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

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

VENEZUELA

**EVALUATION OF PROGRESS IN DRUG CONTROL
2003-2004**



INTRODUCTION

Venezuela has a population of 25,017,387 (2004) and a total area of 916,445 km². The main ethnic groups are Amerindian, white, arab, and black. The literacy rate is 93.4%. Venezuela is a federal republic that is divided into 23 states and one federal district. The country has a GDP per capita of US\$2,796 and an inflation rate of 22.40% (2002). Venezuelan exports total US\$25,860 million annually, which is 36.97% of the GDP (2003). Its principal exports are petroleum, bauxite and aluminum, steel, chemicals, agricultural products, and basic manufactured goods.

I. INSTITUTIONAL STRENGTHENING/NATIONAL ANTI-DRUG STRATEGY

A. National Anti-drug Plan and National Commission

Venezuela has a National Anti-Drug Plan for 2002–2007, approved by the National Executive, which includes supply reduction, demand reduction and international activities. It has a strategy for decentralizing actions in the country as a whole, within states, regions, and municipalities. The country reports that there is a budget to finance the National Plan and that the National Commission against Illicit Drug Use (CONACUID) is in charge of the Plan's national coordination.

Budget of the National Plan

Year	Approved budget US\$	Real allocation by the Central Government %	International contributions %
2002	672,147	98.14	1.86
2003	3,208,911	64.95	35.05
2004	3,246,032	51.15	48.85
Total	7,127,090		

The budget allocation by the Central Government for the National Plan has declined in comparison to that of 2003, as indicated in the table above. Nevertheless, the country reports that the percentage of international contributions, compared to 2003, has increased. The budget reported for the activities of CONACUID is part of the general budget for the Office of the President. Venezuela considers that this budget is insufficient because, at present, it only covers expenses for staff and the functioning of CONACUID.

Along with CONACUID's budget resources, funding for implementation of the National Anti-Drug Plan comes from other state institutions such as the Ministries of Defense, Interior and Justice, Health and Social Development, Education, Culture and Sports, Production and Commerce, and Foreign Affairs, which earmark part of their budget for the development of programs that have national drug supply and demand reduction strategy projects. Allocations of resources obtained from seized assets transferred to the Ministry of Finance are also used. The country reports that it does not have the amount allocated by area of the National Anti-Drug Plan, because the amounts are granted depending on financial availability.

The integral drug abuse prevention policies provided for in the National Anti-Drug Plan also benefit from the funds that private corporations must contribute from their net yearly earnings (1%) to integral prevention programs for their employees. This is in conformity with the legal obligation set



forth in the paragraph of Article 101 of the Organic Law on Narcotic and Psychotropic Substances (LOSEP). CONACUID has regulated the application of this legal statute by issuing the Administrative Court Order on the Creation of the Mechanism for Technical Assistance, Monitoring and Supervision for companies that employ more than 200 workers.

CICAD recognizes that Venezuela has increased its budget for implementation of programs on drug abuse prevention and treatment at the national level, and that it has raised funds for research in this area over the past three years. In addition, it notes that the participation of civil society in the implementation of plans and programs in accordance with policies included in the National Plan has increased.

CICAD considers that the application of Article 101 of the Organic Law on Narcotic and Psychotropic Substances, which provides that companies that employ more than 200 workers shall use one percent of their net annual profits to help finance integral social programs for prevention of drug trafficking and drug abuse for their workers, is a valuable resource for the country's efforts in the area of demand reduction.

CICAD notes with concern that the resources assigned to CONACUID are insufficient, in that it only enables it to meet expenses for staff and the functioning of this Commission.

CICAD recognizes the efforts of Venezuela in the implementation of the National Plan, and encourages it to seek alternatives for the appropriation of planned funds in order to overcome the current situation where funds are granted depending on financial availability.

B. International Conventions

Venezuela has ratified the following Conventions:

- Inter-American Convention against Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives and Other Related Materials (1997).
- Inter-American Convention against Corruption (1996).
- Inter-American Convention on Mutual Assistance in Criminal Matters (1992).
- The United Nations Convention against Transnational Organized Crime (2000), and its three additional Protocols.
- The United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988).
- The United Nations Convention on Psychotropic Substances (1971).
- The United Nations Single Convention on Narcotic Drugs (1961), as modified by the Protocol of 1972.

Venezuela has signed 42 bilateral cooperation agreements in the framework of international conventions with countries of the Western Hemisphere, Europe and Asia.

CICAD notes with satisfaction that Venezuela has ratified all the international instruments concerning drug trafficking and related crimes envisaged in the Multilateral Evaluation Mechanism and encourages the country to follow up to achieve their effective implementation at the national level.



C. National Information System

The Venezuelan Drug Observatory is comprised of the statistical, investigation, and documentation areas, and it is responsible for systematizing and documenting information on drugs in the country and registering epidemiological studies that are conducted. Venezuela participates in the Inter-American Uniform Drug Use Data System (SIDUC) by conducting patient surveys in treatment centers, surveys on university students and a study on the price of drugs, and also participates in the Uniform Statistical System on Control of the Supply Area (CICDAT). The country reports that the supply and demand database is not yet installed in most states of the Republic and that the Venezuela Chapter of the Project for Decentralizing Drug Policies in the Andean Countries intends to overcome the difficulties in obtaining and bringing together relevant information for the incorporation of new primary sources.

The Venezuelan Government distributes information about drugs to the public by different means and is currently executing an inventory of primary sources of information, through regional commissions (CORECUID), which have been implemented as well as establishing new CORECUID in states where they have previously not existed. Once this process is complete, it is expected that information gathering will be more effective and result in better quality reports on reducing the demand for drugs.

CICAD recognizes the efforts of Venezuela in the creation of new CORECUID at the regional level, which support the anti-drug policy to incorporate new primary information sources.

Moreover, CICAD recognizes Venezuela's effort in the task of collection, analysis, and dissemination of information on drug-related problems

RECOMMENDATION:

1. EXPAND THE COVERAGE OF THE SYSTEM TO GATHER NATIONWIDE INFORMATION ON DRUG SUPPLY AND DEMAND AND RECORD THIS INFORMATION IN A UNIFIED DATABASE.

II. DEMAND REDUCTION

A. Prevention

The national drug abuse prevention program system covers key sectors of the population and is aimed at schoolchildren and university students, street children and adolescents, juvenile lawbreakers, adults, women, prisoners, workers, and indigenous peoples. The incorporation of programs aimed at indigenous groups, during the period 2003-2004, implements a recommendation of the Second Evaluation Round and records 3,367 beneficiaries. Furthermore, Venezuela indicates that there was an increase in the target population of the different preventive programs. In 2002, there were 1,457 preschool participants, and 14,090 during evaluation period 2003-2004. As for the intervention among primary and secondary school population groups, the increase was approximately 51%. It also highlights a rise in preventive programs for the workplace, pointing out the 23 private-sector companies and 79 public sector institutions that operate these programs. The bank sector has incorporated nine integral prevention plans, with the participation of workers and their families. The country reports that there are constraints to gathering decentralized information in some states and that there are dispersed organizations and foundations that do not systematically report on their programs and the results of their implementation. In addition, the country reports that it lacks institutions or professionals trained in drug abuse prevention.

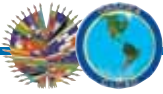


Venezuela informs that it has a methodology that includes technical parameters and standardized instruments to record, update, present projects, and design operating plans based on the guidelines contained in the National Anti-Drug Plan. The country also has mechanisms for evaluation and follow-up of performance reports prepared by governmental and nongovernmental organizations. These mechanisms have been applied at national level through regional and municipal committees responsible for distributing information to those organizations working in integral prevention, treatment, rehabilitation, and social reinsertion in states and municipalities, thus ensuring a decentralized method of institutional communication. This information is then passed on to the National Committee, which is the agency responsible for accreditation by assigning a registry number that should be renewed every year along with reports on the results of projects undertaken.

Venezuela is implementing the Project on "Decentralization of Public Policies in the Area of Demand Reduction", with technical and financial support provided by CICAD/OAS together with the other members of the Andean Community. The above-mentioned project is in the final stage of implementation, and the objective is to continue to strengthen management control and management processes for the operation of the National Anti-Drug Plan.

The country reports that heroin consumption has been identified as a new trend and that the drug is primarily inhaled.

During evaluation period 2003-2004, Venezuela increased short training courses by 50%, for 33,600 professionals and technical experts directly involved in demand reduction. The country reports that it participates of the Latin American Master's Degree Course on Drug Addiction offered by the Simón Rodríguez National Experimental University, whose first group of students is now attending the course. It also points out that the Central University of Venezuela has incorporated the subject of prevention and treatment into the curriculum of some disciplines and is now in the process of establishing a lecture series on the issue of drugs at the Libertador Experimental Teaching University aimed at teacher training. The "Hogares Crea" Project of Venezuela aimed at orienting professional training in different disciplines related to demand reduction has been approved.



**Programs Aimed at the Specific
Population Groups During 2003- 2004**

Target Population Group	Number of participants	Describe the type of program
1. Schoolchildren and university students		
Preschool (3 to 6 years old)	14,090	Integral prevention programs, development of skills to build up protection factors and values
Primary school (7 to 12 years old)	73,611	Integral prevention in schools: information and development of skills, promotion of health
Secondary school (13 to 18 years old)	80,757	Teaching strategy for integral prevention: training and development of skills
Tertiary (university)	807,721	Intervention strategies regarding drug use in universities: training
2. Community programs for young people (not enrolled in school)		
Working children (between 8 and 17 years old)	600	Integral prevention of drug abuse and professional training
Street / abandoned children (between 6 and 18 years old)	262	Treatment: detoxification, reducing situations of risk, reinsertion in school-the family
Juvenile lawbreakers	24	Promoting health in terms of drugs
3. Community programs for adults	42,489	Integral prevention: reducing risk factors strengthening protection factors. Training of mediators for prevention
4. Women	14,256	Promoting and building values as a protection factor for preventing drug use
5. Indigenous groups	3,667	
6. Workplace	79 government agencies (public sector)	
	23 private sector companies	
7. Prisoners	200	Training and development of skills. Therapeutic support for prisoners who consume drugs and deal in drugs. Social rehabilitation and reinsertion.
8. Other groups at risk		
Children of workers	3,580	In the framework of integral prevention programs in the workplace, projects for providing information and developing skills and abilities are implemented.
Persons with psychosocial problems	2,933	Integral Prevention center aimed at persons with psychosocial and behavioral problems and in general, living situations of risk.
Special persons	35	

The country reports that there is an increase in impact assessment programs implemented by public institutions and universities, in comparison with the data reported by the Second Evaluation Round 2001-2002. However, it reports that some institutions do not have consistent criteria regarding the variables that are important for comparison over a given period. Thirty-two facilities that provided attention to the public were supervised in the capital region, and it was determined that all public



and private facilities provide services on four fundamental attention levels: detoxification, ambulatory, partial internment, and therapeutic communities. The professional level of the personnel is varied, depending on whether the institution is based on religion, or provides specialized attention in drug dependence.

The country reports that among the components of the 2002-2007 National Anti-Drug Plan particular emphasis is given to evaluation, including evaluation of project impact. The design and management of impact indicators are included in project proposal documents, both in the area of training at central, regional, and local levels, and with respect to projects concerning information systems. Furthermore, in agreements reached with higher education institutions concerning postgraduate level courses (specializations, master's, doctorates, on-line master's, among others), special attention is given to the strengthening of evaluation components as a key tool for related research activities.

CICAD recognizes the progress made by Venezuela in the creation of regional branches of CONACUID to tackle the issue of gathering and disseminating information and decentralization. This is being undertaken through a dissemination methodology to distribute information to organizations that work in the areas of prevention, treatment, rehabilitation, and social reinsertion at the state and municipal level.

CICAD notes that significant progress has been made in the development of drug abuse prevention programs directed at key populations and it encourages the country to sustain these programs over time, in order to ensure effective evaluation of processes and impact.

B. Treatment

Since October 15, 1997, Venezuela has mandatory regulations for the functioning of public and private drug addiction treatment establishments. The National Commission against the Illicit Use of Drugs and the Ministry of Health and Social Development accredit these institutions, which are supervised in joint commissions and evaluated annually in terms of the quality of the services they offer.

The country has 12 public programs and 19 private programs for outpatient care. Furthermore, it has 7 public programs and 42 private programs for patient hospitalization and one private psychiatric clinical care institution, which care for adults and children of both sexes. Venezuela reports that there are public and private drug use treatment services as indicated in data provided in the table shown below, with municipal, regional, and national coverage.

Number of Drug Consumption Treatment Services

Services	Public	Private
Detoxification	2	5
Treatment and rehabilitation	18	61
Social reinsertion and follow-up	2	2
Self-help groups	-	20

Drug treatment modalities in Venezuela have been undergoing a process of diversification with the increasing availability of outpatient, semi-residential, and residential programs that, depending on their geographical location, can be oriented towards farming activity, the arts, or trades, or can assume a more re-educational or academic approach. There are also programs operating as specialized units or services within hospitals or psychiatric outpatient care programs.



The country reports that, in 2003, two new treatment programs were created and that the 80 programs currently registered in CONACUID are meeting national demand. The supervision of institutions was reviewed, and this led to a review of the services of centers carrying out systematic programs for social reinsertion and follow-up; as a result, it was found that the number of these institutions has declined. Venezuela informs that it is designing the National Treatment, Rehabilitation, and Social Reincorporation System, which will be implemented as a priority to integrate, interconnect, and prepare the country's establishments for the effective treatment of drug use, abuse, and addiction.

The 2002-2007 National Anti-Drug Plan prioritizes an integral approach in the treatment of drug abuse, based on the development of the National Treatment System. In this sense, the body of experts at CONACUID was strengthened with the recruitment of an expert advisor in this area, and specific tasks were defined to move ahead with the 2004 treatment plan.

Venezuela reports that as part of this plan, a diagnostic study was undertaken to analyze the treatment situation at the national level. To that end, a method was devised for collecting information, which was distributed to all regional coordinating offices. Additionally, a human resource training plan was set up to implement the national treatment system. The first workshop of the plan covered the Metropolitan, Vargas, and Miranda regions.

The evaluation of the quality of care provided by facilities is considered an activity of the National Treatment System, which has approved funding from the proceeds of drug seizures in order to conduct training workshops.

CICAD recognizes the progress in the creation of the technical and administrative entity responsible for national and regional development and coordination of the system for supervision and evaluation of quality of care at treatment facilities at the national level. Likewise, the functioning of the Inter-Sectoral Treatment Committee which includes treatment and training components in the framework of the 2002-2007 National Anti-Drug Plan.

CICAD observes with interest the process of diversifying the supply of treatment according to the geographic location of the method applied. This enables services to be adapted to the needs of the beneficiary population, recognizing the country's implementation efforts in the context of the National Treatment System.

C. Statistics on Consumption

Venezuela reports data from the epidemiological study on the student population conducted in November 2001 and demand for specialized treatment for drugs, corresponding to 2003. The latter is provided by 11 treatment centers and only reflects a partial situation of the national reality. The country reports that the age of first use of drugs is 10 years old, with the highest prevalence between 15 and 19 years of age. It also indicates that cannabis is the main first drug, followed by alcohol, cocaine hydrochloride, tobacco, and crack. Moreover, it reports that the group with the highest prevalence in terms of consumption is male and that inhalation is the most predominant form of use.

No information was provided on the results of more up-to-date research in the general population. However, Venezuela reports that it has obtained funds from the European Union to conduct household surveys on drug use at the national level. It will also carry out an Epidemiological Study on Use of Psychoactive Substances in Schools, with technical and financial support provided by CICAD/OAS.



The nationwide epidemiological study on drug use in higher education students, carried out during the months of November and December 2003 covered 11 universities (state and private) and an overall sample of 11,172 students, who were asked about their perception of the risk of drug abuse. The results of this study show that most of the young people who took the survey think that drug abuse is very serious, as they view the problem as representing a high risk to health and society.

Venezuela has not conducted studies on updated national morbidity and mortality estimates related to drug use, nor are there any data on the relationship between drug use and crimes / accidents. The country reports that it wishes to implement projects to tackle the current logistic and technological difficulties in obtaining and organizing information. For this purpose, a project based on cases of drug abuse-related deaths is under preparation. The project includes a methodology for the collection of information, and will be used to design a data collection instrument for hospitals in the metropolitan area of Caracas where the pilot phase of the project will be implemented.

CICAD recognizes the efforts of Venezuela to update the data on the prevalence of drug use among the general and school-aged population, anticipating shortly the results from these efforts as an important input to knowledge of the problem in the country, which will contribute primarily to evidence-based demand reduction programs.

RECOMMENDATIONS:

2. CARRY OUT AN EPIDEMIOLOGICAL STUDY IN SCHOOLS ON DRUG USE PREVALENCE, RISK FACTORS AND PREVENTION.
3. IMPLEMENT THE PROJECT ON MORBIDITY AND MORTALITY CASES RELATED TO DRUG ABUSE.
4. CONDUCT A NATIONWIDE EPIDEMIOLOGICAL STUDY, A RECOMMENDATION REITERATED FROM THE SECOND EVALUATION ROUND, 2001-2002.

III. SUPPLY REDUCTION

A. Drug Production and Alternative Development

Venezuela reports that illicit crops have appeared sporadically in the country and that, given their low relevance, it has not developed alternative development projects during evaluation period 2003-2004. No indoor cultivation of cannabis, and no illicit organic or synthetic drug laboratories have been detected in the country. Additionally, the country has noted that transnational criminal groups involved in illicit coca cultivation intend to move these crops to Venezuela.

According to the information provided by the country, new trends for the introduction of ecstasy have been identified, and this has led to an increase in the supply and demand of these drugs. There have been two seizures of ecstasy amounting to 16,010 pills in 2002, and 14 seizures amounting to 62,302 pills in 2003.

Venezuela is adopting measures to analyze these trends by assessing the impact on the consumption of new psychoactive substances. Additionally, a Supply Reduction Strategy Committee was activated and, as a result, in 2003 security forces were able to evaluate threats and adopt new strategies and tactics.



A study of the procedures performed by the anti-drug forces in the country has revealed new trends in the global displacement of drugs. Through this study, the country has been able to identify new drug trafficking routes, such as previously unknown aerial routes from the central plains of Venezuela, where illegal trafficking continues on to the islands of the Caribbean. The country reports that a working plan is being developed jointly with the United Nations Office on Drugs and Crime (UNODC), within the framework of the Illicit Crops Monitoring Program, Latin American and the Caribbean Section.

CICAD notes with concern the displacement of coca crops into Venezuelan territory and views with interest the working plan developed jointly with the UNODC to monitor illicit crops.

CICAD notes with concern the recent introduction of ecstasy in the country's drug trafficking and use and urges Venezuela to continue in-depth efforts to control the new routes for illicit drug trafficking passing through the central plains and continuing on to the Caribbean.

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

Pharmaceutical Products

The institutions in charge of controlling and preventing the diversion of all pharmaceutical products listed in the international conventions are CONACUID and the Ministry of Health and Social Development. The country has a qualitative mechanism to evaluate the effectiveness of national bodies in the commercial sector, health, and the distribution and use by authorized professionals. Also, an automated system to monitor narcotic drugs and psychotropic substances is being developed to substitute the current manual control system. Furthermore, there are few staff to carry out audits of establishments authorized to sell, market, and distribute pharmaceutical products, and, in addition, there is no optimal mechanism to gather information in the regions. Venezuela has laws and/or regulations to apply penal, civil, and administrative sanctions for the diversion of pharmaceutical products.

Applicable Sanctions for the Diversion
of Pharmaceutical Products

Penal Sanctions		Civil Sanctions		Administrative Sanctions	
Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
14 years	20 years	Suspension of license	Company shut down	Fine of 100 days of minimum urban wage	Fine of 300 days of minimum urban wage

In addition to the time it takes to grant or reject the permits required by pharmaceutical laboratories, chemists, drugs salesmen, and pharmacies to import, export, manufacture, or distribute narcotics or psychotropic substances, there is also a very rigorous procedure that has to be completed. The degree of rigor is one evaluation criterion for measuring the level of security and effectiveness of the controls.

CICAD recognizes that Venezuela has made efforts to develop and put into practice a series of customs mechanisms and agencies to control imports and exports of narcotics and psychotropic substances.



Controlled Chemical Substances

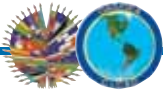
The institutions in charge of controlling and preventing the diversion of controlled chemical substances are: CONAUID, the Ministry of Production and Commerce, the Ministry of Health and Social Development, the Penal and Criminal Scientific Investigations Corps, the National Guard and Customs. Venezuela controls 31 of the chemical substances listed in the international conventions of the United Nations and CICAD's Model Regulations.

The country reports that the operational coordination of national entities has been strengthened, as they now work under an inter-institutional committee, which is supervised and directed by CONACUID. This Committee was responsible for including urea and thinners as chemical substances that have to be controlled. The country reports that the reform of the Organic Law on Narcotic Drugs and Psychotropic Substances, which has a chapter on the control of chemicals, is still pending approval.

As for the seizures of chemical substances, the data reported by the country is shown in the table below. CONACUID has implemented a process of applying sanctions for the diversion of controlled chemical substances. The usual method of disposing of controlled chemical substances is incineration. Substances for therapeutic or investigative purposes are delivered to the Ministry of Health and Social Development, after approval by the judiciary and signing by the Office of the Attorney General.

Seizures of Controlled Chemical Substances

Controlled Chemical Substances	Number of Seizures			Unit of Measure	Amounts Seized		
	2002	2003	2004		2002	2003	2004
Thinner	-	1	1	Lts.	-	81,722	1,600
Glycol butyl	-	1	-	Lts.	-	69,810	-
Toluene	-	2	1	Lts.	-	70,044	13,094
White gasoline	-	1	-	Lts.	-	67,600	-
Solin	-	1	-	Lts.	-	56,800	-
Varsol	-	1	-	Lts.	-	48,360	-
Acetone	4	1	-	Lts.	285,577.16	34,905	-
Methanol	-	1	-	Lts.	-	28,000	-
Ammonia	2	1	1	Lts.	3,024.53	26,400	700
Ammonia in solution	-	-	3	Kg.	-	-	3,904.50
Xylene	-	1	-	Lts.	-	18,915	-
Butyl acetate	-	1	-	Lts.	-	14,235	-
Isopropyl alcohol	-	1	-	Lts.	-	10,335	-
Ethyl acetate	2	1	2	Lts.	10,490.56	6,240	2,466.90
Solvent	-	1	-	Lts.	-	1,950	-
Solvent	-	-	1	Kg.	-	-	7,701.50
Industrial alcohol	-	1	-	Lts.	-	1,560	-
Methyl ethyl ketone (MEK)	2	-	-	Lts.	10,164.15	-	-
Hydrochloric acid	3	-	7	Lts.	4,351.73	-	116,653.28
Ethyl ether	1	-	-	Lts.	121	-	-
Sulfuric acid	2	-	2	Lts.	27.82	-	27,736.05
Sodium bicarbonate in solution	1	-	-	Lts.	6	-	-
Sodium bicarbonate	1	-	2	Kg.	2,50	-	2,920.12
Calcium carbonate	1	-	-	Kg.	10,000	-	-
Sodium carbonate	2	-	2	Kg.	1,029.08	-	14,816
Potassium permanganate	-	-	1	Kg.	-	-	10,000
Lithium hydroxide	-	-	1	Kg.	-	-	50,000
Potassium hydroxide	-	-	1	Kg.	-	-	50,000
Urea	-	2	11	Kg.	-	1,151,000	663,586.50
Total	21	18	36	Total lt.	313,762.95	536,876	162,250.23
				Total kg.	11,031.8	1,151,000	802,928.62



Venezuela has laws to apply penal, civil, and administrative sanctions for the diversion of controlled chemical substances. As for distribution and use, the theft of these substances has been reported to the authorities and intelligence activities are being conducted to detect the groups responsible.

**Application of Penal Sanctions for the
Diversion of Controlled Chemical Substance**

Year	Number of seizures	Penal sanction applied for diversion	Cases of diversion without definitive sentencing
2002	22	1	Not reported
2003	18	Not reported	5
2004	1	Not reported	Not reported

The country reports that it is in the process of implementing the United Nations' National Database System (NDS) for the control of drugs, chemical substances and precursors. The Commission will introduce stricter administrative control, which would facilitate monitoring of those substances. This project includes an action plan for its implementation, which is divided into six phases. During evaluation period 2003-2004, four of these phases have been completed (training, configuration of the system, translation of the manual, and definition of the budget). It is important to emphasize that the plan was to implement the last two phases (installation of the system at customs and other competent agencies) in the final months of 2004 but this was postponed due to remodeling and strengthening of the CONACUID infrastructure.

Venezuela issues pre-export notifications for the export of controlled chemical substances in the country. The table below shows data for pre-export notifications issued and received by the country from 2002 to 2004.

**Number of Pre-Export Notifications Issued, Received,
Replied on Time, and Rejected by the Country in 2002-2004**

Year	Number of pre-export notifications issued	Number of pre-export notifications received	Number of pre-export notifications received replied on time	Number of pre-export notifications rejected by the country
2002	59	24	12 (50%)	5
2003	57	32	28 (87.5%)	15
2004 (January)	12	4	4 (100%)	0

The country has increased the percentage of pre-export notifications received that were replied on time over the past three years. It reported that some notifications that were received were investigated and/or rejected because they came from companies that intended to import without the corresponding permit.

CICAD notes with concern the report on the theft of chemical substances from authorized entities and encourages the country to strengthen its intelligence activities to determine the groups that perform these actions.

CICAD recognizes the work made towards the reform of the organic law on narcotic drugs and psychotropic substances, which has a chapter on chemicals, and its introduction on the legislative agenda for the second semester of 2004, which is expected to be approved as soon as possible.



RECOMMENDATIONS:

5. COMPLETE IMPLEMENTATION OF THE NATIONAL DATABASE SYSTEM (NDS) FOR THE CONTROL OF DRUGS, CHEMICAL SUBSTANCES AND PRECURSORS.
6. UPDATE EXISTING REGULATIONS ON THE CONTROL AND DIVERSION OF PHARMACEUTICAL PRODUCTS AND CONTROLLED CHEMICAL SUBSTANCES, A RECOMMENDATION REITERATED FROM THE SECOND EVALUATION ROUND, 2001-2002.

IV. CONTROL MEASURES

A. Illicit Drug Trafficking

As indicated by the comparative data for 2002-2003 presented by the country in the table below, seizures of heroin, cannabis, cocaine paste and crack in 2002 were greater than in 2003, whereas seizures of cocaine and ecstasy in 2003 were greater than those in 2002.

Amount and Volume of Illicit
Drugs Seized in 2002-2003

Type of Drug	Number of Seizures		Volume Seized	
	2002	2003	2002	2003
Heroin (Kg.)	77	127	562.95	443,460
Cocaine salts (Kg.)	879	993	17,790	32,249.10
Crack (Kg.)	487	256	38.94	11,020
Ecstasy (Pills)	2	14	16,010	62,302
Cocaine paste (Kg.)	196	265	109.72	79.46
Cannabis Leaf (herb) (Kg.)	584	597	20,919.61	9,588.90

The number of persons arrested, tried, and convicted for illicit trafficking in and possession of drugs in 2003 declined, compared with 2002, as indicated in the table below.

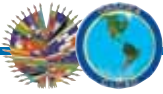
Number of Persons Arrested, Tried and
Convicted for Illicit Trafficking in Drugs

	Persons Arrested	Persons Tried	Persons Convicted
2002	2,194	1,925	432
2003	1,302	596	265

Number of Persons Arrested, Tried and
Convicted for Illicit Possession of Drugs

	Persons Arrested	Persons Tried	Persons Convicted
2002	2,392	1,961	117
2003	2,509	1,480	240

The possession of narcotic drugs and psychotropic substances for personal consumption is illegal in Venezuela; nevertheless, there is legislation that decriminalizes possession for personal use, although the consumer may be subject to security measures such as commitment to a rehabilitation center with specialized therapy, cure or detoxification, social rehabilitation, probation or monitoring, and deportation when it involves a nonresident foreigner.



Pursuant to the provisions of Article 75 of Organic Law on Narcotic Drugs and Psychotropic Substances (LOSEP), the personal dose for consumption is up to two grams in the case of cocaine and its derivatives, compounds, or mixtures, with one or various ingredients; and up to twenty grams in the case of cannabis sativa (marijuana). As for other narcotic drugs and psychotropic substances, the judge shall consider the amount depending on the nature, usual presentation, and purity of the substance.

Venezuela reports that the implementation of information exchange mechanisms and collaboration among national authorities responsible for the control of illicit drug trafficking has strengthened intelligence and investigation techniques, leading in 2003 to an 81% increase in drug seizures compared to 2002. Furthermore, it also stresses the need to consolidate efforts to build up the Drug Information Center (CINADRO) to ensure an effective exchange of information.

The country reports that it made one request for judicial cooperation in the matter of illicit trafficking in drugs in 2002, which was duly addressed that same year. It also received 29 requests for judicial cooperation in 2002 and 2003, and replied to six of them.

CICAD encourages Venezuela to continue strengthening CINADRO with a view to enhancing coordination between law enforcement agencies in the country.

B. Firearms And Ammunition

Venezuela has national laws and regulations criminalizing the illicit trade, import, manufacture, possession, supply, and concealment of firearms. In addition, it has regulations to prevent the diversion of firearms, ammunition, explosives, and other related materials, with sanctions ranging from 2 to 4 years imprisonment, confiscation, and fines.

The country reports that the Arms Department of the National Armed Forces (DARFA) is the national entity responsible for the maintenance of records on firearms, ammunition, and explosives, as well as the issuance and cancellation of import, export and transit licenses and permits, their seizure and confiscation, the exchange of information with national and foreign entities, and for providing training and technical support.

In Venezuela, the entity responsible for sharing information on the import and export of firearms, ammunition, and explosives is DARFA. This institution is also in charge of supervising and controlling companies authorized to commercialize firearms and ammunition, and for authorizing, supervising and controlling private surveillance companies. The Department of National Protection is responsible for sharing information regarding customs control of imports and exports of arms, ammunition and explosives. Consequently, both entities are responsible for the exchange of information and, through an inter-institutional committee, participate in joint operations and training. A inter-institutional information system maintains import and export records on firearms, ammunition, and explosives for 10 years. This system does not record information on in-transit firearms, ammunition or explosive shipments.

The country does not have a formal mechanism to evaluate the effectiveness of the national entities in charge of controlling the movement and preventing the diversion of firearms, ammunition, explosives, and other related materials.

Venezuela considers that the technology of DARFA is insufficient and that it must improve its training of the public officials working in the institutions in charge of this matter, in order to ensure an expeditious exchange of information.



In Venezuela it is required that firearms be marked at the time of manufacture and for their importation.

The country reports that, in 2002, 2,388 persons were arrested for illicit drug trafficking, with a total of 24 firearms and 1,782 ammunitions being seized. Similarly, during 2003, 2,187 persons were arrested for crimes related to drug trafficking, with a total of 25 firearms and 1,058 ammunitions being seized. Seized firearms and ammunitions are destroyed to prevent them from returning to the illicit market. Venezuela reports that it has no information concerning explosives seized in 2003 and 2004 that may be linked to the illicit trafficking of drugs.

No statistical system to determine the number of persons arrested, tried, and convicted for crimes involving the trafficking in firearms and explosives has been implemented.

Article 19 of the Law on Weapons and Explosives states that explosive substances that are imported without having previously complied with the formalities defined in the law will be subject to seizure. The Armament Directorate of the Ministry of Defense is the depository for seized firearms and explosives in accordance with Article 42 of the Law on Firearms and Explosives. No shipment of the above-mentioned materials has been stopped for lack of a license during 2002 and 2003.

The country has also identified the use of more sophisticated weapons with greater capacity to protect the traffickers and their shipments. The weapons that are being used include R-15 assault rifles, 7.62mm caliber FALs, M-16 rifles, Glock pistols, Sig-Sauer pistols, and hand grenades.

During years 2002-2004 Venezuela has not made any requests to other countries for information on shipments of firearms, ammunition, or explosives.

CICAD notes with concern that the country does not have the computer and telecommunications platform needed to efficiently participate in information-sharing on the trading, importation, manufacture, possession, supply and concealment of firearms, explosives and ammunition. CICAD urges the country to take the steps needed to train officials in the competent agencies.

RECOMMENDATIONS:

7. IMPLEMENT A STATISTICAL SYSTEM ESTIMATE THE NUMBER OF PERSONS ARRESTED, TRIED AND CONVICTED FOR CRIMES RELATED TO THE ILLICIT TRAFFICKING OF FIREARMS AND EXPLOSIVES.
8. STRENGTHEN THE TRAINING OF PUBLIC OFFICIALS IN THE INSTITUTIONS RESPONSIBLE FOR THE CONTROL OF FIREARMS AND AMMUNITION.
9. ESTABLISH A FORMAL MECHANISM, WITH ADEQUATE TECHNOLOGY, TO PROMOTE OR FACILITATE AN EXPEDITIOUS EXCHANGE OF INFORMATION REGARDING FIREARMS AND AMMUNITION BETWEEN THE RELEVANT CONTROL AGENCIES.

C. Money Laundering

Venezuela reports that it criminalizes money laundering, considering drug trafficking as a predicate offense. In Venezuela a person can be processed for money laundering if that person was convicted for a predicate offense. Under the country's legislation, money laundering is not considered an autonomous crime. Additionally, it has regulations for financial and other institutions that are required to report suspicious or unusual transactions to competent authorities. However, national laws and regulations are not applicable to real estate agencies, lawyers, notaries,



accountants, or the cross-border movement of currency or negotiable bearer instruments. The National Assembly is presently discussing the bill for the Act against Organized Crime, which contains provisions to combat money laundering.

Venezuela reports that a draft Administrative Bill has been prepared covering the following sectors: horseracing, hotels, lottery, and automobiles. This bill provides the obligation for those sectors to implement a system for preventing and controlling money laundering. This Bill will soon be published officially. Consultations have also been initiated with the bar association and accountants' associations with a view to implementing a system to prevent money laundering in these sectors. Notaries and Registrars currently report to CONACUID details of all money movements in excess of ten million bolívares (approximately US\$5,208.33).

The country reports that it does not have updated money laundering laws. However, the Organic Law against Organized Crime is currently under second debate for its approval in Congress and consists of 150 articles. This draft Organic Law against Organized Crime establishes money laundering as an autonomous crime and 29 serious offenses have been indicated as predicate offenses of this crime. These offenses were taken from the basic United Nations document on organized crime, which lists the crimes of drug trafficking, trafficking in humans, trafficking in organs, pornographic prostitution, kidnapping, extortion, crimes against the administration, terrorism and terrorism financing and fraud.

The country reports a decline in 2003 of the number of reports on suspicious activities due to currency exchange controls.

Number of Reports of Suspicious Transactions and Their Results

Year	Number of Transactions	Number of Investigations	Trials Started	Number of Persons Convicted	Year Value of Seized Assets
2002	1,177	217	45	Not available	Not available
2003	956	200	70		

The table above shows data reported by the country on suspicious transactions and their results. As for the number of persons arrested and tried for money laundering crimes, there are no data reported for 2003-2004.

The Superintendence of Banks has an Integral System for the Prevention of Money Laundering and sanctions subjects required to report when they fail to observe the provision of the regulations. Venezuela reports that it has a method to evaluate the effectiveness of the system to report suspicious operations, and this method is in the process of being updated. The country reports that it is possible to obtain financial documents and records in cases of money laundering crimes for intelligence and/or prosecution purposes.

Venezuela reports that seized assets from drug crimes and money laundering are transferred to the Ministry of Finance and jointly administered with CONACUID through the Technical Commission for the Control, Recovery, Conservation, Administration, Auditing, and Transfer of Seized Assets, which is composed of officials from both institutions.

The country has a National Financial Intelligence Unit, which is a member of the Egmont Group and is attached to the Superintendence of Banks. The Unit has an autonomous budget and also receives administrative support from the Superintendence. It may consult bank accounts directly without the need to comply with any confidentiality rules in that regard.



The country did not report on the number of extradition requests for money laundering. Additionally the country reports that it has not received any requests for extradition from other States, nor has it received any request for preventive embargo. In 2003, however, it received 24 requests for lifting bank secrecy from member countries of the Egmont Group, all of which were replied to within two weeks on average.

Venezuela reports that since 2002 training workshops have been conducted for judges, prosecutors and administrative officials on the handling of cases involving money laundering and these professionals continue to hold the same positions in 2004. The number of participants trained is indicated in the following table:

Number of Judges, Prosecutors and Administrative Officials Trained in Administration of Money Laundering Cases

Year	Judges	Prosecutors	Administrators
2002	23	33	-
2003	-	70	25
2004	25	25	42

The country also reports that foreign exchange from drug trafficking and commercialization has led to an increase in the sale of foreign exchange for bolívares on the black market at the official rates for the dollar and the euro. This has led the Network against Money Laundering to adopt an action plan to suppress this threat.

CICAD notes that the country should consider increasing the number of predicate offences for money laundering so as to be in line with international standards, in order to improve its prevention system and controls against this offense.

Furthermore, in order to ensure the effective functioning of the system, it is also important for Venezuela to train its judges, prosecutors, and other officials, to ensure their familiarity with national and international laws as well as with the different typologies and modalities in which money laundering occurs. On the other hand, Venezuela's Commission for Seized Assets has not recovered any goods from money laundering cases during the evaluation period, neither has it carried out transfers nor have estimates of seized goods. The country informs that there are cases where a ruling has been issued for the seizure of proceeds from money laundering, but as procedures are still pending in other courts, these have yet to be seized.

RECOMMENDATIONS:

10. INCLUDE MONEY LAUNDERING AS AN AUTONOMOUS CRIME IN THE COUNTRY'S LEGISLATION.
11. EXPAND THE NUMBER OF PREDICATE OFFENCES FOR MONEY LAUNDERING, AND INCLUDE AMONG THOSE OFFENSES TRAFFICKING IN FIREARMS, TRAFFICKING IN HUMAN BEINGS, TRAFFICKING IN ORGANS, PROSTITUTION, PORNOGRAPHY, KIDNAPPING, EXTORTION, CRIMES AGAINST THE PUBLIC ADMINISTRATION, TERRORISM AND ITS FINANCING, AND FRAUD.

D. Corruption

On April 7, 2003, Venezuela ratified a law criminalizing acts of corruption. The Act against Corruption, in line with the Inter-American Convention Against Corruption and the



recommendation from the Second Evaluation Round 2001-2002. The Act provides for 1 to 10 years imprisonment, depending on the crime.

Scope of the Legal Statutes Criminalizing Acts of Corruption

Acts of Corruption Criminalized in the Convention	Title, Date and Articles of the National Law and/or Regulations	Sanction
1) Act or omission by a government official for the purpose of illicitly obtaining benefits for himself or for a third party (Art. VI c)	Act against Corruption 7-04-2003 Article 62	3 to 7 years imprisonment, a 50% fine. 4 to 8 years imprisonment, a 60% fine.
2) Fraudulent use or concealment of property derived or obtained through corruption (Art. VI d)		It is punished as accomplice of the crime from which the proceeds are derived.
3) Illicit enrichment of a government official (Art. IX)	Act against Corruption 7-04-2003 Article 73	3 to 10 years imprisonment, confiscation of assets.
4) Improper use by a government official of confidential information (Art. XI 1a)	Act against Corruption 7-04-2003 Article 66	1 to 6 years imprisonment, a 50% fine.
5) Embezzlement by a government official	Act against Corruption 7-04-2003 Article 52	3 to 10 years imprisonment, confiscation.

The table shown above specifies the legal statutes that were enacted or amended for Evaluation Period 2003-2004, in accordance with the Inter-American Convention against Corruption.

The fines that are established for the crimes indicated in Articles 62 and 66 of the Law against Corruption consist of monetary penalties imposed jointly with imprisonment, and are calculated on the basis of the amount of the benefit received or promised to the official for committing the crime.

The country reports that there were no reported cases of public officials arrested, tried and convicted for crimes of corruption associated with the trafficking of illicit drugs.

It reports that, in 2002, 5 government officials were arrested for crimes involving illicit trafficking in drugs, 15 were tried, and 1 was convicted. In 2003, 3 government officials were arrested, 16 were tried. No information was provided on those convicted.

CICAD recognizes the efforts made by Venezuela to pass the Law against Corruption in line with the Inter-American Convention against Corruption, in response to the recommendation made during the Second Evaluation Round 2001-2002.

E. Organized Crime

Venezuelan legislation includes various laws such as the Organic Law on Narcotic and Psychotropic Substances and the Law against Corruption that seek to prevent, control and suppress transnational organized crime in its connections with trafficking in illicit drugs and other related crimes.

Venezuela criminalizes participation in organized crime, as well as money laundering, corruption, and obstruction of justice. The country also includes provisions on cooperation in its laws on



extradition, mutual and joint judicial assistance; precautionary measures and serving of sentences, seizure and confiscation, interdiction, and protection and assistance for victims.

The country also reports that it is in the process of approving the Organic Law against Organized Crime, which criminalizes several offenses, and envisages cooperation measures and special investigation techniques, in order to be in line with the United Nations Convention against Transnational Organized Crime. The country reports that it is not possible to do a nationwide diagnosis of the country's situation with regard to transnational organized crime, because the Organic Law against Organized Crime has not been approved. It does not report on the envisaged date for the approval of the Organic Law.

CICAD notes that the country is implementing the regulations on transnational organized crime, which are now pending approval as part of the legislative agenda of the National Assembly.



V. CONCLUSIONS

CICAD notes that the budget to finance the Plan from the different sectors of the government, and the implementation of the usage of funds provided by private companies for drug prevention and treatment, through the Law (article 101-LOSEP), supports the implementation of the goals set by the country. On the other hand, an aspect that should be noted with regard to the budget is that, during evaluation period 2003-2004, 48 percent of the annual budget is provided by international sources, and that CONACUID, the agency responsible for executing the National Plan, considers that the resources assigned to it are insufficient, as it only enables it to meet expenses for staff and the functioning of this Commission.

Venezuela directs its efforts towards the decentralization and evaluation of drug abuse prevention and treatment programs and seeks to include several sectors in this complex task. Programs targeting key population groups have been specifically included in the area of demand reduction in the country, where particular attention should be given to monitoring the progress of programs in order to measure effectiveness in evaluation and determine which factors influence post-implementation trends in these programs in key populations.

Implementation of the epidemiological windows methodology to estimate the prevalence of the use of licit and illicit substances in households, schools, treatment center patients, and prisons, as well as on the social cost of drugs, is a present challenge that Venezuela must tackle in order to support the implementation of the various evidence-based programs and measure their impact over time.

It is particularly important that the Venezuelan Drug Observatory be strengthened so it can gather, systematize and analyze the data on drug supply and demand effectively and accurately.

As regards pharmaceutical products and controlled chemical substances, the country should improve in the medium term the problem of insufficient trained personnel to effectively control the establishments authorized for the production, sale and distribution of these products and substances. Additionally, The country does not have an effective mechanism to gather existing information on pharmaceutical products and controlled chemical substances in the different regions of the country.

Although the country considers that the volume of cannabis production in its territory is not on a significant scale, it should monitor more closely any such cases in order to prevent expansion of illicit crops. To achieve this, it is expected that the country fully implement the Working Plan of the Global Illicit Crops Monitoring Program, in cooperation with UNODC.

CICAD notes that the country's legislation criminalizes money laundering, establishes illicit drug trafficking as a predicate offense, and requires financial institutions and other parties to report suspicious or unusual transactions to the competent agencies. It also considers important that the country is in the process of approving the Organic Law against Organized Crime, as it establishes the autonomy of money laundering and incorporates several precedent crimes.

The importance of approving the draft Law against Organized Crime demonstrates that the country has determined that it needs to adopt updated mechanisms that are consistent with international regulations establishing these types of offenses.

CICAD recognizes the efforts made by Venezuela in the framework of the Multilateral Evaluation Mechanism (MEM) and encourages the country to continue its activities to meet the new challenges.



VI. SUMMARY OF RECOMMENDATIONS

The following recommendations are assigned to Venezuela 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 BUILDING

1. EXPAND THE COVERAGE OF THE SYSTEM TO GATHER NATIONWIDE INFORMATION ON DRUG SUPPLY AND DEMAND AND RECORD THIS INFORMATION IN A UNIFIED DATABASE.

DEMAND REDUCTION

2. CARRY OUT AN EPIDEMIOLOGICAL STUDY IN SCHOOLS ON DRUG USE PREVALENCE, RISK FACTORS AND PREVENTION.
3. IMPLEMENT THE CASUISTRY PROJECT ON MORBIDITY AND MORTALITY RELATED TO DRUG ABUSE.
4. CONDUCT A NATIONWIDE EPIDEMIOLOGICAL STUDY, A RECOMMENDATION REITERATED FROM THE SECOND EVALUATION ROUND, 2001-2002.

SUPPLY REDUCTION

5. COMPLETE IMPLEMENTATION OF THE NATIONAL DATABASE SYSTEM (NDS) FOR THE CONTROL OF DRUGS, CHEMICAL SUBSTANCES AND PRECURSORS.
6. UPDATE EXISTING REGULATIONS ON THE CONTROL AND DIVERSION OF PHARMACEUTICAL PRODUCTS AND CONTROLLED CHEMICAL SUBSTANCES, A RECOMMENDATION REITERATED FROM THE SECOND EVALUATION ROUND, 2001-2002.

CONTROL MEASURES

7. IMPLEMENT A STATISTICAL SYSTEM TO ALLOW AN ESTIMATION OF THE NUMBER OF PERSONS ARRESTED, TRIED AND CONVICTED FOR CRIMES RELATED TO THE TRAFFIC OF FIREARMS AND EXPLOSIVES.
8. STRENGTHEN THE TRAINING OF PUBLIC OFFICIALS IN THE INSTITUTIONS RESPONSIBLE FOR THE CONTROL OF FIREARMS AND AMMUNITION.
9. ESTABLISH A FORMAL MECHANISM, WITH ADEQUATE TECHNOLOGY, TO PROMOTE OR FACILITATE AN EXPEDITIOUS EXCHANGE OF INFORMATION REGARDING FIREARMS AND AMMUNITION BETWEEN THE AGENCIES THAT ARE RESPONSIBLE FOR THEIR CONTROL.
10. INCLUDE MONEY LAUNDERING AS AN AUTONOMOUS CRIME IN THE COUNTRY'S LEGISLATION.
11. EXPAND THE NUMBER OF PREDICATE OFFENCES FOR MONEY LAUNDERING, AND INCLUDE AMONG THOSE OFFENCES TRAFFICKING IN FIREARMS, TRAFFICKING IN HUMAN BEINGS, TRAFFICKING IN BODILY ORGANS, PROSTITUTION, PORNOGRAPHY, KIDNAPPING, EXTORTION, CRIMES AGAINST THE PUBLIC ADMINISTRATION, TERRORISM AND ITS FINANCING, AND FRAUD.