872,100)

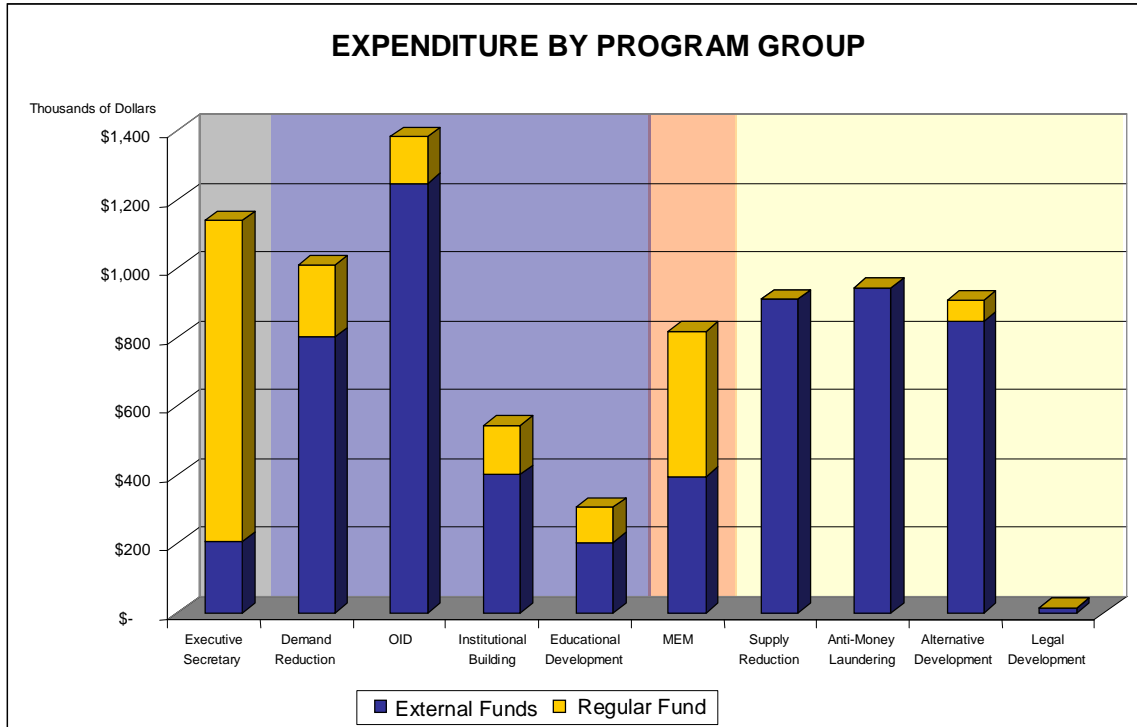
- i. In the first quarter, two contribution installments for the Canadian fiscal year 2004-05 were received for a total of US\$706,214 (CND\$872,100) and were reimbursements for expenditures related to the Multilateral Evaluation Mechanism (MEM) and four projects stemming from recommendations of the Second Round of Evaluation of the MEM in Supply Reduction, Demand Reducation, Money Laundering, for the support of the Schools of Nursing Program, and for the restructuring of the Executive Secretariat of CICAD.
- ii. A first reimbursement for the Canadian fiscal year of April 1, 2005-March 31, 2006 was expected in December 2005.

b. Department of Public Safety and Emergency Preparedness (PSEPC): US\$84,724 (CDN\$100,000). These resources, received in October, were allocated to fund the Central American Border Security Program (\$12,708 – CDN\$15,000), partnership for the application of law and education in the Caribbean (US\$29,653 – CDN\$35,000), Special Training of Undercover Operations in the Dominican Republic (US\$33,890 – CDN\$40,000) and for the preparatory meeting of the Inter-governmental Working Group for reviewing the MEM process (US\$8,472 – CDN\$10,000)

3. **Government of Spain: US\$237,440** In December 2005, CICAD received a grant from the Spanish International Development Agency (AECI) for US\$ 237,440 to fund the second phase of the project to decentralize drug policies in the Andean countries in Bolivia, Colombia, Ecuador, Peru y Venezuela.
4. **Inter-American Development Bank (IDB): US\$174,042.** Replenishment of the revolving fund of the project to support the creation and establishment of Financial Intelligence Units in South America in the amount of US\$170,042.
5. **Government of Mexico: US\$135,925**
 - a. **Secretariat of Foreign Affairs. US\$85,925.** In January 2005, the CICAD received US\$15,925 as a supplement to its 2004 annual contribution to the Multilateral Evaluation Mechanism (MEM). The annual contribution for 2005 was increased to US\$70,000 for the MEM.
 - b. **Office of the Attorney General of the Republic, Mexico. US\$50,000.** Annual contribution to the CICAD General Fund.
5. **Government of France US\$47,468:** Contribution of the Ministry of Foreign Affairs to the General Fund of CICAD.
6. **Government of the Dominican Republic: US\$30,000.** Contribution to pay for additional costs of staging the thirty-seventh session of CICAD, which took place in Santo Domingo, April 25-29, 2005.
7. **Government of Colombia: US\$15,000.** Contribution of the Ministry of Foreign Affairs to MEM funding.
8. **Government of Brazil: US\$10,000.** These resources were a cointribution to the MEM process.
9. **Government of Chile: US\$10,000.** Contribution to the General Fund of CICAD.
10. **Contributions in kind: US\$114,000**
 - a. **Government of France US\$96,000:** Provision of a Money Laundering Specialist from the Ministry of the Interior.
 - b. **Government of Peru US\$13,000:** In kind contribution from the National Police for the Counterdrug Intelligence Course at ERCAIAD.
 - c. **OAS Fellowships US\$7,540:** this Department of the OAS paid the airfare for 10 participants to the Regional Online Specialization Program of the Educational Development and Research Unit held in September in Sao Paulo, Brazil.
 - d. **Government of Panama US\$5,000:** In kind contribution from the National Police to support the Counternarcotics Investigations Seminar.

D. CICAD PROGRAM EXECUTION DURING 2005

During 2005, CICAD programs and projects spent a total of US\$7,976,845, of which US\$5,974,464 were external funds and US\$2,002,382 were Regular Funds (US\$34,663 was spent from the Regular Funds 2004 to pay commitments established in 2004). The following chart shows the distribution of expenditures by CICAD program and source.



Office of the Executive Secretary	14.3%	Multilateral Evaluation Mechanism	10.3%
Demand Reduction Programs	40.6%	Supply Reduction Programs	34.8%

Approximately US\$1.1 million (14.3%) was disbursed by the Office of the Executive Secretary under the Executive Secretary and the support units (administrative office, technology support and communications) and holding Commission statutory meetings.

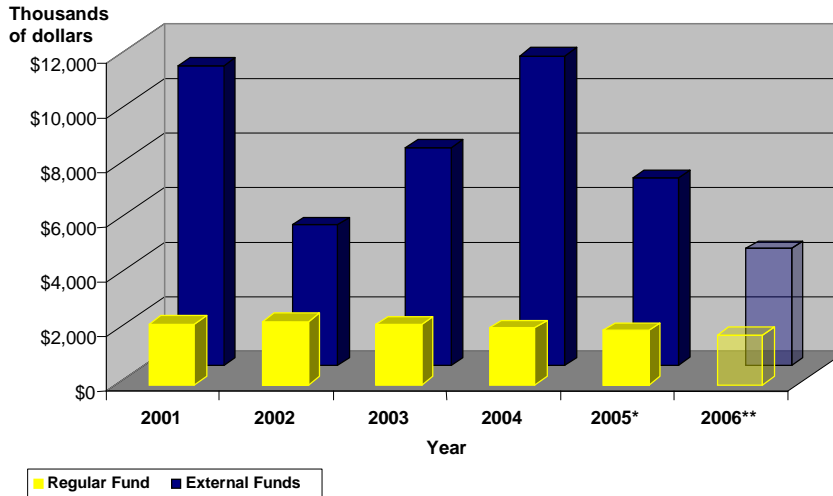
The units of Demand Reduction, Education Development and Research and Institutional Development, and the Inter-American Observatory on Drugs fall under the programs grouped under Demand Reduction and US\$3.2 million

The MEM spent US\$817,750. The cost of projects stemming from MEM recommendations were accounted for under the unit that conducts each project.

Under the umbrella of Supply Reduction, the units of Supply Reduction, Alternative Development, Anti-Money Laundering and Legal Development spent US\$2.7 million.

E. RESULTS OF THE STRATEGY TO OBTAIN EXTERNAL FUNDING

CONTRIBUTIONS IN CASH TO CICAD BY FUND TYPE: 2000-2006



** Estimated Contributions

In recent years, external funding for the execution of CICAD programs and projects has taken on greater importance, so much so, that in 2004 external contributions represented 85% of total contributions received and in 2005, 77%. Given the drop in Regular Fund contributions as well as looming decreases in funding from several traditional donors, the Executive Secretary has reached out to new donors, established strategic partnerships with like-minded organizations, and promoted horizontal cooperation among member states to reduce costs to maintain the pace of CICAD programs. The results achieved by this strategy show that actual income received from external donors had surpassed estimated income under this concept for the whole year.

For 2006, the financial situation will be more complicated. The General Assembly of the OAS approved the sum of US\$1.95 million for CICAD in the Regular Fund budget. Combining this amount with the estimate of US\$4.3 million in cash contribution from external sources, CICAD will receive about US\$6.25 million in 2006. Should this projection of revenue for 2006 prove true, total income will be reduced by 29.3% (US\$2.5 million), compared to total contributions in 2005.

The efforts of the Executive Secretariat to achieve financial stability for the Commission will not succeed unless member states become more actively engaged in CICAD finances and activities. In this new financial environment, the member states need to extend horizontal cooperation (among governments and their institutions), increase the matching funds (both in cash and in kind) for meetings, events, workshops and projects that CICAD implements in each country or region, and make regular annual contributions to CICAD. Otherwise, CICAD will not be able to meet the member states' needs and will be forced to cut back on staff and activities.

APPENDIX

Appendix A

ORIGINS, LEGAL BASES, STRUCTURE, MEMBERS, AND PURPOSES

ORIGINS

The OAS General Assembly (resolution AG/RES.699 (XIV-0/84), convened the Inter-American Specialized Conference on Traffic in Narcotic Drugs to review all aspects of the drug problem. The Conference, held in Rio de Janeiro, Brazil in 1986, concluded with the unanimous approval of the Inter-American Program of Action of Rio de Janeiro against the Illicit Use and Production of Narcotic Drugs and Psychotropic Substances and Traffic Therein. The General Assembly also established the Inter-American Drug Abuse Control Commission (CICAD), (AG/RES.813 (XVI-0/86)), and approved its Statute. By AG/RES.814 (XIV-0/86), it adopted the Inter-American Program of Rio de Janeiro, and by resolution AG/RES.841 (XVI-0/86), authorized the Permanent Council to approve the Statute of the Specific Fund for the Inter-American Program of Rio de Janeiro to finance CICAD activities. The Permanent Council approved that Statute on September 9, 1987 by resolution CP/RES.482 (709/87).

LEGAL BASES

CICAD is a technically autonomous entity of the OAS, operating under the Inter-American Program of Rio de Janeiro and in accordance with the mandates of the General Assembly. In October 1996, the Commission adopted amendments to its Statute, which were approved by the General Assembly in its resolution AG/RES.1457 (XXVII-0/97) in June 1997. In November 1997, the Commission adopted amendments to its Regulations, pursuant to Article 31 of the amended Statute.

STRUCTURE AND MEMBERS

Under Article 3 of the amended Statute, the Commission is composed of all the member states of the Organization that are elected, at their request, by the General Assembly. Each member state must designate a principal representative, and may also appoint alternate representatives and advisors, as it deems appropriate. CICAD comprises thirty-four member states.

PURPOSES

The Commission's objectives are to expand and strengthen the capacity of member states to prevent and treat the abuse of licit and illicit drugs, and to combat effectively the illicit production of and traffic in narcotic drugs and psychotropic substances. The Commission promotes regional programs in drug-related research, exchange of information, specialized training, and technical assistance.

The Commission is guided by the principles and declarations of the Inter-American Program of Rio de Janeiro, by the Anti-Drug Strategy in the Hemisphere, adopted by CICAD in October 1996 and endorsed by the General Assembly in resolution AG/RES.1458 (XXI-0/97), and by the Plan of Action approved at the Second Summit of

the Americas in Santiago, Chile in April 1998, and endorsed in resolution AG/RES.1654 (XXIX-0/99) deciding on the establishment of the Multilateral Evaluation Mechanism (MEM). Mandates emanating from the Third Summit of the Americas in Quebec City, Quebec, Canada are the latest policy guidelines received.

OAS GENERAL ASSEMBLY RESOLUTIONS

AG/Res. 2097 (XXXV-O/05)

Multilateral Evaluation Mechanism (MEM) of the Inter-American Drug Abuse Control Commission: Report on Its Third Evaluation Round

(Adopted at the fourth plenary session, held on June 7, 2005)

THE GENERAL ASSEMBLY,

HAVING SEEN the Observations and Recommendations of the Permanent Council on the Annual Reports of the Organs, Agencies, and Entities of the Organization (AG/doc. /05), and in particular with reference to the annual report of the Inter-American Drug Abuse Control Commission (CICAD) (CP/doc. /05);

RECALLING that during the Third Summit of the Americas, the Heads of State and of Government noted with satisfaction the creation and implementation of the Multilateral Evaluation Mechanism (MEM), and reiterated their commitment to make this instrument, unique in the world, a central pillar of assistance toward effective hemispheric cooperation in the struggle against all the component elements of the world-wide drug problem;

RECOGNIZING that the Multilateral Evaluation Mechanism (MEM) is a fundamental tool for obtaining a multilateral, objective, and transparent diagnostic assessment of the manner in which states confront the drug problem in the Hemisphere; that it also seeks to enhance inter-institutional coordination internally and internationally, dialogue among the competent authorities, and the optimization of resources devoted to cooperation among states in order to address the drug problem and related offenses more effectively;

CONSCIOUS that the changing nature of the world drug problem requires the MEM to evolve in a dynamic way so that its capacity to identify trends and follow up on individual and collective progress on the drug problem in the Hemisphere be strengthened with each evaluation exercise; and

NOTING that the Hemispheric Report and the thirty-three National Reports produced as a result of implementing the third round of the MEM were approved by CICAD at its thirty-seventh regular session, held in Santo Domingo, the Dominican Republic, in April 2005, and published with its recommendations in May 2005,

RESOLVES:

1. To note with satisfaction the approval by the Inter-American Drug Abuse Control Commission (CICAD) at its thirty-seventh regular session of the hemispheric report and

the thirty-three national reports of the Multilateral Evaluation Mechanism (MEM) produced as a result of its third evaluation round 2003-2004.

2. To endorse the reports of the MEM in their entirety, to urge the countries to implement the recommendations contained therein, and to request the CICAD to present an updated report on compliance therewith at the thirty-sixth regular session of the General Assembly.

3. To urge member states to disseminate the MEM national and hemispheric reports, through their appropriate authorities, to their legislative branches and government institutions, the media, and civil society, so as to spread knowledge of the MEM and thereby boost the human and financial commitment of each member state and of the Hemisphere in the fight against the drug problem and related offenses.

4. To recognize with pleasure the striking progress made in national antidrug policies since the first MEM evaluation round 1999-2000 and their impact on the Hemisphere, which has made it possible to foster trust and dialogue among states; facilitated the exchange of information and best practices among governments in the Hemisphere; strengthened domestic legal frameworks in the member states, as well as the international legal framework by promoting a significant increase in the ratification of important international instruments; and helped to optimize resources for hemispheric cooperation by channeling them to areas identified by the MEM.

5. To urge member states to renew their commitment shown during the three MEM evaluation rounds, and to continue participating actively, fully and in a timely manner in the fourth round, in particular by providing the introductory material required on the status of the drug problem and related offenses in each national report, and by giving complete answers to the questionnaire and assuring the presence of their qualified governmental experts in the different phases of the process.

6. To recognize that the MEM is an evolving instrument that needs to be strengthened and therefore to urge CICAD to continue striving to adapt and improve the evaluation process, through the Intergovernmental Working Group (IWG) before the beginning of the fourth evaluation round.

7. To recognize the dedicated work of the Governmental Experts Group (GEG) entrusted with preparing the reports during the third evaluation round, and to congratulate the National Coordinating Entities (NCEs), the institutions, and the numerous national agencies that cooperated by providing ample information for the process.

8. To urge member states and permanent observers to initiate, maintain, or increase their voluntary financial contributions to the MEM, in order to guarantee its continuity and strengthen its impact.

9. To instruct the Executive Secretariat of CICAD to continue to support the member states in their national efforts to implement the recommendations made in the MEM process.

AG/Res. 2098 (XXXV-O/05)
Observations and Recommendations on the Annual Report of the Inter-American Drug Abuse Control Commission

(Adopted at the fourth plenary session, held on June 7, 2005)

THE GENERAL ASSEMBLY,

HAVING SEEN the comments and recommendations of the Permanent Council (AG/RES.) on the annual report of the Inter-American Drug Abuse Control Commission (CICAD) (CP/doc.4033/05);

RECALLING resolutions AG/RES. 2015 (XXXIV-O/04), "Observations and Recommendations on the Annual Report of the Inter-American Drug Abuse Control Commission," and AG/RES. 2026 (XXXIV-O/04), "Fighting Transnational Organized Crime in the Hemisphere";

RECALLING that in the Declaration on Security in the Americas, the states of the Hemisphere adopted a new concept of security and considered that the security of the states of the Hemisphere is affected, in different ways, by traditional threats and by new threats, concerns, and diverse other challenges;

CONSCIOUS of the persistent need for greater progress in the fight against drug trafficking and related crimes, such as laundering of assets, illicit arms sales, illegal diversion and misuse of pharmaceutical products and chemical substances, and transnational organized crime in general;

DEEPLY CONCERNED over the appearance of armed groups and social movements related to the cultivation of illicit drug crops in certain countries, giving rise to situations that can destabilize the institutional order and undermine democratic governance;

REAFFIRMING its commitment to the Multilateral Evaluation Mechanism (MEM) as an objective instrument for measuring the progress made by member states in controlling the illicit drug problem and strengthening hemispheric solidarity and cooperation, as also set forth in the resolution on "Multilateral Evaluation Mechanism (MEM) of the Inter-American Drug Abuse Control Commission: Report on its Third Evaluation Round";

WELCOMING the fact that CICAD has declared 2005 to be the year of Drug Prevention, understanding that drug use is a public health problem that affects society as a whole; and that the States of the Hemisphere recognize the importance of early prevention of drug abuse in the family, school and community, including programs that strengthen values and life skills in children and youth; and

NOTING WITH SATISFACTION that CICAD has strengthened its cooperation and exchange of information with the Inter-American Committee Against Terrorism

(CICTE), the Consultative Committee established under the Inter-American Convention against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives, and Other Related Materials (CIFTA), the Inter-American Committee on Ports (CIP), the Working Group on Mutual Assistance in Criminal Matters of the Meeting of Ministers of Justice or of Ministers or Attorneys General of the Americas (REMJA), and other pertinent bodies of the inter-American system,

RESOLVES:

1. To express appreciation for the presentation to the General Assembly of the hemispheric report and the thirty-three (33) national reports of the Multilateral Evaluation Mechanism (MEM) for the 2003-2004 term, which it endorses in full, and to urge every member state to implement the recommendations that have been made to them.

2. To welcome the work done and decisions taken by CICAD regarding illicit drug trafficking and related crimes tied to transnational organized crime, in accordance with resolution AG/RES. 2026 (XXXIV-O/04).

3. To urge member states to:

- a. Initiate, maintain, or increase their voluntary financial contributions to CICAD so that it can increase its assistance to member states in their national efforts to comply with the MEM recommendations;
- b. Consider incorporating, as appropriate, the provisions of the CICAD Model Regulations for the Control of the International Movement of Firearms, their Parts and Components and Ammunition, including the provisions on brokers;
- c. Strengthen cross-border cooperation, particularly for exchanging experiences on issues related to drug control;
- d. Strengthen international cooperation and coordination by implementing the recommendations of the Expert Group on Maritime Drug Trafficking, assuring, in particular, their participation in meetings of that group and by signing bilateral, regional and other agreements to suppress illicit drug trafficking by sea and eliminate safe havens used by smugglers;
- e. Incorporate into their domestic legislation, as appropriate, the provisions of the CICAD Model Regulations concerning Laundering Offenses connected to Illicit Drug Trafficking and other Serious Offenses, including the amendments adopted at the thirty-seventh regular session of CICAD, including measures referring to seizure of assets, special investigative techniques and transnational organized crime;
- f. Continue strengthening the various aspects of their national drug control systems, including the National Drug Commissions, national drug control strategies and plans and, as appropriate, the

decentralization of these strategies to local and municipal governments, and, in general, their framework of laws and regulations adapted to the current characteristics of the problem in each country;

- g. Promote, on the occasion of the Inter-American Year of Substance Abuse Prevention, programs and actions to contribute to illicit drug demand reduction, to the strengthening of prevention and education programs, through the development of life skills, and the promotion of healthy living;
- h. Take into consideration the document CICAD Hemispheric Guidelines for School Prevention Programs, which may be used as a guide for standardizing school-based interventions through effective, science-based programs, to prevent drug use by children and youth in the Western Hemisphere;
- i. Take into consideration the document Guidelines for the Organization of a Comprehensive National Drug Treatment System, which may serve as a guide to forming a treatment system that provides a means for improving the quality of care offered by treatment centers;
- j. Endeavor to ensure that alternative development projects support the ongoing economic viability of communities and families in those countries most affected by the presence of illicit crops, and those most vulnerable to the appearance of such crops;
- k. Consider the possibility of adopting alternative mechanisms to replace prison for drug users who commit minor crimes related to the possession of drugs for personal use, in accordance with the pertinent legislation in each country;
- l. Continue efforts to disrupt and prevent the growth of juvenile criminal gangs involved in drug-related illegal activities and associated crimes; and
- m. Consider, if they have not yet done so, signing and ratifying the United Nations Convention Against Organized Transnational Crime and its three protocols; the United Nations Convention Against Corruption; the Inter-American Convention Against Corruption; the Inter-American Convention on the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives, and Other Related Materials; and the Inter-American Convention on Mutual Assistance in Criminal Matters.^{1/}

^{1/} Colombia has ratified the United Nations Convention against Transnational Organized Crime and its Additional Protocol to Prevent, Suppress, and Punish Trafficking in Persons, Especially Women and Children, and it is fully committed to its enforcement.

4. Also to urge the permanent observers and international financial institutions to initiate, maintain, or increase their contributions to CICAD activities.

5. To recognize the progress made in the abovementioned areas and, in accordance with the 2004 annual report of CICAD, to urge the Executive Secretariat of CICAD to continue to support and develop these areas and programs.

6. In accordance with the Anti-Drug Strategy in the Hemisphere of 1996, the CICAD Executive Secretariat should continue supporting the policies and programs corresponding to areas identified by the MEM, according to the necessities of each country in relation to efforts to control illicit drugs and related crimes in the four principle areas of the MEM: Institutional Development, Demand Reduction, Supply Reduction, and Control Measures.

7. To instruct the CICAD Executive Secretariat:

- a. Working through the Inter-American Observatory on Drugs, to support member states in their efforts to develop and maintain uniform national data collection systems on the problem of drug use and related crimes at the national level, enabling them to measure the dimensions of the problem and track new trends in substance abuse. Further, to develop and maintain information systems at the hemispheric level, and to expand to other member

However, Colombia has stated that it will not ratify the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components, and Ammunition, or the Protocol against the Smuggling of Migrants by Land, Air, and Sea.

Colombia does not agree with the wording of Article 4, paragraph 2, of the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components, and Ammunition, which deals with its scope of application. Colombia would have preferred for the Protocol to apply to all transfers of firearms, their parts, components, and ammunition, in order to make a real contribution to preventing and combating the illicit trafficking thereof, and for transfers between states, like all other transactions, to be subject to the control mechanisms set out in the Protocol.

Note must be taken of the definition of “illicit trafficking” contained in Article 3, section (e), of the Protocol, which, for a transfer to be licit, requires that all the states involved in it grant their authorization. An exemption clause, such as the one contained in Article 4, contradicts this definition by implying that a state may transfer arms without the authorization or consent of one of the other states involved. Not only would that make such a transfer an illicit act, it also opens up the possibility for arms to be transferred to agents other than those of the state.

Colombia, a country that has been seriously affected by the illegal arms trade, cannot accept the exclusion from the Protocol’s control mechanisms of certain arms transfers, such as transfers to non-state agents, which in our opinion constitute a grave crime, and transfers between states. Thus, in compliance with the Vienna Convention on the Law of Treaties, it took the sovereign decision not to ratify that Protocol.

With reference to the Protocol against the Smuggling of Migrants by Land, Air, and Sea, Colombia has stated that it will not ratify this instrument because it believes it contains provisions designed to legitimize the forced repatriation of migrants who have not necessarily been smuggled. That approach was promoted during the negotiation of the Protocol by the destination countries, none of which has ratified the 1990 United Nations Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families.

Colombia believes that the clause contained in Article 6, paragraph 4, could lead to the criminalization of migrants, when the purpose of the Protocol is to pursue the organized criminal gangs, not the migrants.

Pursuant to the above, and in compliance with the Vienna Convention on the Law of Treaties, Colombia took the sovereign decision not to ratify the Protocol.

states, as appropriate, the CICAD pilot program to develop and test a standardized methodology to estimate the human, social and economic cost of drugs in the Hemisphere, as mandated by the Third Summit of the Americas;

- b. To support the work of the expert groups dedicated to progress in the following thematic areas: demand reduction, control of firearms trafficking, pharmaceutical products, chemical precursors, money laundering, and maritime cooperation, to enable their advancement and to facilitate cooperation and coordination, as well as information exchange, between the member states in these areas;
- c. To make an effort to prioritize the programs conducted by CICAD in all areas according to member states' needs, and to explore new technologies and other measures to reduce costs, in order to adapt to the Organization's current financial problems; and
- d. To strengthen its cooperation and exchange of information with the various inter-American committees and mechanisms, taking into account paragraphs 27 and 45 of the Declaration on Security in the Americas, in particular with the Consultative Committee of the CIFTA, the Inter-American Committee on Ports, the Working Group on Mutual Legal Assistance in Criminal Matters of the Meeting of Ministers of Justice or of Ministers of Attorneys General of the Americas (REMJA), the special joint committee of the Permanent Council and the REMJA on transnational organized crime, the Inter-American Committee against Terrorism (CICTE), and other relevant organs of the inter-American system.
- e. To work to identify new resources for continuing its support for the efforts of the member states in developing alternative development programs and projects.

AG/Res. 2116 (XXXV-O/05)

Fighting Transnational Organized Crime in the Hemisphere

(Adopted at the fourth plenary session, held on June 7, 2005)

THE GENERAL ASSEMBLY,

CONCERNED that the security of the states of the Hemisphere is affected, in various ways, by traditional threats and by new threats, concerns, and other challenges of diverse types, such as transnational organized crime;

DEEPLY CONCERNED by the expansion and the dimensions of transnational organized crime in all its manifestations, and by the growing complexity and diversity of the activities of organized criminal groups;

RECALLING that in the Declaration on Security in the Americas, adopted at the Special Conference on Security, held in Mexico in October 2003, the member states condemned transnational organized crime, since it constitutes an assault on institutions in our countries and negatively affects our societies, and renewed the commitment to fighting it by strengthening the domestic legal framework, the rule of law, and multilateral cooperation, respectful of the sovereignty of each state;

REITERATING:

The importance of full compliance with the obligations contracted by the states parties to the United Nations Convention on Transnational Organized Crime and the three supplementary protocols thereto, the Protocol against the Smuggling of Migrants by Land, Sea and Air; the Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children; and the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components and Ammunition; and

Resolution AG/RES. 2026 (XXXIV-O/04), "Fighting Transnational Organized Crime in the Hemisphere," which laid the foundation for addressing the topic within the Organization;

NOTING WITH SATISFACTION the Conclusions and Recommendations of the Meeting of Government Experts to Consider the Advisability of Developing a Hemispheric Plan of Action against Transnational Organized Crime, held on April 18 and 19, 2005, in Washington, D.C., which recommended, among other things, that such a plan should be drawn up;

BEARING IN MIND:

The decisions of the Inter-American Drug Abuse Control Commission (CICAD) regarding the conclusions and recommendations on fighting transnational organized crime in the Hemisphere reached by member states at the First Inter-American Meeting on Cooperation Mechanisms against Organized Crime, held in Mexico City, in October

2003, and at the meeting of the CICAD Ad Hoc Group on Transnational Organized Crime, held in Washington, D.C., in March 2004;

The conclusions and recommendations of the Fifth Meeting of Ministers of Justice or of Ministers or Attorneys General of the Americas (REMJA-V), held in Washington, D.C., in April 2004; and

United Nations General Assembly resolution 59/156, "International cooperation in the fight against transnational organized crime: assistance to States in capacity-building with a view to facilitating the implementation of the United Nations Convention against Transnational Organized Crime and the protocols thereto," and the decisions adopted at the first session of the Conference of the Parties to the Palermo Convention; and

HAVING SEEN the Annual Report of the Permanent Council to the General Assembly (AG/doc. /05), in particular the section on the topics assigned to the Committee on Hemispheric Security, among them the implementation of resolution AG/RES. 2026 (XXXIV-O/04), "Fighting Transnational Organized Crime in the Hemisphere";

RESOLVES:

1. To invite the member states that have not yet done so to consider signing and ratifying, ratifying, or acceding to, as appropriate, and implementing as early as possible the Palermo Convention and the three supplementary protocols thereto, the Protocol against the Smuggling of Migrants by Land, Sea and Air; the Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children; and the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components and Ammunition.^{2/}

^{2/} Colombia has ratified the United Nations Convention against Transnational Organized Crime and its Additional Protocol to Prevent, Suppress, and Punish Trafficking in Persons, Especially Women and Children, and it is fully committed to its enforcement. However, Colombia has stated that it will not ratify the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components, and Ammunition, or the Protocol against the Smuggling of Migrants by Land, Air, and Sea.

Colombia does not agree with the wording of Article 4, paragraph 2, of the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components, and Ammunition, which deals with its scope of application. Colombia would have preferred for the Protocol to apply to all transfers of firearms, their parts, components, and ammunition, in order to make a real contribution to preventing and combating the illicit trafficking thereof, and for transfers between states, like all other transactions, to be subject to the control mechanisms set out in the Protocol.

Note must be taken of the definition of "illicit trafficking" contained in Article 3, section (e), of the Protocol, which, for a transfer to be licit, requires that all the states involved in it grant their authorization. An exemption clause, such as the one contained in Article 4, contradicts this definition by implying that a state may transfer arms without the authorization or consent of one of the other states involved. Not only would that make such a transfer an illicit act, it also opens up the possibility for arms to be transferred to agents other than those of the state.

Colombia, a country that has been seriously affected by the illegal arms trade, cannot accept the exclusion from the Protocol's control mechanisms of certain arms transfers, such as transfers to non-state agents, which in our opinion constitute a grave crime, and transfers between states. Thus, in compliance with the Vienna Convention on the Law of Treaties, it took the sovereign decision not to ratify that Protocol.

With reference to the Protocol against the Smuggling of Migrants by Land, Air, and Sea, Colombia has stated that it will not ratify this instrument because it believes it contains provisions designed

2. To urge member states to adopt and/or strengthen their legislation and cooperation in order to combat the various manifestations of transnational organized crime in the Hemisphere, including illicit drug trafficking, money laundering, illicit arms trafficking, trafficking in persons, smuggling of migrants, cybercrime, criminal youth gangs, kidnapping, and corruption, as well as connections between terrorism and these manifestations.^{3/}

3. That the topic of transnational organized crime shall continue to be considered, in its different manifestations, by the various OAS entities that have been doing so within their respective spheres of competence,^{4/} with a view to ensuring that the efforts of the various OAS entities and agencies are coordinated and integrated and that the OAS consolidates its position as a regional forum for effective cooperation against transnational organized crime, taking as a point of reference the provisions of the United Nations Convention against Transnational Organized Crime (Palermo Convention) and the protocols thereto.

4. To instruct the Permanent Council to establish, in accordance with Article 12 of its Rules of Procedure, a Special Committee on Transnational Organized Crime, with the participation of government experts, to prepare a draft hemispheric plan of action against transnational organized crime and to follow up on the related activities of the Organization and its organs, agencies, and entities.

5. To take into account the “Conclusions and Recommendations of the Meeting of Government Experts to Consider the Advisability of Developing a Hemispheric Plan of Action against Transnational Organized Crime”, which are a part of this resolution, and the Report of that Meeting.

6. To instruct the General Secretariat to develop a mechanism for coordinating the efforts of the organs, agencies, entities, and mechanisms currently

to legitimize the forced repatriation of migrants who have not necessarily been smuggled. That approach was promoted during the negotiation of the Protocol by the destination countries, none of which has ratified the 1990 United Nations Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families.

Colombia believes that the clause contained in Article 6, paragraph 4, could lead to the criminalization of migrants, when the purpose of the Protocol is to pursue the organized criminal gangs, not the migrants.

Pursuant to the above, and in compliance with the Vienna Convention on the Law of Treaties, Colombia took the sovereign decision not to ratify the Protocol

^{3.} Interpretative statement by Argentina, Brazil, Ecuador, Mexico, Paraguay, Peru, Uruguay, and Venezuela: “We acknowledge that there may be connections between terrorism and organized crime in certain cases and/or in certain regions of the world; we do not accept, however, that such connections always exist, in a systematic fashion. Such connections must be addressed on a case-by-case basis.”

^{4.} Within their spheres of competence and for those aspects where it is deemed appropriate, such as the Inter-American Drug Abuse Control Commission (CICAD), the Consultative Committee of the Inter-American Convention against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives, and Other Related Materials (CIFTA), the Inter-American Commission of Women (CIM), the Inter-American Children’s Institute (IIN), the Hemispheric Information Exchange Network for Mutual Legal Assistance in Criminal Matters, the Meeting of Ministers of Justice or of Ministers or Attorneys General of the Americas (REMJA), and the Inter-American Committee against Terrorism (CICTE). Also, the Follow-up Mechanism for the Implementation of the Inter-American Convention against Corruption (MESICIC).

dealing with topics related to the prevention and fight against transnational organized crime, in order to prevent duplication and optimize the use of institutional resources.

7. To request the Permanent Council to submit the Draft Plan of Action against Transnational Organized Crime to the Sixth Meeting of Ministers of Justice or of Ministers or Attorneys General of the Americas (REMJA-VI) for consideration, with a view to its being adopted by the General Assembly at its thirty-sixth regular session.

8. To urge member states that are party to or signatories of the Palermo Convention and the two Protocols thereto that are currently in force to work jointly at the Second Conference of the Parties, to be held from October 10 to 21, 2005, to facilitate the application of these important international instruments.

9. To instruct the Permanent Council to follow up on this resolution and to present a report thereon to the General Assembly at its thirty-sixth regular session.

10. To instruct the Permanent Council and the General Secretariat to carry out, as appropriate, the activities mentioned in this resolution in accordance with the resources allocated in the program-budget of the Organization and other resources.

CONCLUSIONS AND RECOMMENDATIONS
OF THE MEETING OF GOVERNMENT EXPERTS TO CONSIDER
THE ADVISABILITY OF DEVELOPING A HEMISPHERIC PLAN OF ACTION
AGAINST TRANSNATIONAL ORGANIZED CRIME

The Government Experts meeting to consider the Advisability of Developing a Hemispheric Plan of Action against Transnational Organized Crime, in the framework of the Committee on Hemispheric Security, in accordance with the General Assembly resolution AG/RES. 2026 (XXXIV-O/04) and the Conclusions and Recommendations of the Fifth Meeting of Ministers of Justice or of Ministers or Attorneys General of the Americas (REMJA-V), on April 18 and 19, 2005, in Washington, D.C., agreed as follows:

1. It is advisable to develop a Hemispheric Plan of Action against Transnational Organized Crime (Plan of Action). The Plan of Action should promote the broadest level of coordination of the work of the organs, agencies, entities and mechanisms of the Organization of American States in the fight against transnational organized crime.
2. The Plan of Action should reflect the multidimensional nature of hemispheric security, adopted in the Declaration of Bridgetown: The Multidimensional Approach to Hemispheric Security (2002) and the Declaration on Security in the Americas (2003).
3. Components of the Plan of Action should include:
 - i. measures for broad and effective coordination within the Organization and for the support of member states, taking into account paragraph 4;
 - ii. a legal framework and promotion of legislative and regulatory development as described in paragraph 5, and
 - iii. improvement of national capacities and strengthening hemispheric cooperation, as reflected in paragraph 6.
4. The measures for broad and effective coordination within the Organization and for the support of member states should have a political and a technical dimension.
 - a. The political dimension should consist of a special joint committee of the Permanent Council comprised of the Committee on Hemispheric Security and the Committee on Juridical and Political Affairs, in view of the follow-up that the latter provides to the Meeting of Ministers of Justice or of Ministers or Attorneys General of the Americas (REMJA), and with the participation of government experts, to draft the Plan of Action and follow-up on its implementation. The General Assembly should request that the Permanent Council establish the said special joint committee. The Plan of Action should be presented for consideration at the Sixth Meeting of REMJA, with a view to its adoption at the Thirty-Sixth Regular Session of the General Assembly. Cooperative action in this area may

begin from the time of the establishment of the special joint committee. The Plan of Action should focus on giving effect to the United Nations Convention against Transnational Organized Crime (Palermo Convention) and its Protocols, drawing on the work and relying on the expertise of the organs, agencies, entities and mechanisms of the Organization that currently address this issue.

b. The Secretary General should oversee the technical dimension of this endeavor by supporting the special joint committee. The Secretary General should convene monthly or bi-monthly meetings of the relevant General Secretariat units, such as the Department of Multidimensional Security, the Department of Legal Affairs and Services, and the Permanent Secretariat of the Inter-American Commission of Women, and report regularly to the special joint committee. The Secretary General should coordinate efforts of the OAS organs, agencies, entities, and mechanisms that currently address this issue with a view to eliminating the duplication of efforts and maximizing institutional resources. The Secretary General's efforts in this regard should begin once the General Assembly has decided that the special joint committee should be established.

5. The Palermo Convention and its three protocols⁵ should remain the framework for strengthening international cooperation against transnational organized crime. Measures should be promoted to facilitate the development of legislation by Member States. Efforts undertaken at the United Nations to combat transnational organized crime should not be duplicated at the hemispheric level.

6. The Plan of Action should include a call to implement the Palermo Convention and use existing hemispheric mechanisms to prevent, investigate and prosecute transnational organized crime. Measures to strengthen regional and subregional cooperation among member states should include, *inter alia*, bilateral agreements, mutual legal assistance, asset recovery and/or sharing, institutional cooperation mechanisms, technical assistance, exchange of information, dissemination of best practices, technology transfer, training, special investigation techniques, and confidence-building.

⁵. Protocol against the Smuggling of Migrants by Land, Sea and Air, Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, and Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components and Ammunition.

LIST OF ACRONYMS USED IN THIS ANNUAL REPORT

A

ACCESO Andean Countries Cocoa Export Support Opportunity
 AECI Spanish International Cooperation Agency
 ATF Bureau of Alcohol, Tobacco and Firearms (United States)

B

BASC Business Anti-Smuggling Coalition

C

CADA Andean Alternative Development Committee
 CAN Andean Community of Nations
 CARICOM Caribbean Community Secretariat
 CATIE Tropical Agriculture Research and Training Center
 CCLEC Caribbean Customs Law Enforcement Council
 CCP Central American Permanent Commission against Drug
 Trafficking
 CFATF Caribbean Financial Action Task Force
 CICAD Inter-American Drug Abuse Control Commission
 CICDAT Inter-American Supply Control Data System
 CICTE Inter-American Committee against Terrorism
 CIFAD French Inter-Ministerial Anti-Drug Training Center
 CIFTA Inter-American Convention against the Illicit Manufacturing of and
 Trafficking in Firearms, Ammunition, Explosives and Other
 Related Materials

E

EMCDDA European Monitoring Centre on Drugs and Drug Addiction
 ERCAIAD Andean Community Regional Counter-Drug Intelligence School

F

FATF Financial Action Task Force
 FIU Financial Intelligence Unit

G

GAFISUD South American Financial Action Task Force
 GEG Group of Governmental Experts (of the MEM)
 GIS Geographic Information System
 GLEAM Generalized (Satellite-based) Land Use Evaluation
 and Management System
 GPML Global Program for Money Laundering

I

IDB Inter-American Development Bank
 ICT Tropical Crops Institute
 IMF International Monetary Fund

INIBAP	International Network for the Improvement of Banana and Plantain
INTERPOL	International Criminal Police Organization
M	
MEM	Multilateral Evaluation Mechanism
N	
NIDA	National Institute on Drug Abuse (U.S.)
O	
OAS	Organization of American States
OFDT	French Monitoring Center for Drugs and Drug Addiction
P	
PAHO	Pan American Health Organization
R	
RCMP	Royal Canadian Mounted Police
RIOD	Inter-American Network of NGOs working in Drug Abuse
S	
SAC	Science Advisory Committee
SALSA	Small Arms and Light Weapons Administration
SICA	Central American Integration System
SIDUC	Inter-American Drug Use Data System
U	
UMDNJ/RWJMS	University of Medicine and Dentistry of New Jersey, Robert Wood Johnson Medical School
UNDP	United Nations Development Program
UNIDIR	Institute for Disarmament Research
UN-LiREC	United Nations Lima Regional Center for Peace, Disarmament and Development
UNODC	United Nations Office on Drugs and Crime
W	
WCF	World Cacao Foundation