ORGANIZATION OF AMERICAN STATES



INTER-AMERICAN DRUG ABUSE CONTROL COMMISSION



FORTIETH REGULAR SESSION November 29-December 1, 2006 Santa Cruz de la Sierra, Bolivia OEA/Ser.L/XIV.2.40 CICAD/doc.1541/06 28 February 2007 Original: English

FINAL REPORT

GENERAL SECRETARIAT OF THE ORGANIZATION OF AMERICAN STATES, WASHINGTON, D.C. 20006

FORTIETH REGULAR SESSION OF THE INTER-AMERICAN DRUG ABUSE CONTROL COMMISSION (CICAD) FINAL REPORT

I. BACKGROUND

The Statute of the Inter-American Drug Abuse Control Commission (CICAD) provides in Article 21 that the Commission shall hold two regular sessions per year, one an ordinary session, the other to address specific technical topics determined by the Commission or such other matters as may require its special attention. The Statute also provides that special sessions shall be held whenever the Commission so decides, or at the request of a majority of its member states.

At its thirty-ninth regular session, the Commission decided, in accordance with Articles 20 and 21 of the Statute, that the fortieth regular session would be held in Santa Cruz de la Sierra, Bolivia, in late November 2006.

II. PROCEEDINGS OF THE FORTIETH REGULAR SESSION

Inaugural Session on the 20th Anniversary of CICAD

The CICAD Chair for this ceremonial session, Bolivia in the person of Ambassador Mauricio Dorfler Ocampo, Vice Minister of Foreign Affairs and Worship, and Brazil, in the person of General Paulo Roberto Yog de Miranda Uchôa, head of Brazil's National Anti-Drug Secretariat (SENAD), as Vice-Chair, led the opening session of commemoration of the twentieth anniversary of the Inter-American Program of Action of Rio de Janeiro against the Illicit Use and Production of Narcotic Drugs and Psychotropic Substances and Traffic Therein and the ensuing creation of CICAD as the lead agency of the Organization of American States (OAS) on drug trafficking and abuse issues.

In the opening remarks of the session, OAS Assistant Secretary General Albert Ramdin spoke to the significance of the 20th anniversary of CICAD's founding and the lasting consenus on a hemispheric anti-drug strategy. He listed 10 of CICAD's most important accomplishments in the past two decades. At the same time, he cited the future challenges that will test CICAD's resolve and urged all member states to rededicate their political and financial commitment to CICAD and its mission.

Dr. Walker San Miguel, the Minister of National Defense of Bolivia, inaugurated the meeting underscoring how pleased the Bolivian government was to be the site of the 40th regular session of CICAD and of its 20th anniversary. He outlined the Bolivian government's efforts to combat the phenomena of organized crime and narcotrafficking – in some cases – linked to other crimes -- that constitute a threat to the hemisphere. He emphasized that extreme poverty, institutional breakdowns, social instability and fragmentation of the societies are ideal breeding cultures for organized crime and narcotrafficking. In this context, he highlighted the new policy of President Morales that reverses the traditionalist focus that was tied to violence, abuse and violation of human right, causing major social and political problems in Bolivia.

Some of the achievements of the past 20 years highlighted by the delegations were the Multilateral Evaluation Mechanism (MEM), its three evaluation rounds and their recommendations, the strategic consensus on shared responsibility around the hemispheric issue of drug trafficking and abuse, and CICAD's capacity-building and technical assistance activities in priority areas. A highlight of the plenary session was the announcement by the delegate of the United States that Secretary of State Condolezza Rice had sent a letter of congratulation for the 20th anniversary to CICAD.

III. DECISIONS ADOPTED

1. Approval of the Agenda and Schedule of Activities

The draft agenda (CICAD/doc.1515/06) and the draft schedule of activities (CICAD/doc.1516/06) were adopted without amendment.

At the request of the Chair, a special working group was created to review the annual report (CICAD/doc.1520/06) and the proposed resolutions to the OAS General Assembly scheduled to meet in May 2007. Representatives of Argentina, Bolivia, Brazil, Canada, Chile, Mexico, Paraguay, Peru, Trinidad and Tobago, and the United States came forward to participate in the special working group that worked in parallel with the plenary.

2. Election of the Chair and Vice Chair of the Commission

In accordance with Articles 22 and 23 of the Statute (CICAD/Doc 1538/06), the Commission elected Brazil, in the person of General Paulo Roberto Yog de Miranda Uchôa, head of Brazil's National Anti-Drug Secretariat (SENAD), as Chair of the Commission (CICAD/doc.1519/06), and Colombia as Vice Chair. Since Colombia's Principal Representative to CICAD, Mr. Guillermo Reyes, Vice Minister of Justice, was unable to attend the CICAD session, Mr. José Nicolás Rivas de Zubiría, Director of Multilateral Political Affairs of the Colombian Ministry of Foreign Affairs, served as the new Vice Chair during the meeting (CICAD/doc.1518/06).

3. The Anti-Drug Strategy in the Hemisphere and the Action Plan for the Implementation of the Strategy Ten Years Later: Discussion of the pertinence of their review

CICAD Executive Secretary James Mack gave a brief overview of the evolution of CICAD since its founding in 1986 and the policy implications as reflected in the main policy documents that guide CICAD activities. The chair requested that discussion focus on whether it was necessary to reexamine the Anti-Drug Strategy in the Hemisphere (1996) and its Plan of Action and whether these documents are sufficiently broad, flexible and forward-looking to meet the new challenges of the drug threat in the 21st century.

The delegate of Mexico stated that the hemispheric documents were sufficiently broad to embrace current and future situations. He also said that their review should not be undertaken until the conclusion of the proceedings of the United Nations General Assembly Special Session (UNGASS) on the world drug problem, scheduled for 2008, to avoid a duplication of efforts. Other delegates that seconded the Mexican position were the United States, Chile, Canada, El Salvador, Argentina and Brazil.

The U.S. delegate said that financial considerations would make it difficult to carry out a comprehensive reassessment of CICAD strategy at this time. He also stated that the MEM Impact Report to be prepared in early 2007 would be a useful reference for consideration when deliberating on these issues.

The delegate of Chile stated that in the deliberations of the MEM evaluations during the past three evaluation rounds, no expert had mentioned any failing in CICAD's fundamental documents as an impediment to carrying out effective policies and programs. She also mentioned the budget restrictions that gave the Commission and many of the member states little flexibility in assuming new unfunded tasks.

Uruguay remarked on the need to deepen some aspects of the Anti-Drug Strategy, giving a boost and prioritizing the policy agendas of all areas related to demand reduction, including a focus on harm reduction, school-based prevention, workplace and prison prevention while, at the same time, giving greater importance in terms of strategy to the more problematic uses of legal drugs (alcohol, tobacco and pharmaceuticals). In the struggle against narcotrafficking, he called for focusing even more on those illegal drugs that are increasingly consumed in the local and regional markets, like cocaine paste (that also reflect the global effect of precusor chemical control, among other factors).

The consensus of the discussion was that CICAD and the member states should focus on synchronizing any review with the timetable of the international UNGASS process, and then determine if changes in hemispheric policy and program documents were needed to bring them in line with international conclusions and recommendations.

4. The Multilateral Evaluation Mechanism

Ms. Angela Crowdy, coordinator of CICAD's Multilateral Evaluation Mechanism (MEM) section, reported on preparations for the Fourth Evaluation Round 2005-2006 (CICAD/doc.1527/06, 1528/06), which included a training program for the staff of national coordinating entities (NCEs). She also described a series of MEM promotional visits that are meant to raise awareness among national stakeholders. Ms. Crowdy also informed the Commission about the *in situ* visit to St. Vincent and the Grenadines by a group from CICAD's Executive Secretariat and one representative of the Governmental Expert Group (GEG) (CICAD/doc.1533/06). Finally, Dr. Mariana Souto, Deputy GEG coordinator, made a presentation on the MEM Impact Report to be prepared by the GEG and presented to the Commission at its next meeting for review and approval.

CICAD delegations represented were universally appreciative of the MEM section's work; such comments were made on the margins of the meeting as well as during formal plenary session.

5. Supply Reduction

a. Reports of the Groups of Experts on Chemical Substances and on Pharmaceutical Products

Mr. Gabriel Abboud of Argentina reported on both groups' activities in 2006 (CICAD/doc.1521/06 and CICAD/doc.1522/06). The Commission approved the reports and the work plans proposed for the coming year of both expert groups. The CICAD chair thanked Argentina for its work as chair of the expert groups over the past year.

The delegate of the United States announced her country's intention to sponsor a seminar or workshop on synthetic drugs in the hemisphere under CICAD's auspices in 2007 to raise awareness among government officials about the increasing impact of synthetic drugs and provide tools to control the chemical substances that go into making them. She also said that it was necessary to add special sections on synthetic drugs in CICAD's model regulations on pharmaceuticals and chemical substances.

b. Use of Internet to Sell Drugs

Mr. Harry Matz of the U.S. Department of Justice briefed the Commission on the growing problem of the illicit sale of medication, especially opiates, via the Internet. He described the transnational nature and risks to the public of this illicit activity in which no doctor/patient relationship guarantees the legitimacy of a prescription nor are there safeguards for quality. He cited an example of successful collaboration between the U.S. and Brazilian law enforcement authorities to track down and arrest the perpetrators of an illicit Internet drug sale ring (CICAD/doc.1524/06).

Mr. Matz suggested that CICAD member states review their respective laws and control systems to ensure that substantive criminal laws and enforcement tools are sufficient to identify and stop illegal online drug sales operations, as well as to cooperate with international partners. He notes training opportunities available, which several member states pursued following the CICAD meeting.

The delegate of Brazil said that the threat from Internet sales calls for greater international cooperation on this issue. The delegate of Canada noted that enforcement efforts should not interfere with legitimate pharmacies operating on the Internet.

c. Eradication of Illicit Cultivation Policy of the Government of Colombia

Mr. Carlos Albornoz, Director of the National Narcotics Directorate (DNE) of Colombia, described the Colombian government's efforts to eradicate illicit crops (coca, poppy and marijuana) through manual methods and aerial spraying (CICAD/doc.1529/06).

The delegate of the United States expressed her government's appreciation for the efforts of the Colombian government in the fight against illicit drugs. The delegate of Ecuador expressed his government's respect for Colombia's efforts but called on the Colombian government to exercise more control over the territory along the Ecuadorian border.

The delegate of Argentina recommended a second Colombian report, on coca yield, that recently had been presented at the 16th meeting of Heads of National Drug Law Enforcement Agencies (HONLEA) in Buenos Aires.

Bolivia explained the verifiable, sustainable character of the new focus of its policy of "rationalization of coca-leaf growing areas," which contemplates social compacts, grassroots participation and respect for human rights, sustained on a voluntary reduction of coca crops through negotiated agreements with rural communities to limit coca leaf production. He emphasized that this new focus includes the definition of non-expansion areas that has permited considerble progress in determining these areas. He said that the Bolivian government

expects to meet its 2006 eradication target of 5,000 hectares "without violating human rights."

e. Challenges in the Treatment of the Methamphetamine Problem in Mexico

Mrs. Rosa Vazquez Portales, a member of the Mexican delegation, gave a presentation in which she laid out the Mexican government's approach to meeting the growing challenge of methamphetamines (CICAD/doc.1526/06).

As a comment on the presentation, the delegate of Canada said that her government also had verified an upswing in the availability of methamphetamines since 2003 and immediately began targeting clandestine labs to put them out of commission.

f. The Strategy to Fight against Illicit Drug Trafficking and the Reappraisal of the Coca Leaf: 2007-2010

Mr. Felipe Cáceres, Vice Minister of Social Defense of Bolivia, and Amb. Mauricio Dorfler, Vice Minister of Foreign Affairs and Worship, briefed the Commission on the Government of Bolivia's initiative to reshape state policy towards coca leaf production, which included a shift away from a compulsory eradication program, an increased use of coca in legitimate products (industrialization and commercialization), and a proposed change in the legal status of the coca leaf in international conventions (CICAD/doc.1540/06). They gave a detailed explanation of how the Bolivian government proposed to implement this strategy while simultaneously continuing to fight the production and trafficking of illicit drugs and other illegal activities as well has carrying out an active substance abuse prevention program. The Bolivian representatives requested the support of the CICAD members for the new strategy.

The delegate of Colombia said that the industrialization of coca would open a window of opportunity to drug traffickers to obtain more raw materials and that his government does not support the commercialization of coca nor its removal from the list of controlled substances. The Colombian government does not want to see other countries have to undergo the kind of upheaval and violence that Colombia has confronted over the past three decades.

The delegate of Argentina expressed the need to respect the traditions and culture of the ancient peoples of Bolivia and the struggle that the government has proposed to undertake against drug abuse and trafficking of illicit substances, although he indicated his concern about the increased trafficking generated by the diversion of surplus coca leaf to the illicit market and the prejudicial consequences for his country and the region, especially with the installation of clandestine processing laboratories and the increase of consumption of cocaine and its subproducts.

The delegate of Canada said that the Canadian government understands the special conditions prevailing in Bolivia, which is why Bolivia is one of Canada's 25 priority development partners and why it received Can\$25 million in aid in 2006. However, the Bolivian government's coca leaf strategy runs counter to international conventions. The government of Canada is concerned about an increase in total area planted with coca in Bolivia and the impact that an upsurge in illicit activities could have on Bolivia's neighbors.

The delegate of the United States said that while her government understood the historical, cultural and social aspects of the coca leaf in Bolivia, Bolivia still grew far more coca than could be reasonably used in traditional consumption and incipient industrialization of coca production for sale in Bolivia. She urged Bolivia to undertake and complete the European Union-funded study to determine the licit demand for coca and the area of coca plantings required to

supply it.

The governments of Panama, Paraguay, México, Brasil and El Salvador expressed their concern for the policy of coca leaf industrialization and commercialization of Boliva and its compliance with international agreements. Unable to intervene in the discussion, the delegate of the Domincian Republic provded a written statement that her government opposed any attempt to legalize the coca leaf crop and stated that "it was not feasible to guarantee or verify the controls that states could instate to prevent the use of these crops for illicit purposes."

The delegate of Uruguay said that the Bolivian government had presented a program that could be monitored and evaluated, but expressed his government's concern that the Bolivian government could expose the region to greater risks from drug trafficking. The delegates of Panama, Paraguay, Mexico, Brazil and El Salvador all manifested their governments' concern about Bolivia's policy of industrialization and commercialization of the coca leaf and its compliance with international agreements.

6. Money Laundering

a. Report of the Group of Experts on Money Laundering

Anti-Money Laundering Expert Group Vice Chair Mr. Victor Ossa Frugone (Chile), gave an overview of the group's 2006 activities, including the work of two task forces on international cooperation, which focused on horizontal cooperation and the preparation of a guide for international cooperation, and on asset seizures and management (CICAD/doc.1539/06). A work plan was put forward that called for task force meetings in the first half of the 2007 and a meeting of the full expert group in November 2007 in which the final details of the work of the task forces would be completed. The CICAD Executive Secretariat discussed recent and future training activities in the area of money laundering.

The Commission thanked the vice chair for his presentation, and approved the report and the proposed work plan for 2007. The Commission also elected Chile as the expert group chair and Guatemala as the vice chair.

b. National Legal Frameworks for the Administration of Confiscated Assets Related to Drug Trafficking and Money Laundering Crimes

Mr. Rafael Franzini, Chief of the Anti-Money Laundering Unit, reported to the Commission on the status of the initiative to improve the capacity to manage the proceeds of asset seizure, administration and disposal in member states, as well as the suggestion by OAS Secretary General José Miguel Insulza that the CICAD member states create a special fund for CICAD capacity-building activities to which the participating member states would contribute a small percentage of seized assets from money laundering and drug trafficking cases (CICAD/doc.1530/06). The Executive Secretariat proposed to present a set of guidelines or best practices for establishing national systems or programs to administer seized assets (seizure, forfeiture and administration). It also proposed to undertake several pilot programs to gain first-hand experience on the implementation of this type of program.

CICAD commissioners overwhelmingly welcomed this initiative (some noted that appropriate steps are already being taken in some countries), and some commissioners offered technical and financial assistance to support this endeavor. Several country representatives noted the practical difficulties involved in redirecting seized assets back into counter-narcotics efforts. In terms of developing a prescribed set of guidelines, commissioners advised the Executive Secretariat to ensure that the Expert Group on Money Laundering is afforded the opportunity to thoroughly vet such guidelines, taking into account differing problems and systems in CICAD member states. A commissioner suggested that the legality of directing seized assets to CICAD must also be reviewed thoroughly before such action may take place.

7. Institution Building

a. Report on the Program for Strengthening National Drug Commissions: Updating National Plans and Strategies on Drugs and Training Commissions' Personnel

The CICAD Deputy Executive Secretary, Mr. Abraham Stein, briefed the Commission on the Secretariat's capacity-building activities to the human resources of the national drug commissions and the assistance provided to these national to draft and/or update their national strategies on drugs (CICAD/doc.1525/06).

The delegate of Haiti said that if it were not for CICAD training, "we would have nothing." He also highlighted the MEM country evaluation's importance as a tool for strengthening policy. The delegates of El Salvador, Paraguay, Panama, Mexico, the Bahamas and Brazil all took the floor to express their appreciation for CICAD training opportunities.

The delegate of Paraguay said that the logical framework methodology, which was taught at the staff training workshops, was currently being used to redraft their national anti-drug strategies.

The delegate of Mexico indicated that the course had provided useful criteria to be considered in the design of the next National Program for Drug Control.

b. New Drug Legislation in Brazil: Training the Actors Involved in the Effective Enforcement of the Law

Ms. Paulina do Carmo Arruda Vieira Duarte, Director of Public Policies in Prevention and Treatment of Brazil's National Anti-Drug Secretariat (SENAD), gave a presentation on the legislative process and implementation of a new legal framework that permits a modern approach to handling drug-related offenses, effectively separating trafficking crimes from consumption violations (CICAD/doc.1536/06).

8. Research

a. National Observatories on Drugs and their Role in the Formulation of National Drug Policies

Dr. Francisco Cumsille, the Coordinator of the Inter-American Observatory on Drugs (OID), delivered a presentation on how substance use surveys and statistical analysis lend themselves to well-grounded decision-making for policies and programs (CICAD/doc.1534/06). The delegates of Paraguay, El Salvador, Uruguay, Argentina, Bolivia, Chile, and Panama all expressed appreciation for the contributions made by the OID in strengthening their national capacity to carry out research and analysis on drug issues.

b. European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)

Mr. Gregor Burkhart, the EMCDDA's Scientific Manager, highlighted the collaborative relationships between CICAD and EMCDDA stretching over nearly 10 years (CICAD/doc.1523/06). He also explained EMCDDA's role of informing public discussion and policy decision-making and analyzing drug-related indicators with a scientific methodology. He said that the EMCDDA would continue to channel its cooperation in the hemisphere through the UNODC and CICAD.

9. European Commission project proposal

The CICAD Executive Secretary briefed the Commission on the negotiations underway for a proposed three-year, Euros 1.4 million European Commission-funded project aimed at improving drug abuse prevention, treatment and rehabilitation programs at the municipal level in both Europe and Latin America and the Caribbean. The project's focus would be the pairing municipalities from the Europe Union with those in Latin America and the Caribbean to exchange information and their best practices in this area. (Note: The EC-CICAD project agreement was signed in January 2007. The agreement includes a provision that stipulates specific measures and initiatives in terms of projects that are permissible under the agreement.)

10. Statements by Permanent Observer Countries to the OAS, International Organizations and Regional Organizations

• Permanent Central American Commission on the Eradication of the Illicit Production, Trafficking, Consumption and Use of Narcotics and Psychotropic Substances (CCP)

Dr. Alejandro Palomo, the CIP Executive Secretary, explained how his organization was stepping up its efforts in Central America. He also underscored the horizontal cooperation it had received by Argentina in setting up a regional registry for the control of chemical substances.

• Caribbean Community Secretariat (CARICOM)

Mr. Fairbairn Liverpool, the Coordinator of Drugs and Crime Control, said that CICAD was the model used to set up a regional program on crime and security and initiate coordinated control measures and prevention activities in the Caribbean.

• Caribbean Financial Action Task Force (GAFIC/CFATF)

Mr. Calvin Wilson, the Executive Director of GAFIC/CFATF, extended an invitation to CICAD member states and staff to attend an April 2007 meeting on money laundering in the Caribbean. He confirmed that CFATF would cooperate with the MEM process to share information on money laundering in the Caribbean.

• Inter-American Institute for Agricultural Cooperation (IICA)

The representative, Mr. Juan Francisco Chavez, noted the cooperative relationship with CICAD through its active participation in ACCESO (Andean Countries Cocoa Export Support Opportunity) to enhance agricultural output in growing areas.

• United Nation Office on Drugs and Crime (UNODC)

Mr. José Manuel Martínez-Morales, the UNODC representative in Bolivia, conveyed his organization's continued intention of working together with CICAD.

• Russian Federation

As the head of delegation of the Russian Federation, Mr. Yan A. Burlyay underscored the areas in which CICAD and the Russian Federation shared concern: money laundering,

precursor chemical control and Internet sales of controlled substances. He noted that his government participated in the international conference on Colombia in London earlier this year.

• INTERPOL

Mr. Fernando Sanchez, an INTERPOL agent at the Buenos Aires office, encouraged CICAD member states and their law enforcement agencies to make use of INTERPOL databases. He said that in 2007 INTERPOL will be focusing on Project Paloma Blanca (White Dove), which deals with the use of postal and courier services for the transport of illicit drugs.

11. Election of the Chairs of CICAD Expert Groups

The following member states were elected to chair the CICAD Expert Groups in 2007:

• Demand Reduction

Chile was elected to assume the Chair of the Expert Group on Demand Reduction.

• Money Laundering Control

The Commission elected Chile as the Chair and Guatemala as the Vice Chair of the Expert Group.

• Control of Pharmaceutical Products

• Control of Chemical Substances

Mexico was elected unanimously Chair of both Expert Groups, and Peru was selected as the Vice Chair.

• Maritime Drug Trafficking

The Commission unanimously elected Panama as Chair.

12. Working Group for Drafting Recommendations to the OAS General Assembly

The working group chair, Mr. Eric do Val Lacerda Sogocio (Brazil), reported on the advances that the participants had made in drafting additions and corrections to the 2006 Annual Report and on the recommendations on CICAD and MEM-specific topics to the OAS General Assembly. He stated that additional work needed to be done in consultation with home offices in national capitals. December 15, 2006 was set as a deadline for additions to be sent to the Executive Secretariat. The group also planned to review the next draft in early January 2007 through the permanent missions in Washington, with the final draft to be sent to the member states for approval via the Internet. The Commission accepted the work plan proposed by the Working Group.

13. Place, Date and Proposed Topics for the Forty-first Regular Session of CICAD

The next regular session of CICAD was set for May 2-4, 2007 in Brasilia, Brazil. The Secretariat proposed a list of topics for the agenda of the forty first regular session, namely:

- Consideration and approval of the MEM Impact Report
- Report on the Demand Reduction Expert Group

14. Participants

The list of participants at this regular session was published separately as document CICAD/doc.1517/06.

a. CICAD Member States

Representatives of Argentina, the Commonwealth of the Bahamas, Barbados, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Mexico, Panama, Paraguay, Peru, St. Kitts and Nevis, Trinidad and Tobago, United States, and Uruguay attended the fortieth regular session of CICAD.

b. Permanent Observers

Also attending the fortieth regular session in their capacity as Permanent Observers to the Organization of American States were representatives of Italy, Spain, France, and the Russian Federation.

c. Inter-American Specialized Organizations and International Agencies

Representatives attended from the Andean Community (CAN); the Andean Parliament Group; Caribbean Community Secretariat (CARICOM); the Central American Permanent Commission to Eradicate the Illicit Production of, Trafficking in and Use of Narcotic Drugs and Psychotropic Substances (CCP); the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA); the Inter-American Institute for Cooperation on Agriculture (IICA); the International Criminal Police Organization (INTERPOL); the Pan American Health Organization (PAHO); and the United Nations Office on Drugs and Crime (UNODC).

d. Civil Society

Representatives from civil society attended from the Ibero-American Network of Nongovernmental Organizations Working on Drug Dependency (RIOD) and the Centro for Information and Education for the Prevention of Drug Abuse (CEDRO of Peru).