

Costa Rica

Evaluation of Progress in Drug Control 2005-2006

MEM

Multilateral Evaluation Mechanism



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





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

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

COSTA RICA

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



CICAD wishes to thank the following Costa Rican national institutions which provided information for this MEM national Fourth Round report:

- Costa Rican Institute on Drugs:
 - National Information and Statistics Unit on Drugs;
 - Financial Administration Unit;
 - Unit for Prevention Programs;
 - Unit for Control and Oversight of Chemical Precursors;
 - Records and Inquiries Unit;
 - Judicial Investigations Agency;
 - Public Prosecutor for Drug Trafficking.
- Ministry of Public Security, General Office of Weapons;
- Attorney General of the Republic;
- Ministry of Health, Division of Narcotics and Psychotropic Substances;
- Judicial Branch, Department of Statistics;
- Institute on Alcoholism and Drug Addiction.



PREFACE

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

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

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

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



INTRODUCTION

Costa Rica is located in Central America and borders Nicaragua to its north, Panama to its south, the Pacific Ocean to its west, and the Caribbean Sea to its east. It has a total area of 51,100 km² and a population of 4,075,261 (July 2006). The population is mostly of Spanish ancestry and has a literacy rate of 96%. Costa Rica's economy is agriculture-based, and its main exports include coffee, bananas, sugar, pineapples, textiles, electronic components, and medical equipment. In recent years the tourism industry has become an important source of revenue for the country. The per capita gross domestic product (GDP) is \$11,400. The country is a democratic republic composed of seven provinces. The chief of state and head of government is the president.

I. INSTITUTIONAL STRENGTHENING

A. National Anti-drug Strategy

Costa Rica has a National Anti-drug Plan, which was approved on September 12, 2005 and has been in effect for two years. The strategy covers actions in the areas of demand reduction, supply reduction, control measures, assets laundering, and program evaluation.

The National Anti-drug Plan has a budget, funded through direct allocations from the State's general budget as well as self-financing, international cooperation, and the general budget of the Executive Branch institutions responsible for executing the programs, projects, and actions outlined in the National Anti-drug Plan.

Budget for National Anti-drug Plan

Area	Implemented Budget (US\$)		
	2004	2005	2006
Demand Reduction	274,016.40	946,691.60	357,543.20
Supply Reduction*	722,387.60	964,929.20	973,918.00
Leadership and Administration	691,985.20	841,182.40	1,487,804.60

* The country reports that the budget allocated to supply reduction covers control measures and money laundering.

The Costa Rican Institute on Drugs (ICD), created by Law 8204 in 2002, is the national authority responsible for coordinating national drug policies. Its structure includes administrative and operational areas.

The ICD is a highly decentralized body assigned to the Ministry of the Presidency. The institutions represented on its board of directors include: the Ministry of the Presidency, the Ministry of Public Security and Interior, the Ministry of Health, the Ministry of Education, the Ministry of Justice and Grace, the Judicial Investigations Agency, and the Public Ministry.

The ICD has legal standing and is responsible for coordinating actions related to demand reduction, supply reduction, control measures, the drug observatory, international cooperation, and program evaluation. This national authority also makes use of the work of central technical offices. The ICD has an autonomous annual budget and its sources of financing are government allocations, self-financing, and international cooperation.

**Budget Allocated to National Authority**

Fiscal Year	Proposed Budget ¹	Total Budget Received ²
2004	US\$ 2,254,209.57	US\$ 2,253,960.61
2005	US\$ 3,461,036.41	US\$ 5,000,964.31
2006	US\$ 3,894,168.21	US\$ 5,314,417.48

CICAD recognizes that the country has a National Anti-drug Plan in force, and a central authority that is responsible for coordinating all the relevant areas.

B. International Conventions

Costa Rica has ratified the following conventions:

- Inter-American Convention against Corruption, 1996 (May 1997);
- Inter-American Convention against Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives, and other Related Materials (CIFTA), 1997 (June 1998);
- United Nations Single Convention on Narcotic Drugs, 1961, as amended by the 1972 Protocol (May 1970);
- United Nations Convention on Psychotropic Substances, 1971 (February 1977);
- United Nations Convention on the Law of the Sea, 1982 (September 1992);
- United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988 (February 1991);
- United Nations Convention against Transnational Organized Crime, 2000 (July 2003); and the Protocol against the Smuggling of Migrants by Land, Sea, and Air (August 2004), the Protocol to Prevent, Suppress, and Punish Trafficking in persons, Especially Women and Children (September 2003), and the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, their Parts and Components, and Ammunition (September 2003).

The country has not ratified the Inter-American Convention on Mutual Assistance in Criminal Matters, 1992, or the United Nations Convention against Corruption, 2003.³

Costa Rica has not presented any reservations to the previously mentioned conventions and reports that during 2005–2006, it issued the following laws and regulations in accordance with international conventions:

- Decree 32862-S: enacted July 27, 2005, dealing with licenses for managing psychotropic substances and narcotics.
- Resolution SO 457–2005: enacted October 20, 2005, regarding doping in sports.

¹ The Ministry of the Treasury defines expenditure limits that the ICD is obligated to abide by, hence there is no formal ICD proposal before the competent authority.

² Total income received by December 31 each year.

³ The country reports that the United Nations Convention against Corruption, 2003 was ratified on March 21, 2007.



- Decree 32997-Z: enacted September 23, 2005, sets out rules for establishing and equipping drug detoxification and care centers.
- Decree 33334-MP: enacted August 29, 2006, dealing with procedures for the administration of seized and confiscated goods.
- Decree 33245-S: enacted May 9, 2006, dealing with the control of illicitly used narcotic and psychotropic drugs.

CICAD recognizes that Costa Rica has ratified most of the aforementioned international conventions. Nevertheless, CICAD notes that the country has not yet acceded to the Inter-American Convention on Mutual Assistance in Criminal Matters, a recommendation from the First Evaluation Round, 1999–2000, or the United Nations Convention against Corruption, 2003.

RECOMMENDATIONS:

1. ACCEDE TO THE INTER-AMERICAN CONVENTION ON MUTUAL ASSISTANCE IN CRIMINAL MATTERS, A RECOMMENDATION FROM THE FIRST EVALUATION ROUND, 1999–2000
2. RATIFY THE UNITED NATIONS CONVENTION AGAINST CORRUPTION, 2003.

C. National Information System

The National Statistical and Information Unit on Drugs is the entity responsible for organizing, collecting, and coordinating statistics and other information related to drugs. During the years 2004–2006, the country conducted a series of studies using methodology based on data records and epidemiological studies, which are detailed in the following table:

Studies on Drug Abuse Conducted by Costa Rica

Studies	2004	2005	2006
Priority Studies			
Secondary school student surveys	X		X
National household survey			X
Information from patient surveys in treatment centers in the country	X	X	X
Recommended Studies			
Study on drug use in the prison population and the relationship of drugs to the crimes committed.	X		

Costa Rica reports that it has carried out studies on the economic and social impact of drugs⁴ and has data related to the costs associated with drugs in the country, which are detailed in the following table:

⁴ Results of the evaluations are available at:
<http://www.cicad.oas.org/oid/MainPage.Costs/Informe%20Final%20Costa%20Rica.pdf>

**Data Available Regarding the Costs Associated with Drugs**

	2004	2005	2006
Number of requests for treatment, public and private institutions	X	X	X
Number of deaths or serious injuries associated with drug use	X	X	X
Number of convictions and length of sentences for drug trafficking	X	X	X
Studies on consumption in the general, student and workplace populations	—	X	X
Direct government expenditures (drug-related)	X	X	X
Number of persons in treatment centers, type and duration of treatment	X	X	X
Arrests for drug possession and trafficking	N/A	N/A	N/A
Imprisonments for crimes and offenses related to consumption	X	X	X
Lost labor productivity	—	X	X

Costa Rica has an Institute on Alcoholism and Drug Dependency (IAFA) that provides drug-related information to the general public (approximately 2,000 users a year). IAFA has a telephone help line (800IAFA800), which addresses three areas: crisis intervention, general information about drugs, and information on the kinds of services that IAFA provides or referrals to other governmental service organizations.

The country distributes information on prevention, treatment, and rehabilitation programs and indicates that it has a budget for disseminating information related to the drug problem.

CICAD recognizes the country's efforts to conduct studies to estimate the magnitude of drug use and the availability of nearly all the indicators on the study of costs associated with drugs. CICAD also notes with satisfaction the country's capacity to disseminate information on the drug problem to the general public.

II. DEMAND REDUCTION

A. Prevention

Costa Rica is implementing drug abuse prevention programs for students. The country indicates that they are being carried out in accordance with the principles of CICAD's hemispheric guidelines. These programs are implemented in the second cycle of primary school and the third cycle of secondary school. The prevention programs implemented by the country during 2004, 2005, and 2006 are as follows:

**Prevention Programs Targeting Specific Groups**

Target Population	Coverage	Describe Type of Program
School Children		
• Primary: 10 to 12 years ⁵	41% 23%	I'm learning to take care of myself "DARE"
• Secondary: 13 to 18 years	45%	"Tracing a Path" and other specific programs for specific groups
Community Youth Programs (children not in school)		
• Work with communities	618 communities	Training of multiplier agents

During the 2004–2006 period, Costa Rica offered masters and doctorate programs, as well as brief continuing education and refresher courses, primarily concentrating on prevention:

- On-line International Master's Degree in Drug Dependency from the State University for Distance Learning (UNED). This program had 14 participants between 2004 and 2006;
- The "Tracing a Path" and "I'm Learning to Take Care of Myself" programs, which were offered to 30 teachers during 2004, 35 teachers during 2005, and 2,600 teachers during 2006;
- Training workshops offered to 836 officials of governmental and non-governmental organizations in 2006;
- Penitentiary Officers, offered to 150 people who are in charge of penitentiary security during 2006;
- F-17 (Promotion of health as a cross-cutting issue), offered to 262 teachers during 2006.

Several universities include prevention and treatment in their general curriculum for students in disciplines related to drug abuse. Nevertheless, the country reports that the aforementioned courses do not satisfy national demand for professional training in prevention and treatment.

In the second half of 2006 Costa Rica began implementing prevention programs in five large companies, and efforts are being made to implement such programs in other agencies in both the public and private sectors.

Two evaluations of substance abuse prevention programs were carried out: the "I'm Learning to Take Care of Myself" program, which entailed qualitative and quantitative assessments using the quasi-experimental method, and the "Health Promotion as a Cross-cutting Theme, 2005–2006" program. This evaluation is directed at teachers and uses the pre-test and post-test method in 24 pilot schools.

CICAD recognizes that the country has some prevention programs for students and programs aimed at training multipliers to work with youths in communities, but notes with concern that the coverage is very low and that these types of programs do not reach other key populations. In addition, although CICAD recognizes the availability of specialized training courses in prevention and treatment, it notes that they do not satisfy the current demand for training.

⁵ Includes 229,172 secondary school students.



RECOMMENDATIONS:

3. EXPAND THE COVERAGE OF PREVENTION PROGRAMS TARGETING KEY POPULATIONS SUCH AS STUDENTS.
4. EXPAND THE AVAILABILITY OF SPECIALIZED TRAINING COURSES IN DRUG USE PREVENTION AND TREATMENT.

B. Treatment

Costa Rica has established care guidelines for drug abuse treatment at the national level. The documents that set out these guidelines are: The Instructional Manual for the Approval of Drug Dependency Programs,⁶ and The Regulations Manual for Establishments Providing Care to Adults over 18 who Consume Alcohol and Other Drugs—Detoxification Program. These care guidelines are mandatory and are supported by current legislation.

In Costa Rica, the Institute for Alcoholism and Drug Dependency (IAFA) is the entity responsible for keeping records on drug dependency treatment programs and centers, and is also responsible for their accreditation. The IAFA is also the authority responsible for verifying compliance with the drug consumption treatment and care guidelines and for evaluating the quality of services provided. This process is carried out through periodic visits and through advising on how to technically improve the aspects that are recommended. Evaluations of the quality of treatment services are carried out every two years, through the application of CICAD quality guidelines adapted for Costa Rica in 1996.

Through workshops conducted by government agencies, Costa Rica provides ongoing training or short continuing-education courses for drug treatment personnel. The types and number of treatment programs for drug consumption in the country are detailed in the following table:

Existing Treatment Programs

Programs	Public	Private	Target Population			
			Adults		Minors	
			M	F	M	F
Out-patient Care, including clinics	1	1	x	x	x	x
Residential Programs	—	66	x	x	x	x

Costa Rica also provides details about drug treatment services in the country as follows:

⁶ See www.iafa.go.cr

**Existing Treatment Services**

Services	Public	Private	National Coverage
Detoxification	1 (outpatient)	1	x
Treatment and Rehabilitation	—	65	x
Social Reintegration	—	38	x

The country has one center specifically for the treatment of women and six national-level programs targeting prisoners and juvenile offenders, which include alternative punishment and reinsertion programs. Costa Rica reports, through the IAFA, that during the evaluation period, the demand for treatment was as follows:

Demand for Treatment in Costa Rica

Year	Measurement System	
	Number of Patients	Number of Admissions
2004	5,752	12,218
2005	5,195	9,677
2006	6,879	15,343

The IAFA also indicates that it had 64 treatment programs during 2004 and 70 for the period 2005–2006.

CICAD recognizes the country's efforts to implement treatment services and programs, as well as evaluation and registration of treatment centers. In addition, CICAD recognizes that Costa Rica provides ongoing training for drug treatment personnel.

C. Statistics on Consumption

Costa Rica conducts surveys on a regular basis. Every five years, the country conducts a national study on drugs aimed at the general population, and every two years surveys secondary school students. In 2006 it conducted a survey of the general population, the results of which are not available; the results of the 2006 secondary school survey are as follows:



Prevalence of consumption among 7th, 9th and 11th Grade Students - 2006

Estimate for 4,120 Secondary School Students Between 13 and 17 Years of Age

Type of drug	Lifetime (percentage)			Last 12 months (percentage)			Last 30 days (percentage)		
	M	F	Total	M	F	Total	M	F	Total
Alcohol	52.6	53.8	53.2	35.7	36.1	35.9	20.1	19.9	20
Tobacco	36.1	31.4	32	18.2	15.5	17	9.7	7.2	8.4
Solvents or inhalants	7.2	4.2	5.7	3.6	2.0	2.8	1.7	0.9	1.3
Marijuana	9.1	5.7	7.4	5.7	3.3	4.6	3.0	1.4	2.3
Cocaine HCl	2.3	1.1	1.7	1.6	0.7	1.1	0.8	0.5	0.7
Crack	1.0	0.7	1.1	1.5	0.8	1.1	0.	0.4	0.4
Tranquilizers, sedatives and depressants ⁷	3.9	6.3	5.1	3.0	4.6	3.8	1.9	2.4	2.2
Stimulants ⁷	3.4	6.3	4.9	1.9	3.6	2.8	1.3	2.2	1.7

In 2006 Costa Rica conducted a study of school children in 7th, 9th and 11th grades to determine the percentage of student that believe persons who consume drugs are at moderate or great risk, or believe that it is harmful or very harmful:

2006 – Study on Drug Consumption Risks, Students 13 to 17 Years Old

Category	Percent of those Surveyed
Occasionally smoke cigarettes	19.1%
Often smoke cigarettes	71.0%
Often drink alcoholic drinks	68.8%
Get drunk	75.2%
Occasionally take non-prescribed tranquilizers/stimulants	55.5%
Often take non-prescribed tranquilizers/stimulants	62.8%
Occasionally inhale solvents	62.2%
Occasionally smoke marijuana	40.2%
Often smoke marijuana	76.6%
Occasionally take cocaine or crack	52.0%
Often take cocaine or crack	80.8%
Occasionally use coca paste	48.5%
Often use coca paste	79.8%
Occasionally take ecstasy	51.0%
Often take ecstasy	75.0%

⁷ Product breakdown is not available. They are asked only when not covered by a prescription or not used for therapeutic purposes.



The country does not have an estimate of the amount of alcohol or drugs that recently arrested persons may have consumed before their arrest, nor does it have records of workplace accidents related to alcohol or drug consumption. In addition, the country states that even though it has records of all traffic accidents, its computer system cannot break the figures down to identify those related to drugs and alcohol.

CICAD recognizes the country's efforts in conducting regular studies on drug consumption. In addition, CICAD notes the progress made in computerized records of traffic accidents, and encourages the country to continue working to update and modernize this system to permit the identification of those incidents related to the use of drugs or alcohol.

III. SUPPLY REDUCTION

A. Drug Production

Costa Rica reports that the total area of illicit marijuana crops was 8.36 hectares in 2004, 3.18 ha in 2005, and 6.63 ha in 2006. The country states that the quantification of coca and poppy crops is not applicable to its situation.

Costa Rica reports that it has not detected marijuana being grown indoors, does not have a formal crop eradication program, and has not found illicit laboratories for organic or synthetic drugs in its territory.

CICAD takes note of the activities that the country has been carrying out in the area of illicit crop control. While the country has not reported marijuana production in significant quantities, CICAD believes it important for the country to continue to monitor areas susceptible to use for illicit crop cultivation.

B. Control of Pharmaceutical Products

Costa Rica has legislation to control pharmaceutical products: the Law on Narcotics, Psychotropic Substances, Unauthorized Drug Use, and Related Activities (Law 8204); the General Regulations for Law 8204; Decree No. 31684-MP-MSP-H-COMEX-S; and the Regulations for the Authorization and Control of Licenses for Managing Psychotropic Substances and Narcotics (Decree No. 32862-S).

The country has a mechanism for tracking and preventing the diversion of all pharmaceutical products containing substances listed in international conventions. The responsibility for controlling these products falls to the Costa Rican Institute on Drugs and the Drug Monitoring Board of the Ministry of Health.

In the commercial sector, Costa Rica has a control mechanism that includes the control of imports and exports, the control of licenses, distribution tracking, inspections, administrative sanctions, records of license holders, a record of quantities of pharmaceutical products sold, and criminal sanctions for prescribing providers and pharmacists who participate in the diversion of pharmaceutical products for illicit use. In the health sector, the control mechanism includes: the control of licenses; tracking distribution and prescriptions; inspections and administrative sanctions; the transfer of unusual cases detected by administrative authorities to judicial authorities; and joint investigations with police authorities into irregular or suspicious cases prior to their transfer to court authorities.



Costa Rica has a system for collecting information on administrative and regulatory activities. Based on information from this system, the country reports that in 2006, 584 import permits and 1,178 re-export permits were issued, and 148 pharmacies, nine laboratories, and 42 distributors were inspected. The country has been recording this type of information since 2006.

The country also reports that the Ministry of Health's Drug Monitoring Board postponed the enforcement Decree 32862-S of January 20, 2006, "Regulation for Issuance and Control of Licenses to Handle Psychotropic Substances and Narcotics," due to a shortage of staff for following up on license suspensions and cancellations.

Courses are being held to sensitize pharmaceutical industry staff to important control measures and precautions that must be taken when managing raw materials and chemical preparations in order to prevent their diversion to other uses. The courses also educate participants on the legal obligations that this type of industry is subject to, their implications, and the mechanisms for facilitating compliance in coordination with the competent authorities. The country states that these courses do not meet the national demand for training. In addition, the country has an automated information management system to facilitate the control of pharmaceutical products. It keeps electronic records of licenses issued along with current data, names of legal representatives, the products and quantities that can be handled, etc. Authorized imports are also recorded, along with product details, quantities, dates of authorization, authorization number, country of origin, and exporter.

Costa Rica reports that the primary obstacle faced by the agencies responsible for controlling the diversion of pharmaceutical products is the shortage of trained personnel to ensure effective monitoring and follow-up in the field (inspections and audits).

Costa Rican law includes provisions for the application of criminal, civil, and administrative sanctions in cases when pharmaceutical products are diverted for illicit use. In this regard, the country imposed one criminal sanction and three administrative sanctions in 2004, and no sanctions of any kind in 2005 and 2006. The country did not carry out any seizures involving pharmaceuticals products during the years 2004–2006.

Costa Rica reports that its police and pharmaceutical authorities suspect the existence of activities related to the sale and distribution of controlled pharmaceutical products or other drugs over the Internet, but the country has not adopted legislative or administrative measures for the control of Internet sales. The duties and responsibilities of the administrative offices and police bodies involved in prevention and control of the sale of pharmaceutical products and drugs over the Internet have not been clearly defined. Costa Rica also indicates that the responsible institutions do not have the procedures, investigative techniques, training, or equipment for detecting suspicious transactions or diversions of controlled pharmaceutical products or other drugs over the Internet.

The country has carried out three activities to raise awareness among pharmaceutical regents, administrative authorities of the Ministry of Health, customs agents, and police authorities regarding the illicit sale of pharmaceutical products and other drugs over the Internet. During these activities the following topics are covered, among others: International Narcotics Control Board (INCB) guidelines on this issue, how virtual pharmacies publicize and operate on the Internet, the kinds of drugs usually advertised on the Internet, and national legislation.

CICAD acknowledges the efforts made by the country to update its legislation on control of pharmaceutical products, and notes the country's need for more trained personnel.



CICAD observes that the country does not have a regulatory framework or specific mechanisms to prevent and control the illicit trafficking of pharmaceutical products and other drugs over the Internet, but recognizes that the country, aware of the complexity of this phenomenon, has initiated preparation and awareness-raising activities to confront this trafficking method.

RECOMMENDATIONS:

5. INCREASE PERSONNEL TRAINING TO ALLOW BETTER FOLLOW UP FOR INSPECTIONS AND AUDITS OF PUBLIC AND PRIVATE ORGANIZATIONS IN THE PHARMACEUTICAL PRODUCTS FIELD.
6. IMPLEMENT RESEARCH AND TRAINING ACTIVITIES REGARDING THE PREVENTION AND CONTROL OF ILLICIT TRAFFICKING OF PHARMACEUTICAL PRODUCTS AND OTHER DRUGS OVER THE INTERNET, WHICH WILL ALLOW THE COUNTRY TO IDENTIFY ITS NORMATIVE AND OPERATIONAL NEEDS.

C. Control of Chemical Substances

Costa Rica has the following laws that control chemical substances: the Law on Narcotics, Psychotropic Substances, Unauthorized Drugs and Related Activities and the General Regulations for Law 8204, Decree No. 31684-MP-MSP-H-COMEX-S.

The country has a mechanism for tracking and preventing the diversion of controlled chemical substances for health professionals and authorized entities. The country also has a mechanism for tracking and preventing the diversion of all chemical substances listed in international conventions. Within the framework of this mechanism, the Unit for Control and Oversight of Chemical Precursors is responsible for: keeping a national record of licensees; controlling the production and distribution of licenses; controlling imports and exports; overseeing inspections, distribution control, final sale, and notifications prior to export; and imposing sanctions and carrying out joint inspections with police agents when irregular situations are detected (together with the Drug Control Police).

In Costa Rica courses are offered to the public prosecutor's staff, police officers, and customs agents on the applicable controls and their importance. They are also informed about international alerts received on concealment methods and on diversions of chemical substances detected by authorities of other countries. Training activities are also carried out in the pharmaceutical industry to sensitize people to the importance of control and of coordinating action mechanisms.

The country has an automated system for information management that facilitates control of the diversion of chemical substances. The country reports that the shortage of trained personnel to monitor the use of products in the user industry through inspections and audits is one of the main problems in the execution of the internal mechanism for controlling the diversion of chemical substances.

Costa Rica has laws that permit the imposition of penal, civil, and administrative sanctions in cases of diversion of controlled chemical substances, in accordance with international conventions. The administrative sanctions imposed between 2004 and 2006 were as follows: one license was temporarily suspended in 2004, five in 2005, and 23 in 2006. No penal sanctions were imposed during the period.

The country indicates that it is an exporter of and transit country for controlled chemical substances. During the years 2004–2006, a series of pre-export notifications were sent, as detailed in the following table:

**Number of Notifications Issued Prior to Exportation**

Importing or Transshipping Countries	2004	2005	2006
Honduras	2	0	0
Nicaragua	14	13	35
Panama	20	7	17
El Salvador	0	0	1
Guatemala	0	0	1
Total	36	20	54

The country indicates that all the pre-export notifications it sent were approved by the importing or transit countries during the years 2004–2006.

Costa Rica is an importer of chemical substances. The country received 116 pre-export notifications in 2004, 117 in 2005 and 160 in 2006. All of the notifications received were answered in a timely fashion by the country. During 2006 one pre-export notification was not approved. Costa Rica reports that during 2004–2006, there were no seizures of controlled chemical substances.

CICAD acknowledges the efforts the country has made to control chemical substances subject to regulation, and notes the country's need for more trained personnel.

IV. CONTROL MEASURES

A. Illicit Drug Trafficking

Costa Rica conducted the following drug seizures during 2004–2006:

Number of Seizures and Quantities of Drugs Seized

Type of Drug	Number of Seizures		Unit of Measure	Quantities of Drugs Seized		
	2005	2006 ⁸		2004	2005	2006 ⁹
Heroin	10	3	Kg	68.05	50.65	83.9
Cocaine HCl	96	86	Kg	4,544.84	7,029.69	22,890
Crack	78	102	Doses	85,393	134,540	126,410
Cannabis Plants	3	4	Plants	551,388	1,269,060	659,874
Cannabis (grass)	179	111	Kg	2,967.14	1,583.82	285.37
MDMA (ecstasy) and derivatives	2	4	Doses	1,622	138	5,966

⁸ The data in this column reflects only seizures made by the Drug Control Police from the Ministry of Security. The 764 seizures made by the Judicial Investigations Agency are not included because the data is not broken down by drug type.

⁹ Includes the total amount seized by all police departments in the country.



Costa Rica reports that it cannot determine the number of people who were formally charged with illicit drug trafficking during the years 2004–2006. Nevertheless, the country reports that during 2006, two public officials were formally charged with acts of corruption and other crimes related to illicit drug trafficking.

Costa Rican law does not criminalize the possession of various controlled drugs for purposes of personal consumption, nor does it establish the maximum quantities differentiating possession for personal use from possession with intent to traffic. In this regard, the country reports that the law establishes that in cases of public drug consumption, authorities must confiscate the drugs that the subject possesses. Each case is evaluated separately by a judge who determines, in accordance with the circumstances, if these drugs are for personal use or for sale. Article 58 in Chapter 1 of Law 8204 defines several of the crimes related to the illicit sale of drugs.

During the review period, Costa Rica made nine requests (three per year) for judicial cooperation to other countries in the area of illicit drug trafficking. The country also obtained three responses per year consenting to those requests. The country received 15 requests for judicial cooperation in the area of illicit drug trafficking in 2004, 13 requests in 2005 and six requests in 2006. Likewise, it consented to 18 requests in both 2004 and 2005, and nine in 2006.

The Attorney General's Office is the central authority responsible for making extradition requests. In 2006, two requests for extradition were made.

The country reports that its legal system does not permit the extradition of nationals and that there are no exceptions for cases involving illicit drug trafficking or other transnational crimes. Costa Rica received five requests for extradition in illicit drug trafficking cases during 2004 and nine in 2005. It further reports that five requests were accepted in both 2004 and 2005, and that six were received in 2006, of which four were carried out.

During the years 2004–2006, a series of specialized training courses were held, along with informational sessions on subjects related to the fight against illicit drug trafficking. These courses and sessions were offered to various national organizations and included, in some cases, participants from international organizations.

The country states that the courses offered do not satisfy training needs: Internet training on drug trafficking topics and postal packaging services is necessary and judicial and police authorities need to be trained on matters relating to the sale of pharmaceutical products, since new and complex technologies are being used and the authorities have no experience in controlling them.

CICAD notes the efforts made by Costa Rica to control illicit drug trafficking, particularly in operational information and cooperation exchange with other national and international agencies, as well as in the area of judicial cooperation. However, CICAD notes inadequacies in the area of specialized training on the subject, and notes that the country does not have a register of persons formally accused of illicit drug trafficking.

RECOMMENDATIONS:

7. OFFER SPECIALIZED TRAINING TO PERSONNEL RESPONSIBLE FOR CONTROL OF ILLICIT DRUG TRAFFICKING, WITH PARTICULAR EMPHASIS ON NEW FORMS OF ILLICIT TRAFFICKING AND THE USE OF NEW TECHNOLOGIES.



8. ESTABLISH MECHANISMS THAT ALLOW FOR THE CREATION OF REGISTERS ON PERSONS FORMALLY CHARGED WITH AND CONVICTED OF ILLICIT DRUG TRAFFICKING.

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

The responsibility for implementing activities to control firearms, ammunition, explosives, and other related materials rests with the General Office of Weapons of the Ministry of Public Security, which is in charge of issuing licenses and permits for import, export, and transshipment, as well as for the suspension of these licenses and permits, the confiscation or seizure of illicitly trafficked firearms or ammunition, information exchange in the country with pertinent national entities, and information exchange with relevant national entities in other countries.

The current law that classifies the illicit trafficking in and production of firearms, ammunition, explosives, and other related materials as a crime is the Law on Weapons and Explosives, Number 7530, dated July 10, 1995, which punishes the crime with prison sentences of six months to eight years, depending on the classification of the crime.

The General Office of Weapons does not have data available on the number of persons formally charged with possession of and illicit trafficking in firearms, ammunition, explosives, and other related materials during 2004–2006. During 2006, 64 people were convicted for such crimes.

The Law on Weapons and Explosives establishes administrative controls for the import, export, and transshipment of firearms, ammunition, explosives, and other related materials. In conjunction with Executive Decree No. 25210-SP, the country requires import or transit licenses to be issued before authorizing the entrance of such shipments.

Costa Rica reports that it has legal norms in effect that require the importing country to first issue the necessary licenses or permits before an export license or permit can be issued for shipments of firearms, ammunition, explosives, and other related materials.

The country indicates that 4,674 firearms were confiscated in illicit trafficking cases in 2004, 2,258 were confiscated in 2005, and 2,977 were confiscated in 2006, for a total of 9,909 during the period.

Costa Rica reports that 33 firearms were confiscated during arrests for illicit drug trafficking crimes during 2004, 16 were confiscated during 2005, and 18 were confiscated in 2006. The country reports that it cannot determine the number of arrests, the quantity of ammunition, explosives and other related materials confiscated, or the number of operations carried out during the years 2004–2006, since it does not have a data collection center.

Costa Rica reports that it has a national system for recording imports, exports, and transshipments of firearms, ammunition, explosives, and other related materials, and that this system has been maintained for three years. The records are computerized only for firearms imports.

Costa Rica indicates that the General Directorate of Armaments is the national agency responsible for international exchanges of information and assistance in preventing and controlling diversions of firearms, ammunition, explosives, and other related materials. The information is shared through the issuing of final destination certificates at the request of the exporting country and at the request of the importing business.



CICAD notes that Costa Rica has adequate legislation and an appropriate institutional framework for effective control of firearms, ammunition, explosives, and other related materials. However, CICAD notes that the country does not have a register that would enable it to obtain information on the number of persons formally charged with and convicted of illicit possession of and trafficking in these materials or records of confiscated materials.

RECOMMENDATIONS:

9. ESTABLISH A REGISTER TO ENABLE THE COLLECTION OF SYSTEMATIC DATA ON THE NUMBER OF PERSONS FORMALLY CHARGED WITH AND CONVICTED OF ILLICIT POSSESSION OF AND TRAFFICKING IN FIREARMS, AMMUNITION, EXPLOSIVES AND OTHER RELATED MATERIALS, A RECOMMENDATION REITERATED FROM THE THIRD EVALUATION ROUND, 2003–2004.
10. ESTABLISH A REGISTER TO ENABLE THE COLLECTION OF SYSTEMATIC DATA ON THE CONFISCATION OF AMMUNITION, EXPLOSIVES, AND OTHER RELATED MATERIALS.

C. Money Laundering

The Law on Narcotics, Psychotropic Substances, Drugs of Unauthorized Use, Money Laundering, and Related Activities (Law 8204, January 11, 2003) defines the crime of assets laundering in article 69. The Law considers illicit drug trafficking, firearms trafficking, trafficking in human beings, trafficking in organs, prostitution, pornography, kidnapping, extortion, crimes against administration (corruption), terrorism and its financing, and fraud as predicate offenses.

Costa Rica considers money laundering an autonomous offense. However, the country reports that a person found guilty of a predicate offense cannot be tried for assets laundering (if the perpetrator of the money laundering offense is also the perpetrator of the predicate offense, that person can only be prosecuted for that predicate offense).

Costa Rica reports that Law 8204 contains the following special investigation techniques for combating assets laundering: undercover police operations, the use of informants, controlled delivery, and plea bargaining (*arrepentimiento eficaz*) or cooperative testimony. Electronic monitoring is not permitted, however.

In order to prevent assets laundering, administrative controls have been established in banks, off-shore banks, exchange houses, the stock market, and on the cross-bored movement of money in cash or securities. However, these measures do not apply to insurance companies, casinos, and real estate companies.

Costa Rican laws impose the following control measures on financial institutions and other obligated entities: frequent transaction reports, record of clients and transactions, verification of client identity, preservation of records, compliance officials and independent audits, policies for obtaining information on clients and employees, and a prohibition on keeping anonymous accounts. In addition, ongoing training programs and oversight programs are offered.

The country reports that in March 2004, General Regulations for Law 8204 were issued through Decree No. 31684-MP-MSPH-COMEX-S. These regulations include accountants and attorneys on the list of clients subject to control by financial entities.



In 2004, two persons were charged with money laundering, in 2005, three, and none in 2006.

The Financial Analysis Unit (UAF) is under the Ministry of the Presidency. This unit has its own budget assigned by the Costa Rican Institute on Drugs, in accordance with budget planning set out in its annual operating plan: US\$ 226,497 in 2005, and US\$ 100,097 in 2006. The UAF was established to carry out financial investigations; it is independent, has seven officials, and has the authority to inspect bank accounts directly, as well as to request documents related to suspicious operations.

The UAF receives, transmits, and shares information with other state institutions and similar foreign institutions, but does not impose sanctions. UAF reports are given to the Public Ministry and the Public Prosecutor for Drug Trafficking. The UAF is a member of the Egmont group, and its legal system allows it to share information with foreign Financial Intelligence Units without signing a memorandum of understanding.

Law 8204 requires financial institutions and other obligated entities to notify authorities of suspicious transactions. There are laws that exempt these institutions from responsibility when they report these transactions. Costa Rica indicates that it has a system to track suspicious transaction. The country provides information on the number of suspicious transaction reports received and investigated during the years 2004–2006.

Number of Suspicious Transaction Reports Received and Investigated

Year	Number of Suspicious Transaction Reports Received	Number of Suspicious Transaction Reports Investigated
2004	206	206
2005	295	295
2006	316	316

In Costa Rica it is possible to obtain bank documents and financial records in cases related to money laundering for financial intelligence purposes and for use in court cases. The country provides information on the number of money laundering cases in which documents and financial records were obtained: 111 in 2004, 90 in 2005, and 91 in 2006. In all cases formal procedures are pursued to request bank documents; however, no computerized records of the number of requests processed are kept.

The entity in charge of the administration and/or disposition of assets seized and confiscated in crimes of illicit drug trafficking and assets laundering is the Unit for the Administration of Confiscated and Seized Goods, under the Ministry of the Presidency. The Unit does not have its own budget, and expenditures for salaries, maintenance, and administration of goods are funded by transfers from the central government, totaling 10% of the interest generated by seized assets and 10% of the money confiscated. During the 2004–2006 period, no requests for preventive freezing of assets were made to or received from other countries.

Regarding international cooperation, the Attorney General of Costa Rica is the central authority responsible for making extradition requests in money laundering cases.



CICAD recognizes that the country has adequate legislation and the appropriate legal framework to prevent money laundering. However, CICAD notes that Costa Rica does not have a register of the number of persons charged with money laundering offenses, only of those convicted. In addition, CICAD notes the absence of manuals for the provisional administration of seized assets.

RECOMMENDATIONS:

11. EXPAND THE LIST OF OBLIGATED ENTITIES SUBJECT TO MONEY LAUNDERING ADMINISTRATIVE CONTROLS TO INCLUDE INSURANCE COMPANIES, CASINOS, AND REAL ESTATE AGENCIES, A RECOMMENDATION REITERATED FROM THE SECOND EVALUATION ROUND, 2001–2002.
12. INTRODUCE AMENDMENTS ALLOWING A PERSON CONVICTED OF A PREDICATE OFFENSE TO BE CONVICTED FOR THE CRIME OF MONEY LAUNDERING, A RECOMMENDATION REITERATED FROM THE THIRD EVALUATION ROUND, 2003–2004.



CONCLUSIONS

CICAD notes with satisfaction that Costa Rica currently has a National Drug Plan, financed through the State's general budget, self-financing, and international cooperation, which allows its implementation in all areas of the drug problem. The country also has an agency responsible for ensuring the Plan's enforcement, which has a budget that is not sufficient to carry out its mandate.

Costa Rica has ratified most of the drug-related international conventions; however, CICAD notes with concern that the country has not acceded to the Inter-American Convention on Mutual Assistance in Criminal Matters, although that recommendation was originally made in the First Evaluation Round.

CICAD recognizes the progress made in Costa Rica since the Third Evaluation Round in conducting a study into the costs associated with drugs, and of drug use in the general population.

Regarding demand reduction, CICAD recognizes that Costa Rica continues to carry out prevention programs for school students and train multiplier agents to work with youth in the community. However, CICAD notes that the coverage of these programs is insufficient. In addition, CICAD notes that the country has overlooked some target populations, such as incarcerated individuals. CICAD recognizes that the country has provided specialized training at various academic levels; however, it is necessary to increase this training to meet demand. In the treatment area, CICAD recognizes the country's efforts to establish adequate treatment standards, programs, and a coordinating entity.

CICAD recognizes the country's efforts in conducting regular surveys on drug use, and encourages Costa Rica to continue updating and modernizing its computerized databases on alcohol and drug use data.

Regarding demand reduction, CICAD notes that the country has mechanisms to detect the production of marijuana and encourages the country to maintain vigilance in those areas susceptible to illicit crop cultivation.

CICAD observes that Costa Rica has laws and procedures for controlling and preventing the diversion of pharmaceutical products and chemical substances. However, CICAD notes that it is necessary to implement activities to prevent the illicit trafficking of pharmaceutical products and other drugs over the Internet.

Regarding control measures, CICAD acknowledges the country's efforts to tackle illicit drug trafficking through the agency responsible for coordinating national and international police activities. CICAD notes that the country does not have registers of persons formally charged with and convicted of illicit drug trafficking.

CICAD commends the country's establishment of laws and control mechanisms for firearms, ammunition, explosives, and other related materials. However, the weakness detected in the previous round still remains: the country has not established a system to provide data on the number of illicit trafficking convictions or records of seizures and confiscations.

CICAD notes with concern that the country has made no progress in amending its regulatory framework for preventing and controlling money laundering, in particular with regard to expanding the list of obligated entities.

CICAD acknowledges the active participation of Costa Rica throughout the Multilateral Evaluation Mechanism process, and encourages the country to focus its efforts on those areas where weaknesses exist.



SUMMARY OF RECOMMENDATIONS

The following recommendations are assigned to Costa Rica in order to assist the country in strengthening its policies to combat the problem of drugs and related activities and increase multilateral cooperation in the Hemisphere:

INSTITUTIONAL STRENGTHENING

1. ACCEDE TO THE INTER-AMERICAN CONVENTION ON MUTUAL ASSISTANCE IN CRIMINAL MATTERS, A RECOMMENDATION REITERATED FROM THE FIRST EVALUATION ROUND, 1999–2000.
2. RATIFY THE UNITED NATIONS CONVENTION AGAINST CORRUPTION, 2003.

DEMAND REDUCTION

3. EXPAND THE COVERAGE OF PREVENTION PROGRAMS TARGETING KEY POPULATIONS SUCH AS STUDENTS.
4. EXPAND THE AVAILABILITY OF SPECIALIZED TRAINING COURSES IN DRUG USE PREVENTION AND TREATMENT.

SUPPLY REDUCTION

5. INCREASE PERSONNEL TRAINING TO ALLOW BETTER FOLLOW UP FOR INSPECTIONS AND AUDITS OF PUBLIC AND PRIVATE ORGANIZATIONS IN THE PHARMACEUTICAL PRODUCTS FIELD.
6. IMPLEMENT RESEARCH AND TRAINING ACTIVITIES REGARDING THE PREVENTION AND CONTROL OF ILLICIT TRAFFICKING OF PHARMACEUTICAL PRODUCTS AND OTHER DRUGS OVER THE INTERNET, WHICH WILL ALLOW THE COUNTRY TO IDENTIFY ITS NORMATIVE AND OPERATIONAL NEEDS.

CONTROL MEASURES

7. OFFER SPECIALIZED TRAINING TO PERSONNEL RESPONSIBLE FOR CONTROL OF ILLICIT DRUG TRAFFICKING, WITH PARTICULAR EMPHASIS ON NEW FORMS OF ILLICIT TRAFFICKING AND THE USE OF NEW TECHNOLOGIES.
8. ESTABLISH MECHANISMS THAT ALLOW FOR THE CREATION OF REGISTERS ON PERSONS FORMALLY CHARGED AND CONVICTED OF ILLICIT DRUG TRAFFICKING.
9. ESTABLISH A REGISTER TO ENABLE THE COLLECTION OF SYSTEMATIC DATA ON THE NUMBER OF PERSONS FORMALLY CHARGED WITH AND CONVICTED OF ILLICIT POSSESSION OF AND TRAFFICKING IN FIREARMS, AMMUNITION, EXPLOSIVES AND OTHER RELATED MATERIALS, A RECOMMENDATION REITERATED FROM THE THIRD EVALUATION ROUND, 2003–2004.
10. ESTABLISH A REGISTER TO ENABLE THE COLLECTION OF SYSTEMATIC DATA ON THE CONFISCATION OF AMMUNITION, EXPLOSIVES, AND OTHER RELATED MATERIALS.



11. **EXPAND THE LIST OF OBLIGATED ENTITIES SUBJECT TO MONEY LAUNDERING ADMINISTRATIVE CONTROLS TO INCLUDE INSURANCE COMPANIES, CASINOS, AND REAL ESTATE AGENCIES, A RECOMMENDATION REITERATED FROM THE SECOND EVALUATION ROUND, 2001–2002.**
12. **INTRODUCE AMENDMENTS ALLOWING A PERSON CONVICTED OF A PREDICATE OFFENSE TO BE CONVICTED FOR THE CRIME OF MONEY LAUNDERING, A RECOMMENDATION REITERATED FROM THE THIRD EVALUATION ROUND, 2003–2004.**



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