

# Paraguay

## 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)**

# **PARAGUAY**

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

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**CICAD wishes to thank the following national institutions of Paraguay which provided information for this MEM national Fourth Round report:**

- National Anti-drug Secretariat (SENAD)
  - Department of National and International Cooperation and Institutional Strengthening.
  - Department of Operations
  - Department of Records and Supervision
  - Department of Legal and Juridical Affairs
  - Department of Financial Crime Investigation
  - Department of Administration and Finance
  - Department of Alternative Development
  - Department of Treatment and Rehabilitation
  - Department of the Paraguayan Drug Observatory (OPD)
  - Department of Integral Prevention
- Ministry of Foreign Affairs
  - Department of Legal Affairs
  - Department of Treaties
- Ministry of Defense
  - Department of Military Equipment (DIMABEL)
- Ministry of Public Health and Social Welfare
  - National Addiction Control Center
  - Department of Prevention
  - Department of Violence Observatory
  - Department of National Health Surveillance
- Ministry of Education and Culture
  - Department of Addiction Prevention
  - Bureau of Educational and Cultural Planning (SIEC 2005)
    - Department of Statistics
- Ministry of Justice and Labor
  - Bureau of Justice
  - Bureau of Legal Advice
- Municipality of Asuncion
- National Police
  - Department of Narcotics
    - Prevention Office
- Secretariat for Prevention of Money Laundering (SEPRELAD)



## 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<sup>1</sup> 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 Paraguay will be published in June 2009. All MEM reports can be accessed through the following webpage: <http://www.cicad.oas.org>.

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<sup>1</sup> Information for the money laundering sub-section was also taken from the Financial Action Task of South America (GAFISUD) Executive Summary of the Assessment Report on Combating Money Laundering and the Financing of Terrorism 2005.



## INTRODUCTION

Paraguay, one of two landlocked countries in South America, has a total area of 406,750 km<sup>2</sup> and 3,920 km of borders (with Argentina 1,880 km, Bolivia 750 km and Brazil 1,290 km). The country has a population of 6,505,464 (2006); its main ethnic group is mestizo, and its literacy rate is 94% percent. Paraguay is a constitutional republic where the president is both the chief and head of government. The country's per capita Gross Domestic Product (GDP) is \$4,700 (2006) and the main exports include soybeans, feed, cotton, meat, edible oils, electricity, wood, and leather.

## I. INSTITUTIONAL STRENGTHENING

### A. National Anti-Drug Strategy

In February 2001, Paraguay approved a National Anti-drug Strategy, to be in effect through March 2006. The Strategy covers actions in the areas of demand reduction, supply reduction, alternative development, control measures, legislation, and program evaluation.<sup>2</sup> The country does not allocate a specific budget to the National Anti-drug Strategy, and its activities are financed through resources from international cooperation.

In addition, regional, provincial and municipal/local authorities have no jurisdiction in drug policy-related areas. However, the country reports that one of the 17 departmental governments in the country has an anti-drug political agenda supporting drug treatment and prevention activities. In addition, three local-level municipalities have secretariats that primarily engage in demand reduction activities.

The National Anti-drug Secretariat (SENAD), which was established in 1991, is the central authority in charge of implementing and enforcing the Paraguayan government's national drug policy. SENAD has an Executive Secretariat that is responsible for coordinating activities in the areas of demand reduction; supply reduction; alternative development programs related to prevention or reduction of illicit crops, production or trafficking of drugs; control measures; the drug observatory; international cooperation; and program evaluation.

SENAD has an annual budget that is integrated with that of another government organization. Its sources of financing are government appropriation, self-financing, and international cooperation. The country further reports that this budget is the same one that the Executive Secretariat uses to implement its mandates. The budget amounts proposed and total received for the 2004–2006 fiscal years are as follows:

**Annual Budget for SENAD, 2004–2006**

Fiscal year	Proposed budget (US\$)	Total budget received (US\$)
2004	\$1,268,560.42	\$1,488,563.05
2005	\$1,464,948.52	\$1,414,985.75
2006	\$1,810,026.78	\$1,722,406.09

<sup>2</sup> Paraguay is in the process of drafting a new National Anti-drug Strategy, 2008–2013.



**CICAD observes that Paraguay has a national plan that expired in 2006, and a national anti-drug policy coordinating entity, the National Anti-drug Secretariat. However, CICAD notes that the country does not have a specific budget for financing the areas of the National Anti-drug Plan, which has limited its full implementation.**

## **B. International Conventions**

Paraguay has ratified the following conventions:

- Inter-American Convention on Mutual Assistance in Criminal Matters, 1992 (October 22, 2004)
- Inter-American Convention against Corruption, 1996 (January 28, 1997)
- Inter-American Convention against Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives and other Related Materials, 1997 (April 4, 2001)
- United Nations Single Convention on Narcotic Drugs, 1961 and amended by the 1972 Protocol (June 20, 1973)
- United National Convention on Psychotropic Substances, 1971 (February 3, 1972)
- United Nations Convention on the Law of the Sea, 1982 (September 26, 1986)
- United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988 (August 23, 1990)
- United Nations Convention against Transnational Organized Crime, 2000 (September 22, 2004) and one of its Protocols: to Prevent, Control, and Punish Trafficking in Persons, Especially Women and Children
- United Nations Convention against Corruption, 2003 (June 1, 2005<sup>3</sup>).

Paraguay has yet to accede to the Protocol against Smuggling of Migrants by Land, Sea, and Air, and the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, their Parts and Components, and Ammunition, both of which are protocols to the UN Convention against Transnational Organized Crime (2000).

**CICAD notes with satisfaction the progress made by the country in ratifying the United Nations Convention against Corruption (2003) in 2005. Nevertheless, CICAD observes the scant progress made by the country in acceding to the Protocol against Smuggling of Migrants by Land, Sea, and Air and the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, their Parts and Components, and Ammunition, both of which are protocols to the United Nations Convention against Transnational Organized Crime (2000), a recommendation reiterated from the Second Evaluation Round, 2001–2002.**

### **RECOMMENDATION:**

1. **ACCEDE TO THE FOLLOWING PROTOCOLS TO THE UNITED NATIONS CONVENTION AGAINST TRANSNATIONAL ORGANIZED CRIME, A RECOMMENDATION REITERATED FROM THE SECOND EVALUATION ROUND, 2001–2002:**

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<sup>3</sup> Paraguay submitted a reservation when it deposited its instrument of ratification. This reservation refers to the term “offense” used in the Convention. In accordance with national legislation in force in Paraguay, “offense” is understood to refer to a punishable act.



- A. **PROTOCOL AGAINST SMUGGLING OF MIGRANTS BY LAND, SEA AND AIR**
- B. **PROTOCOL AGAINST THE ILLICIT MANUFACTURING OF AND TRAFFICKING IN FIREARMS, THEIR PARTS AND COMPONENTS AND AMMUNITION.**

### **C. National Information System**

The Paraguayan Drug Observatory (OPD) is the central office in the country that organizes, compiles, and coordinates statistics and other information related to drugs. In addition, the library of the OPD provides specialized information on its studies and prevention, treatment and rehabilitation programs. Paraguay has organized collections of drug-related documents available to the general public, distributed on the web and through libraries, schools, universities, research institutes, the press, and e-mail or fax services targeting a group or "list serve."

With regard to the indicators necessary to conduct a study on the cost of drugs to the country, Paraguay indicates that it has a register of persons in treatment for 2004 and a study on student drug consumption in 2005.

**CICAD recognizes the work performed by the country through the Paraguayan Drug Observatory to produce, compile and distribute specialized drug-related information.**

## **II. DEMAND REDUCTION**

### **A. Prevention**

Paraguay did not implement drug abuse prevention programs targeting key sectors of the population during the evaluation period, 2005–2006. However, a pilot school prevention program is in the process of implementation, sponsored by Lions Quest International and OAS/CICAD, and covers the topics of "Skills for Growth" and "Skills for Adolescents." As of December 2006, 270 teachers have been certified for implementation of the program at the local level in eight departments in the country, encompassing 21 main cities. The program receives support from the Lion's Club members, as a civil society organization. Furthermore, training has been provided to the members of the interagency technical group, in support of the program. The various program materials to be used in classrooms have been approved, and awareness campaigns have been carried out for the Lions Clubs.

In addition, the non-governmental organization ARA PYAHU, "New Era" in the Guarani language, is currently implementing the "I Want to Be" pilot program for the 6<sup>th</sup> grade in the city of Valenzuela (Cordillera Department), in cooperation with the local municipality and based on the model of the National Narcotics Control Council (CONACE) of Chile. It should be noted that the members of this non-governmental organization (NGO) were trained in a horizontal cooperation in-service internship program sponsored by OAS/CICAD, as part of its effort to implement the new hemispheric guidelines.

Through the Curriculum Department of the Ministry of Education and Culture, the country is conducting a review with a view to reforming primary and secondary school syllabi to include the issue of drugs, in keeping with the new school-based prevention guidelines. However, these efforts only cover 2% (6,600) of the total number of 5<sup>th</sup> to 7<sup>th</sup> grade students (322,363).





Paraguay offered specialized training in the areas of drug abuse prevention, treatment, and research during the years 2004–2006. As a result of this training, the following certificates of participation, master's degrees, and other diplomas were granted:

**Specialized training in drug abuse prevention, treatment and research, 2004–2005**

Name of short refresher courses or in-service training	Prevention	Treatment	Research	Participants	Number of participants		
					2004	2005	2006
1. Refresher in the area of Treatment	–	–	X	Technicians in the Treatment Department	–	5	–
2. Refresher on Drugs	X	–	–	Teachers	280	–	–
3. Design and planning of preventive programs	X	–	X	Professionals in the preventive area	–	–	14
4. Drug Addiction	X	X	X	University professionals	–	–	5
5. Internship program in CONACE (Chile) - Drug Demand Reduction Strategies	X	–	–	GO and NGO technicians and professionals	–	12	–

In addition, the Universidad Privada Columbia's Psychology Department offers courses on prevention and/or treatment in its general student curriculum.

With regard to regional and international exchange programs, the country reports that in the area of horizontal cooperation, training and internship programs have been developed for prevention specialists and professionals, with the representation of governmental and nongovernmental organizations involved in prevention. However, the country adds that the above-mentioned courses do not meet the national demand for professional training in the areas of prevention and treatment.

Paraguay has a system for accreditation or licensing of professionals in demand reduction. Beginning in 2005, the Department for Control of Health Establishments and Professionals under the Ministry of Public Health and Social Welfare granted therapist accreditation to professionals who work in the treatment area and have participated in the Course for Operators and Directors of Addiction Treatment and Rehabilitation Centers.

**CICAD notes with satisfaction that Paraguay has offered specialized training in the areas of drug abuse prevention, treatment, and research both at the international level and in regional exchange programs. CICAD also observes that the country has an accreditation or licensing system for professionals in demand reduction.**

**CICAD observes that during the evaluation period, 2005–2006, Paraguay did not carry out any drug abuse prevention programs targeting at-risk groups.**

**RECOMMENDATION:**

**2. IMPLEMENT SCHOOL-BASED DRUG ABUSE PREVENTION PROGRAMS.**



## B. Treatment

Paraguay reports that the Minimum Standards of Care for Patients with Alcohol and Drug Abuse Problems have been drafted, and that they are compulsory nationwide. However, the regulations supporting these guidelines, established by the Ministry of Public Health and Social Welfare via Ministerial Resolution No. 89, February 17, 2006, have been questioned “in form” by the Superintendence of Health, and remain in the approval process.

The country does not have a national register of drug treatment services (facilities) and programs, nor the instruments necessary to accredit those services and programs. The country also has no mechanism to verify compliance with the minimum standards of care, or to evaluate the quality of the treatment services provided.

The country offers ongoing training on drug abuse treatment to employees of the National Addiction Control Center under the Ministry of Public Health and Social Welfare, through its Prevention and Education and Research Departments.

The outpatient drug abuse treatment modalities in Paraguay consist of one public sector program and 29 private sector programs for adults and minors of both sexes. With regard to residential modalities, one public-sector program and nine programs in the private sector are available for adults and minors of both sexes.

Drug abuse treatment services in the country include the following: a public detoxification service; one public and 37 private treatment and rehabilitation services; and one public and 41 private self-help groups.

A treatment facility for girls ages 14–18 with drug abuse problems provides care on the basis of types of substances used and previous treatment history. In addition, cases are admitted by judicial order and by request. This treatment center is currently working in coordination with the Secretariat for Children and Adolescents. Self-help groups in the country are AA (Alcoholics Anonymous) and NA (Narcotics Anonymous). As a rule, treatment centers care for patients regardless of gender or age. There are blocks in the prisons for inmates with drug abuse problems.

With regard to the demand for drug abuse treatment, the Statistics Department of the National Addiction Control Center under the Ministry of Health and Social Welfare and the National Anti-drug Secretariat (SENAD) provided the following statistics on the number of patients:

**Demand for drug abuse treatment, 2004–2006**

Year	Number of patients
2004	3,548
2005	1,826
2006	2,746

In addition, the National Addiction Control Center of the Ministry of Health and Social Welfare, SENAD, and the National Program against Acquired Immune Deficiency Syndrome (AIDS) submitted the following statistics on the number of treatment programs:

**Treatment programs, 2004–2006**

Year	Total programs	Total new programs
2004	4	1
2005	3	0
2006	3	0

**CICAD notes that Paraguay established Minimum Standards of Care for Patients with Alcohol and Drug Abuse Problems. However, CICAD views with concern the lack of progress in implementing these standards, a recommendation assigned in the Third Evaluation Round, 2003–2004, and that the country does not have a national register or the necessary accreditation instruments for treatment facilities.**

**RECOMMENDATIONS:**

3. IMPLEMENT THE MINIMUM STANDARDS OF CARE FOR PATIENTS WITH ALCOHOL AND DRUG USE PROBLEMS, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.
4. IMPLEMENT A NATIONAL REGISTER AND THE NECESSARY ACCREDITATION INSTRUMENTS FOR TREATMENT SERVICES AND PROGRAMS.

**C. Statistics on Consumption**

During the evaluation period, 2005–2006, the country carried out a National Student Survey (2005). Prevalence data are shown in the following table:



**National Student Survey (2005) Drug Use Prevalence**

2005 School Survey									
Type of drug	Lifetime (percentage)			Last 12 months (percentage)			Last 30 days (percentage)		
	M	F	Total	M	F	Total	M	F	Total
Alcohol	61.1	64.4	62.9	50.6	52.4	51.6	42.7	42.6	42.6
Tobacco	35.9	30.7	33.0	26.0	21.1	23.3	17.7	12.3	14.7
Solvents or inhalants	2.7	2.8	2.8	1.6	1.5	1.5	0.7	0.7	0.7
Cannabis type: Hashish	0.6	0.3	0.4	—	—	—	—	—	—
Marijuana	6.0	2.7	4.2	4.6	1.8	3.0	2.4	0.9	1.6
Opioids: Heroin	0.5	0.2	0.3	—	—	—	—	—	—
Morphine	0.5	0.4	0.5	—	—	—	—	—	—
Opium	0.3	0.1	0.2	—	—	—	—	—	—
Cocaine type: Cocaine HCL	1.4	0.6	1.0	0.9	0.5	0.7	0.7	0.3	0.5
Crack	0.5	0.2	0.3	—	—	—	—	—	—
Tranquilizers, sedatives, and depressants	8.8	15.0	12.3	5.0	9.4	7.4	2.9	6.1	4.7
Stimulants	3.7	3.9	3.8	2.3	2.4	2.3	1.1	1.2	1.1
MDMA (Ecstasy)	0.5	0.2	0.3	—	—	—	—	—	—
Other drugs	0.4	0.4	0.4	0.2	0.2	0.2	0.1	0.1	0.1
Any illicit drugs	9.2	6.3	7.6	6.0	3.5	4.6	3.5	1.9	2.6

The following table contains the results on the incidence of drug abuse:

**National Student Survey (2005) Drug Use Incidence**

Type of Drug	Last 12 months (percentage)			Last 30 days (percentage)		
	M	F	Total population	M	F	Total population
Alcohol	27.4	30.9	29.3	6.8	8.1	7.5
Tobacco	11.6	11.0	11.3	3.9	2.9	3.3
Solvents or inhalants	0.8	0.8	0.8	0.4	0.5	0.4
Cannabis type: Marijuana	2.6	1.2	1.8	0.6	0.2	0.4
Cocaine type: Basuco, coca paste	0.4	0.3	0.4	0.1	0.1	0.1
Cocaine HCL	0.7	0.3	0.5	0.5	0.2	0.3
Tranquilizers, sedatives, and depressants	1.8	4.1	3.0	0.9	2.4	1.8
Stimulants	1.4	1.5	1.5	0.4	0.5	0.4
MDMA (Ecstasy)	0.4	0.2	0.3	0.2	0.1	0.2
Other drugs	0.2	0.1	0.1	0.1	0.0	0.1
Any illicit drugs	3.1	2.0	2.5	0.8	0.8	0.8



The data on the estimated number or percentage of youth who perceive drug use as being harmful to their health and well-being are as follows:

**National Student Survey (2005) Perceived risk of drug use among students**

CATEGORY	% of those surveyed who believe that persons who carry out the following activities are at moderate or great risk (or who think that it is quite harmful or very harmful):
Occasionally smoke cigarettes	46.2
Frequently smoke cigarettes	85.5
Frequently drink alcoholic drinks	80.0
Get drunk	81.9
Occasionally take non-prescribed tranquilizers/stimulants	68.8
Frequently take non-prescribed tranquilizers/stimulants	79.5
Occasionally inhale solvents	63.1
Frequently inhale solvents	78.6
Occasionally smoke marijuana	71.8
Frequently smoke marijuana	86.0
Occasionally take cocaine or crack	75.9
Frequently take cocaine or crack	84.2
Occasionally use coca paste	69.4
Frequently use coca paste	80.1
Occasionally take ecstasy	67.9
Frequently take ecstasy	76.4

The guidelines, standards, or regulations pertaining to prevention of accidents resulting from alcohol use in Paraguay are established at the municipal level by Asunción Municipal Ordinance No. 114/03 entitled, "Prevention of Violence and Promotion of Good Community Relations." These activities are carried out by the police, the Health Ministry, civil society organizations, and other municipal authorities, and they cover all users of alcoholic beverages, including individuals, natural persons, and others. Regulations in the country specifically include moving up the closing times of establishments open at night.

**CICAD notes with satisfaction that Paraguay continues to conduct periodic studies on drug use in schools and has initiated efforts in prevention policies at the municipal level through the issuance of compulsory ordinances. However, CICAD notes that during the period under evaluation, 2005–2006, the country has not continued to carry out studies on drug use in the general population.**

**RECOMMENDATION:**

5. CARRY OUT A STUDY ON DRUG USE IN THE GENERAL POPULATION.



### III. SUPPLY REDUCTION

#### A. Drug Production

The country states that it does not have a system for detecting and measuring areas of illicit crops and that it only performs aerial surveillance over the area where cannabis plants are being eradicated. The country estimates that there are over 3,000 hectares of such plants, which are harvested twice a year. The country indicates that no indoor-grown cannabis plants have been detected.

The country reports that it carries out cannabis eradication activities that primarily target the most densely cultivated zones known as “traditional” areas (forested areas where illicit crops were first discovered and which continue to be the most extensively cultivated zones). However, due to budgetary constraints, eradication operations were not carried out in so-called areas of “scattered cultivation” (illicit crops detected in non-contiguous zones, usually concealed or camouflaged among legitimate crops) or of “recent cultivation” (illicit crops in scattered areas where they have not previously been detected).

Paraguay reports that it has not found any illicit laboratories for either organic or synthetic drugs.

**CICAD takes note of the activities that the country has pursued in order to detect and eradicate cannabis cultivation. However, a full evaluation was not possible, due to the lack of quantitative information in this area.**

#### **RECOMMENDATION:**

6. IMPROVE SYSTEMS FOR MEASURING AREAS PLANTED WITH CANNABIS AND THEIR YIELDS, TO INCLUDE, *INTER ALIA*, ESTIMATES OF VARIATION IN SUCH AREAS DURING THE YEAR, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.

#### B. Development Programs related to Prevention or Reduction of Illicit Crops, or Drug Production or Trafficking

**CICAD notes that Paraguay does not carry out any development activities or programs to improve the economic opportunities and living conditions of the inhabitants of areas of existing illicit crop cultivation.**

#### C. Control of Pharmaceutical Products

Paraguay has the following laws and regulations to control diversion of pharmaceutical products: Law No. 1119 promulgated in 1997; Law No. 1340 promulgated in 1988; and Decree No. 5213 promulgated in 2005. In addition, the country has a mechanism to monitor and prevent diversion of pharmaceutical products applicable to health professionals and authorized entities. All pharmaceutical products containing substances listed in international conventions are controlled by the country.

The authorities responsible for coordinating activities related to the control of pharmaceutical products are: the Drugs Department of the National Health Surveillance Directorate under the Ministry



of Public Health and Social Welfare; the General Directorate of Customs under the Ministry of Finance; and, the Control and Supervision Department in the Office of the President.

Paraguay has a system to compile information on administrative and regulatory activities and sanctions imposed in conjunction with them. The country reports the following data in this area:

**Administrative and regulatory activities, 2004–2006**

Activities	2004	2005	2006
<b>Number of licenses issued to:</b>			
Importers	40	45	58
Exporters	1	2	2
Manufacturers	18	20	22
Distributors	103	110	120
<b>Number of permits issued for:</b>			
Import	880	1,430	1,015
Export	2	4	8
<b>Number of inspections conducted</b>			
Physicians	—	3	2
Pharmacists	15	40	58

The country does not offer training courses for personnel in the public and private sectors involved in the handling of pharmaceutical products. Moreover, there is no automated information system to facilitate the control of these products. The country reports that the shortage of human and economic resources is the major obstacle encountered by national entities in their effort to perform their functions effectively.

Under Paraguayan law, criminal, civil, and administrative sanctions may be applied in the case of diversion of pharmaceutical products. Only two administrative sanctions were imposed in 2004, and 28 in 2005. No criminal sanctions were imposed in 2004 and 2005. The country says that it does not have information on the number of criminal sanctions imposed in 2006.

No pharmaceutical products were seized in Paraguay during the years 2005–2006.

**CICAD notes that the country has a regulatory framework to control and prevent the diversion of pharmaceutical products. In addition, it has a mechanism to follow up on and prevent the diversion of these products for health professionals and entities authorized to handle such products. CICAD notes that the country does not have a mechanism to register quantities of pharmaceutical products sold and few inspections are conducted, nor does Paraguay have records on the transfer to judicial authorities of unusual cases detected by administrative authorities, or the number of criminal sanctions imposed.**

**CICAD notes that the country does not have regulations or mechanisms to prevent and control the illicit trafficking of pharmaceutical products and other drugs over the Internet.**



## RECOMMENDATIONS:

7. INCLUDE A REGISTER OF QUANTITIES OF PHARMACEUTICAL PRODUCTS SOLD WITHIN THE CONTROL MECHANISM TO PREVENT THE DIVERSION OF PHARMACEUTICAL PRODUCTS.
8. INCLUDE A REGISTER OF THE TRANSFER TO JUDICIAL AUTHORITIES OF UNUSUAL CASES DETECTED BY ADMINISTRATIVE AUTHORITIES IN THE HEALTH SECTOR WITHIN THE CONTROL MECHANISM TO PREVENT THE DIVERSION OF PHARMACEUTICAL PRODUCTS.
9. CARRY OUT RESEARCH AND TRAINING ACTIVITIES RELATED TO THE PREVENTION AND CONTROL OF ILLICIT TRAFFIC OF PHARMACEUTICAL PRODUCTS AND OTHER DRUGS VIA THE INTERNET, WHICH WILL ENABLE THE COUNTRY TO IDENTIFY ITS REGULATORY AND OPERATIVE NEEDS.
10. ESTABLISH A REGISTER TO COMPILE DATA ON THE NUMBER OF ADMINISTRATIVE AND PENAL SANCTIONS IMPOSED FOR THE DIVERSION OF PHARMACEUTICAL PRODUCTS, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.

### D. Control of Chemical Substances

Paraguay has legislation for the control of controlled chemical substances used in the illicit manufacture of drugs. This legislation includes Law No. 1119 enacted in 1997, Law No. 1340 enacted in 1988, and Decree No. 5213 enacted in 2005. In addition, the country has a mechanism to monitor and prevent the diversion of controlled chemical substances applicable to health professionals and entities authorized to handle these substances. All of the substances listed in international conventions are controlled in Paraguay.

There are no training courses offered to administrative, police, and customs officers in the area of control of the diversion of chemical substances, nor is there an automated system for secure and efficient handling of information to facilitate the control of the diversion of chemical substances.

Under Paraguayan law, criminal, civil, and administrative sanctions may be applied in the case of diversion of controlled chemical substances, in accordance with international conventions. The number of sanctions imposed during the years 2004–2006 was:

**Criminal, civil and administrative sanctions imposed,  
2004–2006**

Type of Sanction	Number of sanctions		
	2004	2005	2006
<b>Criminal</b>	–	–	3
<b>Civil</b>	1	2	3
<b>Administrative</b>	–	28	25

Paraguay reports that it has exported calcium oxide (slaked lime) since 2006, but that it does not export any other controlled chemical substance or handle any such substances in transit.

The country reports that it imports controlled chemical substances but does not handle them in transit. Consequently, in 2004, the number of pre-export notifications received totaled 101, while in 2005





the number of pre-export notifications received and answered in a timely manner was 111. Of these notifications, four were not approved and four resulted in an investigation. In 2006, 75 pre-export notifications were received, and all 75 were answered in a timely manner. Three of these notifications were not approved and three resulted in an investigation.

The country reports that the primary benefit of using pre-export notifications was detection of companies not legally authorized to export controlled substances.

The number of seizures of controlled chemical substances in Paraguay and the quantities seized during the period 2004–2006 are shown in the following table:

**Controlled chemical substances seized, 2004–2006**

Controlled chemical substances	Number of seizures			Quantities seized		
	2004	2005	2006	2004	2005	2006
<b>Toluene</b>	1	—	—	24,000 Kg	—	—
<b>Acetone</b>	—	—	1	—	15,000 Kg	—
<b>Isopropyl alcohol</b>	—	—	1	—	7,400 Kg	—
<b>Potassium permanganate</b>	—	—	1	—	—	50 Kg
<b>Hydrochloric acid</b>	—	—	1	—	—	10 Liters
<b>Acetone</b>	—	—	1	—	—	200 Liters

The country has not provided data on disposal of these substances because they remain in the possession of the intervening court. The country also explains that there are no legal provisions in place setting out the procedure for the destruction or disposal of seized chemical substances.

**CICAD recognizes that the country has legislation and mechanisms that enable it to control and prevent the diversion of controlled chemical substances. However, CICAD notes with concern that the country does not have an automated system for secure and efficient handling of information to facilitate control of diversion of chemical substances. Furthermore, the shortage of trained staff in this area is a weakness in the control system.**

## **RECOMMENDATIONS:**

11. IMPLEMENT AN AUTOMATED INFORMATION SYSTEM TO HANDLE INFORMATION AND FACILITATE CONTROL OF THE DIVERSION OF CHEMICAL SUBSTANCES.
12. ESTABLISH TRAINING COURSES ON CONTROL OF DIVERSION OF CHEMICAL SUBSTANCES FOR ADMINISTRATIVE, POLICE, AND CUSTOMS OFFICIALS.

## **IV. CONTROL MEASURES**

### **A. Illicit Drug Trafficking**

The number of seizures and the quantities of drugs seized by law enforcement and control agencies in Paraguay in 2004–2006 are shown in the following table:

**Drug Seizures, 2004–2005**

Type of drug	Number of seizures			Quantities		
	2004	2005	2006	2004	2005	2006
<b>Cocaine base</b>	—	—	—	—	—	4.309 Kg
<b>Cocaine hydrochloride</b>	67	40	42	468.415 kg	533.132 kg	493.042 kg
<b>Cannabis plants</b>	38	50	44	2,286,000 plants	3,375,000 plants	3,607,500 plants
<b>Leaf cannabis (grass)</b>	111	103	61	33,947.504 kg	89,971.902 kg	58,671.208 kg
<b>Cannabis resin (hashish)</b>	8	7	4	10.326 kg	31.390 kg	2.695 kg
<b>Cannabis seeds</b>	14	15	24	1,459 kg	737.01 kg	3,051 kg

In Paraguay, 247 persons were formally charged with illicit drug trafficking and 31 were convicted in 2004; 217 were formally charged and 26 convicted in 2005, and 133 were formally charged and eight were convicted in 2006. The country does not have statistics on the number of public officials formally charged with and convicted of acts of corruption nor other crimes related to illicit drug trafficking.

Paraguayan national legislation (Article 30 of Law No. 1340/98) permits a maximum of ten grams of marijuana and two grams of cocaine, heroin, and opioids for personal use. Paraguay indicates that when a person is formally charged with or convicted of unlawful possession for personal use, there are remedial measures for that person's recovery that may be applied as an alternative to the sanctions applicable in the country. However, this alternative has not been applied to date. In 2004–2006, no persons were arrested for illicit possession of drugs for personal use.

The country indicates that the use of information systems available in the country to facilitate the exchange of information and cooperation with national authorities responsible for investigation and control of illicit drug trafficking has produced significant results in drug seizures.

Paraguay has a Drug Information Center to promote and facilitate the exchange of information and cooperation among national authorities responsible for control of illicit drug trafficking with countries. Likewise, it has an exchange program for special anti-drug agents with Bolivia and Chile, who serve as focal points in the exchange.

The country did not make any requests for judicial cooperation in the area of illicit drug trafficking to other states on the basis of international agreements in 2004 and 2005. In 2006, one request was submitted and granted. Furthermore, the number of judicial cooperation requests in the area of illicit drug trafficking received by Paraguay and the number of replies granting said requests, based on international agreements, were as follows: two in both cases in 2004; seven in both cases in 2005; and five in both cases in 2006.

Paraguay indicates that it did not make any extradition requests in illicit drug trafficking cases in 2004, one was made in 2005 and two in 2006. The number of extradition requests received by the country in cases involving illicit drug trafficking, and the number of replies granting these requests was one in both cases in 2004, four in both cases in 2005, and four in both cases in 2006, three of which were made in 2005 and reiterated in 2006.



The central authorities responsible for making extradition requests are judges, through the Ministry of Foreign Affairs. Paraguay has extradition treaties with Argentina, Australia, Belgium, Brazil, Chile, China, France, Germany, Great Britain, Italy, Korea, Spain, Switzerland, United States of America, and Uruguay.

Under the Paraguayan legal system, extradition of nationals is permitted, and judges are responsible for receiving extradition requests from other countries and issuing arrest warrants to comply with the measures.

Paraguay has not developed specialized training courses against illicit drug trafficking for law enforcement, customs officers, prosecutors and members of the judiciary.

**CICAD notes with satisfaction the existence of the Drug Information Center and of the exchange program for special anti-drug agents with other countries in the region. However, CICAD considers the absence of specialized training courses for officials involved in fighting illicit drug trafficking a weakness in this area.**

**CICAD notes with concern that the country does not have information on the number of public officials formally charged with or convicted of acts of corruption connected with illicit drug trafficking or on the number of public officials formally charged with or convicted of crimes related to illicit drug trafficking.**

**CICAD also notes with concern the detection within Paraguay of the synthetic drug known as ecstasy.**

## **RECOMMENDATIONS:**

13. IMPLEMENT A RECORDING SYSTEM TO TRACK THE NUMBER OF PUBLIC OFFICIALS FORMALLY CHARGED WITH AND CONVICTED OF ILLICIT DRUG TRAFFICKING.
14. ESTABLISH SPECIALIZED TRAINING COURSES ON ILLICIT DRUG TRAFFICKING FOR POLICE OFFICERS, PROSECUTORS, AND JUDGES.
15. IMPLEMENT A CENTRALIZED SYSTEM TO MAINTAIN RECORDS ON PERSONS FORMALLY CHARGED WITH AND PROSECUTED FOR ILLICIT DRUG POSSESSION, A REITERATED RECOMMENDATION FROM THE SECOND EVALUATION ROUND, 2001–2002.

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

The national entities in Paraguay responsible for controlling movements of firearms, ammunition, explosives, and other related materials are the following: Military Equipment Department (DIMABEL) of the Ministry of Defense; the National Police; the Office of the Attorney General; the Judiciary; and the Ministry of Foreign Affairs. DIMABEL has the following responsibilities for control of these materials: granting import and transit permits and licenses; granting export licenses; canceling licenses and permits; confiscating illicitly trafficked firearms, ammunition, explosives, and other related materials; exchanging information within the country with relevant national entities; and exchanging information with national institutions in other countries.

Like DIMABEL, the Ministry of Foreign Affairs is also responsible for exchanging information with relevant national agencies in other countries for control of all these materials. The National Police, the Office of the Attorney General, and the Judiciary, together with DIMABEL, are responsible for



confiscating illicitly trafficked firearms, ammunition, explosives, and other related materials. The country reports that the major impediment encountered in ensuring effective information exchanges and cooperation has been the need for better coordination among the entities responsible for control of these materials.

Law No. 1910/02 on Firearms, Ammunition and Explosives criminalizes the illicit trafficking in and manufacture of these materials, and establishes the following sanctions for noncompliance: 1–10 year prison terms, fines, and confiscation. In addition, Law No. 1910/02 permits Paraguay to establish administrative controls over the import and export of firearms, ammunition, explosives, and other related materials, as well as the number and type of sanctions in cases of noncompliance. The type of sanction stipulated for noncompliance with this law is a prison term, fine, or suspension. During the period 2004–2006, two administrative sanctions (suspension of import registration) were imposed for noncompliance with regulations governing import of firearms, ammunition, explosives, and other related material. Decree No. 3625/04 provides for administrative controls on in-transit movement of firearms, ammunition, explosives, and other related materials, and establishes the number and type of sanctions in the case of noncompliance. The sanction applied for noncompliance with this decree is confiscation.

During the period 2004–2006, the number of persons formally charged with illicit possession of and trafficking in firearms, ammunition, explosives, and other related materials is shown in the following table:

**Persons formally charged with illicit possession of and trafficking in firearms, ammunition, explosives, and other related materials, 2004–2006**

Number of persons formally charged				
Years	Firearms	Ammunition	Explosives	Other related materials
2004	0	0	0	0
2005	5	5	5	5
2006	2	2	2	2

Decree 3625/04 establishes the requirements and procedures that Paraguay needs to comply with for issuance of import or in-transit permits or licenses before authorizing entry of a shipment of firearms, ammunition, explosives, or other related materials.

Law No. 1910/02 establishes that prior to issuance of an export license or permit by Paraguay for shipments of firearms, ammunition, explosives, or other related materials, the importing or in-transit country must first issue the necessary licenses or permits.

Paraguay indicates that it does not export firearms, ammunition, explosives, and other related materials, but has an electronic database that contains national records on the importation and transit of firearms, ammunition, explosives, and other related materials. The country indicates that the records are kept on an ongoing basis.

The quantities of firearms, ammunition, explosives, and other related materials confiscated in cases of illicit trafficking in 2004–2006 are shown in the following table:

**Confiscation of firearms, ammunition, explosives, and other related materials in cases of illicit trafficking, 2004–2006**

Year	Quantity confiscated			
	Firearms	Ammunition	Explosives	Other related materials
2004	16	15,198	0	0
2005	45	724	0	0
2006	2,093	3,602,129	0	1,657,820
<b>TOTAL</b>	2,154	3,618,051	0	1,657,820

The numbers of firearms, ammunition, explosives, and other related materials confiscated in connection with arrests for illicit drug trafficking offenses during the period 2004–2006 are shown in the following table:

**Firearms, ammunition, explosives, and other related materials confiscated in connection with arrests for illicit drug trafficking offenses, 2004–2006**

Year	Number of arrests	Quantity of confiscated firearms	Quantity of confiscated ammunition	Quantity of confiscated explosives	Quantity of other related materials	Number of operations
2004	0	0	0	0	0	0
2005	0	0	724	0	0	0
2006	2	1,131	3,602,129	0	1,657,820	8

The country indicates that none of these materials were destined for illicit trafficking organizations in 2004 and 2005; however, 60% were destined for such organizations in 2006. Paraguay notes that these data are estimates based on intelligence work, and the arms reported previously have been seized and are in process of confiscation.

The national entities in Paraguay responsible for the exchange of information and collaboration with institutions in other countries regarding the control of the above-mentioned materials are as follows: the Military Equipment Department (DIMABEL), which shares records of imports and sales of firearms and ammunition and records of ownership of firearms; the National Police, which shares records of importation of firearms and the quantities confiscated; the Office of the Attorney General, which shares records of confiscated materials and cases prosecuted; and, the Ministry of Foreign Affairs, which shares information on compliance with treaties and conventions concluded between Paraguay and other countries.

**CICAD notes with satisfaction that Paraguay keeps records on the confiscation of firearms, ammunition, explosives and other related materials. The country also has information on persons formally charged with illicit possession of and trafficking in firearms, ammunition, explosives and other related materials, as well as data that enables it to compare quantities of firearms, ammunition, explosives, and other related materials confiscated in relation to the number of arrests for illicit drug trafficking.**



**CICAD notes that Paraguay has authorities responsible for controlling the movement of firearms, ammunition, explosives, and other related materials. CICAD also notes that the country has laws that govern those activities and observes that coordination difficulties exist between the responsible entities.**

### C. Money Laundering

Money laundering is criminalized in the Paraguayan Penal Code, but not as an autonomous offense. The crime of money laundering applies exclusively to natural persons, since Paraguayan law does not provide for the possibility of imposing criminal penalties on legal persons. It is possible to initiate legal proceedings in the case of money laundering for persons convicted of a predicate offense, and to be convicted of money laundering, the person must first be convicted of a predicate offense. The law requires the existence of a punishable act perpetrated by a member of a criminal or crime association. Paraguayan law provides for a prison term of up to five years, which may be increased to ten years if the accused acted commercially or as a member of an association formed for the purpose of regularly carrying out the punishable act.

Under Paraguayan Law, money laundering predicate offenses are all those punishable by more than five years in jail, and those committed by members of organized crime groups.

Regarding special investigative techniques, there are no laws in Paraguay that provide for use of under-cover operations, electronic surveillance, use of informants, controlled delivery, or plea bargaining for cases of money laundering.

Law No. 1015/97 establishes administrative controls covering the following sectors: banks, financial institutions, insurance companies, currency exchanges, stockbrokering companies and securities dealers (stock exchanges), investment companies, trust companies, administrators of mutual investment and pension funds, credit and consumer cooperatives, gambling establishments, real estate agencies, non-governmental organizations and foundations, pawn shops, and any other natural person or legal entity regularly engaged in financial brokering, trading in precious metals, stones and jewelry, works of art, antiques, or investing in stamps or coins. However, attorneys, notaries, accountants, and movements of cash or securities across borders are not covered. These administrative controls provide for sanctions in the case of noncompliance.

In the following table, the country provides data on the number of persons formally charged with and convicted of money laundering for the years 2004 to 2006.

**Number of persons formally charged with  
and convicted of money laundering,  
2004–2006**

Year	Persons formally charged	Persons convicted
2004	0	0
2005	22	3
2006	—	—

The Secretariat for Prevention of Money Laundering (SEPRELAD) was created as an enforcement agency that reports to the Office of the President of the Republic. SEPRELAD has its own budget:



US\$378,076 (Gs. 2.256.737.258) in 2004; US\$351,013.66 (Gs. 2.163.648.201) in 2005, and US\$351,013.66 (Gs. 2.163.648.201) in 2006.

This Secretariat has a Financial Analysis Unit (UAF) in charge of evaluating and analyzing the information received. The UAF became operational in 1997 and has a staff of 31, of which eight belong to the analysis area. The UAF may also exchange information with other national and foreign institutions, is a member of the Egmont Group, and has signed Memoranda of Understanding with a number of countries.

Paraguayan regulations require financial institutions and other obligated entities to report suspicious or unusual transactions, and to comply with an extensive list of other administrative control measures, with the exception of “know your employee” policies. The number of suspicious transaction reports received and investigated by the responsible institutions in Paraguay during the years 2004–2006 was:

**Number of suspicious transaction reports received and investigated, 2004–2006**

Year	Number of suspicious transaction reports received	Number of suspicious transaction reports investigated
2004	258	4
2005	797	6
2006	1,316	2

The Paraguayan legislation includes the possibility of lifting bank secrecy for purposes of financial intelligence. Law 1015 establishes that all obligated entities must provide all information required by SEPRELAD, regardless of bank secrecy policies.

The number of money laundering cases in which financial records and documents were obtained during 2004–2006 are as follows:

**Financial records and documents obtained, 2004–2006**

Year	Number of money laundering cases	Number of requests to obtain documents from banks or other financial institutions	Number of cases in which financial records and documents were obtained
2004	2	102	2
2005	1	51	1
2006	2	102	2

Paraguay does not have an entity for the management or disposal of seized and confiscated assets in connection with illicit drug trafficking and money laundering. The country does not provide information on requests made and received for freezing of assets in money laundering cases, based on international agreements, for 2004–2006.

With respect to extradition, the national authority that authorizes extraditions in Paraguay is the presiding judge in each case. Pursuant to the Code of Criminal Procedure, the laws of the country are governed by the international law in force, international customs, and, in the absence of



applicable norms, the rules of reciprocity. Under that legal framework, the country permits extradition of its nationals.

In Paraguay, the central authority responsible for sending and receiving extradition requests related to money laundering cases is the Department of Legal Affairs of the Ministry of Foreign Affairs. During the years 2004–2006, the country did not provide any data on extradition requests made or received.

**CICAD notes that although Paraguay has laws in place regarding money laundering, these laws need to be amended and brought into accord with international standards, as they contain a number of loopholes. This includes the criminalization of money laundering as an autonomous offense, expansion of the list of predicate offenses, introduction of special investigative techniques, inclusion of additional regulated sectors and the creation of an institution to administer and dispose of assets seized in money laundering and related cases.**

### **RECOMMENDATIONS:**

16. APPROVE LEGISLATION CRIMINALIZING MONEY LAUNDERING AS AN AUTONOMOUS OFFENSE.
17. EXPAND THE LIST OF PREDICATE OFFENSES FOR MONEY LAUNDERING TO INCLUDE ALL CRIMINAL OFFENSES THAT ARE CONSIDERED SERIOUS CRIMES UNDER THE PALERMO CONVENTION (PUNISHABLE BY A MAXIMUM PRISON SENTENCE OF AT LEAST 4 YEARS, OR A GREATER PENALTY), A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.
18. APPROVED THE NECESSARY PROVISIONS TO INTRODUCE SPECIAL INVESTIGATIVE TECHNIQUES, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.
19. ENACT THE PROVISIONS NECESSARY TO EXPAND THE LIST OF REGULATED SECTORS TO INCLUDE LAWYERS, NOTARIES, ACCOUNTANTS AND CROSS-BORDER MOVEMENT OF CASH AND SECURITIES, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.
20. APPROVE THE LEGISLATION NECESSARY TO CREATE AND INSTITUTION TO ADMINISTER AND DISPOSE OF ASSETS CONFISCATED IN MONEY LAUNDERING AND RELATED CASES, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.





## CONCLUSIONS

CICAD notes that Paraguay has a national anti-drug plan that expired in 2006, and a national coordinating entity for drug policy, the National Anti-drug Secretariat. However, CICAD notes that the country does not have a specific budget for financing the various areas of the Plan, which has limited its full implementation.

CICAD notes with satisfaction that Paraguay has ratified most of the international conventions related to the drug problem. Still pending ratification are the Protocol against Smuggling of Migrants by Land, Sea, and Air and the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, their Parts and Components, and Ammunition of the United Nations Convention against Transnational Organized Crime (2000); both are part of a reiterated recommendation from the Second Evaluation Round, 2001–2002.

CICAD recognizes the efforts of the country to produce, compile and disseminate specialized information through the Paraguayan Drug Observatory, and encourages the country to continue this task.

CICAD notes with satisfaction that Paraguay has offered specialized training in the areas of drug abuse prevention, treatment, and research. In addition, CICAD notes that the country has a system to accredit and license demand reduction professionals. However, CICAD is concerned that in the period under evaluation, 2005–2006, Paraguay did not carry out any drug abuse prevention programs targeting at-risk groups.

CICAD notes that Paraguay has established the Minimum Standards of Care for Patients with Alcohol and Drug Abuse Problems. However, CICAD notes with concern that the country has made no progress in implementing those standards, a reiterated recommendation from the Third Evaluation Round, 2003–2004, and that the country does not have a national register of treatment centers or the tools necessary to accredit those centers.

CICAD notes with satisfaction that Paraguay continues to conduct periodic studies on drug use in schools, and that it has initiated efforts at the municipal level on policies to prevent alcohol-related accidents. However, CICAD notes that during the evaluation period, 2005–2006, the country did not continue conducting studies on drug use in the general population.

In the area of supply reduction, CICAD takes note of the activities that the country has pursued in order to detect and eradicate cannabis cultivation. However, it was not possible to conduct an evaluation due to the lack of quantitative information on this topic.

CICAD notes that Paraguay does not carry out alternative development activities or programs to improve the economic opportunities and living conditions of the inhabitants of the areas where illicit crops are grown.

CICAD notes that Paraguay has laws and regulations to control diversion of pharmaceutical products. In addition, the country has a mechanism to follow up on and prevent the diversion of pharmaceutical products for health professionals and others authorized to handle these products. However, CICAD notes that the country does not have a mechanism to register quantities of pharmaceutical products sold and few inspections are carried out, nor does the country have records of the transfer to judicial authorities of unusual cases detected by administrative authorities.

CICAD notes that the country does not have legislation or specific mechanisms to prevent and control the illicit trafficking of pharmaceutical products and other drugs over the Internet.



CICAD recognizes that the country has legislation and mechanisms that enable it to control and prevent the diversion of controlled chemical substances. However, CICAD notes with concern that the country does not have an automated information system for the effective handling of information to facilitate the control of chemical substances, and that there is a shortage of trained staff in this area.

CICAD notes with satisfaction the existence of the Drug Information Center and of the exchange program for special anti-drug agents with other countries in the region. However, CICAD considers the absence of specialized training courses for officials involved in fighting illicit drug trafficking a weakness in this task.

CICAD notes with concern that the country does not provide information on the number of public officials formally charged with or convicted of acts of corruption or other crimes related to illicit drug trafficking.

CICAD notes with satisfaction that Paraguay keeps records on confiscation of firearms, ammunition, explosives, and other related materials. CICAD also notes that the country has information on persons formally charged with illicit possession of and trafficking in firearms, ammunition, explosives and related materials, as well as data that enable it to compare quantities of firearms, ammunition, explosives, and other related materials confiscated in relation to the number of arrests for illicit drug trafficking.

CICAD notes that although Paraguay has laws in place regarding money laundering, these laws need to be amended and brought into accord with international standards, as they contain a number of loopholes. This includes the criminalization of money laundering as an autonomous crime, expansion of the list of predicate offenses, introduction of special investigative techniques, inclusion of additional regulated sectors and the creation of an institution to administer and dispose of assets confiscated in money laundering and related cases.

CICAD recognizes Paraguay's important commitment to the evaluation process and the efforts that it has made to tackle the drug problem.



## SUMMARY OF RECOMMENDATIONS

The following recommendations are assigned to Paraguay in order to assist the country in strengthening its policy to combat the problem of drugs and related activities and increase multilateral cooperation in the Hemisphere.

### INSTITUTIONAL STRENGTHENING

1. ACCEDE TO THE FOLLOWING PROTOCOLS TO THE UNITED NATIONS CONVENTION AGAINST TRANSNATIONAL ORGANIZED CRIME, A RECOMMENDATION REITERATED FROM THE SECOND EVALUATION ROUND, 2001–2002:
  - A. PROTOCOL AGAINST SMUGGLING OF MIGRANTS BY LAND, SEA AND AIR
  - B. PROTOCOL AGAINST THE ILLICIT MANUFACTURING OF AND TRAFFICKING IN FIREARMS, THEIR PARTS AND COMPONENTS AND AMMUNITION.

### DEMAND REDUCTION

2. IMPLEMENT SCHOOL-BASED DRUG ABUSE PREVENTION PROGRAMS.
3. IMPLEMENT THE MINIMUM STANDARDS OF CARE FOR PATIENTS WITH ALCOHOL AND DRUG USE PROBLEMS, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.
4. IMPLEMENT A NATIONAL REGISTER AND THE NECESSARY ACCREDITATION INSTRUMENTS FOR TREATMENT SERVICES AND PROGRAMS.
5. CARRY OUT A STUDY ON DRUG USE IN THE GENERAL POPULATION.

### SUPPLY REDUCTION

6. IMPROVE SYSTEMS FOR MEASURING AREAS PLANTED WITH CANNABIS AND THEIR YIELDS, TO INCLUDE, *INTER ALIA*, ESTIMATES OF VARIATION IN SUCH AREAS DURING THE YEAR, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.
7. INCLUDE A REGISTER OF QUANTITIES OF PHARMACEUTICAL PRODUCTS SOLD WITHIN THE CONTROL MECHANISM TO PREVENT THE DIVERSION OF PHARMACEUTICAL PRODUCTS.
8. INCLUDE A REGISTER OF THE TRANSFER TO JUDICIAL AUTHORITIES OF UNUSUAL CASES DETECTED BY ADMINISTRATIVE AUTHORITIES IN THE HEALTH SECTOR WITHIN THE CONTROL MECHANISM TO PREVENT THE DIVERSION OF PHARMACEUTICAL PRODUCTS.
9. CARRY OUT RESEARCH AND TRAINING ACTIVITIES RELATED TO THE PREVENTION AND CONTROL OF ILLICIT TRAFFIC OF PHARMACEUTICAL PRODUCTS AND OTHER DRUGS VIA THE INTERNET, WHICH WILL ENABLE THE COUNTRY TO IDENTIFY ITS REGULATORY AND OPERATIVE NEEDS.
10. ESTABLISH A REGISTER TO COMPILE DATA ON THE NUMBER OF ADMINISTRATIVE AND PENAL SANCTIONS IMPOSED FOR THE DIVERSION OF PHARMACEUTICAL PRODUCTS, A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.



11. IMPLEMENT AN AUTOMATED INFORMATION SYSTEM TO HANDLE INFORMATION AND FACILITATE CONTROL OF THE DIVERSION OF CHEMICAL SUBSTANCES.
12. ESTABLISH TRAINING COURSES ON CONTROL OF DIVERSION OF CHEMICAL SUBSTANCES FOR ADMINISTRATIVE, POLICE, AND CUSTOMS OFFICIALS.

### **CONTROL MEASURES**

13. IMPLEMENT A RECORDING SYSTEM TO TRACK THE NUMBER OF PUBLIC OFFICIALS FORMALLY CHARGED WITH AND CONVICTED OF ILLICIT DRUG TRAFFICKING.
14. ESTABLISH SPECIALIZED TRAINING COURSES ON ILLICIT DRUG TRAFFICKING FOR POLICE OFFICERS, PROSECUTORS, AND JUDGES.
15. IMPLEMENT A CENTRALIZED SYSTEM TO MAINTAIN RECORDS ON PERSONS FORMALLY CHARGED WITH AND PROSECUTED FOR ILLICIT DRUG POSSESSION, A REITERATED RECOMMENDATION FROM THE **SECOND EVALUATION ROUND, 2001–2002.**
16. APPROVE LEGISLATION CRIMINALIZING MONEY LAUNDERING AS AN AUTONOMOUS OFFENSE.
17. EXPAND THE LIST OF PREDICATE OFFENSES FOR MONEY LAUNDERING TO INCLUDE ALL CRIMINAL OFFENSES THAT ARE CONSIDERED SERIOUS CRIMES UNDER THE **PALERMO CONVENTION (PUNISHABLE BY A MAXIMUM PRISON SENTENCE OF AT LEAST 4 YEARS, OR A GREATER PENALTY), A REITERATED RECOMMENDATION FROM THE THIRD EVALUATION ROUND, 2003–2004.**
18. APPROVED THE NECESSARY PROVISIONS TO INTRODUCE SPECIAL INVESTIGATIVE TECHNIQUES, A REITERATED RECOMMENDATION FROM THE **THIRD EVALUATION ROUND, 2003–2004.**
19. ENACT THE PROVISIONS NECESSARY TO EXPAND THE LIST OF REGULATED SECTORS TO INCLUDE LAWYERS, NOTARIES, ACCOUNTANTS AND CROSS-BORDER MOVEMENT OF CASH AND SECURITIES, A REITERATED RECOMMENDATION FROM THE **THIRD EVALUATION ROUND, 2003–2004.**
20. APPROVE THE LEGISLATION NECESSARY TO CREATE AND INSTITUTION TO ADMINISTER AND DISPOSE OF ASSETS CONFISCATED IN MONEY LAUNDERING AND RELATED CASES, A REITERATED RECOMMENDATION FROM THE **THIRD EVALUATION ROUND, 2003–2004.**



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