



I. INSTITUTIONAL BUILDING / NATIONAL ANTI-DRUG STRATEGY

Argentina has prepared a National Anti-Drug Plan that is subject to approval by national authorities. The country cited problems related to changes in the political management of the national government as the reason for the delay in approving the Plan. Those problems have had a direct impact on management of the Secretariat of Planning for Drug Addiction Prevention and the Fight against Drug Trafficking (SEDRONAR, the central coordinating authority).

The new management, which began in late February 2002 in the most severe economic crisis in the history of Argentina, reviewed the existing plan and feels that it should be reformulated with the participation of the provinces. The period that it would cover includes the second half of 2002 and all of 2003. That time frame is set according to the term given to the current management, until the country holds new elections.

In 2001 the government allocated US\$9,400,000 of its approved budget to the fight against drugs, which was equivalent to 0.0144% of the national budget. Allocations of this total were divided as follows: 0.0125% (US\$5,100,000) for demand reduction, 0.0019% (US\$800,000) for supply reduction, and US\$3,500,000 for SEDRONAR's structural operating expenses. The country has an approved budget for the year 2002 of US\$ 4,122,134.

Argentina has ratified the Inter-American Convention Against Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives and Other Related Materials (CIFTA) during this period of evaluation 2001-2002 and the United Nations Convention against Transnational Organized Crime. CICAD hopes that Argentina will sign, in the near future, the Protocol against the Smuggling of Migrants by Land, Sea and Air, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children and the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, their Parts and Components and Ammunition.

The country states that Law No. 24.767 on International Cooperation in Criminal Matters includes in its provisions the different legal instruments and tools promoted in the Inter-American Convention on Mutual Assistance in Criminal Matters. Moreover, in some cases Argentine law goes farther than the Convention. The country's report did not explain why it has not signed and ratified the 1992 Inter-American Convention on Mutual Assistance in Criminal Matters.

The country continues to maintain a data collection, maintenance and registration (statistics) system that is not systematized or uniform in the areas of prevention, assistance for addicts and supply control. Argentina does not prepare annual publications with drug-related statistics. SEDRONAR Resolution No. 800/01 stipulated that the Argentine Drug Observatory was to begin to operate as of January 2002, but the country indicates that political instability has prevented it from becoming operational as of yet. Nonetheless, the Argentine Drug Observatory is expected to begin operating in the first half of 2003.

The authorities disseminate information on the drug problem and facilitate counseling thereon through satellite tele-education programs, distance classrooms (municipalities), radio and television campaigns, posters, brochures and a direct phone line open to the community.

RECOMMENDATIONS:

- 1. APPROVE AND EXECUTE THE NATIONAL ANTI-DRUG PLAN AND ITS RESPECTIVE FINANCING BUDGET.**
- 2. REITERATE THE RECOMMENDATION FROM THE FIRST EVALUATION ROUND 1999-2000 TO SIGN AND RATIFY THE INTER-AMERICAN CONVENTION ON MUTUAL ASSISTANCE IN CRIMINAL MATTERS.**



3. **REITERATE THE RECOMMENDATION TO SIGN AND RATIFY THE PROTOCOL AGAINST THE SMUGGLING OF MIGRANTS BY LAND, SEA AND AIR, THE PROTOCOL TO PREVENT, SUPPRESS AND PUNISH TRAFFICKING IN PERSONS, ESPECIALLY WOMEN AND CHILDREN AND THE PROTOCOL AGAINST THE ILLICIT MANUFACTURING OF AND TRAFFICKING IN FIREARMS, THEIR PARTS AND COMPONENTS AND AMMUNITION, TO THE UNITED NATIONS CONVENTION AGAINST TRANSNATIONAL ORGANIZED CRIME.**
4. **BEGIN OPERATION OF THE ARGENTINE DRUG OBSERVATORY, IN ORDER TO MOVE FORWARD IN ESTABLISHING A COMPREHENSIVE DATA AND STATISTICAL SYSTEM ON THE DRUG PROBLEM.**

II. DEMAND REDUCTION

The national system of prevention programs reaches key sectors of the population, such as secondary school and university students. It also encompasses informal adult community programs. The National Council on Childhood, Adolescence and the Family has informal programs in the area of non-specific prevention of the use of addictive substances that do address the problem of street children, youth and child laborers.

The national system of drug abuse prevention programs targeted at key sectors of the population covered 2% of secondary schools, reaching 31,920 students; reached 6,300 university students and 12,628 persons ages 25 to 65 through informal adult community programs. According to the statistics provided, the number of persons benefiting from the national prevention system and the percentages they represent, in relation to the general and student populations in the country, indicate that the system's scope is limited.

During the period of evaluation 2001-2002, the country implemented training programs directed at prevention practitioners, such as teachers, community and youth leaders, social and health workers and police officers. It also held several brief refresher or training courses in the workplace and for university students. However, the program does not cover parents. From the statistics provided by the country, the group deduces that the training programs being executed have limited reach.

In 2001 a National Secondary School Student Survey was conducted to measure the impact of prevention programs. Since September, 2002, SEDRONAR has the statistical findings from the survey, whose general information is in the web site: www.sedronar.gov.ar.

Important progress in the implementation of recommendations from the First Evaluation Round 1999-2000 is the joint resolution of the Ministry of Health and SEDRONAR establishing mandatory standards for drug abuse treatment care. They include registries of health services, instruments for accrediting services, treatment programs and the establishment of a mechanism to verify compliance. With United Nations Development Programme (UNDP) support, a national survey is currently being conducted on service providers involved in the issue of addictive substances. This is a first step in evaluating the impact and effectiveness of treatment and rehabilitation programs.

Drug addict treatment and rehabilitation programs are implemented through the National Center for Social Rehabilitation (a unit of the Public Health Secretariat) and nongovernmental organizations (NGOs). However, the country only provided statistics for NGOs.

Since 2000, it has been implementing a nationwide network of epidemiological centers that operate locally to gauge the impact of alcohol and drugs in the general population, through studies of youth in the community. It also includes elements linked to the effectiveness of treatment through aftercare through studies in hospital emergency wards conducted in the local centers.



In compliance with the recommendations from the First Evaluation Round 1999-2000, the country conducted a study to determine the "prevalence of drug use" among the general population. A survey was also conducted in 2001 to determine the prevalence of drug use in students ages 12 to 17. Since September, 2002, SEDRONAR has the statistical findings from the survey.

The country reports that indicators on the use of addictive substances from the health sector are severely underreported. It has therefore proposed implementing public and private epidemiological windows to track the problem in the coming months. Nonetheless, economic difficulties have delayed implementation of this hospital system on drug use-related mortality and recent changes in drug abuse modalities. In terms of morbidity, the country did indicate that 20,713 people have been infected with HIV since 1982. Out of this total 7,929 are drug addicts who contracted the virus through intravenous drug use.

III. SUPPLY REDUCTION

A. Drug Production and Alternative Development

Argentina is not a drug-producing country, but acknowledges the existence of isolated crops of cannabis plants that are not intensive and cover a small area. In the last three years, no illicit crops were detected.

B. Supply Reduction and Control of Pharmaceutical Products and Chemical Substances

The country has the institutional and legal mechanisms to control pharmaceuticals and regulate controlled chemical substances, as well as prevent their diversion for illicit use.

The country indicates that the lack of financial and human resources is the main problem blocking national entities from effectively fulfilling their responsibilities.

The country affirms that it has mechanisms to assess the effectiveness of the institutions responsible for preventing the diversion of pharmaceuticals. However, it did not provide statistics for 2000-2002 that would make it possible to assess the efficacy of the evaluation system.

The evaluation of the efficacy of the mechanism for information exchange and collaboration among the competent authorities on pharmaceutical products are carried out through ongoing monitoring.

Information exchanges and collaboration among national authorities on controlled chemical substances are carried out through joint forces/operations, joint training and other systems.

The country does not have a formal mechanism to evaluate the efficacy of the mechanism for information exchange and collaboration among competent authorities on controlled chemical substances. The lack of budget and trained personnel are the main obstacles to efficient cooperation in the area of information exchange.

Regarding information exchanges and collaboration with other countries to control controlled chemical substances, there has been important progress in the listing of companies authorized to engage in legal trade of chemical precursors on the precursor registry web page. That page also provides real-time information on companies' registration status with the competent authority. That information is available both to the security forces in the country and to foreign agencies and interested companies.



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In 2000-2001, the country imposed 3 administrative sanctions and no penal sanctions against companies or persons for breach the laws controlling that chemical substances.

The minimum penal sanction for violation of the laws controlling pharmaceuticals is 3 years imprisonment and a fine of 1,000 pesos; the maximum penalty is 10 years imprisonment and a fine of 15,000 pesos. However, if such conduct led to the death of a person, the penalty can be raised from 10 to 25 years imprisonment.

Various controlled chemical substances were seized in 2000-2001, but the country does not list the volume and/or quantity, or destruction method (dilution, dissolving, neutralization or incineration) or the volume and quantity put to use in forensic laboratories, with the authorization of the pertinent judge.

In the period 2000-2002, the country sent pre-export notifications for controlled chemical substances to Bolivia, Brazil, Chile, Colombia, the Dominican Republic, Ecuador, El Salvador, Guatemala, Paraguay, Holland, Italy, Japan, Panama, Peru, Singapore, the United States, Uruguay and Venezuela.

RECOMMENDATIONS:

- 1. DEVELOP A MECHANISM TO EVALUATE THE EFFECTIVENESS OF METHODS OF INFORMATION EXCHANGE AND COLLABORATION AMONG AUTHORITIES WITH CONTROL RESPONSIBILITY.**
- 2. INCREASE FINANCIAL SUPPORT FOR NATIONAL ENTITIES RESPONSIBLE FOR SUPPLY REDUCTION, IN ORDER TO IMPROVE THE EFFECTIVENESS OF THEIR CONTROLS.**

IV. CONTROL MEASURES**A. Illicit Drug Trafficking**

As a result of the operations carried out by law enforcement authorities, 21,729 persons were arrested for illicit drug possession in 2000 and 20,783 in 2001. However, the country does not indicate how many of the persons arrested were charged with violating the Narcotics Act – Law No. 23.737. Likewise, 608 persons were convicted of illicit drug trafficking in 2000 and 376 of illicit drug possession.

Argentina provided the following information regarding the quantity of drugs seized by law enforcement agencies during the period 2000-2002:



Type of Drugs	Unit of Measure	Quantity		
		2000	2001	2002 *
Poppy Seeds	Grams	10		
Heroin	Kilograms	47.664	126.069	10.32
Coca Leaf	Kilograms	95,901.272	91,352.08	22,886.363
Coca Paste	Kilograms	71.140	199.185	30.081
Cocaine	Kilograms	2,280.219	2,087.673	643.58
Hydrochloride				
Cannabis plants	Unit	676		333
Leaf Cannabis (grass)	Kilograms	25,538.960	33,052.23	19,235.66
Cannabis Resin (hashish)	Kilograms	9.114	1.219	0.107
Cannabis Seed	Kilograms	0.276	1.255	3.15
Amphetamine/methamphetamine	Unit	10,134	3,991	82,001
MDMA (Ecstasy)	Unit	10,134		
LSD	Unit	1,093	1,239	389

* Note: This information is up to June 2002.

The country has mechanisms for information exchange and collaboration among competent authorities on illicit drug trafficking. However, it indicated that the lack of appropriate technical means and shortage of training impede effective collaboration.

Argentina, in the period 2000-2002, made 19 requests for judicial cooperation to the United States and Uruguay and received 16 replies. Furthermore, it received six requests for judicial cooperation and replied to two.

Argentina has laws criminalizing corruption, as recommended in the Inter-American Convention Against Corruption. The three main legal anti-corruption instruments are the Penal Code, the Law on Public Ethics and Decree No. 164/99.

Punishment for corruption ranges from imprisonment for one month to 12 years and temporary or permanent disqualification as a public official.

The country did not report whether any public officials had been convicted of corruption related to illicit drug trafficking in the evaluation period.

B. Firearms and Ammunition

The country has laws, institutions and mechanisms to control and punish the illicit movement and diversion of firearms. The agencies responsible for promoting cooperation and facilitating information exchanges to control firearm movements are the Regional Security Office, Provincial Firearms Registry and the National Aeronautical Police.

Argentina does not have formal mechanisms to measure the efficacy of the national institutions responsible for controlling the movement of firearms and ammunition.

The country reports that 213 persons were convicted of manufacturing and possession of explosives and weapons of war in 2000 and 519 persons in 2001. Those figures represent 1.16% and 2.25% respectively, of total convictions for violations of the Penal Code. Nonetheless, the country does not have data on the number of persons arrested and charged in connection with manufacturing and possession of explosives and weapons of war.



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A total of 78 persons were arrested for illicit trafficking in firearms in 2000 and 98 in 2001. The country did not indicate the outcome of proceedings against those persons.

CICAD is concerned over the absence of a registry system and the lack of information in the country on persons arrested and charged for manufacturing and possessing explosives and weapons of war, as well as the number of persons convicted for illicit firearms trafficking.

C. Money Laundering

Through Law No. 25.246 of May 5, 2001 Argentina has made important amendments to its Penal Code, to include the definition of money laundering.

In keeping with the new legal framework, proceeds from the following illicit activities are criminalized as money laundering and the corresponding sanctions established: illicit drug trafficking, illicit traffic of firearms, traffic of human beings, organ trafficking, prostitution, pornography, kidnapping, extortion, corruption, terrorism, fraud, among others. The country also describes those responsible for reporting, their obligations and the sanctions.

Argentina does not indicate the number of investigations launched based on the 248 suspicious transaction reports the competent authority received in the period 2000-2002. It does not provide the number of persons arrested and convicted of money laundering offenses in that period.

The project creating a committee to administer and dispose of assets seized and confiscated in accordance with the law to suppress money laundering is pending approval by the executive branch. That committee will be responsible for keeping records of goods seized and confiscated as a result of money laundering proceedings launched and for estimating their monetary value and administering and disposing of them.

CICAD values the establishment of the aforementioned committee and hopes that it will have the resources to organize its efficient and transparent structure for administering and guarding seized and confiscated goods.

The country does not have a system or mechanism for monitoring suspicious transaction reports or evaluating their efficacy.

Argentina indicates that although it has not imposed sanctions on financial entities and others responsible, 2 preliminary proceedings and 9 inquiry proceedings are under way for noncompliance with money laundering prevention standards; and 7 cases are in the inquiry phase for noncompliance with the obligation to report suspicious or unusual transactions.

Regarding the operation of the Financial Information Unit (FIU), the executive branch designated the members of the Unit through Decree No. 1500/01. Administrative Decision No. 26/2002 of April ordered the amendment of the National Administration Budget for fiscal year 2002, to facilitate the start-up of the FIU's operations.

SEDRONAR has signed bilateral agreements with Financial Intelligence Units of France (TRACFIN), the United States (FINCEN) and Spain (SEPBLAC) for information exchanges on money laundering; in 2001, it responded to three requests for information. The country forms part of the South American Financial Action Task Force (GAFISUD).

**RECOMMENDATION:**

1. **ESTABLISH A REGISTRY AND STATISTICAL SYSTEM ON PERSONS ARRESTED, CHARGED AND CONVICTED AND ON ITEMS SEIZED AND CONFISCATED IN CONNECTION WITH MONEY LAUNDERING.**

V. CONCLUSIONS

The Anti-Drug Strategy in the Hemisphere approved by CICAD calls on the governments to address the drug phenomenon with a comprehensive and balanced approach, based on the socio-economic and cultural reality of each country.

In this context, it is essential that the anti-drug actions and activities executed by Argentina reflect a national strategy enshrined in a National Anti-Drug Plan approved by the highest political institutions of the government.

CICAD views with great satisfaction the progress made in this Second Evaluation Round 2001-2002 in important subjects such as the ratification of the Inter-American Convention Against Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives and Other Related Materials (CIFTA); the Secondary School Student Survey conducted to measure the impact of prevention programs; the establishment of mandatory standards for drug abuse treatment care; the use of high technology (Web page) for information exchange and cooperation in the control of controlled chemical substances and the operation of the Financial Intelligence Unit for the prevention and control of money laundering.

Likewise, CICAD is confident that, despite the difficult economic and financial situation facing the Government and people of Argentina, the political will and commitment of the Government will allow for progress in the implementation of recommendations from this Second Evaluation Round 2001-2002 and those pending from the First Evaluation Round 1999-2000.



SUMMARY OF RECOMMENDATIONS

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7. **ESTABLISH A REGISTRY AND STATISTICAL SYSTEM ON PERSONS ARRESTED, CHARGED AND CONVICTED AND ON ITEMS SEIZED AND CONFISCATED IN CONNECTION WITH MONEY LAUNDERING.**