

THE CARIBBEAN

The Bahamas

I. Summary

Because of its geographic location, The Bahamas continues to be utilized as a major transit country for cocaine and marijuana bound for the U.S. from South America and the Caribbean. The Government of the Commonwealth of The Bahamas (GCOB) cooperates closely with the United States Government (USG) to stop the flow of illegal drugs through its territory, to target Bahamian drug trafficking organizations, and to reduce the domestic demand for drugs within the Bahamian population.

An important bilateral milestone was achieved in June 2004 with the signing of a Comprehensive Maritime Agreement to provide law enforcement officers a legal framework for their operations. This agreement replaced a patchwork of practice, old jurisprudence, and antiquated treaties. Also in June, the Bahamian Government published its first National Anti-Drug Plan. This plan would provide the basis for ongoing action by the government for the next five years. There has been no legislation introduced to implement recommendations of an OAS/CICAD assessment of the Bahamas precursor chemical control system. The Bahamas is a party to the 1988 United Nations Drug Convention.

II. Status of Country

The Bahamas is a country of an estimated 320,665 inhabitants and 700 islands and cays distributed over an area similar in size to that of California. The Bahamas' strategic location on the maritime and aerial routes between Colombia and the U.S. makes it an attractive location for drug transshipments of Colombian cocaine, Jamaican marijuana and other illegal drugs. It is currently estimated that a minimum of 20 metric tons of the cocaine trafficked to the U.S. passes through the Jamaica-Cuba-Bahamas vector. Although small plots of marijuana plants have been found in Grand Bahama, Abaco, Eleuthera, Andros and Cat Island, The Bahamas is considered neither a significant drug producer nor a producer or transit point for drug precursor chemicals.

The Bahamas participates actively as a partner in "Operation Bahamas and Turks and Caicos" (OPBAT), a multi agency international drug interdiction cooperative effort established in 1982. OPBAT is the largest and oldest cooperative effort overseas by any government involved in drug enforcement. OPBAT brings together on the U.S. side, the Drug Enforcement Administration (DEA), the U.S. Army (DOD), U.S. Coast Guard, the Department of Homeland Security, and the Department of State (DOS) and, on the Bahamian and Turks and Caicos side, counterparts from the Royal Bahamas and Turks and Caicos Police Forces. During 2004 (up to November), OPBAT seized 1.973 metric tons of cocaine and 6.173 metric tons of marijuana.

III. Country Actions Against Drugs in 2004

Policy Initiatives. In June 2004, the GCOB published a comprehensive National Anti Drug Plan. The Plan will provide for ongoing action by the Government in addressing the drug problem at the National, Regional and International level over the next five years. During the first half of 2005, the GCOB intends to establish a National Drug Secretariat, which will be headquartered in the Ministry of National Security. Work on a National Anti-Drug Plan (NADP) began in 2001 with the assistance of the OAS/CICAD. In 2004, there was no legislative movement to implement the recommendations of an OAS/CICAD assessment of the Bahamas precursor chemical control legislation.

Accomplishments. The Drug Enforcement Unit (DEU) of the Royal Bahamas Police Force (RBPF) cooperated closely with the U.S. and foreign law enforcement agencies on drug investigations in 2004. In June, the DEU participated in the takedown of the Maycock/Smith trafficking organization as part

of DEA's Caribbean-wide "Operation Busted Manatee." This is the third major drug ring the DEU has dismantled since 2001. DEU's enhanced investigative and interdicting capabilities resulted in 1,596 drug-related arrests. Several indictments have been issued and more than 24 requests for extradition on drug-related charges are pending action from the Bahamian courts.

In October 2001, a magistrate committed Samuel Knowles, one of the Caribbean's most prolific drug traffickers, and several co-conspirators, including Frank Cartwright, Jr., for extradition to the United States to stand trial on drug charges. Knowles and Cartwright successfully applied to the Supreme Court for a writ of habeas corpus. In January 2003, the Court of Appeal reversed the Supreme Court's order, and Knowles and Cartwright were again committed for extradition. Knowles and Cartwright subsequently appealed to the Privy Counsel in London and in February 2004 the Privy Counsel affirmed the Court of Appeal's decision. As a result, in April 2004 Cartwright was extradited to the U.S. Knowles, however, successfully applied for another writ of habeas corpus on the ground that his designation as a "drug kingpin" would deprive him of a fair trial. The Attorney General's office has appealed that decision.

Law Enforcement Efforts. The RBPF continued to participate actively in OPBAT. Alerted by U.S. Department of Homeland Security surveillance aircraft, and on some occasions by members of the Cuban Border Guard, U.S. Army and Coast Guard helicopters intercepted maritime drug smugglers and seized airdrops of drugs into Bahamian territory. Law enforcement officers have taken note of a developing trend involving Haitian sloops. Commingling drug trafficking networks with illegal migrant smuggling organizations, the Haitian traffickers have been using methods of concealing their shipment in hidden compartments.

OPBAT assets are located in three bases strategically located on Andros, Great Exuma, and Great Inagua. Officers of the DEU and the Royal Turks and Caicos Islands Police fly on all OPBAT missions and are responsible for making arrests and seizures. A DEA agent accompanies the crew to provide assistance and coordination. RBPF personnel use three USG-donated interceptor boats to interdict the drug smuggling go-fast vessels detected by OPBAT helicopters. Seizures of drugs and traffickers captured by OPBAT assets in international waters are taken to the U.S., while those taken in Bahamian or Turks and Caicos territory are turned over to those jurisdictions.

The DEU is an elite vetted group of 97 officers that works closely with the USG on drug investigations and interdictions. The DEU staff includes a 19-member strike force which participates in OPBAT missions, a 10-member marine unit which crews and services the Police Harbor Patrol, 8-member tracing and forfeiture unit, 22-member general investigation unit, 14-member intelligence and surveillance unit, with a 9-member unit in Freeport and 3 commanders. The drug canine units in Nassau (4 officers) and Freeport (2 officers) are also attached to the DEU.

During 2004, the DEU seized 741 kilos of cocaine and 1.8 metric tons of marijuana. (Note: DEU seizures are included in OPBAT's total). The DEU arrested 1,606 persons on drug related offenses and seized drug-related assets valued at \$590,764 in addition to aircrafts and boats. Cocaine and marijuana seizures decreased compared to 2003 levels. In addition to the unusual weather patterns in the region during the 2004 hurricane season, this decrease is the direct result of the continued vigilance and precise targeting actions by law enforcement agencies. In particular, the infiltration of major drug organizations in the last years is paying off, as well as the arrest and incarceration of major key traffickers. To enhance the results of drug interdiction missions, the USG in collaboration with the GCOB established the Bahamas Rapid Response Team. The Bahamas Rapid Response Team gathers selected members of the Royal Bahamas Defense Force (RBDF), as well as the Customs Department and Immigration, to assist the Police Force in conducting contraband searches on a short notice basis. The USG is assisting the team members with training and equipment to facilitate the groups' deployments. Unfortunately, RBDF's participation in drug interdiction events is hampered since their vessels are typically not available to participate in OPBAT's requests for assistance in pursuits. The

RBDF continues to assign three marines to the Caribbean Support Tender (the U.S. Coast Guard cutter *Gentian*).

Corruption. As a matter of government policy, The GCOB does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, nor the laundering of proceeds from illegal drug transactions. The GCOB is a party to the 1996 Inter American Convention Against Corruption. No senior official in the GCOB was convicted of drug related offenses in 2003. The RBPF proactive approach to educating the public and providing more supervision to newer officers seemed to bear fruit during this year. Police reported a reduction in the number of corruption allegations brought against police officers last year. There were only seven corruption related matters reported in 2004 compared to 20 in 2003. The RBPF continued using an internal committee to investigate allegations of corruption against police officers.

The GCOB completed a long-promised investigation into the suspicious disappearance of confiscated drugs in the custody of the RBDF. In August 2004, the Commission of Inquiry presented its findings of the 1992 incident in which 50 packages of cocaine disappeared from the vessel “The Lorequin” while in the custody of the RBDF. In their Report, the Commissioners concluded that “the most reasonable explanation” for the missing cocaine was that some or all of the RBDF members who were detailed to bring the vessel The Lorequin to RBDF headquarters were responsible for the disappearance of the drugs. However, while persuaded of certain individuals’ complicity in the theft, the Commission concluded that the evidence that emerged from the investigation was insufficient to support a criminal prosecution. The Commission also specifically criticized the conduct and performance of several Police and Defense Force personnel and made a series of policy and their operational recommendations. The Government has expressed its commitment to implement the Commission’s recommendations.

Agreements and Treaties. The Bahamas is a party to the 1961 UN Single Convention and its 1972 Protocol, the 1971 Convention on Psychotropic Substances, 1988 UN Drug Convention, and the 1990 U.S.-Bahamas-Turks and Caicos Island Memorandum of Understanding concerning Cooperation in the Fight Against Illicit Trafficking of Narcotic Drugs. As noted, the GCOB is also a party to the 1996 Inter-American Convention Against Corruption. The GCOB works with the USG to achieve the objectives of a continuing U.S.-Bahamas counternarcotics and law enforcement project designed to enhance the capability of the GCOB to suppress criminal activity and promote local demand reduction.

The U.S.-Bahamas mutual legal assistance treaty facilitates the bilateral exchange of information and evidence for use in criminal proceedings. U.S. MLAT requests seek to secure financial information and evidence for use in criminal investigations and prosecutions in U.S. courts. A separate unit was created within the Attorney General’s Office to process international requests for assistance, including MLAT requests.

A 1994 U.S.-Bahamas extradition treaty permits the extradition of Bahamian nationals to the U.S. GCOB prosecutors pursue USG extradition requests vigorously and, at times, at considerable expense. However, in the Bahamian justice system, defendants can appeal a magistrate’s decision, first domestically and ultimately to the Privy Council in London. This process often adds years to an extradition procedure. In June 2004, the GCOB and the USG signed the Comprehensive Maritime Agreement that replaced a patchwork of law enforcement agreements and arrangements, including the shiprider and overflight agreements, dating back to 1964. The CMA is already being used in migrant and drug interdiction operations.

Drug Flow/Transit. Although the documented cocaine flow to the United States from South America through the Jamaica-Cuba-Bahamas vector declined during the year, it is estimated a minimum of 20 metric tons of cocaine transited this route. Most of the cocaine flow from Colombia and arrives in The Bahamas via “go-fast” boats or small aircraft from Jamaica and Haiti. The “go-fast” boats are the

vehicles of choice for traffickers as they are a more elusive means of transportation, and the reduced load size keeps the losses due to interdiction or otherwise to a minimum. During 2004, law enforcement officials identified on average, a suspicious “go-fast” type boat on Bahamian waters every 5 days. In addition, there were 90 drug smuggling aircraft detected over Bahamian territory. Small amounts of drugs were found on individuals transiting through the international airports in Nassau and Grand Bahama Island and the transatlantic cruise ship ports. In 2004 Bahamian law enforcement officials identified shipments of drugs in Haitian sloops, fishing boats, small aircraft and pleasure vessels. Also significant amounts of illegal drugs have been found in transiting cargo containers stationed at the Port Container facility in Freeport. DEA/OPBAT estimates that there are a dozen major Bahamian drug trafficking organizations.

Demand Reduction. The GCOB continues to make a modest monetary and “in kind” contribution to demand reduction initiatives, especially in prevention and education. The quasi-governmental National Drug Council coordinates the demand reduction programs of the various governmental entities such as Sandilands Rehabilitation Center, and of NGO’s such as the Drug Action Service and the Bahamas Association for Social Health. Schools and youth organizations are the primary target of prevention/education program. Anecdotal data from a survey that the Council recently conducted in the Family Islands seems to confirm that marijuana use is increasing among Bahamian youth. The results of the survey will be presented early in 2005. Other drug prevention programs and presentations have been organized by RBPF’s Community Relations Section in schools and churches in Nassau.

IV. U.S. Policy Initiatives and Programs

The goals of USG assistance to The Bahamas are to dismantle drug trafficking organizations, stem the flow of illegal drugs through The Bahamas to the United States, and strengthen Bahamian law enforcement and judicial institutions to make them more effective and self sufficient in combating drug trafficking and money laundering. In June 2004, Bahamian law enforcement in unison with USG law enforcement participated in the largest takedown operation in the Caribbean, “Caribbean Initiative,” resulting in the dismantling of three important drug trafficking organization and hundreds of arrests. In the Bahamas, fifteen individuals were arrested under this initiative.

Bilateral Cooperation. During 2004, the U.S. State Department’s Bureau of International Narcotics and Law Enforcement Affairs, Bahamas Country Program, administered by the U.S. Embassy’s Narcotics Affairs Section (NAS), funded training, equipment, travel and technical assistance for a number of law enforcement and drug demand reduction officials. In February 2004, NAS and the GCOB agreed to discontinue the Bahamian Customs Department’s canine unit at the Freeport Container Port due to its high maintenance cost and its failure to produce expected results. NAS has been working closely with Customs officials to identify other cost efficient programs to protect the Container Port from drug traffickers. NAS procured computer and other equipment to improve Bahamian law enforcement capacity to target trafficking organizations through better intelligence collection and more efficient interdiction operations. In recent years, NAS donated three interceptor boats to the GCOB. These boats have been deployed around Bahamian waters and have participated in a number of significant seizures of “go-fast” drug smuggling vessels. This year, NAS assisted in providing them with vital maintenance and parts not available in the country. In addition, NAS funds continued to be used to cover important operational expenses, such as utilities, repairs and maintenance for three OPBAT bases in George Town, Great Exuma; Matthew Town, Great Inagua; and at the Atlantic Undersea Test and Evaluation Center (AUTECC,) Andros Island. NAS also provided funding to The National Drug Council and the Drug Action Service to extend their demand reduction education campaign to the Family Islands.

Road Ahead. The Bahamas' location and the expanse of its territorial area, guarantees that it will continue to be a preferred route for drug trans-shipment and other criminal activity. The Bahamian Government is expected to continue its strong commitment to the U.S. in joint counternarcotics efforts. The U.S. looks forward to the establishment of the National Drug Secretariat, the signing and ratification of the Caribbean Regional Maritime Agreement, and the introduction to Parliament of precursor chemical control legislation. However, due to the growing drug trade and the nation's small population and its relatively limited budgetary base, the GCOB will continue to depend upon significant USG assistance to fight international narcotics trafficking and crime. Given the importance of maintaining an effective interceptor fleet in the Caribbean, NAS will continue to support RBPF efforts of converting some of the seized boats into interdiction boats. NAS plans to assist the Bahamians in identifying innovative technologies to obtain important intelligence to thwart the flow of drugs.

Cuba

I. Summary

The priority attention of the Cuban regime is on political control of the Cuban people. The primary focus of the regime's aggressive posture with respect to all activities deemed "illegal," including narcotics trafficking, has been the repression of political and economic activities permissible in most normal societies. Cuba's waters and airspace remain an attractive route for narcotics trafficking in the Caribbean. Cuba's refusal to implement an effective use of force policy continues to provide a corridor inside Cuban territorial waters and airspace for smugglers transiting northbound from South America and the Caribbean. Cuba's interdiction efforts also continue to be hampered by decaying infrastructure and limited operations budgets. Cuban government (GOC) authorities continue to choose to fund other security forces, in particular Cuba's political police, rather than adequately funding the decaying fleet of Border Guard patrol boats and detection and monitoring aircraft for counternarcotics interdiction operations. That narcotics trafficking through Cuban territory decreased measurably in 2004 is primarily due to an increased U.S. law enforcement presence in the Windward Passage.

The GOC maintains an aggressive internal enforcement, investigation and prevention program for its incipient drug market. The GOC continued Operation Hatchet III, a multi-agency counternarcotics interdiction operation, and Operation Popular Shield, a multi-agency counternarcotics investigative effort combined with a nationwide counternarcotics public awareness campaign, both of which started in 2003 and are part of the wider repressive campaign. The GOC claims to have seized or recovered 3,064 kilograms of illicit narcotics, 90 percent of which was marijuana, from January to November in 2004, down from 5,673 kilograms of illicit narcotics seized in 2003.

Limited, case-by-case coordination between the GOC and the USG on international drug trafficking issues has taken place during the past year. Cuban law enforcement authorities reported to U.S. authorities sightings of 28 suspect targets (14 aircraft and 14 go-fast) in 2004 transiting their airspace or territorial waters, a decrease from the 69 sightings (22 aircraft and 47 go-fast) in 2003. The U.S. Coast Guard seized three go-fast vessels that departed Cuban territorial waters with a combined total of 2,936 kilograms of illicit narcotics, as a result of detection information passed by the Cuban Border Guard. Cuba is a party to the 1988 UN Drug Convention.

II. Status of Country

The priority attention of the Cuban regime is on political control of the Cuban people. Regime security officials have taken a much more aggressive posture with respect to all activities deemed "illegal," including narcotics trafficking, since 2003. However, the primary focus of this stepped-up activity has been the repression of political activities, including the continuing arrest and detention of civil society activists, permissible in democratic societies. The regime also continues to take advantage of its broad crackdown on drug trafficking to repress illegal economic activities permissible in most normal societies.

Cuba's strategic location between Colombia, Jamaica, Bahamas and the U.S. make it a natural transshipment location for drug shipments of cocaine and marijuana. The country's geographic proximity to the U.S., 3,500 nautical miles of coastline and more than 4,000 sparsely populated islets and cays provide a favorable environment for both air and maritime smuggling. Cuba's territorial waters and airspace continue to serve as an attractive corridor for smugglers transiting northbound from South America and the Caribbean. The GOC has chosen not to adopt an effective use of force policy or to provide adequate resources to counternarcotics authorities to give them more than a limited ability to interdict go-fast vessels or aircraft. As a result of decisions to direct state resources to

other security areas—the GOC provides substantial budgets to other police authorities, especially the General Directorate of State Security, Cuba’s political police—the current inventory of decaying patrol boats and aircraft do not constitute a credible interdiction force. Given the scarce resources the GOC devotes to counternarcotics activities, Cuba’s drug interdiction efforts are largely limited to recovering jettisoned narcotics and providing information to the U.S. Coast Guard on suspect vessels and aircraft transiting their airspace and territorial waters. Cuba has not signed the Caribbean Maritime Counterdrug Agreement, despite participating in the negotiations.

Cuba does not appear to be a significant producer of drugs or precursor chemicals, although small plots of “criolla” marijuana plants continue to be detected around Havana and eastern Cuba according to Cuban officials. The GOC claims 75 tons of illicit narcotics have been seized inside Cuban territory since 1994, of which 48 tons, mostly marijuana, washed ashore.

According to the Cuban Government, the Border Guard interdicts ninety percent of the drugs that Cuban law enforcement authorities seize. The lead investigative law enforcement agency on drugs in Cuba is the Ministry of Interior’s National Anti-Drug Directorate (DNA). The DNA is comprised of a variety of law enforcement, intelligence, and youth affairs and education organizations.

The non-enforcement governing body for prevention, rehabilitation, and policy issues is the National Drug Commission, formed in 1989 after the scandal involving the conviction and execution of an Army major general, a Ministry of Interior colonel, and several other officials for purported involvement in narcotics trafficking. This interagency coordinating body headed by the Minister of Justice is comprised of the Ministries of the Interior, Foreign Relations, Public Health, Higher Education, Education and Culture. Also represented on the commission are the Attorney General’s Office, Customs and Border Guard Services and the National Sports Institute.

III. Country Actions Against Drugs in 2004

Policy Initiatives. The Government of Cuba continued the enforcement of Decree 232 “On the Confiscation for Deeds Related with Drugs, Acts of Corruption and Other Illicit Behavior” which entered into effect in January 2003. The GOC continued its nation-wide crack down in order to “battle against international drug trafficking and the incipient internal market.” The decree authorizes arrests and confiscation of property of drug producers, traffickers or users, and those guilty of “corruption, pimping, pornography, corruption of minors, human trafficking and other similar crimes.” Led by the Ministry of Interior, they continue to investigate suspected narcotics traffickers, and maintain a nation-wide public awareness campaign to reduce drug trafficking and its associated crimes. However, the GOC continued to take advantage of its broad crackdown on drug trafficking to also repress economic and political activities considered permissible in most normal societies.

Law Enforcement Efforts. The GOC has continued Operation Hatchet III since its March 2003 inception. The ongoing counternarcotics interdiction operation focuses on disrupting maritime and air trafficking routes, recovering jettisoned narcotics, and promoting a nation-wide public affairs campaign to encourage citizens to report any drug trafficking or drug wash-ups to Cuban law enforcement authorities. Operation Hatchet III includes vessel, aircraft and radar surveillance from the Ministry of the Revolutionary Armed Forces (Navy and Air Force), coastal patrol vessel and radar surveillance from the Ministry of Interior Border Guard, and participants from the DNA, National Police, and the National Park Rangers. In addition, Cuban Customs and DNA maintain an active counternarcotics inspection program at the island’s national maritime ports and airports. Cuba INTERPOL re-established its office in Havana and commenced operations in June 2004 with five Cuban officials. Neither the extent nor the effectiveness of these programs can be verified.

Drug Seizures/Arrests. The GOC reported the seizure of 3,065 kilograms of illicit narcotics in 2004, which included 2,755 kilograms of marijuana, 295 kilograms of cocaine, 13 kilograms of hash oil, 2

kilograms of crack and other synthetic drugs, 1,676 plants of marijuana and 26,567 marijuana seeds. The GOC reported 962 kilograms of illicit drugs seized in Cuba in 2004 were from wash-ups, a significant decrease from the 4,448 kilograms of narcotics reported to have washed up on the Cuban shoreline in 2003. Cuban authorities reported Operation Popular Shield has resulted in the seizure of 53 kilograms of narcotics: 49 kilograms of marijuana; 3 kilograms of cocaine; and 1.6 kilograms of hash and crack. In addition, the GOC reported the detention of approximately 3,000 people, of whom 65 percent were sentenced to six or more years of imprisonment for trafficking drugs in the internal market since Operation Popular Shield began in January 2003. The Cuban Border Guard recovered 589 kilograms of marijuana following a failed air-drop off the north coast of Ciego de Avila province, the first air-drop narcotics recovery by GOC authorities since 2001. The Cuban Border Guard intercepted two go-fasts trafficking narcotics inside their territorial waters in 2004. The July event resulted in the seizure of 828 kilograms of marijuana and the arrest of one Bahamian and four Jamaican citizens. The November event resulted in the seizure of 610 kilograms of marijuana and the arrest of three Jamaican citizens.

The GOC reported 10 foreigners were arrested for narcotics trafficking in nine separate airport cases with a total seizure of 10 kilograms of cocaine and 195 stamps of LSD. Eight of the cases were at Jose Marti International Airport in Havana and one was at Juan Gualberto Gomez Airport in Matanzas. The GOC also reported a total of 181 foreign tourists and eight Cuban foreign residents were detected with narcotics for personal consumption at Cuban international airports in 2004. In all cases, the GOC reported the narcotics were confiscated and destroyed and the tourists were allowed to continue their visit. The GOC reported the detention of Luis Hernando Gomez Bustamante, a major figure within the Colombian North Valle Cartel, for entering Cuba on a falsified passport in June 2004. Mr. Gomez Bustamante is under indictment by the U.S. Attorney's Office in New York on narcotics trafficking and money laundering charges. The Government of Colombia has requested his extradition to Colombia, but the GOC has not publicly responded to its request.

Corruption. The U.S. does not have direct evidence of narcotics-related corruption among senior GOC officials, although regular anecdotal reports of corruption throughout all levels of Cuban society and government continue to circulate. No mention of GOC complicity in narcotics trafficking or narcotics-related corruption was made in the media in 2004; the media in Cuba is completely controlled by the state, which permits only laudatory press coverage on itself. Cuba has not signed the Inter-American Convention Against Corruption.

Agreements and Treaties. Cuba is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol. The GOC maintains bilateral narcotics agreements with 33 countries and less formal agreements with 16 others. The GOC signed a counternarcotics agreement with Jamaica in 2004. Counternarcotics coordination between the U.S. and Cuba occurs only on a case-by-case basis. The Cuban government has not signed the Agreement Concerning Co-operation in Suppressing Illicit Maritime and Air Trafficking in Narcotic Drugs and Psychotropic Substances in the Caribbean Area (Caribbean Regional Maritime Agreement) despite its participation in the agreement negotiations. Cuba has signed, but not ratified, the UN Convention against Transnational Organized Crime.

Cultivation/Production. There is no evidence that Cuba is a significant drug-producing country. Cuban narcotics officials say that small quantities of "criolla" marijuana are grown around Havana and Eastern Cuba for domestic use.

Drug Flow/Transit. As a result of increased U.S. law enforcement presence in the Windward Passage, narcotics trafficking through Cuban territory decreased measurably in 2004. Narcotics trafficking from Jamaica to the Bahamas, Haiti and to the U.S. normally occurs through Cuban territorial seas and airspace, with a majority of the narcotics being trafficked via maritime routes

around the eastern and western tips and via air routes over the eastern side of the island. Cuban law enforcement authorities reported sightings of 28 suspect vessels in 2004 (14 aircraft and 14 go-fast vessels) transiting their airspace or territorial waters, a decrease from the 69 sightings (22 aircraft and 47 go-fasts) in 2003. Small quantities of narcotics were trafficked via Cuba's international airports, in which drug couriers or "mules" carried narcotics to and from Europe. In the nine reported cases, the departure countries were Colombia, Venezuela, Panama, and Costa Rica and the destination countries were Denmark and Spain. There were five reported cases of individuals attempting to smuggle narcotics to Cuba from Costa Rica, Italy and Mexico for distribution inside Cuba.

Chemical Control. Based on available information, Cuba is not a source of precursor chemicals, nor have there been any incidents involving precursor chemicals reported in 2004.

Domestic Programs. The National Commission on Drugs (CND), created in 1989, has taken the lead on drug prevention programs. The majority of municipalities on the island have counternarcotics organizations. Prevention programs focus on education and outreach to groups most at risk of being introduced to illegal drug use. There is a counternarcotics action plan that encompasses the Ministries of Health, Justice, Education and Interior, among others, in coordination with the United Nations. The aim of the action plan is to implement their long-term prevention strategy that is included as part of the educational curriculum at all grade levels. The GOC reports that there are 195 mental health community centers in Cuba consisting of family doctors, psychiatrists, psychologists, occupational therapists, and social health workers dedicated to teaching drug prevention and offering rehabilitation programs.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Narcotics cooperation occurs only on a case-by-case basis and Cuban interest in engaging with the U.S. Coast Guard Drug Interdiction Specialist (DIS) assigned to the U.S. Interests Section in Havana ebbs and flows according to the GOC's political priorities. The Cuban DNA and Border Guard have provided limited exposure to Cuban counternarcotics efforts, including a visit to the Port of Havana to observe their Customs container inspection program, attendance to observe a vessel boarding and inspection procedures at Marina Hemingway, a visit to the Cuban national canine training center in Havana, a meeting with the Chief of the newly opened INTERPOL office in Havana, and a visit to Holguin to meet with local narcotics investigators following the seizure of a go-fast vessel with 610 kilograms of marijuana. In addition, the Cuban DNA provided investigative case information on narcotics trafficking and the Border Guard provided information on suspect vessels and aircraft to the U.S. Coast Guard on 28 narcotics-related events.

The Road Ahead. Cuba's strategic geographic position and the regime's refusal to implement an effective use of force policy consistent with its detection and intelligence capabilities continue to provide a corridor inside the Cuban territorial waters and airspace for smugglers transiting northbound from South America and the Caribbean. Cuba's non-use of warning and disabling fire against suspected drug trafficking vessels continues to make Cuban territorial waters and airspace an attractive smuggling route. Cuba has indicated that it had no interest in signing the Caribbean Regional Agreement thereby abdicating its responsibility to take action to deny drug traffickers access to Cuban waters and airspace. A reduction of U.S. maritime law enforcement presence in the Windward Passage is likely to lead to increased narcotics smuggling through eastern Cuban territorial waters and airspace.

Dominican Republic

I. Summary

The Dominican Republic (DR) is a major transit country for South American drugs, mostly cocaine and heroin, moving to the U.S. and Europe. The Government of the Dominican Republic (GODR) continued to cooperate closely with the U.S. in counternarcotics matters. Last year (2004) saw an increase in heroin seizures, an increase in cocaine interceptions, and a decrease in seizures of MDMA (ecstasy); negligible cooperation between the GODR and the Haitian police; continued good results of the extradition process; and little progress in application of a strong anti-money laundering law to a major bank fraud case. Although the GODR strengthened its efforts to combat corruption in 2004, corruption and weak governmental institutions remained an impediment to controlling the flow of illegal narcotics through the DR. It is estimated that a minimum of 8 metric tons of cocaine from South America transited the DR on its way to U.S. markets. The DR is a party to the 1988 UN Drug Convention.

II. Status of Country

There is no significant cultivation, refining, or manufacturing of major illicit drugs in the DR. Dominican criminal organizations are increasingly involved in command and control of international drug trafficking operations, but the country's primary role in regional drug trafficking is as a transshipment hub.

Seizures in 2004 continued to indicate that cocaine, heroin, and marijuana destined for the U.S. and, to a lesser extent, Europe were being transshipped through the DR and its territorial waters. Ecstasy seized in the DR was most often being transported from Europe to the U.S. Puerto Rican authorities noted a low level of drug smuggling via the ferries operating between Puerto Rico and the DR, probably due to the continued activity of the counternarcotics canine unit at the Santo Domingo ferry terminal.

Dominican nationals play a major role in the actual transshipment of drugs. Many "go-fast" crews in the Caribbean include Dominican nationals, mostly fishermen recruited from the local docks. The crews speak Spanish, the language of the source country smugglers; move easily throughout the Caribbean; and are recruited for very small amounts of money.

The DR is not a producer of precursor chemicals, but there is continued concern about their importation.

III. Country Actions Against Drugs in 2004

Policy Initiatives. The DR-initiated bilateral intelligence-sharing and interdiction efforts with Haiti, begun after Operation Hurricane in 2001, were discontinued in 2002. The DR has continued to participate in annual Caribbean-wide counternarcotics operations.

The National Directorate for Drug Control (DNCD), the law enforcement arm responsible for counternarcotics measures, and the National Drug Council (CND), the GODR's policy and planning organ, have adopted a computerized tracking system and are able to track seizures of assets in connection with drug-related offenses.

Following the collapse of three large Dominican banks in 2003, the Dominican Government struggled to implement anti-money laundering legislation passed in 2002. (See the Money Laundering section of this report.)

With U.S. and other international support, the DR implemented the revised criminal procedures code in 2004. This code changed the Dominican criminal system from a Napoleonic system, with a dossier of evidence evaluated by a judge, to an adversarial system of verbal process before a judge or a jury. At year's end, key procedures relating to extraditions and other bilateral processes were being defined: the new system will be subject to legal challenges until its provisions are more thoroughly applied.

Law Enforcement Efforts. The DNCD, in cooperation with DEA authorities, broke up two large international smuggling rings during 2004. In March 2004 the DR deported to the U.S. a smuggler who was a key target of U.S. enforcement. Quirino Ernesto Paulino Castillo, a former Army Captain and owner of extensive land holdings along the Haitian border, was arrested December 18 in connection with the seizure of 1,300 kilograms of cocaine near Santo Domingo.

The DNCD canine program unit commanders received new training, in cooperation with the U.S. and Dutch Governments, and supported the formation of a new explosives detection canine unit for the airport police. The DNCD upgraded its equipment, trained technicians, and developed new software in furtherance of a multi-year, U.S. Government-supported effort to share data among Dominican law enforcement agencies and to make information available on demand by field officers.

The DR Navy participated in a combined operation (Op CONGRI) with USCG and ICE from 13-20 January 2004 to combat the regional threat of narcotics trafficking in the approaches to Puerto Rico. The operation was conducted pursuant to existing U.S./DR bilateral agreements.

Cultivation/Production. There is no known cultivation of coca or opium poppy in the DR. Cannabis is grown on a small scale for local consumption. The GODR's investigations into possible in-country manufacture of MDMA (ecstasy) have produced no definitive evidence of such activity.

Drug Flow/Transit. It is estimated that a minimum of 8 metric tons of cocaine transited the DR in 2004. The DNCD increased its seizure rate, interdicting body-carried heroin and cocaine in the DR's international airports and larger quantities from vehicles and buildings. Through December 2004, with cooperation and assistance of the U.S. Drug Enforcement Administration (DEA), the DNCD seized 2,232 kilograms of cocaine, 68 kilograms of heroin, 20,546 units of MDMA, and 1,152 pounds of marijuana. The DNCD continued to focus interdiction operations on the drug-transit routes in the DR's territorial waters along the northern border and on its land border crossings with Haiti, while attempting to prevent air drops and sea delivery of illicit narcotics to remote areas. The DNCD and their DEA counterparts concentrated increasingly on investigations leading to takedown of large criminal organizations, and three international rings were broken up as a result.

In 2004, drugs were easily accessible for local consumption in most metropolitan areas. The DR attracted a growing number of tourists from Europe, the U.S., and Canada who provided a customer base for local drug sales, especially at the beachfront vacation resorts. Traffickers often used drugs to pay low-level couriers and distributors. Gang violence and settling of drug-related scores, especially in northern cities, were subjects of frequent headlines in the DR press.

The DNCD made 3,305 drug-related arrests in 2004; of these, 3,150 were Dominican nationals and 155 were foreigners. There were 624 fewer drug-related arrests in 2004 than in 2003, and 82 fewer foreigners were among those arrested on drug charges. Approximately 12 percent of the total cocaine and 85 percent of the total heroin seized in the Dominican Republic was seized in the airports.

Most of the significant seizures were made on land, in the big cities. There were some seizures made at the Haitian border in 2004, but quantities seized were limited. While the number of seizures made in Dominican airports was high, the actual amount of drugs seized was small. Maritime seizures remain a challenge for the DR, especially drugs hidden in commercial vessels for shipment to the U.S. and/or Europe and drugs arriving by "go-fast" boats from South America.

Extradition. The U.S.-Dominican Extradition Treaty dates from 1909. Extradition of nationals is not mandated under the treaty, and for many years Dominican legislation barred the extradition of Dominican nationals. Former President Fernandez signed legislation in 1998 allowing the extradition of Dominican nationals. In 2003, the U.S. Marshals Service assigned a marshal permanently to the DR. During 2004, the marshals continued to receive excellent cooperation from the DNCD's special Section for Fugitive Surveillance and other relevant Dominican authorities in locating fugitives and returning them to the U.S. to face justice.

Both the Mejia and Fernandez administrations maintained their records of cooperation in 2004. In 2004 the GODR extradited 26 Dominicans (subjects of U.S. extradition requests made in prior years) to the U.S. and arrested 18 fugitives in response to U.S. extradition requests made that same year. The National Police, working with the FBI, arrested and extradited five drug-related subjects and deported two.

Mutual Legal Assistance. The GODR cooperates with USG agencies, including the DEA, FBI, U.S. Customs Service, and U.S. Marshals Service, on counternarcotics and fugitive matters.

The DNCD housed and manned the DEA-sponsored Caribbean Center for Drug Information (CDI) at its facilities in Santo Domingo. An increasing number of Caribbean countries have found the CDI's intelligence analysis services useful and are now frequent contributors and beneficiaries of new information.

The Dominican Navy used its new patrol craft in early 2004 to patrol the Mona Channel and prevent illegal migration, principally by Dominicans, to Puerto Rico and hence to the U.S. mainland. Examination of captured smuggling vessels indicated a strong link between illegal migration and drug smuggling. On a typical voyage, several passengers carry backpacks containing one or two kilos of cocaine.

Corruption. The GODR does not, as a matter of government policy, encourage or facilitate illicit production or distribution of narcotics, psychotropic drugs, and other controlled substances, nor does it contribute to drug-related money laundering.

Dominican institutions remain vulnerable to influence by interest groups or individuals with money to spend, including narcotics traffickers. The GODR has not convicted any senior government official for engaging in, encouraging, or in any way facilitating the illicit production or distribution of illicit drugs or controlled substances, or the laundering of proceeds from illegal drug transactions.

The last Attorney General of the Mejia administration was strongly suspected of accepting payments and other favors to release persons who had been accused of drug-related crimes and requested for extradition to the U.S. He is currently under investigation by Dominican authorities.

Legislation remains pending that would strengthen enforcement of a 1979 law that requires senior appointed, civil service, and elected officials to file financial disclosure statements. In what may be a regional model for transparency and an indication of the seriousness of the Dominican judiciary to uphold the ethical quality of employees, the sworn financial disclosure statements for all Dominican judges can be found on the Internet at <http://www.suprema.gov.do/jueces/dj.htm>. Nonetheless, an effective system to verify these statements has not yet been implemented and there are no sanctions for false statements.

The GODR is a party to the Inter-American Convention Against Corruption and in 2001 signed the consensus agreement on establishing a mechanism to evaluate compliance with the Convention.

Precursor Chemical Control. The Secretariat of Health is responsible for the control of chemicals entering and departing the DR. The CND has prohibited the re-exportation of certain chemicals.

Demand Reduction. The DNCD conducted 108 youth events in various cities and neighborhoods, from basketball tournaments to chess matches, reaching over 134,000 young people, to encourage

competitive and recreational activities as better choices than drug abuse. A non-governmental organization, Foundation for Life (FUNVIDA), published, with U.S. Government assistance, a book entitled “Schools Without Drugs” and distributed it gratis at neighborhood meetings in cities outside the capital area.

Agreements and Treaties. In 1984, the U.S. and the GODR entered into an agreement on international narcotics control cooperation. In May 2003 the Dominican Republic entered into three comprehensive bilateral agreements with the U.S. on Cooperation in Maritime Migration Law Enforcement, Maritime Counter-Drug Operations, and Search and Rescue, granting permanent overflight provisions in all three agreements for the respective operations. The three agreements conclude a long bilateral effort to secure permanent overflight provisions; previous agreements provided only annual provisions. In addition, the Maritime Counter-Drug Agreement broadened the scope of operations agreed to by the parties. The GODR signed, but has not yet ratified, the Caribbean Regional Maritime Agreement.

In 2002, the DR became the first country in the Western Hemisphere to sign an Article 98 agreement exempting U.S. military personnel in the DR from the jurisdiction of the International Criminal Court (ICC) and has since ratified it. In 2001, the U.S. and the DR exchanged instruments of ratification of the Treaty for the Return of Stolen or Embezzled Vehicles. Attempts to implement the treaty have been hampered by organizational weaknesses within the Dominican bureaucracy, and in 2004 no vehicles were repatriated under this treaty.

The GODR has signed but not ratified the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, the Protocol against the Smuggling of Migrants, and the Protocol against the Illicit Manufacturing of and Trafficking in Firearms.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Cocaine and heroin trafficking, money laundering, institutional corruption, and reform of the judicial system remain the U.S.’ primary counternarcotics concerns in the DR. The USG and the GODR cooperate to develop Dominican institutions that can interdict and seize narcotics shipments and conduct effective investigations leading to arrests, prosecutions, and convictions. The USG will continue to urge the GODR to improve its asset forfeiture procedures and its capacity to regulate financial institutions, develop and maintain strict controls on precursor chemicals, and improve its demand reduction programs.

During 2004, the U.S. provided essential equipment and training to expand the counternarcotics canine units, supported the DNCD’s vetted special investigation unit, and funded assessments of airport and port security against narcotics trafficking and terrorism. The U.S. Transportation Security Agency (TSA) gave Santo Domingo’s Las Americas Airport ninety days to improve deficient aspects of security, and airport authorities succeeded, through considerable effort, in avoiding penalties.

The U.S. delivered one thirty-foot rigid hull inflatable boat and one landing craft to the Dominican Navy to help counternarcotics trafficking and illegal migration. The U.S. also assisted the Dominican Navy with its equipment maintenance and training programs and assessed requirements to outfit the Navy shore detachments.

The U.S. has funded training to the DNCD Fugitive Surveillance Unit, helping it locate, apprehend, and extradite individuals wanted on criminal charges in the U.S. Enhanced computer training, database expansion, and systems maintenance support were provided to the DNCD.

The Dominican Navy and Air Force have a direct communications agreement with the U.S. Coast Guard’s regional operations center in San Juan, Puerto Rico. Dominican Navy vessels have

participated in a few maritime drug seizures, and Navy shore patrols have disrupted illegal migration voyages, another favorite method for smuggling drugs.

USAID's "Strengthened Rule of Law and Respect for Human Rights" program continues to work with the Dominican court, public defender, and prosecutorial systems to improve the administration of justice, enhance access to justice, and support anticorruption programs. Improvements achieved to date include implementation of a new criminal procedures code which better protects the rights of the accused and requires a stricter adherence to the due process of law, and speedier, more transparent judicial processes managed by better trained, technically competent, and ethical judges. The USAID program provides training to prosecutors and public defenders in applicable basic criminal justice legal advocacy skills and has offered training in complex criminal case investigations and prosecutions.

The U.S. Department of Justice and Department of State provided advanced management training to senior police officers, including two from DNCD, at the International Law Enforcement Academy (ILEA) in Roswell, NM. DEA offered a basic drug intelligence course for the DNCD in December. Five DNCD officers attended FBI training focused on high-risk arrest tactics.

The U.S. Department of Homeland Security worked closely with Dominican business associations to establish a Dominican chapter of the Business Anti-Smuggling Coalition (BASC). This voluntary alliance of manufacturers, transport companies, and related private sector entities has agreed to meet stringent security standards to prevent smuggling by means of their operations and to receive surprise inspections at any time. The BASC approach has proven successful in other Latin countries in minimizing contraband and promoting honest business activity. In 2004, five Dominican companies met the strict criteria for BASC certification.

The DNCD, with U.S. and Dutch support, made plans to establish a canine unit for narcotics detection at Puerto Plata International Airport, bringing that facility, allegedly a smugglers' favorite, into line with units at Santo Domingo, Santiago, Punta Cana, and La Romana airports.

The U.S. is planning to deploy a U.S. mobile training team for the DNCD's border units and provide increased support for Dominican naval patrols of the Mona Passage.

With U.S. Department of Homeland Security leadership and DEA support, the Dominican Port Authority and the DNCD maintained good security at the formerly chaotic Santo Domingo terminal of the ferry to Puerto Rico. A 2003-04 project has improved passenger processing and established controls to detect and prevent smuggling of drugs and other contraband. U.S. agents also provided advice on the prevention of smuggling to the owners of the new Caucedo container terminal, which commenced full operation in 2004.

The Drug Enforcement Administration (DEA)-funded Caribbean Center for Drug Information at DNCD headquarters permits real-time sharing and analysis of narcotics-related intelligence among all the nations of the Caribbean Basin. Similar centers are established in Mexico, Colombia, and Bolivia.

The Road Ahead. The immediate U.S. goal remains helping to institutionalize judicial reform and good governance. The GODR and U.S. are working to build coherent counternarcotics programs that can resist the pressures of corruption and can address new challenges brought by innovative narcotics trafficking organizations. The USG and the GODR will continue strengthening drug control cooperation through sharing of information and developing closer working relations among principal agencies. The U.S. will continue providing training and equipment for the DNCD, focusing its attention on the information technology and intelligence exchange necessary to disrupt narcotics smuggling at Dominican land and sea borders and at airports. Support for the retraining and recertification of the DNCD canine units will continue, as will establishment of new canine units in cooperation with DNCD. The DNCD's fugitive investigation teams will continue to receive hands-on U.S. support for their efforts pursuing Dominican fugitives from U.S. justice seeking refuge in the DR.

The USG will continue to provide support to Dominican government and private sector counternarcotics efforts, including provision of specialized technical equipment and support of business and civil society demand reduction efforts.

USAID and the U.S. Department of Justice's Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT) will provide further training to prosecutors and investigators, increasing their professionalism and ensuring that they are prepared to continue to implement the new Criminal Procedures Code. U.S. support for civil society's and the Fernandez administration's efforts to prevent and prosecute corrupt activities will continue, through U.S.-funded programs to strengthen the Attorney General's Department for Prevention of Corruption and the Controller General's Office, and through monitoring and reporting GODR compliance with the Inter-American Convention Against Corruption.

Dutch Caribbean

I. Summary

Aruba, the Netherlands Antilles, and the Netherlands together form the Kingdom of the Netherlands. The two Caribbean parts of the Kingdom have autonomy over their internal affairs, with the right to exercise independent decision making in a number of counternarcotics areas. The Government of the Netherlands (GON) is responsible for the defense and foreign affairs of all three parts of the Kingdom and assists the Government of Aruba (GOA) and the Government of the Netherlands Antilles (GONA) in their efforts to combat narcotics trafficking. The Kingdom of the Netherlands is a party to the 1988 UN Drug Convention, and all three parts are subject to the Convention. Both Aruba and the Netherlands Antilles are active members of the Financial Action Task Force (FATF) and Caribbean Financial Action Task Force (CFATF).

II. Status

Netherlands Antilles. The islands of the Netherlands Antilles (NA) (Curacao and Bonaire off Venezuela and Saba, Saint Eustatius, and Sint Maarten east of the U.S. Virgin Islands) continue to serve as northbound transshipment points for cocaine and increasing amounts of heroin coming from South America; chiefly Colombia, Venezuela, and to a much lesser extent, Suriname. These shipments typically are transported to U.S. territory in the Caribbean by “go-fast” boats although use of fishing boats, freighters, and cruise ships is becoming more common. Direct transport to Europe, and at times to the U.S., is by “mules” (drug couriers) using commercial flights. Evidence in 2004 did not support a finding that drugs now entering the United States from the Netherlands Antilles are in an amount sufficient to have a significant effect on the United States, but the entire eastern and southern Caribbean is an area of U.S. concern. The DEA and local law enforcement saw continued go-fast boat traffic this year, much of which moved to Sint Maarten en route to Puerto Rico or the U.S. Virgin Islands. Additionally, there was a marked increase in sailing vessels and larger vessels that were used to clandestinely move multi-hundred kilogram shipments of cocaine under the guise of recreational maritime traffic.

The crackdown at Curacao’s Hato International Airport on “mules”—who either ingest or conceal on their bodies illegal drugs—which began in 2002 continued during 2004. Most of the courier traffic (current estimate is 95 percent) is destined for Europe. Since the inception of the “Hato Team” concept of interagency cooperation in April 2002, at least 13,000 persons have been denied boarding based on suspicion of drug trafficking under the GONA’s legal authority to prevent disruption on air carriers. Suspected traffickers may request an X-ray in order to clear themselves of suspicion and receive permission to board the plane, but only about 10 percent do so. Of those, about three percent are found to have ingested drugs. The previous year saw the intensification of regional law enforcement against this endemic problem. Dutch officials in The Netherlands initiated a “100 percent Check” on all passengers arriving at Amsterdam’s Schiphol Airport from the Antilles. The Antilles joined in the effort by initiating a program during July 2004 wherein Antilleans identified attempting to carry drugs to Europe automatically lost their passports for a period of two years. These changes were accompanied by an aggressive law enforcement stance to rid the airport of corruption within both civilian and law enforcement ranks; another example of the Antilles, with their Dutch partners, taking the responsibility to deal with their own internal matters. With the increased regional attention and local enforcement efforts, violence directed at law enforcement operating at the airport dissipated during 2004; a welcomed change from the 2003 reporting which indicated at least seven assaults by gunfire on the airport “Hato Team.” Consistent with the continued smuggling ventures, arrests were

frequent in 2004. Curacao's prison remains at capacity and management problems there persist. Aware of this problem, the GONA has taken measures to reduce the prison population by pre-trial diversion of non-violent offenders and by developing a new strategy for law enforcement wherein leaders of the responsible trafficking organizations are targeted in lieu of imprisoning the near endless flow of couriers.

As Hato airport maintained tightened control during the year, traffickers shifted their attention to other Antillean airports, challenging law enforcement control at those locations as well. Law enforcement reporting also noted a marked increase in alternate routes to Europe from neighboring countries like the Dominican Republic, Haiti, and French St Martin. Dutch Sint Maarten continued to detect increasing numbers of "mules" and moved forward with plans to improve its drug detection technology with Dutch assistance. In addition to go-fast boat activity and smuggling via commercial airlines, large quantities of narcotics moved through in containers, as indicated by seizures from containers in 2004. In October 2004, Antillean authorities seized approximately 150 kilograms of cocaine from a container after it arrived in Dutch St Maarten from French St Martin. This was the third time an event like this transpired during the year. Statistics on significant seizures in 2004 indicate that Dutch Sint Maarten continues to pose a serious threat as a staging ground for moving cocaine and heroin into the U.S. market. Officials at St. Maarten have taken this threat seriously by initiating joint U.S. cooperative investigations as well as adopting new law enforcement strategies to combat the problems.

The crime and homelessness stemming from drug abuse remained important concerns for the GONA. After Curacao experienced a stunning increase in drug-related homicides in 2002 with an additional moderate increase in 2003, reporting during 2004 saw a reduction of 45 percent to 13 total drug related homicides. This was attributed to successful regional enforcement operations, one of which was followed by a period of five weeks with no homicides. Because most of the victims were Colombians, beginning early in 2003, the GONA required visas of Colombians wishing to enter its territory. During 2004, the GONA further strengthen their visa requirements by adding several other countries to the visa requirement list. Peru, the Dominican Republic, Cuba, and other European markets topped the noteworthy list. These changes were paralleled by the GONA's re-prioritization of the "Zero Tolerance" teams whose primary mission is to identify illegal immigrants to the islands and deport them. This was accompanied by the Minister of Justice's arrangement with the Netherlands to support new law enforcement missions via loans to cover police overtime, prison reforms, and to station additional Dutch police in the Antilles. He continues to push initiatives such as improving intelligence networks, developing direct Antillean to other foreign country liaison, and acquiring tools like container scanning devices and ground based radar for the region.

Elected officials and all elements of the law enforcement and judicial community recognize that the NA, chiefly due to geography, faces a serious threat from drug trafficking. The police, who are understaffed and need additional training, have received some additional resources, including support from the National Guard. On March 12, 2004, the local parliament declared a state of emergency as it related to internal crime. This declaration allowed significantly more input and participation of Antillean and Dutch military units in the crime reduction effort. The rigorous legal standards that must be met to prosecute cases constrain the effectiveness of the police; nevertheless, local police made significant progress in 2004 in initiating complex, sensitive cases targeting upper-echelon traffickers. After law enforcement made the largest seizure ever of 2345 kilograms of cocaine and 28 kilograms of heroin, the court system (for the first time) approved the dismissal of a local prosecution in lieu of a U.S. extradition and prosecution of seven prominent targets involved in the regional organization. Additional noteworthy developments during 2004 also included the "first" extradition of targets from the Netherlands to the Antilles to face charges. These efforts demonstrated the effectiveness of cooperation with other law enforcement entities in the region.

The far-reaching restructuring of the police, started in 2000, continues to show limited results. During 2000, the police chief made the improvement of the Criminal Investigative Service (CID) his top priority. His second priority was, and continues to be improving the expertise of the financial investigation team. During 2004, the regional community took notice of the first successful joint Antillean/Dutch investigation that was conducted by the Hit and Run Money Laundering Team (HARM). This investigation was the culmination of a multi-jurisdictional money laundering investigation of a drug trafficking organization. For the first time in recent history, businesses operating with near impunity in the Curacao Free Trade zone were held accountable for their involvement in money laundering schemes. Thirteen individuals were arrested in Curacao and The Netherlands and two operating free zone businesses were seized.

As a result of a protocol signed in 2002 between the Justice Ministers of the Antilles and the Netherlands, the NA is now connected to the Police Information net to exchange information, particularly about international crime. The specialized Dutch police units (RSTs) that support law enforcement in the NA continued to be effective in 2004 and continued, as originally intended, to include local officers in the development of investigative strategies to ensure exchange of expertise and information. During the year, the RST took their place in the regional scheme of enforcement as a viable international partner for law enforcement matters.

In addition to these improvements in law enforcement, the GONA demonstrated its commitment to the counternarcotics effort by continued support for a U.S. Forward Operating Location (FOL) at the Curacao Hato International Airport. Under a ten-year use agreement signed in March 2000 and ratified in October 2001 by the Dutch Parliament, U.S. military aircraft conduct counternarcotics detection and monitoring flights over both the source and transit zones from commercial ramp space provided free of charge. A major expansion project at the airport that began in January 2002 and completed during September 2003 significantly increased the FOL's capacity.

The Netherlands Antilles and Aruba Coast Guard (CGNAA) scored a number of impressive successes in 2004. The CGNAA was responsible for several seizures of cocaine, heroin, and marijuana. As an example of their continued success, on October 11, 2004, the CGNAA helicopter identified an inbound go fast, conduct discreet aerial surveillance until the load was passed to a car, and then vectored local police into the location. A total of 336 kilograms of cocaine, 10 kilograms of heroin, and weapons were seized. The CGNAA's three cutters, outfitted with rigid-hull inflatable boats (RHIBs) designed especially for counternarcotics work in the Caribbean, demonstrated their utility against "go-fast" boats and other targets. They continue efforts to obtain new 'super' RHIBs for increased patrol patterns.

The CGNAA has developed a very effective counternarcotics intelligence service and is considered by the U.S. Coast Guard and DEA to be an invaluable international law enforcement partner. Authorities in both the NA and Aruba are intent on ensuring that there is a proper balance between the CGNAA's international obligation to stop narcotics trafficking through the islands, and its local responsibility to stop narcotics distribution on the islands. Under the continued leadership of the Attorney General, the GONA continued to strengthen its cooperation with U.S. law enforcement authorities throughout 2004. This cooperation extended to Sint Maarten, where the United States and the GONA continued joint efforts against international organized crime and drug trafficking.

Aruba. Aruba is a transshipment point for increasing quantities of heroin, and to a lesser extent cocaine, moving north, mainly from Colombia, to the U.S. and secondarily to Europe. Drugs move north via cruise ships and the multiple daily flights to the U.S. and Europe. While the transshipment of heroin is of growing concern, evidence in 2004 did not support a finding that drugs entering the U.S. from Aruba were in an amount sufficient to have a significant effect on the U.S., but the eastern and southern Caribbean is an area of concern to the U.S. The island attracts drug traffickers with its good infrastructure, excellent flight connections, and relatively light sentences for drug-related crimes

served in prisons with relatively good living conditions. This problem is further promulgated by the Netherlands Antilles' law enforcement successes in Curacao during 2004, which necessitated a change in route on the part of the traffickers in the region.

While Aruba enjoys a low crime rate, reporting during 2004 indicates that prominent drug traffickers are establishing themselves sporadically on the island. Additionally, Arubans worry about the easy availability of inexpensive drugs. The most visible evidence of a drug abuse problem may be the homeless addicts, called "chollars" who number about 300 and whose photographs routinely appear in publications to increase public awareness to drug abuse and to stem an increase in crime.

Drug abuse in Aruba remains a cause for concern. Personal use quantities of the various types of drugs are easily found within walking distance of Oranjestad's cruise pier and are frequently peddled to cruise ship tourists. Over the last year, cruise lines that visit Aruba have instituted strict boarding/search policies for employees in order to thwart efforts of the traffickers to establish regular courier routes back to the United States. The expanding use of MDMA in clubs by young people attracts increasing attention. Private foundations on the island work on drug education and prevention and the Aruban government's top counternarcotics official actively reaches out to U.S. sources for materials to use in his office's prevention programs. The police also work in demand reduction programs for the schools and visit them regularly. The government has established an interagency commission to develop plans and programs to discourage youth from trafficking between the Netherlands and the U.S. The Government has been very clear that it intends to pursue a dynamic counternarcotics strategy in close cooperation with its regional and international partners.

In 2004, Aruban law enforcement officials continued to investigate and prosecute mid-level drug traffickers who supply drugs to the endless parade of "mules." During 2004, there were several instances where Aruban authorities cooperated with U.S. authorities to realize U.S. prosecutions of American citizens arrested in Aruba while attempting to return to the United States with drugs in multi-kilogram quantities. Aruba also devotes substantial time and effort to the identification of the person's responsible for the importation of drugs to Aruba. During 2004, Aruba realized a successful investigation with Jamaican Police and U.S. authorities that targeted a substantial heroin trafficking organization.

The police were reorganized in 2002, establishing four instead of three districts, each autonomous with its own detectives' division and led by a District Commissioner. Officers rotate periodically through the police functions. The aim was to put more police on the streets to counter criticism that low-level street pushers enjoy virtually unimpeded freedom to sell cheap drugs to Aruban youth. Two new police stations were established. A new police unit was created for the tourist areas to provide focused coverage, including counternarcotics initiatives. The Attorney General, who was appointed in 2002, remains committed to international cooperation.

The GOA took additional steps in 2004 to demonstrate its commitment to the international effort to combat drug trafficking. After accommodating the placement of U.S. Customs aircraft at a Forward Operating Location (FOL) at Reina Beatrix International Airport in 1999, the GOA continued to make valuable commercial ramp space available to both U.S. military and U.S. Customs aircraft conducting aerial counternarcotics detection and monitoring missions. Further development of the FOL facilities on Aruba is underway.

The GOA hosts the Department of Homeland Security's (DHS) Bureau of Customs and Border Protection pre-inspection and pre-clearance personnel at Reina Beatrix airport. These officers occupy facilities financed and built by the GOA. DHS seizures of cocaine, heroin, and ecstasy were frequent in 2004. Drug smugglers arrested are either prosecuted in Aruba or returned to the U.S. for prosecution, if appropriate. Aruban jails remain critically overcrowded. The GOA established special cells in which to detain those suspected of ingesting drugs. Aruban officials regularly explore ways to

capitalize on the presence of the FOL and pre-clearance personnel, seeking to use resident U.S. law enforcement expertise to improve local law enforcement capabilities.

Aruba also continued to participate in the Coast Guard of the Netherlands Antilles and Aruba, which, for most of the year, continued to be plagued by labor disputes with the union related to employment benefits in a long-term confrontation with the GOA.

III. Actions Against Drugs in 2004

Agreements and Treaties. The Netherlands extended the 1988 UN Drug Convention to the NA and Aruba in March 1999, with the reservation that its obligations under certain provisions would only be applicable in so far as they were in accordance with NA and Aruban criminal legislation and policy on criminal matters. The NA and Aruba subsequently enacted revised, uniform legislation to resolve a lack of uniformity between the asset forfeiture laws of the NA and Aruba. The obligations of the Netherlands as a party to the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, apply to the NA and Aruba. The obligations of the Netherlands under the 1971 UN Convention on Psychotropic Substances have applied to the NA since March 10, 1999. The Netherlands's Mutual Legal Assistance Treaty (MLAT) with the United States applies to the NA and Aruba. Both Aruba and the NA routinely honor requests made under the MLAT and cooperate extensively with the United States on law enforcement matters at less formal levels. In April, the NA signed a Tax Information Exchange Agreement with the U.S. Aruba followed suit shortly thereafter. Aruba has limited legislation dating from May 1996 regulating the import and export of certain precursor and essential chemicals, consistent with the 1988 UN Drug Convention. In the Antilles, it is not clear if the pending legislation 2381 at Parliament relating to precursors is final, but the NA does cooperate in efforts to identify and destroy chemicals.

Cultivation/Production. Cultivation and production of illicit drugs are not issues.

Seizures. Available drug seizure statistics for calendar year 2004 are as follows:

Aruba seized 226.122 kilograms of cocaine, 16.901 kilograms of heroin, 91.838 kilograms of marijuana, 115 grams of hashish, and 1070 tablets of MDMA ("Ecstasy"), and 636 marijuana plants. Arrests: 222.

The NA seized 9,076.786 kilograms of cocaine, 25.340 kilograms of heroin, 237.926 kilograms of marijuana, and 50,143 tablets of MDMA ("Ecstasy"). Arrests: 1409.

Corruption. The effect of official corruption on the production, transportation, and processing of illegal drugs is not an issue for Aruba. During 2004, the NA continued an aggressive and notably successful program to identify certain links from prominent traffickers in the region to law enforcement officials, which prompted additional investigation in the region. The NA has been quick to address these issues through criminal investigations, internal investigations, new hiring practices, and continued monitoring of law enforcement officials that hold sensitive positions. To prevent such public corruption, there is a judiciary that enjoys a well-deserved reputation for integrity. It has close ties with the Dutch legal system including extensive seconding of Dutch prosecutors and judges to fill positions for which there are no qualified candidates among the small Antillean and Aruban populations.

Domestic Programs (Demand Reduction). Both the NA and Aruba have ongoing demand reduction programs, but need additional resources. Aruba, having identified and acquired a site, plans to open a comprehensive drug rehabilitation and shelter facility as early as March 2005. The Korps Politie of Curacao completed final training during February 2004 of its well-trained Demand Reduction staff to do presentations at local schools. St Maarten has followed suit with plans to complete a formal program during the coming months.

IV. U.S. Policy Initiatives and Programs

The United States encourages Aruban and NA law enforcement officials to participate in INL-funded regional training courses provided by U.S. agencies at the GOA and GONA's expense. Chiefly through the DEA and DHS/Immigration and Customs Enforcement, the United States is able to provide assistance to enhance technical capabilities as well as some targeted training. During 2004, the DEA directly sponsored law enforcement initiatives worth more than \$1 million in the NA and Aruba. The U.S. continues to search for ways in which locally assigned U.S. law enforcement personnel can share their expertise with host country counterparts.

Appreciation of the importance of intelligence to effective law enforcement has grown in the Dutch Caribbean. The USG is expanding intelligence sharing with GOA and GONA officials as they realize the mutual benefits that result from such sharing. Because U.S.-provided intelligence must meet the strict requirements of local law, sharing of intelligence and law enforcement information requires ongoing, extensive liaison work to bridge the difference between U.S. and Dutch-based law.

Eastern Caribbean

I. Summary

The seven Eastern Caribbean countries—Antigua and Barbuda, Barbados, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines—form the eastern edge of the Caribbean transit zone for drugs, mostly cocaine and marijuana products, traveling from South America to the U.S. and other global markets. Approximately 30-35 metric tons of cocaine originate from, are destined for, or transit through the Eastern Caribbean (from Puerto Rico east and south) annually to the United States. Eight to nine times that amount transit the Eastern Caribbean to Europe annually. Illicit narcotics transit the Eastern Caribbean mostly by sea, in small go-fast vessels, larger fishing vessels, yachts and freight carriers.

South American traffickers deliver drug loads either over the beach or else they offload their illicit cargo to smaller local vessels for delivery ashore. Marijuana shipments from St. Vincent often come ashore via swimmer delivery. Smugglers also attempt to transport cocaine and marijuana by commercial air. An OAS study on maritime trafficking in the Western Hemisphere indicated that cocaine trafficked to Europe is transported primarily in commercial containerized cargo. There is little narcotics airdrop activity in the region.

The level of cocaine and marijuana trafficked through any individual Eastern Caribbean country to the U.S. does not reach the level needed to designate any one of them a major drug transit country.

Drug trafficking and related crimes—such as money laundering, drug use, arms trafficking, official corruption, violent crime, and intimidation—have the potential to threaten the stability of the small, democratic countries of the Eastern Caribbean and, to varying degrees, have damaged civil society in some of these countries. Regional and international drug trafficking organizations (DTO's) and various organized crime groups have infiltrated many of the Eastern Caribbean nations, corrupting officials and contracting the services of local criminal organizations, some of whom are now sufficiently trusted by major DTO's to be given narcotics on consignment. There are reports that Colombian nationals are residing in some Eastern Caribbean countries and organizing drug trafficking operations. Some of the Eastern Caribbean DTO's also have established contacts amongst themselves to facilitate drug distribution in the region. Local traffickers often pay for services with drugs and/or weapons to limit costs and to increase demand and markets. According to U.S. law enforcement officials, the infrastructure built by DTO's operating in the region and other vulnerabilities that exist in the region make it ripe for exploitation by terrorist organizations.

The seven Eastern Caribbean states are parties to the 1961 UN Single Convention, as amended by the 1972 Protocol, and the 1988 UN Drug Convention. All of the Eastern Caribbean countries are parties to the 1971 UN Convention on Psychotropic Substances. Six states are parties to the UN Convention Against Transnational Organized Crime. Two of the states have signed and two more have acceded to that Convention's protocols on trafficking in persons and migrant smuggling; one has signed and two have acceded to the firearms protocol. Six of the seven states are parties to the Inter-American Convention against Corruption; one has signed but not ratified. Two have ratified the Inter-American Convention on Extradition. One state has signed and six states are parties to the Inter-American Firearms Convention. Three states are parties to the Inter-American Convention on Mutual Assistance in Criminal Matters. Several Eastern Caribbean states have mutual legal assistance statutes that permit the exchange of mutual legal assistance with Commonwealth countries and states-parties to the 1988 UN Drug Convention. All seven governments have bilateral mutual legal assistance and extradition treaties in force with the U.S.

The U.S. Government has maritime drug law enforcement agreements with all seven of the Eastern Caribbean states. A Protocol to amend and update the maritime agreements was submitted to each country in April 2003. The Protocol would permit hot pursuit of maritime drug traffickers into the territorial waters of an Eastern Caribbean state by U.S. Coast Guard law enforcement detachments aboard third country ships (e.g., UK). The Protocol also would permit a law enforcement shiprider from any Regional Security System (RSS) member state (the seven Eastern Caribbean states comprise the RSS) aboard a U.S. Coast Guard or third country vessel to authorize drug law enforcement operations in the territorial waters of any RSS member state. Only Antigua and Barbuda has signed the Protocol.

Marijuana crops are grown in the greatest amounts in Dominica, St. Lucia, St. Kitts and Nevis, and St. Vincent and the Grenadines, primarily for local use or for export to other islands in the region and Europe. Marijuana is grown to a lesser extent in Antigua and Barbuda and in Grenada. The overall level of production is below the threshold for designating any of these countries as major drug producers under the FAA, yet the extent of marijuana production within St. Vincent and the Grenadines appears to make it a significant element of the Vincentian economy. Most Eastern Caribbean officials regard marijuana production and trafficking as serious offenses, although the question of legalization or decriminalization is being discussed in some quarters. The U.S. supports and encourages eradication campaigns as a means to combat marijuana use in the Eastern Caribbean.

In general, Eastern Caribbean law enforcement agencies are committed to controlling drug trafficking. They work closely with U.S. and UK law enforcement counterparts, who also collaborate closely with each other in the region. Eastern Caribbean states also participated in joint operations with French, Dutch, Belgian assets. Maritime interdiction in some of the islands has improved significantly as a result of two U.S.-provided and supported C-26 airborne maritime surveillance aircraft. This program, which is operated entirely by Eastern Caribbean RSS personnel, coupled with a recent significant interagency U.S. investment in maritime equipment and operational support, and a similar UK investment in maritime training, intelligence support, and joint operations command and control training, are beginning to reap increasing interdiction dividends. In 2004, all of the Eastern Caribbean countries were operating rigid-hull inflatable boats received from the U.S. as their principal maritime counternarcotics interceptor.

Eastern Caribbean coast guards endorsed standard operating procedures for the boats. All but one Eastern Caribbean state have functioning interagency operations centers, called National Joint Coordination Centers (NJCC's). The NJCC's also have access to the Regional Clearance System, administered by the Caribbean Customs Law Enforcement Council in St. Lucia, which registers small craft and crew movements in the Caribbean. Both the U.S. and the UK are encouraging and assisting efforts to improve NJCC effectiveness.

Aircraft, maritime interceptor and operations center personnel in the region all have been vetted for security reliability. With the aircraft providing over-the-horizon detection and surveillance, and the pursuit boats engaged in end-game interdiction prosecutions, the traffickers' ability to outrun and outmaneuver Eastern Caribbean maritime assets is diminishing.

Interdiction challenges remain, however. Eastern Caribbean maritime assets normally remain within their territorial sea and only venture beyond when favorable interdiction conditions exist. In the past, interdiction of ocean-going drug loads generally has been left to any UK, French, Dutch or U.S. assets that may have been in the region at the time. The U.S. and its European allies in the Caribbean are planning an Eastern Caribbean drug interdiction strategy that will incorporate where possible the capabilities of Eastern Caribbean jurisdictions.

Eastern Caribbean maritime establishments are chronically under-resourced and several have lost their U.S. security assistance funding as a result of not concluding with the U.S. bilateral International Criminal Court non-surrender agreements. Routine drug law enforcement patrolling, particularly at

night, is intermittent and the establishments as a whole do not have a reputation for consistent drug law enforcement aggressiveness or effectiveness. After-action reviews for the purpose of improving operations are infrequent.

However, there have been several operations during the past year when maritime units were required to defend against ramming by traffickers' vessels, and successfully effected arrests and seizures. (Most maritime traffickers jettison their drug loads and weapons when approached by law enforcement vessels.) With respect to effectiveness, coordination between air and maritime units during operations, a new requirement in the region since the advent of the airborne program, has improved. On a number of occasions, though, the C-26 aircraft have been able to guide maritime and land force units to successful interdictions. Barbados' standard operating procedures for joint maritime interdiction operations have resulted in several significant interdictions in 2004. The U.S. and UK will continue to partner closely with the airborne, maritime and land drug law enforcement units with the aim of improving interdiction coordination and effectiveness. The leading obstacles in most of the Eastern Caribbean states are a lack of funding and proper maritime training of personnel and equipment.

Police drug squad effectiveness in the region also suffers from a lack of resources, including in some cases insufficient equipment and vehicles or dispiriting office infrastructure. The U.S. continues to provide equipment, vehicles and operational support to regional drug law enforcement personnel. With the support of police commissioners, these personnel cooperate with U.S. and UK counterparts to develop drug intelligence and build cases against trafficking organizations. With assistance from the UK, several Eastern Caribbean countries have installed ionscan equipment at airports, thus strengthening their ability to seize narcotics entering or leaving the country.

Where the Eastern Caribbean states have had the least success is in the prosecution of organized drug crime. Conspiracy cases against DTO ringleaders, prosecutions for complex finance crimes and money laundering cases and significant asset forfeitures connected to cases developed within Eastern Caribbean jurisdictions remain almost non-existent. Some of the necessary criminal statutes to bring such cases exist in all Eastern Caribbean countries, such as conspiracy, criminal asset forfeiture and money laundering laws, but they are used infrequently. Other laws or practices that would allow law enforcement agencies to effectively penetrate or disrupt organized criminal groups, such as civil forfeiture, wiretapping, undercover buys, paying informants, controlled deliveries, witness protection and plea agreements have not been enacted or implemented. Moreover, sentences for drug possession or trafficking do not appear to act as a deterrent.

The U.S., UK and organizations such as the Caribbean Office of the UN Office on Drugs and Crime (UNODC), the Association of Caribbean Commissioners of Police (ACCP), and the Caribbean Anti-Money Laundering Program (CALP) all are providing encouragement and assistance to Eastern Caribbean states to improve the prosecutorial environment. CALP, however, ended its program December 31, 2004. In 2004 the U.S. sponsored a judicial exchange between a U.S. District Judge and the Eastern Caribbean Supreme Court. Both the U.S. and UK have encouraged the adoption of wiretapping legislation. CALP has circulated model civil forfeiture legislation and the ACCP President called for civil forfeiture, plea-bargaining, electronic surveillance and rackets legislation. The 1996 Barbados Plan of Action for Drug Control Coordination and Cooperation in the Caribbean, the 1997 U.S.-Caribbean Summit Justice and Security Action Plan, and the CARICOM Regional Task Force on Crime and Security, as well as Caribbean police authorities on a regular basis, all call for modern laws covering many of these areas.

Progress has been limited. Antigua and Barbuda has adopted civil forfeiture legislation. Several Eastern Caribbean states are considering wiretap legislation. There appears to be a growing recognition in the region among police and prosecutors that without such tools, trafficking organization leaders will remain immune from arrest and prosecution. In most Eastern Caribbean

states, an apparent lack of political will or leadership, and in others, resource shortages (e.g., of funds for informants or witness relocation, etc.) have effectively weakened such legal initiatives.

Some prosecutors do not have sufficient experience with complex conspiracy or financial crime cases; others may believe the judiciary is ill prepared to handle such cases. Without a serious, broad-based prosecution and law enforcement modernization effort, and a greater percentage of national resources given to narcotics law enforcement and prosecution, it is unlikely that the region will develop significant defenses against DTO's, as well as terrorist organizations, money launderers and other international and regional criminals and criminal groups.

In 2004, the seven Eastern Caribbean countries continued to support the treaty-based RSS. Barbados pays 40 percent of the RSS's budget. The RSS includes marijuana eradication exercises in its twice-yearly basic training course for police special services units. The RSS continued to operate a maritime training facility in Antigua for member-nation forces.

Local instructors, assisted primarily by resident British Royal Navy trainers, with some supplementary training provided by U.S. Coast Guard trainers, have provided various law enforcement and seamanship courses for several years. The C-26 program is fully funded by the USG and operates under the aegis of the RSS. The seven Eastern Caribbean islands that comprise the RSS should make an effort to start contributions before all USG funding is exhausted for the C-26 program.

With the amount of narcotics transiting the region and the presence in each of the Eastern Caribbean states of offshore financial institutions, the Eastern Caribbean has been vulnerable to money laundering for some time. By the end of 2003, the Eastern Caribbean states had met international standards for anti-money laundering legislation, regulations and law enforcement infrastructure (in the form of financial intelligence units). The need for effective and consistent implementation of anti-money laundering efforts remains. This phenomenon is addressed in detail in the money laundering section of this report.

Dominica and St. Kitts and Nevis have economic citizenship programs that are susceptible to abuse through inadequate due diligence checks. Unscrupulous individuals, including suspected members of criminal organizations, can take advantage of economic citizenship programs to ease travel and to modify and/or create multiple identities. Such individuals have also used these false identities to help create offshore entities used in money laundering, financial fraud, migrant smuggling and other illicit activities, as well as to facilitate the travel of the perpetrators of these crimes. Immigration and passport agencies in the Eastern Caribbean countries also are susceptible to corruption and that, combined with the lack of automated immigration records in the region, can facilitate ease of movement for criminals or terrorists. In 2003, a number of Eastern Caribbean states decided to undertake immigration automation efforts. Grenada is the first Eastern Caribbean state to have automated its immigration system.

In 2004, the Eastern Caribbean countries' continued their participation in the work of the Caribbean Community's (CARICOM) Regional Task Force on Crime and Security. In some respects, the Regional Task Force is a successor to the efforts undertaken in the region in connection with the 1996 Barbados Plan of Action and its follow-up 2001 high-level meeting on drugs and crime, and with the 1997 Caribbean-U.S. Summit Action Plan. The 1997 U.S.-Caribbean Action Plan had set out a comprehensive set of measures to combat transnational crime, particularly drug trafficking and money laundering. It called for collaboration also in strengthening criminal justice systems and interdiction efforts, combating small arms smuggling and corruption, developing a criminal justice protection program and reducing drug demand through education, rehabilitation and eradication. The CARICOM Task Force's recommendations, similar in many respects to previous recommendations, take into account also the need for counterterrorism efforts as a result of the September 11, 2001 attacks on the U.S. and would have the effect of improving drug law enforcement and prosecution efforts, if implemented. Eastern Caribbean countries are working on the recommendations given priority for

implementation by the CARICOM Heads of Government in 2003, including establishing a regional fingerprint and criminal record database, development of a regional anticrime plan, and conducting a drug policy review.

II. Status of Countries and Actions Against Drugs

Antigua and Barbuda. The islands of Antigua and Barbuda are transit sites for cocaine moving from South America to the U.S. and global markets. Some law enforcement officials believe that improved airport enforcement in Jamaica has prompted traffickers to seek other outbound locations in the Caribbean for transit by commercial air carrier.

An increase in airport arrests in Antigua following installment of ionscan equipment and implementation of modern profiling techniques indicates that this may be so. Reportedly, there are Colombian nationals in Antigua participating in trafficking operations.

Narcotics entering Antigua and Barbuda are transferred mostly from go-fast boats, fishing vessels, or yachts to other go-fasts, powerboats or local fishing vessels for delivery into Antigua and Barbuda. Secluded beaches and uncontrolled marinas provide excellent areas to conduct drug transfer operations.

Marijuana cultivation on the islands is not significant.

Marijuana imported for domestic consumption primarily comes from St. Vincent.

Antigua and Barbuda is a party to the 1961 UN Single Convention, as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, and the 1988 UN Drug Convention. The Government of Antigua and Barbuda (GOAB) is a party to the Inter-American Convention against Corruption, the Inter-American Convention on Extradition, the Inter-American Convention on Mutual Assistance in Criminal Matters, the Inter-American Convention against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives and Other Related Materials (Inter-American Firearms Convention), and the Inter-American Convention on Extradition. The GOAB has signed the UN Convention against Transnational Organized Crime, but has not signed any of its three protocols.

The USG and the GOAB signed a maritime drug law enforcement cooperation agreement in 1995 and an over-flight agreement in 1996. This agreement was amended in 2003 to facilitate broadened maritime law enforcement efforts. In 1999, the GOAB was the first Eastern Caribbean government to bring into force extradition and mutual legal assistance treaties with the U.S. In most cases, the GOAB is responsive to USG-initiated mutual legal assistance requests. The U.S. has made two extradition requests to Antigua and Barbuda since the treaty entered into force. One individual was extradited in 2003, and the remaining extradition was denied; the appellate court upheld the denial.

GOAB drug law enforcement efforts are shared by the police drug squad and the Office of National Drug Control and Money Laundering Policy (ONDCP), which received police powers in 2003. The ONDCP comprises the National Joint Coordination Center, the Financial Intelligence Unit, the Financial Investigations Unit, the Drug Intelligence Unit, and the Drug Control Policy Unit coordinator and two attorneys. In 2003, a national drug kingpin task force began operating out of the ONDCP under the leadership of a UK Customs and Excise Drug Liaison Officer. In 2004, GOAB forces seized 25 kilograms of cocaine and 7,120 kilograms of marijuana, arrested 171 persons on drug-related charges and eradicated 16,178 marijuana plants. Antigua and Barbuda has both conviction-based and civil forfeiture legislation; it is the only Caribbean country with the latter. With assistance from the OAS, the GOAB drafted a master drug control plan that was approved in 2002.

The rehabilitation center in Antigua and Barbuda is Crossroads, a 36-bed private drug treatment facility that offers treatment to international and a limited number of local clients who can take advantage of special payment and after-treatment work programs to cover the cost of treatment. In

2001, Crossroads and the GOAB established a halfway house for recovering substance abusers in the capital, St. John's. There are no public drug rehabilitation facilities in Antigua and Barbuda. Drug addicts are referred to the country's mental hospital. The ONDCP, in association with international donors, local organizations and the Ministry of Education, is initiating a "life skills" education program in schools. The police conduct a schools D.A.R.E. program.

Barbados. Barbados is a transit country for cocaine and marijuana products entering by sea and by air from South America and elsewhere in the region. Smaller vessels or go-fast boats transport marijuana from St. Vincent and the Grenadines and cocaine from South America. There have been several instances in which passengers on flights originating in Jamaica were found with marijuana on arrival in Barbados.

Barbados is party to the 1961 UN Convention, as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances and the 1988 UN Drug Convention. Barbados has signed, but not ratified, the Inter-American Convention against Corruption, and is a party to the Inter-American Firearms Convention. Barbados has not signed the Inter-American Convention on Mutual Assistance in Criminal Matters or the Inter-American Convention on Extradition. The Mutual Assistance in Criminal Matters Act allows Barbados to provide mutual legal assistance to countries with which it has a bilateral mutual legal assistance treaty, Commonwealth countries, and states-parties to the 1988 UN Drug Convention. Barbados has signed but has not yet ratified the UN Convention against Transnational Organized Crime and its three protocols. Barbados has an asset-sharing agreement with Canada.

The GOB and the USG have brought into force three important agreements that facilitate counternarcotics cooperation: a maritime agreement with over-flight authority, an extradition treaty and a mutual legal assistance treaty. GOB agencies reported seizing 37 kilograms of cocaine and 2,278 kilograms of marijuana through early December 2004. The GOB brought drug charges against 201 persons during that same period.

The GOB tried twice in 2003 to convict two brothers accused of cocaine trafficking. Two trials resulted in a hung jury and an acquittal, respectively. One of the brothers, Frederick Chris Hawkesworth, was arrested again in 2003 on marijuana trafficking charges. In 2004, the USG sought extradition of Hawkesworth along with four others for attempting to import and distribute cocaine in the United States in July 2002. During an extradition hearing in September regarding the Hawkesworth case, a Magistrate Judge ruled that the Director of Public Prosecution (DPP) could not act as counsel for the USG. This ruling, which has been appealed to the High Court, contravenes the commitments made by the GOB in the U.S.-Barbados extradition treaty.

The GOB has in place a penal system that provides alternative sentencing options beyond prison and fines. The initiative allows community service orders, curfew orders, and other sentencing alternatives. The law was designed to reduce prison overcrowding and provide options for dealing with youthful offenders and drug-addicted criminals. The GOB plans to develop a drug court that will specialize in providing non-custodial sentences for drug offenders, if appropriate.

The Proceeds of Crime Act of 1990 provides for the confiscation of property shown to have been derived or obtained by a person, directly or indirectly, from the commission of certain offenses, including drug trafficking and money laundering, and enables law enforcement authorities to trace such proceeds, benefits or property. The GOB has shared in assets forfeited in U.S. legal proceedings and has seized property belonging to convicted drug traffickers. In November 2001, the GOB amended its law to shift the burden of proof to the accused to demonstrate that property in his/her possession or control is derived from a legitimate source. Absent such proof, the presumption is that the property was derived from the proceeds of crime. Barbados law also provides for freezing bank accounts and prohibiting transactions from suspected accounts for up to 72 hours. Under Barbados

law, anyone convicted of money laundering by the High Court is subject to a fine of \$1 million or 25 years in prison or both.

Following up on the recommendations of the CARICOM Regional Task Force on Crime and Security, the GOB formed a National Commission on Law and Order, which is an advisory body to the Attorney General's office. In the process of developing a National Plan of Action Against Crime drafted by the Attorney General's Office, the Commission held public hearings on the plan in 2003. Among the legislative reforms discussed in the plan are a wiretapping bill and an organized crime prevention bill. The plan also discusses plans to improve police technical capabilities and automation.

The GOB is taking a number of steps to improve its ability to fight crime, including transnational crime such as drug trafficking, money laundering and terrorism. In 2003 it installed ionscan equipment at the international airport and opened a forensics center. In 2004, Barbados embarked on an ambitious multi-million program to upgrade police communications.

The ruling party announced plans to develop a National Prosecution Service and a port police unit. Ground was broken in 2003 for the construction of a USD 35 million judicial center. The Barbados Port Authority stated it met the July 2004 IMO deadline to implement the International Shipping and Port Facilities Security Code.

Barbados is executing a national plan concerning supply and demand reduction for the period 2002-2006. The GOB's National Council on Substance Abuse (NCSA) and various concerned NGOs, such as the National Committee for the Prevention of Alcoholism and Drug Dependency, are very active and effective. NCSA works closely with NGOs in prevention and education efforts and skills-training centers. NCSA sponsored a "Drugs Decisions" program in 45 primary schools and continued its sponsorship of prison drug and rehabilitation counseling. Barbados's excellent D.A.R.E. and PRIDE programs remained active in the school system. The mental health hospital provides drug detoxification, while the Coalition Against Substance Abuse (CASA) opened a no-cost drop-in center in 2001. Staffed by volunteer counselors, the CASA center serves addicts and their families. The largest drug rehabilitation facility in Barbados, Verdun House, has 40 beds for in-patient treatment and 35 spaces for halfway care. Eighty-five percent of the facility's clients are there because of cocaine addiction. In 2003, the Ministry of Health announced that it had drafted revised regulations designed to enhance drug treatment options.

Commonwealth of Dominica. The Commonwealth of Dominica serves as a transshipment and temporary storage area for drugs, principally cocaine products, headed to the U.S. and to Europe, mostly via the French Departments of Martinique and Guadeloupe. Go-fast boats bring shipments from St. Vincent and the Grenadines and elsewhere. In addition, marijuana is cultivated in Dominica. The Dominica police regularly conduct ground-based marijuana eradication missions in rugged, mountainous areas.

Through November 2004, Dominican law enforcement agencies reported seizing 271 grams of cocaine, 246 pieces of crack cocaine, and 1035 kilograms of marijuana. They eradicated 167,553 marijuana plants (trees and seedlings), a portion of which was destroyed by the RSS in March 2004 as part of its basic training course. Dominican police arrested 179 persons on drug-related charges. Dominican law permits the forfeiture of drug traffickers' assets. Police resource shortages and Dominica's difficult terrain make drug law enforcement investigations difficult. Based on the recommendation of the CARICOM Regional Task Force on Crime and Security, the GCOD announced plans in 2003 to form a National Commission on Crime and Security.

The Ministry of Health oversees drug demand reduction efforts. The Ministry and its National Drug Abuse Prevention Unit have been successful in establishing a series of community-based drug use prevention programs.

Starting at age three and proceeding through age 15, school children receive drug use prevention education. The D.A.R.E. Program, a cooperative effort of the police force and the Ministry of Education, complements this effort in schools. There are no public sector drug rehabilitation facilities in Dominica; the psychiatric hospital provides limited detoxification services. The GCOD is seeking funding to revive a youth cadet corps, one of whose objectives will be drug demand reduction.

Dominica is a party to the 1961 UN Single Convention, as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances and the 1988 UN Drug Convention. Dominica is a party to the Inter-American Convention on Mutual Assistance in Criminal Matters, the Inter-American Firearms Convention and the Inter-American Convention against Corruption. Dominica has not signed the UN Convention against Transnational Organized Crime.

Dominica and the U.S. have signed and brought into force a maritime agreement. However, Dominica has not yet agreed to expand the maritime agreement to include over-flight or order-to-land authority. An extradition treaty and an MLAT are currently in force between the U.S. and Dominica. Numerous MLAT requests and informal queries have been honored—particularly those submitted in the aftermath of the September 11 attacks in the U.S. The U.S. and Dominica continue to work through extradition requests, specifically the case of Randy Isidore, who remains on bail pending a decision of the Dominican court.

Grenada. South American cocaine traffickers pass through or stop in Grenada's coastal waters and its often un-policed islands and beaches to transship cocaine en route to U.S. and other markets, including by drug couriers on commercial aircraft and via yachts. The traffickers often transfer cocaine to Grenadian vessels to execute deliveries ashore, as the Grenadian police have had some success in disrupting over-the-beach deliveries.

In the aftermath of Hurricane Ivan, law enforcement officials of necessity turned their attention to restoring civil order and assisting in disaster relief. As a result, transshipments increased during this time. Previously the Grenada's police drug squad had dismantled a Trinidadian cocaine trafficking operation using Grenada as a transshipment point in 2003. Grenada's successes are now temporarily eclipsed by their lack of infrastructure as a result of Hurricane Ivan.

The police drug squad continues to collaborate closely with DEA officials in the targeting and investigation of a local cocaine trafficking organization, which has associations with South American and other Caribbean traffickers. Relatively small amounts of marijuana are grown in Grenada. Marijuana is imported from St. Vincent for domestic use.

Grenada is a party to the 1961 UN Single Convention, as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances and the 1988 UN Drug Convention. Grenada also is a party to the Inter-American Convention against Corruption, Inter-American Firearms Convention and the Inter-American Convention on Mutual Assistance in Criminal Matters. Grenada is a party to the UN Convention on Transnational Organized Crime and its three protocols. The GOG and the USG signed a maritime law enforcement cooperation agreement in 1995 and an over-flight and order-to-land amendment to the maritime agreement in 1996. An extradition treaty and a Mutual Legal Assistance Treaty (MLAT) is in force between the U.S. and Grenada. Grenada's police and its financial intelligence unit have been extremely responsive to MLAT requests, particularly in the aftermath of the September 11 attacks in the U.S.

The Drug Control Secretariat of the National Council on Drug Control is very active and effective. Under a 2002 statutory mandate, and with the participation of many government agencies, including the police service, the National Council on Drug Control, headed by the Attorney General, guides and integrates national interdiction and demand reduction policy. Grenada, with OAS assistance, is working on a new national master plan for drug control to cover the period 2004-2009.

The Council effectively keeps drug prevention themes before the public. Drug use prevention education is incorporated into all levels of the educational curriculum. In 2002, the GOG issued a National Schools' Policy on Drugs. The D.A.R.E. program continues to function well. The Department of State and the Florida Association of Volunteer Agencies/Caribbean Action (FAVA/CA) have contributed to the development of self-sustaining, peer-to-peer drug prevention and "Safe Summer" programs for youth in Grenada since 2001. Grenada's sole drug and alcohol treatment center continues to receive about 50 patients per year. Most patients are admitted for alcohol abuse; all treatment costs are borne by the government. The psychiatric hospital also provides drug detoxification.

Law enforcement agencies in Grenada cooperate well on drug control. They meet regularly to plan joint operations, thereby maximizing available assets. The government opened its National Coordination Center for law enforcement in 2001. Through August 2004, Grenadian authorities reported seizing approximately 24 kilograms of cocaine, 719 pieces of crack cocaine, and 386 kilograms of marijuana. During that period, they arrested 311 persons on drug-related charges. Grenadian law enforcement authorities seized nearly ECD 31,856 (U.S. \$12,021) in connection with drug-related cases.

St. Kitts and Nevis. St. Kitts and Nevis is a transshipment site for cocaine from South America to the U.S. Drugs are transferred out of St. Kitts and Nevis primarily via small sailboats, fishing boats and go-fast boats bound for Puerto Rico and the U.S. Virgin Islands. Trafficking organizations operating in St. Kitts are linked directly to South American traffickers, some of whom reportedly are residing in St. Kitts, and to other organized crime groups. Marijuana is grown locally.

Since 1996, the USG has sought the extradition of two members of the Charles Miller trafficking organization. Miller surrendered to U.S. authorities in February 2000, and was convicted on felony trafficking charges in Florida in December 2000 and sentenced to life in prison. The UK Privy Council dismissed in June 2002 the appeal of Miller's associates against the upholding of their extradition by the St. Kitts High Court and remanded the case to the High Court for expeditious action. In 2003, both the High Court and subsequently the Eastern Caribbean Supreme Court upheld the extradition. The defendants are appealing once again to the UK Privy Council. In the meantime, the two individuals—Noel Heath and Glenroy Matthew—who have been named Specially Designated Narcotics Traffickers under the Foreign Narcotics Kingpin Designation Act—remain free on bail.

St. Kitts and Nevis is party to the 1961 UN Single Convention, as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances and the 1988 UN Drug Convention. St. Kitts and Nevis is a party to the Inter-American Convention against Corruption and the Inter-American Firearms Convention, but has not signed the Inter-American Convention on Extradition or the Inter-American Convention on Mutual Assistance in Criminal Matters. St. Kitts and Nevis is a party to the UN Convention against Transnational Organized Crime and its three protocols.

The GOSKN signed a maritime law enforcement cooperation agreement with the U.S. in 1995 and an over-flight amendment to the maritime agreement in 1996. In 2000, the USG and the GOSKN brought into force extradition and mutual legal assistance treaties. The GOSK has been responsive to most U.S. MLAT requests. St. Kitts and Nevis developed a five-year master plan for drug control in 1996, which was refined and its implementation initiated in November 2000. The National Council on Drug Abuse Prevention coordinates implementation. The police operate a very successful D.A.R.E. program in the federation, positively affecting the lives of thousands of students and their families. Supported by the State Department's Bureau for International Narcotics and Law Enforcement Affairs (INL), the Florida Association of Volunteer Agencies/Caribbean Action (FAVA/CA) carried out in 2002-2003 a successful demand reduction and prevention sustainability program in St. Kitts.

The police drug unit on St. Kitts has been largely ineffective. Insufficient political will and the lack of complete independence for police to operate are contributing factors. The GOSKN Defense Force

augments police counternarcotics efforts, particularly in marijuana eradication operations. The government opened a National Joint Coordination Center in 2000. GOSKN officials reported seizing 7 kilograms of cocaine, 1373 grams of heroin, and approximately 365 kilograms of marijuana through November 2004. They arrested 24 people on drug charges and eradicated approximately 3,435 marijuana plants.

The high degree of drug trafficking activity through and around St. Kitts and Nevis and the presence of known, active traffickers in St. Kitts place this small country at great risk for corruption and money laundering activity.

St. Lucia. St. Lucia is a well-used transshipment site for cocaine from South America to the U.S. and Europe. Cocaine arrives in St. Lucia in go-fast boats, primarily from Venezuela, and is delivered over the beach or offloaded to smaller local vessels for delivery along the island's south or southwest coasts. Marijuana is imported from St. Vincent and the Grenadines and grown locally. Foreign and local narcotics traffickers are active in St. Lucia and have been known to stockpile cocaine and marijuana for onward shipment.

The GOSL police reported seizing 1142 kilograms of cocaine and 207 kilograms of marijuana through November 2004. They arrested 399 persons on drug charges and eradicated approximately 137,606 marijuana plants. The GOSL seized U.S. \$488,000 in drug related assets. The USG and the GOSL cooperate extensively on law enforcement matters. St. Lucia law permits asset forfeiture after conviction. The law directs the forfeited proceeds to be applied to treatment, rehabilitation, education and preventive measures related to drug abuse. In 2003, St. Lucia revised its criminal code. This revision modernized existing legislation to deal with wire-fraud and other modern finance-related offenses. The GOSL also announced plans to adopt wiretap legislation and civil forfeiture. It has also taken steps to strengthen its border controls and plans to automate its immigration control systems. St. Lucia does not have an operational National Joint Coordination Center.

St. Lucia is a party to the 1961 UN Single Convention, as amended by the 1972 Protocol and the 1988 UN Drug Convention, and the 1971 UN Convention on Psychotropic Substances. The GOSL signed a maritime agreement with the USG in 1995 and an over-flight amendment to the maritime agreement in 1996. An MLAT and an extradition treaty are in force between St. Lucia and the United States. St. Lucia is a party to the Inter-American Firearms Convention, the Inter-American Convention against Corruption, and the Inter-American Convention on Extradition. St. Lucia has signed but has not yet ratified the UN Convention against Transnational Organized Crime.

St. Lucia has instituted a centralized authority, the Substance Abuse Council Secretariat, to coordinate the government's national counternarcotics and substance abuse strategy. Various community groups, particularly the police public relations office, continue to be active in drug use prevention efforts, with a particular focus on youth. St. Lucia offers drug treatment and rehabilitation at an in-patient facility known as Turning Point, run by the Ministry of Health. The St. Lucian police report that the D.A.R.E. Program has been extremely successful.

St. Vincent and the Grenadines. St. Vincent and the Grenadines is the largest producer of marijuana in the Eastern Caribbean and the source for much of the marijuana used in the region. Extensive tracts are under intensive marijuana cultivation in the inaccessible northern half of St. Vincent. The illegal drug trade has infiltrated the economy of St. Vincent and the Grenadines and made some segments of the population dependent on marijuana production, trafficking and money laundering. However, cultivation does not reach the level to be designated as a major drug-producer, nor does it significantly affect the U.S. As such, despite the pervasive influence of the drug trade, the President has not designated St. Vincent and the Grenadines as a major illicit drug producing or a major drug transit country. Compressed marijuana is sent from St. Vincent and the Grenadines to neighboring islands via private vessels. St. Vincent and the Grenadines has also become a storage and transshipment point for

narcotics, mostly cocaine, transferred from Trinidad and Tobago and South America on go-fast and inter-island cargo boats.

Through November 2004, Government of St. Vincent and the Grenadines (GOSVG) officials reported seizing 28 kilograms of cocaine and approximately 2027 kilograms of marijuana. They arrested 375 persons on drug-related charges and eradicated approximately 175,025 marijuana plants. The police, Customs and Coast Guard try to control the rugged terrain and adjacent sea of St. Vincent and the chain of islands making up the Grenadines. Their reaction capability is limited, but the SVG Coast Guard has improved its performance as a result of receiving from INL two new rigid-hull inflatable interceptors.

St. Vincent and the Grenadines is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. The GOSVG is a party to the Inter-American Convention against Corruption, and has signed but not ratified the Inter-American Convention against Firearms. The GOSVG has signed but not yet ratified the UN Convention against Transnational Organized Crime and its protocols on trafficking in persons and migrant smuggling.

The GOSVG signed a maritime agreement with the USG in 1995, but it has not yet signed an over-flight amendment to the maritime agreement. An extradition treaty and an MLAT are currently in force between the U.S. and the GOSVG. USG law enforcement officials received good cooperation from the GOSVG in 2004. St. Vincent police were extremely cooperative in executing search warrants pursuant to a U.S. MLAT that resulted in approximately U.S. \$350,000 worth of confiscated property in 2004.

An advisory council on drug abuse and prevention, mandated by statute, has been largely inactive for several years. A draft national counternarcotics plan remains pending. The government mental hospital provides drug detoxification services. The family life curriculum in the schools includes drug prevention education and selected schools continue to receive the excellent police-run D.A.R.E. Program. Marion House, an enthusiastic and effective NGO, offers drug counseling in St. Vincent. Marion House also has developed and implemented an ambulatory outreach program and initiatives in prison officer training and prisoner rehabilitation. The OAS is assisting the GOSVG develop a drug demand reduction program for St. Vincent's prison.

French Caribbean

French Guiana, Martinique, Guadeloupe, the French side of St. Martin, and St. Barthelemy are all part of France and subject to French law, including all international anticrime conventions signed by France. (Not all French international agreements apply outside metropolitan France.) With the resources of France behind them, the French Caribbean Departments and French Guiana are meeting the goals and objectives of the 1988 UN Drug Convention. The French Judiciary Police, Gendarmerie, and Customs Service play a major role in narcotics law enforcement in France's overseas departments, just as they do in the rest of France. South American cocaine may move through the French Caribbean and from French Guiana to Europe, and, to a lesser extent, to the United States.

As in 2003, evidence in 2004 did not support a finding that drugs entering the United States from the French Caribbean had a significant effect on the United States; however, the United States considers the broad geographical area of the eastern and southern Caribbean, of which the French Caribbean is a part, as an area of concern. A small amount of cannabis is cultivated in French Guiana. However, officials are seeing an increase in cocaine coming directly to France from the French Caribbean, giving impetus to the creation of the Martinique Task Force.

In July, customs officials at Orly airport in Paris seized 92 kilograms of cocaine, valued at 4 million euros, hidden in a jet ski arriving from the French Antilles. The officers arrested seven people and seized cash as well. Later that month, customs officials in French Guiana seized almost 40 kilograms of cocaine from a Paris-bound air passenger; in August, customs officials at Rochambeau Airport in French Guiana seized 21 kilograms of cocaine each from two passengers, for a total of more than 40 kilograms and a street value of 1.7 million euros.

In October, customs officials at Orly seized over 11 kilograms of cocaine from the luggage of two passengers arriving from French Guiana, and later in the month, customs officials at Rochambeau seized another 20 kilograms of cocaine.

Many of the UN Conventions to which France is a party apply to the French Caribbean, including the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, the 1961 UN Single Convention, as amended by the 1972 Protocol, and the UN Convention Against Transnational Organized Crime and its protocols on migrant smuggling and trafficking in persons. Several bilateral treaties between the U.S. and France also apply to the French Caribbean, specifically the U.S.-France bilateral narcotics-related agreements, including a 1971 agreement on coordinating action against illegal trafficking, the Customs Mutual Assistance Agreement, a new mutual legal assistance treaty (MLAT) that entered into force in 2001, and a new extradition treaty that entered into force in 2001.

In addition to the above agreements and treaties, counternarcotics cooperation in the Caribbean is enhanced by a multilateral Caribbean customs mutual assistance agreement that provides for information sharing to enforce customs laws, including those relating to drug trafficking. The assignment of a French Navy liaison officer to the U.S. Joint Interagency Task Force-South (JIATF-S) at Key West, Florida, has also enhanced law enforcement cooperation in the Caribbean. The USG and the Government of France have been exploring a possible counternarcotics maritime agreement for the Caribbean for several years and an agreement was drafted in November 2001 on Cooperation in Suppressing Illicit Maritime and Air Trafficking in Narcotic Drugs and Psychotropic Substances in the Caribbean Area. Pending a final agreement, U.S. and French authorities have maintained good operational relations in the Caribbean and have participated in joint interdiction operations in the area.

Since November 2003, the DEA's Paris Country Office has been working with OCRTIS (the French counternarcotics department within the Ministry of the Interior) and the British National Criminal Intelligence Service on an investigation of a predominantly Guyanese cocaine-trafficking organization.

This organization had been sending couriers with kilo quantities of cocaine from the Caribbean through France to England, where the cocaine was distributed as crack. Approximately 30 people linked to this organization have been arrested in France, and over 40 kilos of cocaine have been seized. In Pennsylvania, a violent crack/cocaine organization associated with the Guyanese organization has been dismantled, with approximately 15 people having been arrested.

In early 2004, France established the liaison platform and multinational counternarcotics taskforce in Martinique envisioned in a quadrilateral agreement then-Minister of the Interior Sarkozy signed with Colombia, Spain and the United Kingdom in July 2003. Their cooperation aims to curb the back-haul shipments of cocaine from South America via the French Antilles into Europe. Among a variety of cooperative tools and measures put into place was this liaison platform and drugs task force of the OCRTIS. The task force brings together French National Police, Gendarmerie, and Customs officers alongside colleagues from Spain, the United Kingdom and Colombia. The French have asked the United States to participate in this program. Directors of DEA's Puerto Rico office and DEA's Paris Country Office met with the OCRTIS director in Martinique in late 2003 to arrange for a DEA liaison officer out of the Puerto Rico office to be assigned to the task force; the officer should assume the post early in 2005.

The task force's four main objectives are reinforcing operational capabilities, ensuring real coordination between all parties, enhancing foreign counterparts' understanding of the project, and implementing new law enforcement mandates assumed by the French Navy. The task force presence obviates the need for French police officers to travel from Paris separately for individual matters. In addition, the OCRTIS officer in charge of the Martinique Task Force oversees the OCRTIS liaison officers serving in Central and South America and other Caribbean countries.

In Martinique, the French inter-ministerial Drug Control Training Center (CIFAD) offers training in French, Spanish and English to officials in the Caribbean and in Central and South America, covering such subjects as money laundering, precursor chemicals, mutual legal assistance, international legal cooperation, coast guard training, customs valuation and drug control in airports. CIFAD coordinates its training activities with the UNDCP, the Organization of American States/CICAD, and individual donor nations. U.S. Customs officers periodically teach at CIFAD.

France supports EU initiatives to increase counternarcotics assistance to the Caribbean. The EU and its member states, the United States, and other individual and multinational donors are coordinating their assistance programs closely in the region through regular bilateral and multilateral discussions. The GOF participates actively in the Caribbean Financial Action Task Force (CFATF) as a cooperating and support nation (COSUN).

Guyana

I. Summary

Guyana is a transshipment point for South American cocaine destined for North America, Europe and the Caribbean. In 2004, interdictions and seizures of drugs being sent from Guyana to the U.S., Europe and the Caribbean have increased significantly. The economic, political and social conditions in Guyana make it a prime target for narcotics traffickers to exploit as a transit point. There has been an increase in crime believed to be linked to narcotics trafficking in the past year. The Financial Intelligence Unit, established in 2003, became operational in mid-2004. Guyana's law enforcement officers participated in U.S. funded training. However, joint U.S.-Guyana operations in combating narcotics were undertaken but quickly compromised due to corruption. Guyana is a party to the 1988 UN Drug convention but still needs to pass and implement additional legislation to meet its obligations under the Convention.

II. Status of Country

Guyana's ineffective drug interdiction capability makes the country an easy transit point for cocaine trafficking from South America to the U.S., Europe and the Caribbean. The volume of traffic passing through Guyana (based on seizures) appears to be significant in local terms and seems to be growing. The amount of drugs coming from Guyana into the U.S. does not yet appear to come in large shipments. However, a recent US\$54.5 million seizure of cocaine in the UK and a US\$20-40 million seizure of 155 kilograms of cocaine in Baltimore highlight the growing capabilities of Guyana's drug traffickers. The country's remote geographic location and limited law enforcement capabilities, as well as high levels of corruption, make the country a prime location for exploitation by drug traffickers.

The GOG's counternarcotics efforts are undermined by the lack of adequate resources for law enforcement, poor coordination among law enforcement agencies, corruption and weak legal and judicial systems. Crimes believed linked to narcotics trafficking are on the rise in Georgetown and the informal economy (believed to be fueled by drug proceeds) is suspected to be between 40-60 percent of the formal sector. DEA interest and involvement in the country has grown over the past year. The appointment of a new police commissioner has been a step forward in the fight against narcotics trafficking. However, a lack of political will and a National Drug Strategy within the government has hampered the implementation of needed reforms to the Guyana Police Force (GPF) and other law enforcement institutions. Guyana is not a producer of cocaine or precursor chemicals.

III. Country Actions Against Drugs in 2004

Drug Flow/Transit. Cocaine flows into and out of Guyana through its porous borders and along its coast. Numerous clandestine airstrips in the mostly inaccessible interior are used to facilitate trafficking from Venezuela and Colombia. Once inside the country, narcotics are carried to Georgetown by road, waterway or air and then sent on to the U.S., Europe and the Caribbean via commercial carriers. It is believed that most flights from Guyana to the U.S. carry illicit narcotics on board. In March, police at JFK International airport conducted an operation involving a major New York-Guyana drug ring that led to 13 arrests. Narcotics are also being sent via cargo ships either directly or through intermediate Caribbean ports to their destinations. In 2004, high profile seizures in the U.S., UK, and other countries involved drugs originating in Guyana. Cocaine was found in shipments of timber, frozen fish, molasses, rice and coconuts upon their arrival in the U.S., UK, Belgium and Guyana. Every commodity that Guyana exports has been used to ship cocaine out of the country.

Corruption. Guyana is party to the Inter-American Convention Against Corruption, but has yet to fully implement its provisions. Allegations of corruption are widespread, and reach to the highest levels of government, but continue to go uninvestigated. In November, a Cheddi Jagan International Airport official, apprehended upon his arrival at JFK International airport, was found to have eight pounds of cocaine. There is also corruption within the GPF and the Customs Anti-Narcotics Unit (CANU). However, the newly appointed Police Commissioner is said to be doing his best to eliminate corruption within the force and DEA is providing vetting for some counternarcotics personnel. There is a correlation between the increase in corruption and the increase in the narcotics trafficking.

Law Enforcement Efforts. GOG counternarcotics efforts are hampered greatly by the lack of adequate resources for law enforcement. The CANU is one of the main agencies responsible for drug-related law enforcement but has no real authority under the law. Officially, the CANU is still a department of Customs, although it operates with considerable autonomy. It is unclear who holds ultimate power over the unit. The scope of the CANU's operation is believed to be largely politically regulated and directed. Many CANU officers are afraid to take independent action for fear of losing their jobs, resulting in minor effective investigation. There is also a great deal of mistrust between CANU officers and the GPF and due to this, there is a lack of information/intelligence sharing. A 2004 DEA effort to work with CANU on a drug interdiction project was compromised before it could be made operational. It is believed that CANU has been penetrated and could be corrupt at every level.

In 2004, law enforcement activity was limited to numerous arrests of individuals with small amounts of marijuana, crack cocaine or powder cocaine on charges of possession of drugs or possession with intent to distribute. The GPF Narcotics Branch and CANU continued to arrest drug couriers at Guyana's international airport en route to the U.S. or Europe. GOG officials believe that GOG counternarcotics agencies interdict only a small percentage of the cocaine and coca paste that transit Guyana. The Guyana Defence Force Coast Guard (GDFCG) continued to conduct patrols with boats acquired from the U.S. There have not yet been any narcotics interdictions at sea.

Policy Initiatives. The GOG continues to express commitment to both domestic and international counternarcotics efforts. In 2003, at the invitation of the GOG, OAS/CICAD personnel visited Guyana to assist in the preparation of a national drug strategy, a project that was sidelined by the Minister of Home Affairs (who is currently on leave due to allegations of involvement in a rogue killing squad). By the end of 2004, the Acting Minister of Home Affairs reported that work on the project was complete and provided the Embassy with a draft copy. A finalized national drug strategy has not been submitted to OAS/CICAD. With material support from the USG, Guyana established a Financial Intelligence Unit (FIU) in late 2003. The FIU was not staffed and operational until July of 2004. Funding for operations is still being sought for the unit. By the end of 2004, the FIU had conducted preliminary investigations on approximately 28 cases and is preparing drafts of legislation related to money laundering.

Cultivation and Production. Cannabis cultivation takes place in Guyana's interior, but the volume is believed to be small. There are no reports of cocaine or precursor chemical production in Guyana.

Domestic Programs. Some marijuana is consumed domestically. The consumption of cocaine powder, crack cocaine, ecstasy and heroin is increasing. Social workers report that marijuana and cocaine are being sold almost openly.

Guyana has a national demand reduction strategy, developed in cooperation with the Pan-American Health Organization, the World Health Organization, and the UNDCP, but implementation has been minimal. Prevention programs are operated in the prisons and a few urban areas, but lack of resources limits the scope of these efforts. Guyana has no national drug rehabilitation program.

Agreements and Treaties. Guyana is party to the 1971 UN Convention on Psychotropic Substances, the 1988 UN Drug Convention, and the 1961 UN Single Convention, as amended by the 1972

Protocol. Guyana also is a party to the UN Convention Against Transnational Organized Crime and its protocol on trafficking in persons. Guyana is a member of the Organization of American States, and is a party to the Inter-American Convention Against Corruption. The 1931 U.S.-UK extradition treaty is applicable between the U.S. and Guyana. Guyana has an agreement to share narcotics intelligence with the UK. Guyana is also a member of OAS/CICAD. Guyana has a bilateral agreement with the U.S. on maritime counternarcotics cooperation.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The U.S. continued to focus its effort on strengthening the GPF through U.S. funded training and the procurement of equipment. In 2004, the USG provided training to the GPF in Intelligence and Organized Crime. The USG also provided counternarcotics training to the Guyana Defense Force (GDF) as well. U.S. officials continued to encourage Guyanese participation in bilateral and multilateral counternarcotics initiatives. With the appointment of the new Police Commissioner in February 2004, DEA efforts in the country have resumed full force. The DEA, DHS, and DOD all provided training courses to both the Guyana Police Force and the Guyana Defense Force in the past year. Some examples include a Maritime Maintenance Subject Matter Expert Exchange and an Organized Crime Intelligence course.

The Road Ahead. Guyana's contentious and inefficient political environment and lack of resources significantly hampers its ability to pursue an effective counternarcotics campaign. The apparent increase in corruption and amount of drugs transiting Guyana will make combating narcotics a very tough challenge. Assistance in strengthening the GPF and GDF's counternarcotics and intelligence capabilities through U.S. funded training and equipment will be critical to GOG efforts. Also important, are U.S. democracy building programs that serve as a foundation for good governance in Guyana. Efforts in this area will need to include strengthening Guyana's weak judicial system, law enforcement infrastructure and reforming legislation to help in combating narcotics. The U.S., along with other international stakeholders, must continue to press for thorough reform. The U.S. will continue to encourage participation in bilateral and multilateral initiatives, as well as implementation of current international conventions and agreements.

Haiti

I. Summary

Haiti's geographical position, weak institutions, and extreme poverty have made it a key conduit for drug traffickers transporting cocaine from South America to the United States and, to a smaller degree, Canada and Europe. The Haitian National Police (HNP) lacks discipline and is riddled with corruption. The judicial system is dysfunctional, its prosecutors and judges susceptible to bribes and intimidation.

Corruption, weak law enforcement capability and lack of Haitian commitment combined to limit Haitian counternarcotics cooperation in general, although Haitian officials have cooperated in some specific cases. The Interim Government of Haiti's (IGOH) major achievement was the arrest and expulsion of Jean Eliobert Jasme and the dissolution of much of his drug organization. In addition, the IGOH has seen the installation of the Joint Information Coordination Center (JICC) and the Maritime Interdiction Task Force (MITF), which though still developing, are already proving useful tools against drug trafficking organizations. However, Haiti's ongoing political and economic crises continued to grip the country in 2004, eclipsing the fight against drug trafficking.

Haiti remains highly susceptible to money laundering due to its weak legal system and pervasive corruption. The money laundering law passed in 2002 has not been implemented. The anti-money laundering commission finally submitted candidate lists for Director General and Deputy Director General to the President and the Minister of Justice. On December 11, 2003, the GOH inaugurated the Financial Intelligence Unit (FIU) to serve as a clearinghouse for information relating to money laundering and other misuses of the financial system. The FIU will simultaneously serve as a conduit for the transfer of seized assets to the Ministry of Finance. Haiti is a party to the 1988 UN Drug Convention.

II. Status of Country

In early 2004, university students and civil society groups in Port-au-Prince came together peacefully to request the departure of President Aristide. They blamed Aristide's government and his "Lavalas" political party for the persistent corruption and mismanagement existing since the fraudulent legislative elections of 2000. Constant strikes were organized by the "Groupe des 184," a coalition of civic groups and the democratic platform of political parties. As thousands of protesters marched in the streets of Port-au-Prince, they were attacked by pro-Aristide gunmen. The clash between members of the opposition and Aristide followers resulted in the death of innocent students and civilians. On February 29, 2004, Aristide resigned, after four months of strikes and civil disobedience organized by university students, civil society, political parties, and the rebels (ex-soldiers from the army Aristide disbanded ten years previously).

In accordance with the Haitian Constitution, following Aristide's resignation, the President of the Haitian Supreme Court (Cour de Cassation), Boniface Alexandre, was designated to replace Aristide.

U.S. Marines, along with French and Canadian forces, landed on the island to restore order. U.S. and French diplomats worked with the United Nations Representative, the Organization of American States (OAS), and the Haitian Political Parties to set up a transitional government with a "Council of Elders", designated by the International Community, the Lavalas Party, and the Opposition Parties. The role of the Council of Elders was, in the absence of a Parliament, to choose a Prime Minister and a Government that would help to govern the country until the next elections in late 2005. The Prime

Minister was designated on March 12, 2004 and a new Interim Government was functioning on March 17, 2004.

III. Country Actions Against Drugs in 2004

After Aristide's departure, the newly formed IGOH moved to assist the Drug Enforcement Administration (DEA) in fulfilling its commitments made in the Letter of Agreement signed with former President Aristide. Two significant changes following Aristide's departure were the installation of the new Minister of Justice, Bernard Gousse, and the naming of a new Director General of the Haitian National Police, Leon Charles. With the assistance of the U.S. Government, these officials have begun the long process of retraining and re-equipping the HNP. Meanwhile, the HNP and United Nations Troops currently in Haiti have made some strides towards disarming pro-Aristide gangs. OAS support coupled with Narcotics Affairs Section (NAS) funding had bolstered the 'Bureau de la Lutte Contre le Trafic des Stupefiants' (BLTS), the counternarcotics police, to 48 agents by the end of 2004.

Additionally, the IGOH occasionally permitted U.S. air assets to chase drug planes into Haitian territorial waters and assisted in some pursuits in 2004. Between March and December 2004, more than 20 federal drug fugitives were returned to the U.S. by non-extradition means. However, while the IGOH made progress against narcotics traffickers, drug seizures remained low. Several investigations of official drug-related corruption were started, but none resulted in prosecutions by year-end. Pre- and post-Aristide, the DEA facilitated the arrest and expulsion of the following Haitian/Colombian drug cartel members: Chief of Palace Security, Oriel Jean; former BLTS Chief, Evintz Brillant; Haitian Senator Flurel Celestin; Haitian businessman Jean Salim Batrony; and narcotics traffickers Jean Ronald Veilot, Charles Maxime Lafontant, Jean Eliobert Jasme, Carlos Ovalle, Eddie Aurilien and Jacques Ketant.

Corruption. The IGOH has made a major attempt to curb drug-related official corruption. The IGOH reactivated the FIU that had been established during the Aristide regime, appointed new leadership, and provided it the political support necessary to investigate money laundering and corruption. To date, the FIU has launched 183 separate investigations and frozen or seized millions in illegal assets.

Law Enforcement Efforts. There were several joint large-scale U.S.-Haiti law enforcement counternarcotics operations in 2004. In these operations, the DEA seized 2.7 million dollars in Certificates of Deposit and more than one million dollars in U.S. currency. However, Haitian drug trafficking organizations continue to operate with relative impunity. Due to the HNP's lack of human and material resources, the arrival of cocaine from South America is essentially unimpeded. Haiti's roads are very poor, and the HNP has no air assets. The Haitian Coast Guard (HCG) has no presence on the southern coast. The new HCG station at Cap Haitien, on the north coast, was vandalized during periods of civil unrest. Even with substantial assistance from the U.S. Coast Guard, the HCG's ability to patrol is limited by frequent vessel breakdowns, and HCG vessels undergo frequent overhauls at U.S. Government expense. The BLTS has no permanent presence outside Port-au-Prince and no effective means of transport. The GOH does not provide the HCG or BLTS with necessary equipment, maintenance or logistical support to effectively combat drug trafficking in Haiti.

During the last quarter of 2004, the Airport Narcotics Task Force of the BLTS resumed daily patrols, including inspections of inbound and outbound passengers as well as monitoring all passenger baggage and airfreight. In conjunction with the BLTS, DEA spearheaded the interview and subsequent arrest of five individuals and the seizure of one fixed wing aircraft at the Port-au-Prince International Airport.

In recent years the Joint Information Coordination Center (JICC) has suffered from lack of functioning information systems and communications. Current plans are to revitalize the JICC, with USG assistance. Eventually the JICC will be staffed with nine Haitian analysts. The JICC is responsible for

coordinating and recording information and intelligence developed by ANTF and the Maritime Interdiction Task Force (MITF). In the past, Haiti's JICC has served as useful intelligence collection and coordination service for the DEA. The long-range goal entails equipping the Haitian JICC with the ability to receive and exchange intelligence and information with other JICCs and the El Paso Intelligence Center (EPIC). The DEA Country Office in Port au Prince is also negotiating with DEA headquarters to start a Sensitive Investigative Unit (SIU), which will further assist the Haitian counternarcotics program.

MITF activities are strategically planned and incorporated around Operation Blood Hound canine team activities. Random searches by the Haitian Narcotics Unit are performed daily and aided by the newly installed DEA Tips Hotline. Currently, eight MITF members, all BLTS agents, under the direction of the Haitian National Police, staff the office. Information provided by confidential sources has been helpful in identifying vessels and individuals associated with drug trafficking at the local seaport. MITF maintains crew and cargo lists for all vessels transiting the harbor in Port-au-Prince and forwards this information to the JICC for compilation and dissemination. This team is routinely augmented with members of the Haitian Port Authority, Haitian Customs, and the HCG. High-visibility port sweeps and cargo inspections are routinely conducted to deter trafficking.

Agreements and Treaties. Haiti is a party to the 1988 UN Drug Convention. Haiti's law on the control and suppression of illicit drug trafficking reflects most of the Convention's provisions; however, there has been no serious effort to implement it. Extradition is carried out under the 1905 U.S.-Haiti extradition treaty. Haitian law prohibits the extradition of its nationals. There were no extraditions pursuant to the treaty in 2004. The GOH has cooperated with specific requests for expulsion of non-Haitians and Haitian drug traffickers. There is no mutual legal assistance treaty with Haiti; in the past, requests for assistance have been made by letters rogatory. No formal requests for assistance were made by this method nor through the mutual legal assistance provision of the 1988 UN Drug Convention. A U.S.-Haiti maritime counternarcotics agreement entered into force in 2002, and the GOH routinely approves USCG requests for overflight of its territorial seas to detect and deter illegal migration. The GOH has signed, but not ratified, the OAS mutual legal assistance treaty, the Inter-American Convention Against Corruption, the Caribbean Regional Maritime Agreement, the UN Convention Against Transnational Organized Crime, and the UN Convention Against Corruption.

Cultivation and Production. Illicit cultivation in Haiti is limited to minor amounts of marijuana. There is no information on drug production or use of precursors.

Domestic Programs (Demand Reduction). There are no viable demand reduction or rehabilitation programs. Polling data indicate that domestic marijuana and cocaine use, while low, continues to rise.

Drug Flow and Transit. Haiti remains an important transit country for Colombian drug traffickers due to its geographic location between the U.S., Central and South America. Haiti functions as a command, control and communications center for cocaine transshipment activities destined for the United States. Haiti presents several problems for effective counternarcotics efforts, which include approximately 1,125 miles of unprotected shoreline; numerous uncontrolled seaports; numerous clandestine airstrips; a thriving contraband trade; weak democratic institutions; a fledgling civilian police force and a dysfunctional judiciary system. These factors contribute to the use of Haiti by drug traffickers as a strategic transshipment point of distribution.

Drug trafficking by small aircraft increased in 2004. Intelligence indicates the reasons for the increase are the lack of governmental control throughout much of the country, reorganization of the Haitian National Police (HNP) and confusion surrounding efforts to coordinate Haitian activities with the UN troops. The most frequent method of transshipment is still via small coastal freighters departing the northern coast of Haiti to the Bahamas or directly to Southern Florida.

Go-fast boats traveling directly from the northern coast of Colombia to a variety of strategic locations on Haiti's southern coast continue to inundate the southern coast of Haiti with cocaine. These go-fast boats meet Haitian fishing vessels waiting offshore at coastal towns such as Les Cayes, Aquin, Cote de Fer, Jeremie, Port Salut, Belle Anse, Grand Gosier and Jacmel. Cocaine air shipments arriving from Colombia have been on the rise since the change of government.

Intelligence also indicates that multi-hundred kilogram loads are being sent to Haiti via cargo freighters arriving from Colombia, Venezuela, and Panama. Shipments are concealed within legitimate cargo (e.g., bags of cement) or inside the vessel structure itself (such as in ballast tanks, keel caches, and false water/fuel tanks). Sophisticated hidden compartments are also constructed deep within these freighters, and are extremely difficult to detect without inside information.

Shipments arrive at seaports such as Port-au-Prince, Gonaives, Miragoane, Saint Marc, Cap Haitien and Port de Paix. The loads are then often transported to Port-au-Prince, where they are broken down. Smaller loads are concealed on cargo and coastal freighters leaving Cap Haitien, Port de Paix, Miragoane and Gonaives for the United States. Smaller vessels carry loads of cocaine from Haiti's northern coast to the Bahamas for continued transport to Florida via fishing vessels or pleasure boats.

Some traffickers prefer to smuggle cocaine to the U.S. via commercial aircraft. Utilizing the Port-au-Prince International Airport, traffickers smuggle multi-kilogram loads placed in checked luggage with secret compartments. Couriers, strapping cocaine to their bodies, continue to smuggle smaller amounts of cocaine on board commercial flights to New York, Miami, Toronto and Montreal. Quantities of three to six kilograms are often body-carried, while larger amounts are sometimes concealed in artifacts and air cargo luggage carts.

Large quantities of cocaine are also being driven across the border to the Dominican Republic for eventual shipment to Puerto Rico or other destinations. The land border with the Dominican Republic is porous, due to difficult terrain, lack of control, and police corruption on both sides.

Marijuana is usually transported from Jamaica via go-fast boats to waiting fishing vessels and via cargo freighters to Haitian seaports along Haiti's southern coast. The marijuana is then shipped directly to the United States or transshipped through the Bahamas. One significant seizure near the Malpasse border during the fourth quarter captured approximately 76 kilograms.

Heroin usage for personal consumption is non-existent in Haiti. However, intelligence indicates that drug planes arriving in Haiti with cocaine cargo often contain smaller kilogram quantities of heroin on board. This heroin is usually moved to the United States and Europe in small kilogram amounts along with cocaine. No reported seizures of heroin were made during this quarter.

IV. U.S. Policy Initiatives and Programs

Policy Initiatives. The U.S. plan for combating illegal drug trafficking via Haiti remains one of interdiction along with police and judicial institution building. However, several factors work against successful implementation of that plan forewarned smugglers elude the HNP. The slow or nonexistent response by the HNP to DEA intelligence allows suspected air and sea deliveries to be completed without challenge. Slow implementation of Haitian enforcement efforts prevents counternarcotics interdiction and hinders significant achievement in the fight against trafficking.

The Road Ahead. Stemming the flow of illegal narcotics through Haiti remains a cornerstone of U.S. counternarcotics policy. Key preconditions to stemming the illegal flow are more effective GOH law enforcement and judicial institutions and stronger GOH ability to fund these institutions by means of an effective system for liquidating assets seized from arrested smugglers. The road ahead is obstructed by the politicization and corruption of the police and judiciary, and further obscured at this time by social disorder and political violence.

Jamaica

I. Summary

Jamaica is a major transit point for South American cocaine en route to the United States and also the largest Caribbean producer and exporter of cannabis. The Government of Jamaica (GOJ) has a National Drug Control Strategy in place that covers both supply and demand reduction. During 2004, the GOJ maintained existing counternarcotics law enforcement and interdiction programs and took several steps to strengthen its counternarcotics law enforcement capability. The GOJ introduced a new Customs arrival form in August 2003 that includes a currency declaration and a new immigration form in October 2004 that captures information in the border management/migration system that was implemented in November 2004. The Port Authority of Jamaica (PAJ) purchased closed-circuit television systems and non-intrusive inspection equipment to strengthen security at Jamaica's seaports. The Jamaica Constabulary Force (JCF) Narcotics Vetted Unit took significant steps to increase its evidential intelligence gathering capabilities in investigating major narcotics and crimes figures. Cooperation between U.S. and GOJ law enforcement agencies is considered excellent in most areas. The GOJ has taken steps to protect itself against drug trafficking and other organized crime, and has made significant strides towards intensifying and focusing its law enforcement efforts towards more effectively disrupting the trafficking of large amounts of cocaine in Jamaica and throughout Jamaica's territorial waters.

The GOJ cooperated on several major international narcotics law enforcement initiatives, which resulted in the arrest of a number of high profile Jamaican, Colombian, Bahamian, and Panamanian narcotics traffickers responsible for the manufacture, trans-shipment, and distribution of vast amounts of cocaine throughout the Central Caribbean region. However, areas of concern include the prosecution of significant drug traffickers operating in Jamaica, increasing the amount of Jamaican drug seizures, and eradication. The U.S. will continue to provide equipment, technical assistance, and training to assist the GOJ to strengthen its counternarcotics capabilities. Jamaica is a party to the 1988 UN Drug Convention and during 2004 made progress towards meeting the goals and objectives of the Convention.

II. Status of Country

Jamaica's 638 miles of coastline and over 110 unmonitored airstrips make it a major transit country for cocaine destined for the U.S. and European (primarily UK) markets as well as the largest producer and exporter of cannabis in the Caribbean. Jamaica is not a significant regional financial center, tax haven or offshore banking center, but with no effective legislation in place, some money laundering does occur, primarily through the purchase of real assets, such as houses and cars. Cash couriers are also a significant concern. Jamaica is neither a source of precursor or essential chemicals used in the production of illicit narcotics nor a significant conduit for the transit of precursor chemicals. A lack of regulations makes Jamaica vulnerable to the illegal diversion of such chemicals.

III. Country Actions Against Drugs in 2004

Despite Jamaica's scarce resources, the GOJ signed a contract worth more than USD 29,000,000 for the construction of three 42-meter patrol boats and the repair of one 37.5-meter vessel. A number of seized go-fast boats and one fixed wing aircraft have been placed into service with the JDF Coast Guard and JDF Air Wing respectively for counternarcotics operations. The PAJ procured and installed more than USD 21 million in non-intrusive inspection equipment, including mobile gamma imaging machines, x-ray machines for high-density cargo, and pallet machine and closed-circuit television

surveillance systems for the Kingston and Montego Bay ports. Electronic access controls should be in place shortly. PAJ also hired expert technical advisors to operate the equipment and provide oversight. Customs continued to implement its modernization plan, which, among other things, calls for the vetting of Customs officers and expansion of the Contraband Enforcement Team (CET) to a staff of 50 over the next two to four years. CET currently has a staff of 43 personnel. In 2003, the GOJ agreed to the establishment of an International Airport Interdiction Task Force comprised of Jamaican, US, UK, and Canadian law enforcement elements which will focus on narcotics trafficking and illegal migration at the country's two major international airports. However, the GOJ has not provided the infrastructure to support the project at either airport. The GOJ continued to fund the operating expenses for the Caribbean Regional Drug Law Enforcement Training Center. Jamaica continues to work to implement the provisions of its 2002-2007 National Anti-Drug Plan, which addresses both supply and demand reduction.

Policy Initiatives. GOJ officials publicly state the government's commitment to combating illegal drugs and drug-related crimes. Similar to a 2002 initiative, the Minister of National Security unveiled in late 2004 a broad-based operation "Kingfish", designed to attack the center of gravity of drug trafficking and criminal organizations and individuals and to stem the rising crime rate and gang violence in Jamaica. This operation supported by the U.S., UK, and Canada leaves no potential target group untouched. The Ministry of National Security (MNS) also placed a JCF officer in Miami at the Office of the Florida Department of Law Enforcement to enhance cooperation on drug matters. The GOJ has drafted several legislative measures such as the Proceeds of Crime Act, a Plea Bargaining Bill, a Terrorism Prevention Act and a Port Security Bill, all designed to rid the country of drug traffickers, and enhance the capabilities of law enforcement to successfully prosecute criminal organizations. These legislative measures are at various stages of legislative process.

The National Intelligence Bureau, established in 2003 to coordinate intelligence function and serve as a clearing house for intelligence information, is still fledgling, but has cleared a major bureaucratic hurdle, (agreeing to vet all members), towards becoming an integral part of the Jamaican law enforcement establishment.

Accomplishments. Collaborative efforts between local and international law enforcement agencies led to the arrest of several major drug traffickers in Jamaica, USA, Bahamas, Colombia and the dismantling of their organizations. Ten arrests were made in Jamaica, including two major traffickers designated drug kingpins by the U.S. President. Three have been ordered extradited to the United States while the others will have their extradition cases heard in Jamaican courts. Another high level Jamaican trafficker was arrested and sentenced in the UK. Business and personal assets such as motor vehicles, cash and property, were also seized. Other collaborative efforts (i.e. operations with JIATF/South) have resulted in large seizures of cocaine and numerous vessels used to transport illicit substances to the U.S., causing an increase in the price of cocaine and increases in cultivation and export of cannabis to fill the void.

Law Enforcement Efforts. Both the JCF and JDF assign a high priority to counternarcotics missions. The JDF Air Wing and Coast Guard are actively involved in maritime interdiction efforts. The JCF Narcotics Division is a competent and respected unit. The Narcotics Division is continuing its multi-year restructuring and expansion program, which will increase its staffing to 250 officers over the medium term and to work closely with DEA in investigating significant narcotics trafficking and money laundering organizations in Jamaica.

During 2004, the GOJ seized 1,736 kilograms of cocaine, 23,292 kilograms of cannabis and 38 kilograms of hashish oil, and more than 133,000 Ecstasy tablets. The appearance of Ecstasy on the local illicit narcotics scene is a new phenomenon, but virtually all of it was acquired in a single seizure. Cocaine seizures were slightly higher than 2003, hash oil seizures significantly less and approximately 30 percent less marijuana was seized in 2004 than in 2003. Intelligence-driven

operations, such as “Kingfish”, coordinated with DEA and the JCF vetted-unit continued to target major drug trafficking organizations. The JDF continued to work with USG’s Joint Inter-Agency Task Force/South throughout the year to successfully disrupt a number of planned go-fast deliveries. The GOJ eradicated 411.64 hectares of cannabis and destroyed more than 5 million cannabis seedlings at 403 nurseries. The JCF arrested 5,852 persons on drug charges, including 287 foreigners, in the first eleven months of 2004. Almost 400 of these arrests resulted from enhanced scrutiny, aided by the use of U.S.- and UK-provided drug detection equipment, of departing passengers at the two international airports.

Corruption. Corruption continues to undermine law enforcement and judicial efforts against drug-related crime in Jamaica, and is a major barrier to more effective counternarcotics actions. Jamaica is a party to the Inter-American Convention against Corruption and signed the consensus agreement on establishing a mechanism to evaluate compliance with the Convention. The GOJ does not encourage or facilitate the illicit production or distribution of narcotics or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. The GOJ has a policy of investigating credible reports of public corruption and prosecutes individuals who are linked by reliable evidence to drug-related activity but has not prosecuted any senior GOJ officials for facilitating the illicit production or distribution of such substances, or the laundering of proceeds from illegal drug transactions. The JDF has a “zero tolerance” policy on involvement in drug-related activity by its members. The JCF conducts drug testing of recruits at their initial physical exam, but does not have a random drug testing policy. Vetting of special units is conducted but only on a voluntary basis due to strong resistance to mandatory vetting by the police union.

Agreements and Treaties. Jamaica has a mutual legal assistance treaty (MLAT) and an extradition treaty with the U.S. Both countries utilize the MLAT to combat illegal narcotics trafficking and other crimes. The U.S. and Jamaica have a reciprocal asset sharing agreement that provides for the sharing of forfeited assets where law enforcement cooperation has made possible the forfeiture of proceeds from criminal activity. Jamaica is a party to the Inter-American Convention on Mutual Legal Assistance in Criminal Matters. A U.S.-Jamaica maritime counternarcotics cooperation agreement came into force in 1998; expanded Shiprider provisions were negotiated in July 2003 and has now been fully implemented. In September 2003, Jamaica ratified the UN Convention against Transnational Organized Crime and two of its protocols (migrant smuggling and firearms). Jamaica is a party to the 1961 UN Single Convention, the 1972 Protocol amending the Single Convention, the 1971 UN Convention on Psychotropic Substances, and the 1988 UN Drug Convention. On October 15, the GOJ signed, but has not yet ratified, the Caribbean Regional Maritime Agreement.

Cultivation/Production. Jamaica is the largest Caribbean producer and exporter of cannabis. There is no accurate estimate of the amount of cannabis under cultivation or the number of harvests per year. Lack of crop survey data and baseline figures makes it impossible to quantify the effect of GOJ eradication efforts on the total crop. The level of marijuana production has changed from large hectares to smaller plots nested in hilly and rocky terrain that proves to be inaccessible to vehicular traffic. A new strain of marijuana maturing to approximately three feet was recently discovered in Westmoreland. Very sophisticated cultivation methods, including portable irrigation systems, generators, floodlights etc, make the fields difficult to locate from the air. As a matter of policy, Jamaica does not use herbicides to eradicate cannabis nor does it have the capability. Manual cutting is the primary eradication method.

Drug Flow/Transit. The cocaine trade in Jamaica has been significantly affected as a result of two successful multinational coordinated counternarcotics enforcement initiatives conducted since March 2004, which have at least temporarily disrupted cocaine trafficking throughout Jamaica and the central Caribbean. The arrest of major Jamaican, Colombian, and Bahamian narcotics traffickers has further resulted in the current disruption of cocaine trafficking throughout Jamaica and much of the Central Caribbean. The successful counternarcotics operations in Jamaica have further led to an increase in

extortion, kidnappings and violence, as drug traffickers pursue alternative sources of income. Jamaican Police officials have reported an increase in the current price of cocaine, from \$7,500 per kilo in mid-2004, to \$9,000-\$10,000 per kilo in October 2004, due to a decrease in supply. Currently, the duration and geographic extent of this disruption is not yet known. Two of the most significant factors that will determine the long-term results of the recent counternarcotics operations will be the results of continuing extradition hearings in Jamaica and the affect that these operations have on drug transportation organizations operating off the North Coast of Colombia.

Cocaine is still being smuggled/transshipped from Colombia's north coast (but in smaller quantities) by major Colombian and Jamaican trafficking groups into and out of Jamaica primarily via maritime vessels (go-fast vessels) and to a lesser extent via private aircraft. Narcotics trafficking groups continue to utilize private aircraft to transport drugs from Jamaica to the Bahamas and then on to the United States. With one hundred and fourteen (114) identified landing strips/fields in Jamaica, these clandestine activities frequently occur undetected throughout the island. Smugglers also use concealment in commercial shipments, and couriers who board airlines or cruise ships with ingested or concealed drugs.

Domestic Programs (Demand Reduction). Cannabis is the drug most frequently abused in Jamaica. However, the use of both powder cocaine and crack cocaine still continues to increase, even though the availability of both forms of the drug on the island has decreased. Consumption of cocaine, heroin and cannabis is illegal. The possession and use of ecstasy (MDMA) is currently controlled under the Food and Drug Act and is subject to relatively light penalties. There is an effort underway to have ecstasy included under the Dangerous Drug Act. Jamaica has several active demand reduction programs including visible projects of the Ministry of Health/National Council on Drug Abuse and the NGO, Addiction Alert, that receive modest U.S. funding support. The UNODC works directly with the GOJ and NGOs to improve demand reduction efforts.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The U.S. and Jamaica cooperate in a variety of areas, including maritime interdiction, the apprehension of fugitives, and initiative relating to community-police relations. U.S. law enforcement agencies note that cooperation with the GOJ is generally good and is steadily improving.

The JDF Coast Guard (JDFCG) engages in cooperative operational planning with the U.S. Coast Guard on an intermittent basis associated with joint military operations in or near Jamaica's territorial waters. During 2004, Jamaica participated in two deployments of Operation Rip Tide, a continuing U.S./Jamaica/Cayman Islands/UK effort to deny smugglers the use of maritime smuggling routes into Jamaica and the Cayman Islands. The bilateral maritime counternarcotics agreement was successfully exercised on several occasions during 2004. In February, the U.S. and Jamaica signed a protocol to the bilateral agreement that added provisions for operations from third party platforms, enhancement of safety for civil aircraft in flight, contiguous zone jurisdiction, and technical assistance.

The JDF currently lacks the force projection capabilities (fixed-wing aircraft and off-shore patrol boats) required to make continuous joint operations with the U.S. a practical activity. One of the three 44-foot fast patrol boats donated in 2003 is now operational, giving JDG more operational flexibility. Three JDFCG crew members, assigned to the U.S. Coast Guard Caribbean Support Tender in 2002, a U.S. Coast Guard vessel with a multi-national crew that provides training and assistance in ship maintenance and repairs to Caribbean maritime forces, will be on board until August 2005. As part of this program, on December 15th, the USCG delivered a refurbished Eduardono, a 38-foot high-speed pursuit boat, to the JDF/CG along with other spare parts necessary to maintain an operational status for most of the current JDF/CG fleet.

In 2004, the U.S. funded participation by Jamaican police, immigration, customs, defense force and other personnel in several in-country and regional training courses. The U.S. continues to fund an advisor to the National Intelligence Bureau and a Law Enforcement Development Advisor to assist the JCF's strategic planning and reform efforts. Members of the highly effective Jamaica Fugitive Apprehension Team (JFAT), with guidance from U.S. Marshals, received specialized training, equipment and operational support. The JFAT is actively working on over 195 cases, the majority of which involve drug or homicide charges. Since January 2004, 15 fugitives were extradited to the U.S. Jamaican authorities are receptive to and cooperative with U.S. requests for extradition, and continue to work with U.S. authorities to accelerate the extradition process. Nonetheless, contested extradition requests can take two to five years to litigate fully.

The U.S.-funded International Office of Migration (IOM) Border Control Project, designed to strengthen the GOJ's ability to monitor the flow of persons into and through Jamaica, was officially launched on November 1, 2004. This pilot project, which has modernized the computer infrastructure at the ports of entry, is now functional. USAID is continuing with a program of assistance to the JCF in community-police relations that will focus on strategies to reduce crime and violence.

The Road Ahead. The GOJ has taken steps to protect itself against drug trafficking and other types of organized crime. However, the GOJ needs to further intensify its law enforcement efforts and enhance international cooperation. The U.S. will continue to provide technical assistance and training to assist the GOJ to improve its drug interdiction, cannabis eradication, and demand reduction efforts. The U.S. will also work closely with the police and public prosecutors to enhance the GOJ's ability to identify, investigate, and successfully prosecute significant drug traffickers. The USG will continue to provide assistance and training to the JDFCG to strengthen Jamaica's maritime interdiction efforts. The USG is committed to on-going support for the JCF Narcotics vetted unit, the JFAT and the CET through the provision of specialized training and equipment.

Modern anticrime legislation, including passage of all of the proposed legislation contained in the 2002 reform package and amendments to strengthen the Interception of Communications Act, is essential in order to investigate, arrest and successfully prosecute drug traffickers and other criminals. The passage of a civil asset forfeiture law could materially assist GOJ counternarcotics operations by providing an alternate source of vehicles, small boats and aircraft for Jamaican law enforcement agencies and the military. The GOJ should also revise its drug legislation to provide adequate penalties for the trafficking and use of internationally controlled psychotropic substances and substances whose molecules have similar chemical properties. The USG is willing to provide technical assistance to the GOJ as it works to strengthen existing laws and draft new legislation.

Suriname

I. Summary

Suriname is a transit point for South American cocaine en route to Europe and the United States, and for MDMA (ecstasy) from Europe destined for the U.S. market. Evidence is insufficient, however, to establish that the quantity of drugs transiting Suriname has a significant effect on the U.S. A discovery of a drug laboratory in 2003 supports the belief that MDMA is being produced in Suriname. The Government of Suriname's (GOS) inability to control its borders and the lack of a law enforcement presence in the largely unmonitored interior allow traffickers to move drug shipments via sea, river, and air with little, if any, resistance. Nevertheless, GOS law enforcement had some success in interdicting cocaine shipments. In 2004, GOS law enforcement also took steps to expand cooperation with international partners, and a high level of cooperation exists between U.S. and GOS law enforcement officials. Domestic drug abuse reportedly continued to increase. The principal obstacles to effective counternarcotics law enforcement efforts are inadequate resources and limited training for law enforcement. These problems are compounded by inadequate legislation, with complicated and often time-consuming bureaucratic requirements; drug-related corruption; relative geographic isolation; lack of government control of the interior and borders; and lack of resources for law enforcement. Suriname is a party to the 1988 UN Drug Convention but has not implemented legislation bringing it into full conformity with the Convention.

II. Status of Country

Suriname is a transshipment point for cocaine originating in South America destined primarily for Europe and, to a lesser extent, the U.S. Suriname is also used to transship MDMA from Europe to the U.S. However, evidence available in 2004 did not support a finding that drugs entering the U.S. from Suriname were in an amount sufficient to have a significant effect on the U.S. The GOS is unable to detect the diversion of precursor chemicals for drug production, as it has no legislation controlling precursor chemicals. The lack of resources, limited law enforcement capabilities, along with inadequate legislation, drug-related corruption, and a complicated and time-consuming bureaucracy, inhibit the GOS's ability to identify, apprehend, and prosecute narcotics traffickers. In addition, Suriname's sparsely populated jungle interior together with weak border controls and infrastructure make narcotics detection and interdiction efforts difficult.

III. Country Actions Against Drugs in 2004

Policy Initiatives. Suriname's current administration and GOS law enforcement officials consistently express concern regarding the extent of drugs transiting Suriname and point to the lack of resources as the primary obstacle to Suriname's counternarcotics efforts. In August 2002, the National Assembly passed a package of legislation aimed at criminalizing money laundering and amended Suriname's criminal code, code of criminal proceedings, and law on economic crimes. While certain amendments address the confiscation of illegally obtained assets, filing of criminal offenses against corporate entities, conspiracy, witness intimidation, and international requests for legal assistance, the GOS has not taken advantage of these provisions to assist law enforcement. Suriname has a Strategic Drugs Master Plan (2000-2005) that covers both supply and demand reduction but needs to update the plan and take steps to fully implement its provisions. The National Anti-Drug Council (NAR) is the national coordinating authority. In 2004 Suriname worked to increase its port security, coming into compliance with International Ship and Port Security (ISPS) port security obligations in October.

Law Enforcement Efforts. The Narcotics Brigade of Suriname's police force (KPS) benefits from high visibility within the police department, primarily due to the high-profile nature of counternarcotics issues both within the region and internationally. The Customs Service, despite its active and successful role in drug interdiction, does not consider itself a law enforcement body and receives fewer resources and less formal training. The Military Police, which is responsible for border control and immigration, has the primary role in drug interdiction efforts at ports of entry, particularly at the international airport. In 2004, GOS law enforcement made numerous arrests at the international airport of passengers, primarily on the five weekly flights to Amsterdam, who had either ingested or were carrying drugs on their bodies or in luggage. In one instance, cocaine was found being smuggled inside an automobile air filter. Many who evade detection in Suriname are arrested at the airport in Amsterdam, which in January 2004 began implementing a 100 percent inspection policy on all passengers and baggage arriving on inbound flights from Suriname.

As GOS Customs agents and Military Police have no investigative function, they tend to focus on individual smugglers and couriers rather than the organized trafficking kingpins and their networks, relying primarily on profiling and tips from informants. In 2004, however, a special unit within the police force continued cooperation with Dutch law enforcement to investigate drug organizations that actively smuggle drugs between Suriname and Holland. Over the course of few days in February, the KPS seized 379 kilograms of cocaine, 800 liters of airplane fuel believed to be involved in cocaine drops, and 82 kilograms of marijuana in eastern Suriname. The initial discovery of the airplane fuel at a police roadblock led to the unraveling of a more involved narcotics deal. Five Surinamers, two Brazilians, and one Columbian were arrested.

In June, a Surinamese judge sentenced four suspects to 7-10 years in prison for establishing an MDMA-producing lab in Suriname in 2003. The KPS Narcotics Brigade had seized 80 kilograms of MDMA in May 2003 and considerable amounts of precursor chemicals from that lab, which was capable of producing 500,000 tablets per day, which evidence suggested were destined for the U.S.

Through October 2004, the GOS seized 676 kilograms of cocaine, 196 kilograms of cannabis, and 2048 ecstasy pills. They also arrested 300 people for drug-related offenses.

According to a GOS official, members of the Colombian terrorist group, the Revolutionary Armed Forces of Colombia (FARC), are present in Suriname to coordinate arms-for-drugs activities. In September KPS forces seized a large weapons cache consisting of dozens of guns, thousands of rounds of ammunition, RPG equipment, TNT, grenades, and one kilogram of cocaine believed to be connected to a FARC arms-for-drugs deal. Thirteen suspects were arrested and are awaiting prosecution, including long-time suspected narcotics trafficker Dino Bouterse, the son of former military dictator and convicted drug dealer Desi Bouterse. Dino was previously arrested in 2003 for his alleged involvement in the theft of weapons from an armory of the Surinamese intelligence agency (CIVD), but was subsequently released when several witnesses either recanted previous testimony implicating him or refused to testify. KPS officials confirm that some of the weapons stolen from the CIVD in 2003 were found with the weapons seized in September.

Corruption. Public corruption is considered a serious problem in Suriname. Reports of money laundering, drug trafficking and associated criminal activity involving current and former government and military officials continue to circulate. According to customs reports, the GOS loses roughly \$45 million dollars annually in uncollected customs revenues due to corruption and false invoicing. Investigations show that false invoicing occurs daily, despite heavy fines. In 2004 the customs department initiated attempts to reduce this corruption, including the hiring of a British consultancy group to reorganize the department and the regulation and restriction of gratuities and gifts allowable to customs personnel.

In 2004, 12 police officers were arrested for misconduct ranging from drug charges to manslaughter, five were dismissed for cause, and 17 were suspended. Former military strongman Desi Bouterse

continued to serve in the National Assembly in 2004 despite his 1999 conviction in the Netherlands for narcotics trafficking. A former Minister of Finance and Natural Resources was convicted of corruption and sentenced to one year in prison in 2003 for forging minutes of a meeting in which the Council of Ministers purportedly granted approval for the purchase of a building for \$300,000 more than its appraised value. The Minister was granted a presidential amnesty and was released from prison in August after serving six months of his sentence. Suriname ratified the Inter-American Convention Against Corruption in 2002, but a comprehensive national anticorruption plan is still in the development stage. Suriname has not yet signed the UN Convention Against Corruption.

Agreements and Treaties. Suriname is party to the 1961 UN Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention, and the 1971 UN Convention on Psychotropic Substances. It is also a party to the 1988 UN Drug Convention, but has not yet implemented legislation bringing it into full compliance with the Convention. Suriname has passed legislation that conforms to the drug interdiction portion of the Convention. The GOS ratified the OAS Convention on Mutual Legal Assistance in Criminal Matters. Since 1976, the GOS has been sharing narcotics information with the Netherlands pursuant to a Mutual Legal Assistance Agreement. In August 1999, a comprehensive six-part bilateral maritime counternarcotics enforcement agreement with the U.S. entered into force. The U.S.-Netherlands Extradition Treaty of 1904 is applicable to Suriname. Suriname is a member of the Inter-American Drug Abuse Control Commission of the Organization of American States (OAS/CICAD).

Cultivation and Production. Suriname is not a producer of cocaine or opium poppy. While cannabis is cultivated in Suriname, there is no specific data on the number of hectares under cultivation or evidence that it is exported in significant quantities. The discovery of an MDMA lab in 2003 indicates that MDMA production may be taking place in Suriname.

Drug Flow/Transit. Much of the cocaine entering Suriname is delivered by small aircraft which land on clandestine airstrips located throughout the dense jungle interior where the lack of resources, infrastructure, law enforcement personnel and equipment makes detection and interdiction difficult. Following drug deliveries along interior roads and clandestine airstrips, the drugs are shipped to the ports from the interior via numerous river routes to the sea and overland for onward shipment to Caribbean islands, Europe and the U.S. Drugs exit Suriname via commercial air flights (by drug couriers or secreted in planes) and by commercial sea cargo. European-produced MDMA is transported via four weekly flights from the Netherlands to Suriname; drug couriers then transport the drugs to the U.S. on flights to Miami, via Curacao.

Domestic Programs (Demand Reduction). In October, the Suriname Epidemiology Network on Drug Use (SURENDU) was established by NAR through financial and technical support from the European Union. SURENDU is a multi-agency working group established to study the spread, growth and development of substance abuse in Suriname. Its preliminary assessments show an increased demand for cocaine, especially among people aged 30-50. Cocaine is readily available with a relatively low street price. NAR completed a survey in April of emergency room patients in Suriname's largest hospital to determine the number of drug-related emergencies and drug-use among patients. Results indicated a high amount of alcohol-related accidents but usage data for cocaine, marijuana and other narcotics were inconclusive. The study was a part of a larger Caribbean-wide research study of drug use that was undertaken by OAS/CICAD.

Suriname has a Drug Demand Reduction Strategy, incorporated in the Strategic Master Plan, but has not yet fully implemented it. The Bureau of Alcohol and Drugs, a department of the State Mental Health Institution, along with the NAR, police, and NGOs, emphasize drug education and rehabilitation in response to growing domestic drug consumption. The National Drugs Information System, created in 2001 to collect and distribute data to positively influence policy formation, has been largely ineffective.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. A high level of cooperation exists between U.S. and GOS law enforcement officials. In 2004, the U.S. provided both training and material support to several elements of the KPS and the military to strengthen their counternarcotics capabilities and promote greater bilateral cooperation. The Department of State, in cooperation with the DEA, continues to build on previous years' work by providing assistance to dedicated Surinamese law enforcement officials to increase their technical skills. Through temporary duty assignments, the DEA provided near continuous training and logistical support to the Narcotics Unit of the KPS. The DEA and the KPS have also been active in Caribbean-wide counternarcotics law enforcement operations. The USG and GOS continued to cooperate on counternarcotics matters—using USG funding provided in 2004 under an INL amended Letter of Agreement (LOA). In 2004, the F.B.I. conducted two courses on Organized Crime Task Force Development and Intelligence Analysis in Suriname with nationals from Guyana and Trinidad and Tobago also participating. USG funding also went for the purchase of a vehicle database, radios, vehicles, and computer systems. Suriname also has one crewman serving aboard the Caribbean Support Tender, a U.S. Coast Guard vessel with a multi-national crew that provides training and assistance in ship maintenance and repairs to Caribbean countries' Coast Guards.

The Road Ahead. The U.S. will continue to encourage the GOS to pursue large narcotics traffickers rather than focusing primarily upon swallows and body carriers. The U.S. will encourage the GOS to sign and ratify the Caribbean Regional Maritime Agreement. The U.S. will also urge the GOS to focus on port security, specifically seaports, which are seen as the primary conduits for large shipments of narcotics exiting Suriname. In 2005, DEA plans to provide the KPS and other law enforcement agencies with basic drug enforcement training. The U.S. will continue to provide equipment, training, and technical support to the GOS to strengthen its counternarcotics efforts.

Trinidad and Tobago

I. Summary

Trinidad and Tobago is a transit country for drugs from South America to the U.S. and Europe. The quantity of drugs transiting Trinidad and Tobago does not have a significant effect on the U.S. market, but it does have an impact on the U.S. transportation and law enforcement systems. Cannabis is grown in Trinidad and Tobago, but not in sufficient quantities to warrant the designation of Trinidad and Tobago as a major drug producing country. Trinidad and Tobago's petrochemical industry requires precursor chemicals that could be used for drug production. In addition, Trinidad and Tobago's well-developed economy creates the potential for money laundering. (See the money laundering section of this report for more details.)

The Government of Trinidad and Tobago (GOTT) continued to cooperate with the U.S. on counternarcotics issues and allocated significant resources to the fight against illegal drugs. U.S. bilateral efforts in 2004 focused on the provision of technical assistance, training, and materiel to help the GOTT strengthen all facets of its counternarcotics efforts. Organizations such as the Police Service's Organized Crime and Narcotics Unit (OCNU), the Counter-Drug/Crime Task Force (CDCTF), the Trinidad and Tobago Coast Guard (TTCG) and the Customs Marine Interdiction Unit carried out numerous drug interdiction and cannabis eradication operations during 2004, and these units remained very cooperative with their U.S. counterparts throughout the year.

II. Status of Country

Trinidad and Tobago is situated seven miles off the coast of Venezuela, making it a convenient transshipment point for illicit drugs, primarily cocaine and marijuana but also heroin, from South America destined for U.S. and European markets. While the drugs entering the U.S. from Trinidad and Tobago do not have a significant effect on the U.S. market, their steady entry into the U.S. occupies the resources of the transportation and law enforcement systems.

Trinidad and Tobago does not produce coca or opium poppy. While cannabis is grown in the country, it is primarily for domestic use and is not produced on a scale to make Trinidad and Tobago a major drug-producing country.

Trinidad and Tobago has an advanced petrochemical sector, which requires the import/export of precursor chemicals that can be diverted for the manufacturing of cocaine hydrochloride. Precursor chemicals originating from Trinidad and Tobago have been found in illegal drug labs in Colombia. However, the GOTT Ministry of Health can now track chemical shipments through the country with the help of U.S.-donated computers.

III. Country Actions Against Drugs in 2004

Policy Initiatives. In 2004, the GOTT National Drug Council continued to implement counternarcotics policy initiatives from previous years, including elements of the country's counternarcotics master plan. This plan addresses both supply and demand reduction. In addition, the GOTT continued its support for the new Special Anti-Crime Unit (SAUTT), which has responsibility for both counternarcotics and antiskidnapping operations. The GOTT also amended its extradition act with the USG in April to remove legal loopholes and facilitate greater cooperation in the prosecution and extradition of criminals.

The GOTT also took initiatives at the sub-regional level to stem the flow of illegal drugs, including upgrading its coastal radar assets and providing disaster relief/security assistance to the hurricane-ravaged island of Grenada.

Accomplishments. In 2004, senior GOTT officials continued to support counternarcotics initiatives and allocated substantial resources for both new and ongoing programs, often in cooperation with the U.S. The GOTT continued to fund a three-person U.S. Customs Advisory Team that provides technical assistance to the Customs and Excise Division. This unit focuses on improving the effectiveness of the GOTT's passenger and cargo processing and enforcement capabilities. The GOTT also continued to fund an IRS Tax Assistance and Advisory Team that is working with the Bureau of Inland Revenue (BIR) to detect and prosecute financial crimes. The GOTT provided support for the Caribbean Financial Action Task Force (CFATF), which has its secretariat in Port of Spain, and began to implement several of its recommendations to combat money laundering.

The GOTT also maintained its support for the TTCG Air Wing, which has been conducting drug interdiction operations using two C-26 aircraft donated by the U.S. These aircraft, upgraded with sensor packages in 2002 at USG and GOTT expense, provide the GOTT with a maritime surveillance and drug interdiction capability. To enhance its coastal radar net, the GOTT procured an Israeli radar system in 2004.

Law Enforcement Efforts. Senior government officials have attributed rising crime to increased drug availability in Trinidad and Tobago. In response, the GOTT augmented the Ministry of National Security's budget by TT \$2.3 billion (U.S. \$383 million) in FY2004, purchased helicopters and radar systems to increase its intelligence and surveillance capabilities, and continued to support law enforcement hybrid units such as the SAUTT.

The TTCG, OCNU, CDCTF, SAUTT and other specialized policy/military units continued to effect drug interdiction and eradication operations throughout the year, sometimes in cooperation with DEA and U.S. Customs. In 2004, the GOTT seized 160 kilograms of cocaine, 75.6 kilograms of liquid cocaine, 11.6 kilograms of heroin, and 1,850 kilograms of cannabis. The GOTT also eradicated around one million cannabis plants and seedlings during the year.

While arrests and prosecutions focused on individual drug traffickers, there were no notable arrests in 2004 involving major traffickers or organizations. For instance, in January, members of OCNU arrested a member of the TTDF with 500 kilograms of cannabis. In July, officers of the Firearms Interdiction Unit (FIU) arrested two Trinidadians and three Venezuelans with 11.2 kilograms of cocaine, 600 grams of marijuana and assorted firearms. In November, members of the OCNU arrested a Trinidadian, a Venezuelan and a Colombian with 30 kilograms of pure cocaine.

Corruption. Trinidad and Tobago is a party to the Inter-American Convention Against Corruption and has signed the UN Convention Against Corruption. During 2004, there were no charges of drug-related corruption filed against GOTT senior officials, and neither the GOTT nor any of its senior government officials encourage or facilitate the illicit production or distribution of drugs or the laundering of drug money.

The 1987 Prevention of Corruption Act and the 2000 Integrity in Public Life Act address the responsibility and ethical rules for government personnel. The Integrity in Public Life Act requires public officials to declare and explain the source of their assets, and an integrity commission is authorized to initiate investigations into allegations of corruption.

At GOTT request, the USG has polygraphed police, and mid-and high-level officials going for training or entering elite units to ensure that reputable and reliable personnel were chosen.

Agreements and Treaties. Trinidad and Tobago is party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention, and the

1971 UN Convention on Psychotropic Substances. Mutual legal assistance and extradition treaties with the U.S. entered into force in November 1999. A bilateral U.S.-GOTT maritime agreement is also in force.

The GOTT signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress, and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants in 2001, but it has not yet ratified those instruments. Trinidad and Tobago is also a member of the Organization of American States' Inter-American Drug Abuse Commission (OAS/CICAD).

Cultivation and Production. Trinidad and Tobago is not a producer of cocaine or opium poppy. Cannabis, however, is cultivated year-round in the forest and jungle areas of northern, eastern, and southern Trinidad and, to a minor extent, in Tobago. The total amount of cultivation cannot accurately be determined because cultivation is done in small quarter-acre lots in remote areas. There have also been reports of cannabis being grown in plots with legal cash crops. Cannabis is eradicated by cutting and burning plants manually; crops are not sprayed with aerially applied herbicides.

Drug Flow/Transit. Illicit drugs arrive from the South American mainland, particularly Venezuela, on fishing boats, pleasure craft and commercial aircraft. Sizeable quantities of drugs also transit the country through commodities shipments from South America. Drugs are then smuggled out on yachts, in air cargo, and by couriers. Smuggling through the use of drug swallows ("mules") is also on the rise.

Cocaine has been found on airline flights from Guyana transiting Trinidad and Tobago en route to North America. Drug seizures reported by U.S. law enforcement officials at JFK International Airport and intelligence indicate that Guyanese-based smuggling organizations are increasingly using Trinidad and Tobago as a transshipment point for cocaine. In addition, DEA believes there has been a slight increase in the amount of heroin transiting the country. Some shipments are bypassing Trinidad and Tobago, however, in favor of other islands, due in large part to the counternarcotics efforts of GOTT security forces.

There is little to no manufacturing or distribution of synthetic drugs in Trinidad and Tobago.

Domestic Programs (Demand Reduction). The GOTT does not maintain statistics on domestic consumption or numbers of drug users. Trinidad's demand reduction programs are managed by government agencies such as the Ministry of Community Development and Gender Affairs, the National Drug Council in the Ministry of National Security, the Ministry of Education, and the Office of Social Services Delivery, often with assistance from NGOs. The GOTT also funds the National Alcohol and Drug Abuse Prevention Program, which coordinates the activities of NGOs to promote demand reduction. In addition, the GOTT promotes job skills training programs for high-risk youths, and supports police youth clubs with its community-policing branch. The GOTT also has a D.A.R.E. program.

The U.S. has provided funding to enable the NGO SERVOL to expand its program of early childhood education, and has supported demand reduction efforts in Trinidad and Tobago through the sponsorship of police youth clubs, football leagues and public awareness campaigns.

IV. U.S. Policy Initiatives and Programs

Policy Initiatives. The key U.S. policy objective is to assist the GOTT to eliminate the flow of illegal drugs through Trinidad and Tobago to the United States. Joint U.S./GOTT efforts focus on strengthening the GOTT's ability to detect and interdict drug shipments, bring traffickers and other criminals to trial, attack money laundering, and counter drug-related corruption. The U.S. also seeks to strengthen the administration of justice by helping to streamline Trinidad and Tobago's judicial process, reduce court backlogs, and protect witnesses from intimidation and murder.

Bilateral Cooperation. The U.S. has a cooperative relationship with the GOTT and continues to provide the Trinidadian law enforcement organizations with training, technical assistance, equipment and vehicles in support of their counternarcotics/anticrime efforts. The U.S. provided equipment and vehicles to the OCNU, drug detection dogs to the TTPS and is in the process of procuring fast interceptor boats and shallow draft interdiction boats for the TTCG and Customs and Excise Division. The U.S. continues to support the use of two C-26 aircraft for maritime counternarcotics interdiction operations and has cooperated with the British to increase the GOTT's ability to detect drug swallows transiting its airports.

The GOTT-funded U.S. Customs Advisory Team provides technical assistance to Customs and Excise in tracking and intercepting marine vessels, including cargo container ships, and improving drug detection. The team continued to work with the Customs Marine Interdiction Unit and Canine Unit to strengthen their counternarcotics capabilities. The team provided technical assistance, along with U.S.-funded computers and training, to help the GOTT establish a Passenger Analytical Unit (PAU) at Piarco International Airport to target passengers for interview and secondary inspection. The PAU, jointly run by the GOTT Customs & Excise and Immigration Divisions, became operational in the summer of 2004. The Unit will enhance drug interdiction and antiterrorist efforts of both the host government and of the U.S.

An IRS Tax Assistance and Advisory Team is helping the Inland Revenue Division detect and prosecute financial crimes. It assisted the GOTT in developing a Criminal Investigation/Tax Fraud Unit that tracks tax evasion and underreporting, which are usually associated with money laundering. The IRS team is also assisting in modernizing the GOTT's tax processing system to make better use of 3rd party sources of income information.

The GOTT, as a founding subscriber to the International Criminal Court, has not signed an Article 98 agreement with the USG. This has caused a suspension of International Military Education grant funds and all Foreign Military Financing effective July 1, 2003. Nonetheless, the GOTT continues to exhibit political and operational will to stem the flow of drugs through existing agreements.

The Road Ahead. The U.S. will continue to work closely with the GOTT's law enforcement agencies to strengthen their counternarcotics/anticrime capabilities. The U.S. will continue to provide training and operational support to the TTCG to enhance the GOTT's air surveillance and maritime interdiction capabilities. The GOTT and U.S. envision that the intelligence collection and analysis capability of the TTCG Air Wing will increase as training proceeds through 2005.

The U.S. will continue efforts to improve the rule of law by encouraging legal reforms, including improving evidentiary laws, and providing assistance aimed at reducing judicial delays. In addition, the U.S. will seek to engage GOTT officials and the Caribbean Financial Action Task Force in the enactment and implementation of effective asset forfeiture and anti-money laundering laws. The U.S. will urge the GOTT to sign and ratify the Caribbean Regional Maritime Agreement.