

MEMEM

Multilateral Evaluation Mechanism

Inter-American Drug Abuse
Control Commission
(CICAD)

Secretariat for
Multidimensional
Security
(SMS)

Nicaragua

**EVALUATION OF
PROGRESS IN
DRUG CONTROL**

2007-2009



Organization of
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ORGANIZATION OF AMERICAN STATES
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- National Anti-Drug Council (CNLCD)
- Ministry of Foreign Relations
- Federation of Therapeutic Communities of Nicaragua (FENICT)
- Ministry of Health (MINSA), National Mental Health Program
- Ministry of Education, Culture and Sports
- Office of the Attorney General of the Republic
- Public Ministry
 - Executive Secretariat
 - Bureau of Planning and Statistics



PREFACE

The Multilateral Evaluation Mechanism (MEM) is a diagnostic tool designed by all 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), of the Secretariat of Multidimensional Security, 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 all member states, which meets before the onset of each MEM evaluation round to review and strengthen all operational aspects of the mechanism, including the indicators of the evaluation questionnaire.

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

This report covers the full country evaluation for the MEM Fifth Round evaluation period 2007-2009. The follow-up report on the implementation progress of recommendations assigned to the country will be published in June 2012. All MEM reports can be accessed through the following webpage: www.cicad.oas.org



INTRODUCTION

Nicaragua covers an area of 130,000 km². The country is bordered by the Caribbean Sea to the east and the Pacific Ocean to the west and shares borders with Honduras to the north (922 kilometers) and Costa Rica to the south (309 kilometers). The population is 5,785,846 (2008) and the main ethnic groups are mestizo (69%), white (17%), black (9%), and Indigenous Persons (5%). The literacy rate is 67.5%. The country is a republic divided into 15 departments and two autonomous regions (North Atlantic and South Atlantic). The country's Gross Domestic Product (GDP) is US\$ 1,070.80 per capita (2009) and its rate of inflation is 0.9% (2009). Nicaragua's exports total US\$ 1,390,888.80 (2009) and consist mainly of coffee, shrimp and lobster, peanuts, tobacco, bananas, beef, sugar, and gold.

I. INSTITUTIONAL STRENGTHENING

A. National Anti-drug Strategy

Nicaragua reports that during the evaluation period it did not have a national anti-drug plan, and that the previous plan expired in December 2006. However, the country informs that between 2007 and 2009, anti-drug activities were implemented within the framework of the previous plan.

The autonomous regions and departmental authorities have jurisdiction in areas related to anti-drug policies. With respect to decentralization policies, the country reports that in the departmental and autonomous regions of Nicaragua, no anti-drug plans are being carried out.

The anti-drug activities are financed from the general budget of the Republic allocated to each institution, and with international cooperation funding for project implementation.

Nicaragua reports that the National Anti-drug Council (CNLCD), created in 1999, is the national anti-drug authority, which acts as a decentralized autonomous agency.

The institutions that constitute the managing level of the national authority are the Ministry of Interior, Ministry of Health, Ministry of Education, Ministry of Foreign Relations, Public Ministry, Ministry of Family Affairs, and Ministry of Defense. In addition, it includes the Police, the Army, the Office of Human Rights, and the National Assembly.

The CNLCD coordinates the following areas: demand reduction, supply reduction, control measures, drug observatory, international cooperation, evaluation of programs, and efforts to fight money laundering and terrorism.

The national authority has a legal foundation and a central technical office to carry out its mandates, the Executive Secretariat of the CNLCD, a decentralized autonomous institution established in 1999. The country indicates that the CNLCD has an annual independent budget,



and reports that the sources of financing for its budget are as follows: allocation by the government, self-financing (law-enforcement), and international cooperation. Nicaragua provides in the following table the annual budget of CNLCD:

Annual budget of the CNLCD, 2006-2009

Fiscal year	Total budget received (US\$)
2006	100,000.00
2007	120,000.00
2008	121,700.00
2009	127,700.00

B. International Conventions

Nicaragua has ratified the following conventions:

- Inter-American Convention on Mutual Assistance in Criminal Matters, 1992;
- Inter-American Convention against Corruption, 1996;
- Inter-American Convention against Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives and Other Related Materials (CIFTA), 1997;
- United Nations Single Convention on Narcotic Drugs, 1961, as amended by the 1972 Protocol;
- United Nations Convention on Psychotropic Substances, 1971;
- United Nations Convention Against Illicit Trafficking in Narcotic Drugs and Psychotropic Substances, 1988;
- United Nations Convention against Transnational Organized Crime, 2000 and its three Protocols:
 - Protocol against the Smuggling of Migrants by Land, Sea and Air;
 - Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children;
 - Protocol against the Illicit Manufacturing and Trafficking in Firearms, Their Parts and Components and Ammunition;
- United Nations Convention against Corruption, 2003.

Nicaragua reports that, in accordance with the international conventions, Law No. 641, Criminal Code of Nicaragua, was issued in May 2008 regarding criminal conduct related to narcotics, and psychotropic and other controlled substances.

C. National Information System

Nicaragua does not have a centralized office at the national level that organizes, carries out studies, compiles, and coordinates drug-related statistics and other drug-related information.



Regarding studies on demand reduction, Nicaragua reports that in 2009 it conducted a Survey of Students in Higher Education.

The country provides in the following table the information available on supply reduction for 2006-2009:

Information	2006		2007		2008		2009	
	Yes	No	Yes	No	Yes	No	Yes	No
Priority information								
Drug availability indicators		X		X		X		X
Quantities of drugs seized	X		X		X		X	
Number of persons charged with and convicted of drug use, possession and trafficking	X		X		X		X	
Number of drug labs dismantled	X		X		X		X	
Recommended information								
Number of persons formally charged with and convicted of money laundering	X		X		X		X	
Number of persons formally charged with and convicted of trafficking in firearms, explosives, ammunition, and related materials	X		X		X		X	
Number of persons formally charged with and convicted of diversion of chemical substances	X		X		X		X	
Quantities of chemical substances seized	X		X		X		X	
Sales price of drugs (for consumers)	X		X		X		X	

II. DEMAND REDUCTION

A. Prevention

Nicaragua did not provide information on the implementation of a national/regional/provincial system of drug abuse prevention programs targeting at key sectors of the population.

Regarding diplomas, certificates, university degrees or education courses offered in drug abuse prevention, treatment and research, Nicaragua reports that during the period 2006-2009, the following were offered:



- Workshops and non-professional technical training for staff of treatment centers, staff of NGOs and university instructors;
- Diploma/certificate recipients (university-level programs);
- Specialization, master's degrees, doctoral degrees, post-doctorate studies;
- Regional and international training programs.

The country provided refresher and in-service prevention courses on the following subjects: successful training techniques and practices; understanding drug addiction; and theories about behavioral change and the history of use and risk factors.

Furthermore, Nicaragua delivered treatment and rehabilitation refresher and in-service courses on: diagnosis systems, patient referral and cross-referral and its piloting, impact of drugs on HIV risk and progress, and patient evaluation. In addition, it conducted a workshop for training in the use of the modular information system on addictions.

Nicaragua indicates that no courses or materials were provided on prevention or treatment in the curriculum of courses of study leading to an undergraduate university degree nor continuous refresher and in-service education courses for university graduates.

The country reports that technical vocational training certificate in prevention and treatment and rehabilitation were issued to 251 persons. Specialists from Nicaragua participated in regional and international training programs for drug abuse prevention, treatment, and research.

B. Treatment

The National Anti-drug Council is responsible for the design and implementation of the public policy, financing, and training of human resources to address the treatment of drug use problems. In addition, it is a responsibility of the Ministry of Health to design and implement the public policy, to control and regulate the availability of treatment, to finance and supervise programs and to train human resources.

Nicaragua indicates that there is no specific budget allocated for treatment. These activities are covered by the general budget of the institutions involved in this matter and grants from international agencies.

Nicaragua reports that it has the Minimum Standards of Care for Users of Psychoactive Substances, an official regulation for the operation of the facilities specialized in providing treatment services for persons with problems associated with drug use, but its implementation is still pending.

The procedure for official approval to authorize the operation of the specialized facilities that provide treatment services for persons with problems associated with drug use is defined in the "Manual for the Authorization to Operate Establishments Providing Health Services", approved through Ministerial Agreement N° 336-2008 of September 9, 2008.



Nicaragua does not have an official record or a oversight system for specialized facilities that provide treatment services for persons with problems associated with drug use.

Nicaragua reports that the facilities that are part of the country's Primary Health Care (PHC) network carry out some specific activities to address problems associated with drug use only in the Managua Silais and mainly for patients identified through medical consultations.

Nicaragua indicates that it does not have information on the number of cases treated in PHC facilities in 2006, 2007, and 2008. In 2009 21 cases were treated.

The country indicates that it does not have data on the number of cases treated in officially licensed facilities specialized in treatment of problems associated with drug use, that were referrals from the general health care system (outpatient facilities and hospitals).

Nicaragua reports that the nine states of the country have officially-licensed specialized drug treatment facilities. The country reports that it does not have data on the cases of persons with drug problems treated at officially-licensed specialized treatment facilities.

Nicaragua does not have data on the total number of cases treated in unlicensed specialized treatment facilities for drug problems. The country does not have information on the number of treatment centers that offer aftercare programs.

Nicaragua reports that it does not carry out activities that make it possible to follow-up with patients in order to ensure their recovery once the indicated treatment has concluded.

C. Statistics on Consumption

Nicaragua does not have an estimate of drug use in the general population or in the school population, nor for part of the country or for a part of the population. The country does not carry out surveys on a regular basis.

Nicaragua does not have information on the age of the onset of drug use nor on the risk perception of drug use among the youth population. The country does not have studies that make it possible to assess the relationship between drugs and crime.

Nicaragua has records of traffic accidents related to the consumption of alcohol and drugs. However, the country does not provide the percentage of accidents in which alcohol or drugs were a contributing factor.

The country does not have records on accidents in the workplace related to alcohol or drug use, nor does it have guidelines, rules or regulations on actions to prevent accidents related to alcohol or drug use.



III. SUPPLY REDUCTION

A. Drug Production

Nicaragua reports that it does not have a system to detect cannabis crops. However, the country has a strategy for the early detection of cannabis crops. Nicaragua does not have a system for monitoring the replanting of crops.

The country has a system for measuring potential cannabis production and reports that its potential cannabis production was 93,744.86 kilograms in 2006, 18,507.96 kilograms in 2007, 10,932.25 kilograms in 2008 and 38,116.03 kilograms in 2009. The country has not detected cannabis crops grown indoors.

Nicaragua reports that it does not have a formal crop eradication program. Nonetheless, it reports that it uses forced manual eradication to eradicate cannabis crops. The country reports that 9.1 hectares of cannabis were manually and forcibly eradicated in 2006, 1.8 in 2007, 1.07 in 2008 and 3.5 in 2009.

Nicaragua reports that illicit laboratories for drugs of natural or synthetic origin have not been found.

B. Control of Pharmaceutical Products

Nicaragua has the following national laws for the control of pharmaceutical products, in accordance with the relevant international conventions: Law on Medicine and Pharmacy (Law No. 292), enacted on June 4, 1998, and its Regulations (February 4 and 5, 1999) and their respective amendments (June 7, 2000 and March 7, 2002); and the Law on Narcotic Psychotropics and other Controlled Substances (Law No. 285), enacted on April 15, 1999, and its Regulations (June 30, 1999).

The country does not provide information on which pharmaceutical products listed in the international conventions are controlled, nor on the competent authorities responsible for coordinating activities related to the control of pharmaceutical products.

In the health sector, the country is undertaking the following actions to control pharmaceuticals and prevent their diversion: register control, monitoring distribution, control and monitoring of prescriptions, inspections, administrative sanctions, and transfer of unusual cases detected by the administrative authorities to judicial authorities.

In the private sector, Nicaragua is engaged in the following actions to control pharmaceuticals and prevent their diversion: control of imports/exports, register control, manufacturing control,



monitoring distribution, inspections, administrative sanctions, registry of licensees, and registry of quantities of pharmaceutical products sold or manufactured.

The country reports that it has an integrated procedure for monitoring and preventing the diversion of pharmaceutical products. Nonetheless, it does not explain how the procedure operates.

Nicaragua reports that it has a regulatory system to control pharmaceuticals. Nonetheless, it does not report how many inspectors or investigators it has for that purpose.

Nicaragua has mechanisms by which the members of the health sector can communicate and share information with law enforcement or judicial authorities to report or prevent the diversion of pharmaceutical products and to apply sanctions. Through these mechanisms, the National Police can ultimately forward operative information gathered in situ or from intelligence concerning illegal trafficking of pharmaceutical products, whenever such information is recorded, to the Ministry of Health.

The country reports that it has a system to compile information on administrative and regulatory activities related to controlled pharmaceuticals and on sanctions imposed in connection with them. Nonetheless, it does not provide information on the number of licenses issued, the number of permits issued, or the number of inspection carried out.

The country offers training courses for public and private sector personnel involved in the handling of pharmaceutical products, but it does not report any details in that regard.

Nicaragua has an automated information management system to facilitate the control of pharmaceutical products, but it does not provide details on the system.

Nicaragua applies penal sanctions for the illicit production, diversion, and illicit trafficking of pharmaceutical products, and imposes civil sanctions for their illicit production and illicit trafficking.

The country provides the following information on the penal sanctions applicable for the illicit production, diversion, and trafficking of pharmaceuticals:

- Illicit production: imprisonment of five to 20 years and 100 to 1,000 days fine.
- Diversion: imprisonment of six months to two years and special disqualification, as applicable, from the field.
- Illicit trafficking: imprisonment of five to 15 years and from 300 to 800 days fine.

Nicaragua does not provide information on the number of times the sanctions were applied from 2006-2009.

Regarding the quantities of pharmaceutical products seized during the evaluation period, Nicaragua reports that it seized 2,100 tablets of alprazolam in 2006, 261.10 kilograms of amphetamine and 37,498 tablets of pseudoephedrine in 2008, and 824.30 kilograms of powdered



amphetamine in 2009. The country reports that no pharmaceutical products were sized during 2007.

Nicaragua reports that the following pharmaceutical products were disposed of in 2006, 2008, and 2009 respectively: 2,100 tablets of alprazolam, 37,498 tablets of pseudoephedrine, and 391.70 kilograms of amphetamines in powder form.

With respect to the methods used for the final disposal of the pharmaceutical products that were confiscated, the country reports that they are destroyed.

C. Control of Chemical Substances

Nicaragua reports that it has Special Law No. 285 of April 16, 1999 and the Law on Medications and Pharmacy No. 292 of June 4, 1998, to control chemical substances, in accordance with international conventions. Nicaragua’s legislation provides for the control and inspection of all chemical substances listed in the international conventions.

In relation to the existence of mechanisms or means by which the institutions responsible for preventing and penalizing the diversion of controlled chemical substances can communicate and share information among themselves, the country informs that the National Police, through the Chemicals Department of the Drug Investigations Administration, communicates with the Ministry of Health (MINSa), concerning early warnings of shipments of chemical precursors and controlled substances about to enter Nicaragua and approved by MINSa. This institution, in turn, shares information with the National Police on chemical precursors and controlled substances import requests submitted by authorized Companies (laboratories, manufacturing and import companies), for appropriate verification.

The following are the national authorities that have authority over the implementation of laws and regulations for controlling chemical substances:

- In the administrative sphere: MINSa, Ministry of Agriculture and Forestry (MAGFOR), General Customs Bureau (DGA), and General Department of Revenue (DGI)
- In the judicial sphere: hearing judges and trial judges
- With regard to customs matters: General Customs Bureau
- Other spheres: Ministry of the Environment and Natural Resources (MARENA), and MAGFOR

In the following table Nicaragua provides the actions it is taking to control the diversion of chemical substances, and the entities responsible:

Actions taken	Agency responsible
National registry of licensees	MINSa, National Police, MAGFOR, DGA and DGI
License control (manufacture, distribution)	MINSa, DGI, MAGFOR, DGA Y MARENA
Import/export control	MINSa, National Police, DGI, DGA and MAGFOR
Inspection	MINSa, National Police, DGI, MAGFOR and DGA



Actions taken	Agency responsible
Transaction audits	MINSAs and National Police
Control of distribution	MINSAs and National Police
Control of the final commercialization	MINSAs and National Police
Transport control	MARENA, National Police, MINSAs and DGA
Pre-export notifications	MINSAs, National Police, DGA.
Imposition of sanctions	MINSAs and the Judicial Branch
Customs Control	DGA

The country reports that it has an integrated procedure to monitor the importation process and to prevent the diversion of chemical substances.

Nicaragua has a regulatory system for the control of chemical substances that includes five investigators and five inspectors, two per each of the following institutions: Ministry of Health, Ministry of Agriculture and Forestry, National Police, General Customs Bureau, and Ministry of Environment and Natural Resources.

The country reports that it offers training courses for administrative officials, police officials, and customs on topics related to controlling diversion of chemical substances. The institutions to which they are offered are: the Ministry of Health, Ministry of Agriculture and Forestry, National Police, General Customs Bureau, and Ministry of Environment and Natural Resources. The courses include: inspection of chemical substances and control and supervision of chemical precursors.

Nicaragua does not have an automated system for the secure and efficient management of information to facilitate the control of the diversion of chemical substances.

Nicaragua has provisions that make possible the application of penal sanctions for the illicit production, diversion, and trafficking of controlled chemical substances, as well as the application of civil sanctions for their illicit diversion and trafficking.

Regarding the penal sanctions applicable to the illicit production, diversion, and trafficking of controlled chemical substances, Nicaragua indicates that a prison term of five to 10 years and a fine of one to 10 times the market value of the precursors will be imposed. Nicaragua does not provide information on the number of times sanctions were applied from 2006-2009.

Nicaragua did not provide information regarding the number of pre-export notifications (re-export) for controlled chemical substances sent per year by the relevant authority of the exporting or transit country.

Nicaragua indicates the total number of imports of controlled chemical substances received during the years 2006-2009:



Year	Number of controlled chemical substance imports
2006	294
2007	156
2008	134
2009	35

In the following table, the country reports the number of notifications prior to the export for controlled chemical substances it received and the number responded to in a timely manner, from 2006-2009:

	2006	2007	2008	2009
Number of pre-export notifications received	18	24	3	5
Number of responses sent	18	24	3	5
Number of timely replies sent (maximum 15 days)	18	24	3	5

During the years from 2006-2009, no pre-export notification received by Nicaragua was not approved or led to an investigation.

Nicaragua does not have a computerized information system, software, or other similar system to process pre-export notifications.

Nicaragua reports that it did not carry out any seizures of controlled chemical substances from 2006-2008. In 2009, the National Police seized 1,200 kilograms of Toluene. Nicaragua does not report whether the competent authorities share information among themselves on the volume of seizures and forfeitures in cases of the diversion of controlled chemical substances.

IV. CONTROL MEASURES

A. Illicit Drug Trafficking

Nicaragua indicates the quantities of drugs forfeited to law enforcement and interdiction agencies from 2006-2009 in the following table:

Type of illicit drugs	Unit of measure	Quantities of drugs forfeited			
		2006	2007	2008	2009
Heroin	Kilograms	14.88	180.08	19.83	4.86
Cocaine HCl	Kilograms	9,902.61	13,489.64	15,352.95	4,123.12
Crack	Kilograms	2.55	3	2.37	2,07



Type of illicit drugs	Quantities of drugs forfeited				
	Unit of measure	2006	2007	2008	2009
Cannabis plants	Kilograms	136.96	26.65	15.43	52.99
Leaf cannabis (grass)	Kilograms	543.27	374.41	428.00	509.55
Cannabis seed	Kilograms	11.29	0.88	0.23	29.12
Amphetamine/ methamphetamine	Kilograms	-	-	261.90	130.60
Other amphetamine-like stimulants	Tablets	2,100	-	-	-
Pseudoephedrine	Tablets	-	-	37,498	-

The country reports that it has expert studies for the characterization and profiling of the substances seized.

In the following table, Nicaragua reports the number of persons formally charged with and convicted of illicit drug trafficking from 2006-2009:

Year	Number of persons formally charged	Number of persons convicted
2006	1,134	374
2007	910	331
2008	475	126
2009	2,179	17

Nicaragua does not have data on the number of public officials formally charged with and convicted of crimes related to illicit drug trafficking from 2006-2009.

With respect to illicit possession of drugs for personal consumption, Nicaragua reports that Article 561 of Law 641, the Criminal Code, punishes minor possession of narcotic, psychotropic, or controlled substances (less than 5 grams for marijuana or 1 gram for cocaine or any other substance) with a fine of 70 to 100 days, and 30 to 60 days of community service, two hours each day.

Nicaragua does not indicate the number of persons formally charged with and convicted of illicit drug possession for personal consumption during the years 2006-2009.

In the following table, the country indicates the number of persons formally charged with and convicted of illicit possession of drugs during the years 2006-2009:

Year	Number of persons formally charged	Number of persons convicted
2006	622	39
2007	464	28
2008	196	6
2009	66	7



Nicaragua does not have information on alternative sentencing measures for the crime of illicit drug possession.

Nicaragua reports that the National Police, through the Drug Investigation Bureau, is the competent authority in charge of controlling illicit drug trafficking.

Nicaragua indicates that it utilizes information exchange as a means of fostering cooperation among the authorities in charge of controlling illicit drug trafficking.

Nicaragua did not provide information on specialized training in controlling drug trafficking.

Nicaragua has implemented the International Ship and Port Facility Security Code (ISPS) of the International Maritime Organization (IMO). In this respect, it indicates that this code has been implemented in the country's seven ports. However, two ports (Puerto Cabezas and Corn Island) have not been certified. In addition, the Naval Force conducts patrols and implements a discovery measures system through intelligence work, to detect illicit activities in fluvial and maritime ports, as part of the security and coverage of domestic and national freight and passenger ports.

The execution of the anti-drug port security programs is coordinated by the Naval Force; the National Port Enterprise participates, and when necessary, Immigration, Customs, and the National Police are involved.

The country does not have a common interagency database or mutual access to databases to gather, analyze, exchange, and share information and intelligence among the national and public entities involved in drug control activities in ports. The country reports that it has inter-institutional working groups, exchange of information among the participating entities from the public and private sectors, review of manifests and other documentation in order to set objectives, regular meetings among agencies, and informants for this purpose.

The country reports that it has a non-commercial computerized control mechanism that records the movement of vessels in its ports; it is operated by the National Port Enterprise (EPN). Nicaragua reports that the information is compiled through notification by the ship to the competent port authority, in both the commercial and non-commercial areas. The National Port Enterprise, the Naval Force, and the intelligence agencies are the entities that have access to this information.

As regards the criterion used to designate ships, containers, or cargo for more complete inspections or physical checks, the country indicates that it performs the following activities: use of risk indicators, inter-institutional exchange of information, and reports from institutions of other countries. The country does not use document review.

Nicaragua, through the Naval Force, performs maritime drug detection, surveillance, and interdiction on an ongoing basis. The Naval Force is the agency in charge of coordinating surveillance activities and of participating in maritime interdiction operations.



The country reports the following numbers of operations related to maritime interdiction carried out by authorities and vessels seized during 2006-2009:

Number of operations	Number of vessels seized	Number of operations	Number of vessels seized	Number of operations	Number of vessels seized	Number of operations	Number of vessels seized
7	4	11	7	5	5	7	11

The country reports that from 2006-2009, it conducted three joint maritime anti-drug operations with the United States of America.

Nicaragua does not engage in aerial interdiction for illicit drug trafficking, since it does not have the necessary aerial resources. Nonetheless, it reports that in 2009, it coordinated and carried out a joint aerial interdiction operation with the United States of America. In addition, the National Police and the Nicaragua Army carried out two operations on land, in which they seized A200 and E90 aircraft in 2007, and one operation involving the seizure of Cessna 207 aircraft in 2008.

Nicaragua did not provide information on the existence of mechanisms to prevent and control the use of the Internet for illicit drug trafficking.

B. Firearms, Ammunition, Explosives and other Related Materials

The National Police, through the Bureau of Arms, Explosives, and Ammunition (DAEM), is the institution that regulates and authorizes licit activities (import, transit, purchase, sales, delivery, transshipment, transfer, registry, marking, transport, possession, bearing, storage, and marketing) of firearms, ammunition, explosives, and other related materials. Manufacture is not included.

The country’s Law 510 and its Regulations establish administrative controls for the manufacture, import, and transit of firearms, ammunition, explosives, and other related materials. Furthermore they establish as a crime their trafficking and illicit manufacturing, and regulate and authorize commercial transactions (purchase-sale).

The country reports that in accordance with the Inter-American Convention against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives and Other Related Materials, law requires that arms be marked at the moment of their manufacture, for import and for official use after seizure or confiscation, to determine the manufacturer, type of arms, caliber and year of manufacture, as well as the date of sale by the factory and the date of their importation.

The country reports that it has mechanisms for exchange of information and cooperation among national and international institutions for the control of the activities related to firearms, ammunition, explosives, and other related materials, in all their modalities.



The country does not provide information on the number of times the entrance of a shipment of firearms, ammunition, explosives, and other related materials has not been allowed because the necessary licenses or permits were not issued during 2006-2009.

Nicaragua informs that from 2006-2009, it did not deny the entry of shipments of firearms, ammunition, explosives and other related materials because the necessary licenses or permits were not issued.

Nicaragua reports that have a national register of import and transit of firearms, ammunition, explosives and other related materials; It is not computerized, and is maintained for a period of five years. The country informs that the Weapons Administration is currently completing the creation of a software program, called the Data Management System, DAEM, which aims to computerize the import registry for firearms, ammunition, explosives and other related materials.

Nicaragua has a searchable national database (computerized) on the confiscation of firearms, ammunition, explosives, and other related materials. It does not report how long such records are kept.

The country does not have statistics regarding the quantity of firearms, ammunition, and explosives and other related materials seized and forfeited in relation to the number of arrests connected with drug trafficking during the years 2006-2009.

Nicaragua does not have statistics regarding the types of firearms that were seized from persons formally charged with illicit activities related to firearms, ammunition, explosives, and other related materials, linked to drug trafficking.

The country indicates that in 2006, 2007, and 2008, no investigation was initiated or assisted as the result of a trace request from another country. However, in 2009, four investigations were initiated in the wake of trace requests from other countries.

Nicaragua reports that no international firearms traces were received or concluded in the period 2006-2009.

C. Money Laundering

Regarding the laws in force that criminalize money laundering and related crimes, and the sanctions provided for in cases of noncompliance, Law No. 641 Criminal Code, of July 9, 2008, Chapter III, Art. 282 stipulates penalties that range from five to 15 years in prison, depending on the aggravating circumstances of the particular crime, and subject to prosecution for the offense of organized crime, Article 283 Criminal Code. In Nicaragua, a person does not need to be convicted for a predicate offense in order to be convicted of laundering the proceeds of that crime.



The country establishes as predicate offenses for money laundering, crimes that are penalized with five or more years in prison. Nicaragua has penal law provisions that allow for the conviction of the perpetrator of the predicate offense as the active subject of the crime of money laundering.

The country's national legislation identifies undercover investigations, electronic surveillance, use of informants, controlled deliveries, and cooperative testimony as special investigative techniques in cases of money laundering.

Nicaragua reports that it is a member of the Caribbean Financial Action Task Force (CFATF). The last evaluation of the country was on October 28, 2009.

Nicaragua reports that in order to prevent money laundering, the following sectors and activities are obligated to send reports of suspicious operations: the banking sector, currency exchange sector, stock exchanges, insurance sector, transfers of funds, cash, or valuables, casinos and gambling, pawn shops, savings and loan cooperatives, and general warehouses. In its legislation, the country does not include the following sectors or activities: offshore banks, real estate agencies, attorneys, notaries or accountants.

With regard to sectors and activities subject to the obligation to submit objective reports to prevent money laundering, Law No. 285 stipulates in Article 28 that everyone entering the country through customs is required to submit and declare cash, securities, precious objects and metals if the value exceeds US\$ 10,000 or its equivalent in local currency, to the state and private banks through the Superintendency of Banks and other financial institutions (SIBOIF). With regard to revenue and expenditure of foreign exchange, securities, objects and precious metals where the value exceeds US\$ 10,000 or the equivalent in local currency.

Nicaragua does not have a financial intelligence unit. However, it reports that it has a Financial Analysis Commission (CAF) with authority on money laundering, in keeping with Law No. 285, "Law on Narcotic, Psychotropic and other Controlled Substances; Money and Asset Laundering from Illicit Activities," of March 11, 1999. It operates in coordination with the Financial Investigations Directorate of the National Police. The CAF was created as a technical body under the National Anti-Drug Council, but has not been assigned a budget since it was established. The country indicates that the Financial Intelligence Commission is not a member of the Egmont Group.

The country does not have limitations on obtaining financial documents and records in cases of money laundering subject to secrecy, confidentiality, or reserve agreements.

Nicaragua reports that bank secrecy and confidentiality of tax information can be lifted by judicial order.

Nicaragua does not have an entity for the administration or disposal of assets seized and forfeited in cases of illicit drug trafficking and money laundering.



Nicaragua's constitutional legislation does not include mechanisms related to the judicial disposition of assets connected with illicit drug trafficking activities. Nonetheless, the country reports that its legislation does allow for the presale or disposal of seized assets in accordance with Law No. 285.

The country did not provide information on criminal proceedings initiated for the crime of money laundering in 2006 and 2007; in 2008 and 2009 four criminal trials were initiated.

In 2009, the Nicaraguan National Police initiated the four criminal proceedings for money, goods or assets laundering.

Nicaragua reports that in 2008, two persons were formally charged with and two were convicted of the crime of money laundering, and in 2009, 20 were formally charged and seven were convicted. Nicaragua has not provided information for 2006 and 2007.

Nicaragua reports that the above data on criminal proceedings for money laundering are the result of police investigations, as there is no financial intelligence unit in the country.

D. Judicial Cooperation

Nicaragua did not provide information on judicial cooperation to suppress illicit drug trafficking and money laundering.



EVALUATIVE SUMMARY

In the area of institutional strengthening, CICAD notes with concern that during the 2007-2009 evaluation period, Nicaragua did not have a national anti-drug plan.

On the topic of international conventions, CICAD views with satisfaction that during the evaluation period, Nicaragua acceded to the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, their Parts and Components, and Ammunition of the UN Convention against Transnational Organized Crime (2000), and has become party to all international instruments recommended by the MEM to control drugs and related criminal activities.

With regard to a national information system, CICAD acknowledges that the country has conducted studies in the area of demand reduction among high school students and has information on supply reduction. However, CICAD notes that Nicaragua does not have a national centralized office to organize, conduct studies, collect or coordinate statistics or other drug-related information.

In the area of prevention, with regard to demand reduction, CICAD notes with concern that Nicaragua did not provide information concerning the drug use prevention program system being implemented in the country. Consequently, CICAD is unable to assess whether the country increased the coverage of participants in school-based prevention programs, a recommendation assigned in the Fourth Evaluation Round, 2005-2006.

In addition, CICAD notes that Nicaragua offered refresher courses and advanced training in prevention, treatment and rehabilitation aimed at university faculty and treatment centers and NGOs personnel.

Regarding treatment, CICAD notes with concern that Nicaragua, despite having minimum standards of care for users of psychoactive substances, has not implemented them, and has no official record of specialized facilities providing drug treatment services.

CICAD notes that the country lacks an oversight system for drug treatment facilities that will allow it to provide information on cases that were treated. Also, CICAD notes that the country does not carry out activities to monitor patients who have completed treatment.

Regarding statistics on consumption, CICAD notes that Nicaragua conducted a survey of students in higher education in 2009. However, it notes that the country lacks information that would allow for an estimate of the magnitude of drug use, or determine the use, problematic use and abuse of these substances.

In the area of supply reduction, in particular drug production, CICAD notes that Nicaragua has no system in place to detect cannabis cultivation. However, CICAD notes that the country has a strategy in place for early detection of these crops.



CICAD notes that Nicaragua lacks a follow up system to detect the replanting of cannabis crops, as well as a formal eradication program.

Concerning the control of pharmaceutical products, CICAD notes with concern that the country did not provide sufficient information to allow for a proper evaluation of the measures undertaken to prevent the diversion of pharmaceutical products.

In relation to the control of chemical substances, CICAD acknowledges that there are legal regulations in place in Nicaragua governing their control. It also notes the existence of mechanisms to prevent and penalize the diversion of controlled chemical substances; a comprehensive control process through the competent authorities; and a regulatory system to control chemical substances. However, CICAD notes that the country failed to provide information on the number of times sanctions were applied for the diversion of chemical substances during the years 2006-2009.

CICAD notes that Nicaragua offered training courses on the control of the diversion of chemical substances targeting administrative officers, police and customs officials. Nevertheless, CICAD notes that Nicaragua lacks an automated system for the safe and efficient handling of information to facilitate the control of the diversion of chemical substances.

CICAD acknowledges that the country responded in a timely manner to all pre-export notifications for chemical substances that were received between 2006 and 2009. However, it notes that the country lacks a computerized information system, software and other similar system for processing pre-export notifications.

In the area of control measures, related to illicit drug trafficking, CICAD notes that there is a competent agency in Nicaragua responsible for controlling illicit drug trafficking and that the country has implemented the International Ship and Port Facility Security Code (ISPS Code) in seven of its, although two ports remain uncertified. Also, CICAD notes that the country has a computerized non-commercial control mechanism in place that registers the movement of ships at port and that the Navy continuously undertakes maritime detection activities, as well as surveillance and drug interdiction activities.

CICAD notes with concern that Nicaragua did not provide information on research or training activities on the prevention and control of illicit trafficking of pharmaceutical products and other drugs over the Internet. In addition, CICAD notes that the country lacks a database to collect information on public officials charged with and convicted of crimes related to illicit drug trafficking.

With respect to firearms, ammunition, explosives and other related materials, CICAD notes that Law 510 and its regulations establish administrative controls on the manufacture, import, export and transit of firearms, ammunition, explosives or other related materials and criminalize both their trafficking and illicit manufacture.



CICAD notes that the country has information exchange mechanisms in place, and engages in cooperation initiatives between national and international entities for control activities related to firearms, ammunition, explosives and other related materials.

CICAD observes that the country has a non-computerized national register on the import and transit of such material, which is kept for a five-year period.

CICAD notes that Nicaragua does not keep statistics on the quantities of seized and confiscated firearms, ammunition, explosives and other related materials in relation to the number of drug trafficking-related arrests.

In terms of money laundering, CICAD acknowledges that money laundering is considered an autonomous offense. In addition, it notes that predicate offenses for money laundering in Nicaragua are those that are penalized at the highest level, with a sentence of five or more years in prison.

CICAD notes with concern that there is no entity in Nicaragua responsible for the administration or disposal of assets that are seized or confiscated in connection with illicit drug trafficking and money laundering crimes, nor is there a financial intelligence unit. Moreover, CICAD notes with concern that the country has not included real estate agents, lawyers, notaries or accountants among those obligated to report suspicious operations aimed at preventing money laundering.

Concerning judicial cooperation, CICAD notes with concern that the country did not provide information on the institutional framework in place in the country to facilitate judicial cooperation among countries in the region to repress illicit drug trafficking and money laundering.

CICAD acknowledges the efforts undertaken by Nicaragua within the framework of the Multilateral Evaluation Mechanism (MEM) and encourages it to continue to actively participate in the process.



RECOMMENDATIONS

The following recommendations are assigned to Nicaragua 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. APPROVE A NATIONAL ANTI-DRUG PLAN THAT SERVES AS A FRAMEWORK FOR ALL ANTI-DRUGS ACTIVITIES.

DEMAND REDUCTION

2. IMPLEMENT DRUG USE PREVENTION PROGRAMS TARGETING KEY POPULATIONS.
3. ESTABLISH A NATIONAL REGISTRY OF SPECIALIZED FACILITIES THAT PROVIDE TREATMENT SERVICES FOR PERSONS WITH PROBLEMS ASSOCIATED WITH DRUG USE, A RECOMMENDATION REITERATED FROM THE THIRD EVALUATION ROUND, 2003-2004.
4. IMPLEMENT THE OFFICIAL OPERATING STANDARDS FOR SPECIALIZED FACILITIES THAT PROVIDE TREATMENT SERVICES FOR PERSONS WITH PROBLEMS ASSOCIATED WITH DRUG USE, A RECOMMENDATION REITERATED FROM THE FIRST EVALUATION ROUND, 1999-2000.
5. CONDUCT A STUDY TO DETERMINE DRUG USE AND ABUSE IN THE SCHOOL POPULATION.

SUPPLY REDUCTION

6. IMPLEMENT A FORMAL PROGRAM FOR ERADICATING CANNABIS CROPS.
7. IMPLEMENT ADEQUATE CONTROL AND MONITORING MEASURES TO PREVENT THE DIVERSION OF PHARMACEUTICAL PRODUCTS.
8. DEVELOP AND IMPLEMENT AN AUTOMATED SYSTEM TO FACILITATE THE SECURE AND EFFICIENT HANDLING OF INFORMATION, INCLUDING A PRE- EXPORT NOTIFICATION MECHANISM, RELATED TO THE CONTROL OF THE DIVERSION OF CHEMICAL SUBSTANCES.

CONTROL MEASURES

9. CARRY OUT RESEARCH AND TRAINING ACTIVITIES RELATED TO THE PREVENTION AND CONTROL OF ILLICIT TRAFFICKING OF PHARMACEUTICAL PRODUCTS AND OTHER DRUGS VIA THE INTERNET, WHICH WILL ENABLE THE COUNTRY TO IDENTIFY ITS REGULATORY AND OPERATIVE NEEDS, A RECOMMENDATION REITERATED FROM THE FOURTH EVALUATION ROUND, 2005-2006.
10. IMPLEMENT A DATABASE TO COLLECT INFORMATION ON PUBLIC OFFICIALS FORMALLY CHARGED



WITH AND CONVICTED OF CRIMES RELATED TO ILLICIT DRUG TRAFFICKING, A RECOMMENDATION REITERATED FROM THE FOURTH EVALUATION ROUND, 2005-2006.

11. MAINTAIN THE NATIONAL REGISTRY FOR THE, IMPORT AND TRANSIT OF FIREARMS, AMMUNITION, EXPLOSIVES, AND OTHER RELATED MATERIALS FOR A PERIOD OF 10 YEARS.
12. ESTABLISH AN ENTITY RESPONSIBLE FOR THE ADMINISTRATION AND DISPOSAL OF SEIZED AND CONFISCATED ASSETS, A RECOMMENDATION REITERATED FROM THE THIRD EVALUATION ROUND, 2003-2004.
13. CREATE A FINANCIAL INTELLIGENCE UNIT, IN ACCORDANCE WITH INTERNATIONAL STANDARDS, A RECOMMENDATION REITERATED FROM THE FOURTH EVALUATION ROUND, 2005-2006.
14. INCLUDE REAL ESTATE, LAWYERS, NOTARIES, AND ACCOUNTANTS AS SUBJECTS OBLIGATED TO REPORT SUSPICIOUS TRANSACTIONS TO REPRESS MONEY LAUNDERING, A REITERATED RECOMMENDATION FROM THE SECOND EVALUATION ROUND, 2001–2002.
15. ESTABLISH AN INSTITUTIONAL FRAMEWORK THAT ALLOWS FOR JUDICIAL COOPERATION WITH COUNTRIES IN THE REGION TO SUPPRESS ILLICIT DRUG TRAFFICKING AND MONEY LAUNDERING.



Organization of American States

1889 F Street, NW
Washington, DC 20006
Tel: (202) 458 3000

www.cicad.oas.org

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