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**ANNUAL REPORT OF THE  
INTER-AMERICAN DRUG ABUSE CONTROL COMMISSION (CICAD) TO THE  
GENERAL ASSEMBLY OF THE ORGANIZATION AT ITS THIRTIETH  
REGULAR SESSION**

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## 1999 CICAD CALENDAR OF EVENTS

<b>January</b>	4-10 25 26-28 29	Coordination of National Plan Project Meeting on Institutional Strengthening - Panama 4th Meeting of the Intergovernmental Working Group on the MEM Chemical Precursors Meeting of Drug Control Authorities – Central America	<b>Quito, Ecuador Washington, DC Washington, DC Washington, DC</b>
<b>February</b>	10-12 22	Nursing School Project Meeting Workshop on Western Hemisphere Collaboration: Information Technology to Solve Global Problems	<b>Washington, DC Orlando, Florida</b>
<b>March</b>	2-28 2-5  4  15-19 25-26	Course on Rehabilitation Training for Street Children Workshop for National Anti-drug Plan (NAP) Preparation  Investing in the Amazon: Forum on Investment & Trade with the Amazon Region of Peru Workshop for National Anti-drug Plan (NAP) Preparation Course for National Training on Statistical Information Systems	<b>Bogota, Colombia Guatemala City, Guatemala Washington, DC  San Jose, Costa Rica San Jose, Costa Rica</b>
<b>April</b>	5-8 12-13  15-16 26-30	Prevention Training for Physical Education Teachers Course for National Training on Statistical Information Systems  Course for National Training on Statistical Information Systems Workshop for National Anti-drug Plan (NAP) Preparation	<b>Montevideo, Uruguay Buenos Aires, Argentina Montevideo, Uruguay Tegucigalpa, Honduras</b>
<b>May</b>	3-6 6-7 17-21 17-22 17-23  25-28	5 <sup>th</sup> Meeting of the Intergovernmental Working Group on the MEM Twenty-fifth Regular Session of CICAD Preparation/Implementation of the National Antidrug Plan Professional Training in Drug Abuse Prevention Education Intermediate level James Hendricks Drug Abuse Training Workshop for English-speaking Caribbean and Atlantic Coast Risk Profiling, Targeting, and Selection and Examination of Air Passengers Course	<b>Washington, DC Washington, DC Dominican Republic Managua, Nicaragua Belize City, Belize  Fort de France, Martinique</b>

<b>June</b>	1-5 3-4 15-20  16-18 21-25 21-25	Preparation/Implementation of the National Antidrug Plan Course for National Training on Statistical Information Systems Money Laundering Control Training Workshop  Secret Agency Encryption Software Training Course Preparation/Implementation of National Antidrug Plan Port Security Seminar	<b>Nicaragua</b> <b>Guatemala</b> <b>Santo Domingo,</b> <b>Dominican Republic</b> <b>Lima, Peru</b> <b>Honduras</b> <b>Guayaquil, Ecuador</b>
<b>July</b>	6-9 11-18 12-16  12-23 18-21 20-22 22-24 26-30 28-30 29-31	Basic HF Radio Operations Training Course National Plan Workshop Implementation of National Antidrug Plan  11 <sup>th</sup> Inter-American Workshop for Law Enforcement Officers Coordinate National Plan Project Meeting of the Group of Experts to Control Money Laundering Workshop for National Anti-drug Plan (NAP) Preparation United CounterDrug '99 Seminar I Nursing School Project Meeting Coordinate National Plan Project	<b>Washington, DC</b> <b>Honduras</b> <b>Tegucigalpa,</b> <b>Honduras</b> <b>Ottawa, Canada</b> <b>Nicaragua</b> <b>Washington, DC</b> <b>Belize</b> <b>Miami, Florida</b> <b>Washington, DC</b> <b>St. Kitts</b>
<b>August</b>	8-14 9-10  9-21  10-12  17 23-4  31-2	Workshop for National Anti-drug Plan (NAP) Preparation Advanced Level James Hendricks Drug Abuse Treatment Training Workshop for the English-speaking Caribbean Introductory Workshop on Therapeutic Interventions with High- Risk Populations Information Technology Research: Test Beds for Collaborative Solutions to Western Hemisphere Problems RETCOD Reorganization Meeting for Venezuela Workshop on Ambulatory Care & Early Protection for High-Risk Youth 6 <sup>th</sup> Meeting of the Intergovernmental Working Group on the MEM	<b>Belize</b> <b>Tobago</b>  <b>Santafé de Bogotá,</b> <b>Colombia</b> <b>Manzanillo, Mexico</b>  <b>Caracas, Venezuela</b> <b>Santafé de Bogotá,</b> <b>Colombia</b> <b>Ottawa, Canada</b>
<b>September</b>	10-13 13-17 14-15 15-17 19-22 23-25	Drug Abuse Prevention Training for Women United CounterDrug '99 Seminar II Secret Agent Encryption Software Training Course Workshop for National Anti-drug Plan (NAP) Preparation Workshop for National Anti-drug Plan (NAP) Preparation Workshop for National Anti-drug Plan (NAP) Preparation	<b>Dominican Republic</b> <b>Miami, Florida</b> <b>Quito, Ecuador</b> <b>Antigua</b> <b>St. Lucia</b> <b>St. Vincent</b>
<b>October</b>	4-8 18-19  20-21 21-22 25-29  25-30 28-29	26 <sup>th</sup> Regular Session of CICAD Uniform Statistics System – National Training Seminar on Information Systems Regional Control of Pest Management – Seminar II Exportation of Quality Coffee – Looking to the 3 <sup>rd</sup> Millennium 1 <sup>st</sup> Mission for the Implementation of the Caribbean Chemical Precursors Control Project Workshop for National Anti-drug Plan (NAP) Preparation Secret Agent Encryption Software Training Course	<b>Uruguay</b> <b>Brasilia, Brazil</b>  <b>Juanjui, Peru</b> <b>Tingo María, Peru</b> <b>Paramaribo,</b> <b>Suriname</b> <b>Antigua</b> <b>Caracas, Venezuela</b>

<b>November</b>	1-6	Workshop for National Anti-drug Plan (NAP) Preparation	<b>St. Lucia</b>
	3-4	Uniform Statistics System-National Training Seminar on Information Systems	<b>Santa Cruz, Bolivia</b>
	3-5	Western Hemisphere Drug Policy Leadership Conference	<b>Washington, DC</b>
	5-6	Workshop on Technical Management of Cacao Cultivation in the San Martín Region	<b>Saposa, Peru</b>
	9-10	Anti-drug Port Security Awareness Seminar	<b>Lima, Peru</b>
	11-12	Exportation of Quality Coffee – Looking to the 3 <sup>rd</sup> Millennium	<b>Moyobamba, Peru</b>
	12-13	Workshop on Technical Management of Cacao Cultivation in the San Martín Region	<b>Juanjui, Peru</b>
	15-20	Workshop for National Anti-drug Plan (NAP) Preparation	<b>Panama</b>
	15-20	Workshop for National Anti-drug Plan (NAP) Preparation	<b>St. Vincent</b>
	15-28	Regional Training in Family Therapy & Community Interventions: High-Risk Youth & Substance Abuse	<b>Bogota, Colombia</b>
	18-19	Nursing School Project Meeting	<b>Ottawa, Canada</b>
21-30	2 <sup>nd</sup> Mission for the Implementation of the Caribbean Chemical Precursors Control Project	<b>St. George's, Grenada &amp; Castries, St. Lucia</b>	
23-24	CICAD Seminar on Firearms Regulations	<b>Lima, Peru</b>	
24-25	Workshop on Technical Management of Cacao Cultivation in the San Martín Region	<b>Tocache, Peru</b>	
30-2	Legal Issues to Control Money Laundering	<b>Bolivia</b>	
<b>December</b>	14	Inauguration of Andean Community Anti-drug Intelligence School	<b>Lima, Peru</b>

**In addition to the meetings organized by the Commission itself, in 1999 the Executive Secretariat of CICAD was represented at the following events:**

- February 22-25 – 1<sup>st</sup> International Conference on Policy Research concerning the Diversion of Precursor Chemicals organized by Spain's National Drug Plan in Lima, Peru.
- March 3-4 – Meeting II of Justice Ministers in Lima, Peru
- March 8-10 – Caribbean Coordinating Mechanism (CCM) Task Force Meeting in Bridgetown, Barbados
- March 8-10 – Summit Implementation Review Group (SIRG) Meeting in Santo Domingo, Dominican Republic
- March 16-25 – Commission on Narcotic Drugs (CND) Meeting in Vienna, Austria organized by United Nations Drug Control Program (UNDCP)
- March 23-24 – VII Plenary of the Caribbean Financial Action Task Force in Port of Spain, Trinidad
- April 6-9 – International Conference on Drug Trafficking organized by the International Criminal Police Organization (INTERPOL) in Cartagena, Colombia
- April 8-9 – 1<sup>st</sup> Meeting of Coordinating Mechanism in Panama organized by the European Commission

- April 12-16 – Meeting of Officials preparatory to the 2<sup>nd</sup> Meeting of the Inter-Governmental Task Force (IGTF) on Drugs and Ministers Responsible for National Security in Kingston, Jamaica.
- June 8-11 – International Drug Epidemiology Work Group on Drug Abuse in Vancouver, Canada
- July 7-9 – Meeting on Drug Consumption Abuse for NGOs in Central America, Mexico, and the Caribbean organized by the Spanish government in Antigua, Guatemala
- June 24-25 – Consultative Group Meeting for Bolivia in Paris, France.
- September 28-October 1 – United Nations Drug Control Program (UNDCP) - Inter-sessional Working Group
- October 27-29 – Central American Demand Reduction Conference in Guatemala City, Guatemala.
- November 14-17 – VI Canadian Conference on International Health in Ottawa, Canada.

**MULTILATERAL EVALUATION MECHANISM (MEM)  
CALENDAR OF ACTIVITIES FOR 2000**

According to the MEM Sequence of Activities and General Procedures for the First Evaluation Round of the MEM, approved by the Commission at CICAD's twenty-sixth regular session in Montevideo (Uruguay), October 5-7, 1999, the following activities will take place in 2000 in Washington, D.C.:

- April (10-14) – Governmental Experts' Group (GEG) Planning Seminar
- June 12-30 – GEG First Plenary Session  
GEG writes preliminary reports
- September 11-15 – GEG Second Plenary Session  
GEG prepares final draft reports
- November 13-24 – GEG Third Plenary Session  
GEG updates information to the individual country draft reports and their respective executive summaries and prepares the Hemispheric Report
- December 11-15 – CICAD Extraordinary Session  
CICAD considers and approves individual reports and their respective executive summaries and the Hemispheric Report

# **ANNUAL REPORT OF THE INTER-AMERICAN DRUG ABUSE CONTROL COMMISSION (CICAD) TO THE GENERAL ASSEMBLY OF THE ORGANIZATION AT ITS THIRTIETH REGULAR SESSION**

The Inter-American Drug Abuse Control Commission (CICAD) herein presents its annual report to the thirtieth regular session of the General Assembly of the Organization of American States (OAS), pursuant to the provisions of Articles 54 (f) and 91 (f) of the OAS Charter. This document follows the format adopted by CICAD at its twenty-third regular session, held in Washington, DC on May 5-8, 1998, for the Action Plan for the Implementation of the Anti-Drug Strategy in the Hemisphere (CICAD/doc.965/98 add.3).

## **CHAPTER I. ORIGINS**

The General Assembly, based on resolution AG/RES.699 (XIV-0/84), convened the Inter-American Specialized Conference on Traffic in Narcotic Drugs to review all aspects of the drug problem. The Conference, held in Rio de Janeiro, Brazil in 1986, concluded with the unanimous approval of the Inter-American Program of Action of Rio de Janeiro against the Illicit Use and Production of Narcotic Drugs and Psychotropic Substances and Traffic Therein.

That same year, the General Assembly established the Inter-American Drug Abuse Control Commission (CICAD), through resolution AG/RES.813 (XVI-0/86), and approved its Statute. By AG/RES.814 (XIV-0/86), it approved the Inter-American Program of Action of Rio de Janeiro, and by resolution AG/RES.841 (XVI-0/86) it authorized the Permanent Council to approve the Statute of the Specific Fund for the Inter-American Program of the Action of Rio de Janeiro to finance CICAD activities under the Program. The Permanent Council approved that Statute on September 9, 1987 in its resolution CP/RES.482 (709/87).

## **CHAPTER II. LEGAL BASES**

CICAD is a technically autonomous entity of the Organization of American States and it performs its functions under the Inter-American Program of Action of Rio de Janeiro and in accordance with the mandates of the General Assembly of the Organization. In October 1996, the Commission adopted amendments to its Statute, which were approved by the General Assembly in its resolution AG/RES.1457 (XXVII-0/97) in June 1997. In November 1997, the Commission adopted amendments to its Regulations, pursuant to Article 31 of the amended Statute.

## **CHAPTER III. STRUCTURE AND MEMBERS**

Under Article 3 of the amended Statute, the Commission is composed of all the member states of the Organization that are elected, at their request, by the General Assembly. Each member state must designate a principal representative, and may also appoint

alternate representatives and advisors, as it deems appropriate. CICAD comprises thirty-four member states.

## **CHAPTER IV. PURPOSES**

The Commission's objectives are to expand and strengthen the capacity of member states to reduce the demand for illicit drugs and prevent the abuse of licit drugs, and to combat effectively the illicit production of and traffic in narcotic drugs and psychotropic substances, as well as to promote regional initiatives and activities in the fields of research, exchange of information, specialized training, and technical assistance.

The Commission is guided by the principles and objectives of the Inter-American Program of Action of Rio de Janeiro; the Anti-Drug Strategy in the Hemisphere which CICAD adopted in October 1996 and the General Assembly endorsed in resolution AG/RES.1458 (XXI-0/97); and the Plan of Action approved at the Second Summit of the Americas in Santiago, Chile in April 1998, and endorsed in resolution AG/RES.1654 (XXIX-0/99) deciding on the establishment of the Multilateral Evaluation Mechanism (MEM).

## **CHAPTER V. MANDATES AND RECOMMENDATIONS OF THE GENERAL ASSEMBLY AT ITS TWENTY-NINTH REGULAR SESSION**

### **A. Annual Report of CICAD to the General Assembly 1998**

Having examined the 1998 annual report of CICAD, in resolution AG/RES.1654 (XXIX-0/99) the General Assembly recognized the progress CICAD had made in responding to the mandate of the Second Summit of the Americas held in Santiago, Chile (April 1998) to develop a single, objective process of multilateral governmental evaluation in order to monitor the progress of individual and collective efforts in the aim of building mutual confidence and cooperation, and the intention of member states to complete the negotiations of the Multilateral Evaluation Mechanism (MEM) in 1999 and the first evaluation exercise in the year 2000.

Furthermore, the General Assembly urged member states to conclude the said negotiations as quickly as possible and urged CICAD to adopt the necessary measures to ensure that the first evaluation exercise takes place in the year 2000. The General Assembly also urged member states to collaborate in the attempt to provide CICAD with human and financial resources required for the establishment and operation of the MEM, within resources allocated in the program-budget and other resources.

The General Assembly also urged CICAD to continue its support of member states in the fight against drug production, trafficking, and abuse in the hemisphere.



## **B. Combating Money Laundering**

Having examined the work of the Working Group of the Permanent Council on Money Laundering in resolution AG/RES.1545 (XXVIII-0/98), the General Assembly extended the mandate of the Working Group to utilize the technical analysis prepared and approved by CICAD in order to arrive at a decision on the advisability of preparing an inter-American Convention on money laundering.

Having analyzed this issue at its meeting held in Washington, D.C. July 20-22, 1999, the CICAD Group of Experts to Control Money Laundering arrived at the following conclusions:

- (i) The Group sees no technical impediment to the undertaking of the preparation of a hemispheric convention on money laundering.
- (ii) Secondly, it would be beneficial to know the results of the UN Convention against Transnational Organized Crime before any discussion of a need of a hemispheric convention would begin.
- (iii) Third, it would be more appropriate if the Group saw the results of the first round of evaluation of the MEM before any efforts toward the consideration of a possible hemispheric convention would begin.
- (iv) Finally, the Group considers that it would be better to give current priority of their and efforts to the MEM in order to have more information on the hemispheric situation with a view to determining subject-matters for inclusion in a hemispheric convention. (CICAD doc.1024/99)

Considering the importance of continuing a vigilant and dynamic hemispheric approach to combat money laundering, at its twenty-sixth regular session held in Montevideo (Uruguay), October 5-7, 1999, in resolution 2/99 (XXVI-0/99), the Commission resolved to endorse the conclusions and recommendations contained in the report of its Group of Experts on Money Laundering Control on the advisability of an Inter-American convention (CICAD/doc.1024/99). The Commission also resolved to give continued due consideration to the subject of money laundering control in light of said report, with particular reference to conclusions (ii) and (iii).

## **C. Laundering Offences Connected to Illicit Trafficking**

The General Assembly noted with satisfaction the progress achieved by CICAD's Group of Experts on Money Laundering and in resolution AG/RES.1656 (XXIX-0/99), it recommended the adoption of the amendments to CICAD's Model Regulations Concerning Laundering Offences Connected to Illicit Drug Trafficking and Related Offences, as approved by the Commission at its twenty-fifth regular session, held in Washington, D.C., May 6-7, 1999 (CICAD/doc.1018/99). The General Assembly also urged member states to adopt these amendments, where appropriate, as provided in their

respective domestic legislation; and to give strong political and institutional support to CICAD's model regulations, pursuant to their domestic laws.

#### **D. Alternative Development Programs**

Recognizing the importance of horizontal cooperation as one of the useful instruments for fostering alternative development and the anti-drug initiatives proposed in the Plan of Action of the II Summit of the Americas in Santiago (Chile) in April 1998, the General Assembly noted with satisfaction the final report of CICAD's Group of Experts on Alternative Development in Villa de Leyva (Colombia) which was adopted by CICAD at its twenty-fourth regular session in Tegucigalpa, October 26-30, 1998.

In resolution AG/RES.1657 (XXIX-0/99), the General Assembly welcomed the support for alternative development programs offered by the Inter-American Development Bank (IDB) in cooperation with CICAD and urged other international lending institutions to support joint and individual efforts to promote alternative development. The General Assembly recommended fully supporting governments that have undertaken alternative development activities in their negotiations with the international financial community to enter into debt reduction operations in exchange for alternative development initiatives. The General Assembly also expressed its appreciation for the offers made by Bolivia, Colombia, and Peru to share their experiences in alternative development through the exchange of technical assistance.

The General Assembly emphasized the importance of the conclusions and recommendations reached by the CICAD Group of Experts. These conclusions urged member states and financial institutions, whenever possible and relevant, to consider implementing swap or debt-reduction operations in exchange for environmental protection and recovery initiatives in areas where alternative development programs are carried out, and to maintain commercial preferences for products or services provided through alternative development programs.

#### **E. Control of Chemical Precursors**

Having examined the amendments to the CICAD Model Regulations to Control Chemical Precursors and Chemical Substances, Machines and Materials, approved by the Commission at its twenty-fourth regular session, held in Tegucigalpa (Honduras), October 26-30, 1998, the General Assembly recommended in resolution AG/RES.1658 (XXIX-0/99) that the member states adopt the amendments and provide strong institutional and political support for their application, when appropriate, according to their national laws.

## **CHAPTER VI. THE CICAD PROGRAM IN FULFILMENT OF THE ACTION PLAN FOR THE IMPLEMENTATION OF THE ANTI-DRUG STRATEGY IN THE HEMISPHERE\***

### **A. PRIORITY: MULTILATERAL EVALUATION MECHANISM (MEM)**

The Intergovernmental Working Group (IWG), created by CICAD in accordance with the mandate of the Second Summit of the Americas (April 1998) in order to design a mechanism of multilateral evaluation, held three sessions in 1999 (Washington, D.C., in January and in May, and Ottawa, Canada in August) under the Chairmanship of Canada and the Vice-Chairmanship of Chile.

On the basis of the principles, characteristics and objectives already defined in the three meetings held in 1998, the IWG in 1999 focused on the selection of indicators that will be utilized and on the design of the operating system.

At the January 1999 meeting, the IWG constructed a flowchart to define the evaluation process and discussed a list of 84 possible indicators of which it was agreed that 79 would form the basis of this evaluation of the MEM.

In the fifth IWG meeting (Washington, DC, May 1999), the selection process was completed, the indicators were defined and the format of the questionnaire for the collection of information proposed by the Executive Secretariat was approved. The IWG also selected the 61 indicators which will be utilized for the first evaluation exercise, which will begin in January of the year 2000 and which will establish an information base that will serve to measure future progress. In the following years, other indicators will be added to expand the content of the evaluation mechanism.

The IWG established that the evaluation would be carried out by a Governmental Expert Group (GEG), formed by 34 experts, one from each member country. The GEG, which determines its own organization and procedures, will have the responsibility of preparing the evaluation report for each country and the hemispheric report which will be presented to CICAD's plenary for their approval in 2000. It was also stipulated that a solidarity fund should be established to ensure the involvement of those countries which, owing to exceptional circumstances, might otherwise be unable to participate.

The characteristics of the Multilateral Evaluation Report were discussed in some detail and it was agreed that it should follow the thematic structure of the Anti-Drug Strategy in the Hemisphere and that each country would present a national report document prepared by its government on the situation of the country's drug problem.

**\* Steps from the Action Plan for the Implementation of the Anti-Drug Strategy in the Hemisphere are found throughout the CICAD Program chapter. These passages, in shaded boxes, illustrate CICAD's commitment to the successful implementation of the Anti-Drug Strategy.**

It was also agreed that a MEM support group of technical experts would be established within the Executive Secretariat of CICAD to strengthen this effort. The support group would be a separate unit within the Secretariat and its activities would be directed at supporting the work of the GEG, for example, in all logistical and administrative matters. At no time would the support group exercise any judgement on the content of the country's information.

At the sixth meeting of the IWG, which took place in Ottawa (Canada) from August 31 to September 2, 1999, the MEM's timetable was approved, as were the general procedures for the first evaluation round, giving sufficient flexibility to the GEG to define the specific procedures. On the basis of experience acquired in the first evaluation round, the Commission will be able to make corresponding adjustments and modifications, including those that pertain to the questionnaire, the number of indicators and the MEM procedures.

At this same meeting, formats for the countries and for the hemispheric report by the GEG were approved. The Group asked the Executive Secretariat to present revised proposals for the various aspects relating to the implementation of the Multilateral Evaluation Mechanism, the Operations Manual, its financing, and the letter inviting countries to designate their expert and alternate(s) \*, to CICAD at its twenty-sixth regular session.

The Chairman of the IWG presented the final report of the Group's work as a whole on the design of the mechanism (CICAD/doc.1029), and at its twenty-sixth regular session the Commission approved resolution 1/99 (XXVI-0/99) formally adopting the mechanism together with Declaration CICAD/doc.1033/99 which was signed by all members present. The Commission discussed a number of operational issues regarding implementation of the Multilateral Evaluation Mechanism (MEM), including a draft Operations Manual and approved a letter to member states requesting the designation of experts to the GEG. The Commission also heard a report on the estimated annual operational and support costs of the GEG. A draft plan for the GEG's office space configuration was also presented to delegations who underscored the need for a gradual approach in accordance with the availability of human and financial resources and the development of requirements for the MEM.

A number of member states indicated their willingness to contribute funds to the operations of the GEG, above and beyond their financing of their own expert. The Commission was of the view that all countries should, to the extent possible given their individual circumstances, provide financial support for the MEM process, and instructed the Executive Secretariat to continue its discussions to secure the funds required.

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\* See Final Report of the Inter-Governmental Working Group on the Multilateral Evaluation Mechanism (CICAD/doc.1029/99)

## **B. PRIORITY: DEMAND REDUCTION**

Over the last year, CICAD's Demand Reduction Program began some projects and continued others that are based on the objectives of the Anti-Drug Strategy in the Hemisphere. The 1999 projects focused largely on human resources training and professional development in the demand reduction field; research; and guidelines for standards of care in drug abuse treatment. The Executive Secretariat also provided technical assistance in the development and follow-up of drug abuse prevention and treatment projects in Bolivia and Peru, under the Consultative Group mechanism, and participated in a number of international meetings on demand reduction.

Notwithstanding the priority nature of this issue, the CICAD Expert Group on Demand Reduction, whose last meeting was held in Mexico City (Mexico), March 3-6, 1998, did not meet in 1999 due to lack of funding. This prevented follow-up to the recommendations resulting from the said meeting. (CICAD/DREX/doc.18/98 rev.1)\*\* . At CICAD's twenty-sixth regular session in Montevideo, Uruguay, it was agreed that the Group of Experts would be convened in 2000. Chile was elected Chair of the Expert Group.

### **Human resources training and professional training in demand reduction**

In 1999 the Executive Secretariat of CICAD supported the following projects and programs in the region:

- **Drug Abuse Prevention for Central America's Atlantic Coast Region**

The drug abuse prevention initiative for Central America's Atlantic Coast entered its third year in 1999. This CICAD project supports Belize, Costa Rica, Guatemala, Honduras, Nicaragua and Panama in preventing drug abuse in the linguistically and culturally diverse Caribbean/Atlantic Coast. CICAD sponsored needs-assessments, workshops, and training courses, all of which focused on providing culturally appropriate and locally informed drug abuse prevention programs. Software to help in the monitoring and evaluation of the program components was developed by the outside evaluator, FUNDASALVA of El Salvador, and is being used by all participants. This year also saw a three-month training course on drug abuse prevention and the promotion of healthy options in a multi-ethnic and pluri-cultural settings, offered through the University of the Autonomous Regions of the Caribbean Coast of Nicaragua (URACCAN). This training course emphasized the significance of indigenous medicine and traditional healing and was attended by a total of fourteen professionals from each of the countries working in the Atlantic Coast Project.

Other accomplishments of the project include the creation of local coordinating committees in each participating country which coordinate prevention activities between members of the community, the health and education sectors, and National and Local

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\*\* See chapter on CICAD recommendations to the General Assembly (p. 34).

Anti-Drug Commissions. In addition, a computer network, made up of equipment that was donated last year as part of the project, is fostering the exchange of information and experiences among participants throughout the region. CICAD is interested in extending this project into San Andrés (Colombia) and Margarita Island (Venezuela), as they share geographic and socio-economic factors similar to the Atlantic/Caribbean region of Central America.

- **Nursing School Training in Drug Abuse Prevention and Treatment: A Pilot Project**

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This pilot program, developed to introduce drug abuse prevention and treatment into the nursing school curriculum, began in 1997 with a three-year grant from the Government of Japan. In 1999, the Government of Canada also made a financial contribution. The project is divided into two phases: the first stage covered the University of Carabobo (Venezuela), the National University of Colombia in Santa Fe de Bogotá (Colombia), the University of Cordoba (Argentina), and the Federal University of Sao Paulo (Brazil). The nursing schools of these universities have sensitized and trained faculty, formed work groups and curriculum review committees, and published significant papers and proceedings. With the exception of the University of Sao Paulo, these nursing schools will be ready to introduce the new curriculum early in the year 2000. In July 1999, three more universities joined the project: the University of San Andrés in La Paz (Bolivia); the University of Guayaquil (Ecuador), and the Cayetano Heredia University in Lima (Peru).

The project has attracted international interest, as a result of papers presented at various nursing associations and fora on international health and health promotion. Additional funding is needed to maintain the high level of success.

- **Drug abuse prevention program for children in and of the streets**

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This project is designed to support the efforts of institutions working on behalf of street children throughout the Andean Region, particularly in the area of drug abuse prevention and treatment. The program comprises the following activities:

### **Regional training for educators of street children**

#### **Andean Region**

This training program has been carried out since 1995 to give street educators and institutions that provide services to high-risk youth an opportunity to gain new perspectives in their work with minors at high risk for substance abuse. Within this program, a regional training course in drug abuse treatment and rehabilitation was carried out in March 1999, in Bogotá (Colombia), in conjunction with the Comunidad San Gregorio. Over 30 individuals from institutions throughout the region received training in early detection, detoxification, counseling, family therapy and social reintegration. The United States Government and the Government of Japan sponsor this project.

## **Central America**

As part of its Hurricane Mitch relief effort, the U.S. State Department provided CICAD with financial support to expand the street children program to include El Salvador, Guatemala, Honduras, and Nicaragua. In conjunction with the Comunidad San Gregorio, an introductory course was held in Bogotá (Colombia), during the first two weeks of August, to provide 25 Central American participants with first-hand experience and exposure to an array of different approaches to deal with substance abuse. A second course during the last two weeks of August, also carried out in conjunction with the Comunidad San Gregorio, provided approximately 40 participants from Chile, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua and Peru with training in methods of ambulatory care, early detection and case studies. As part of the Central American initiative, national training courses are scheduled to take place in each of the four countries in an effort to replicate the methodology and establish networks of institutions and services.

CICAD is pleased to announce the edition and publication of a manual (Santafé de Bogotá, 1999) on the methodology utilized by the Comunidad San Gregorio, in order to provide other institutions throughout the hemisphere with resources for program adaptation and implementation of therapeutic programs for street children and minors at risk for drug abuse.

## **In-Service Training for Youth at Risk**

This project is designed to improve in-service training and social rehabilitation programs offered by the Working Child Program (PMT) in Quito (Ecuador), and by the QHARURU Project in La Paz (Bolivia), to provide youth with a competitive edge in the work market. Over a period of three years, 500 urban youth have been the direct beneficiaries of this project. Market studies have been performed and databases have been set up in La Paz and El Alto (Bolivia) and Quito and Guayaquil (Ecuador). A minimum of three micro-enterprises, work training programs and centers to provide youth information on job opportunities have been set up each year. Basic educational curricula have been consolidated and enhanced to assure that all youth receive a solid educational foundation. This is highly significant, as most child workers are unable to attend school, or must attend night schools. Micro-enterprise strategies have been reformed and workshops on strategic thinking and management have been carried out. Research on the role that employment opportunities play as protective factors in substance abuse prevention has been carried out. Both institutions are presently working on documenting their experiences and lessons learned for publication and distribution. They are also defining strategies to secure future opportunities for funding and the sustainability of the project.

- **Caribbean Drug Abuse Prevention and Treatment Training**
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In view of the increase in drug use in several Caribbean countries, CICAD has placed special emphasis on training professionals and technicians involved in the treatment and rehabilitation of drug addicts in this region. Since 1993, it has been organizing and cosponsoring, in conjunction with the U.S. Department of State, new courses throughout the English-speaking Caribbean region. In 1999, CICAD organized the following training events:

An intermediate-level training course, which included Caribbean participants as well as participants from the Atlantic/Caribbean Coast of Central America, was held in Belize in May. An intermediate-level course provided training for community and church workers from throughout the English-speaking Caribbean in Tobago in August 1999. An advanced level course for Caribbean participants, as well as participants from the Atlantic/Caribbean Coast of Central America, was held in the Caribbean at the end of the year. These courses provided training for approximately two hundred people in intervention techniques for treatment and rehabilitation, prevention of relapse, HIV and drug abuse, and the relationship between women and drug and alcohol abuse.

### • **Youth and Parent Encounters for Drug Abuse Prevention**

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One of CICAD's most successful and enduring projects has been the series of training sessions entitled Youth and Parent Encounters, in which instructors work directly with parents and children to alert them to the dangers of drugs and to give them ways to resist harmful substance abuse. Since 1987, CICAD has financed approximately 47 courses of this sort in 21 member states of the Organization, together with trainers' seminars for more than 500 professionals. A participatory training methodology, developed and used by the Inter-American Children's Institute (IIN), has helped youth and community leaders carry out grassroots prevention activities with a minimum of outside assistance. In 1999, the following courses were conducted using this methodology:

#### ▪ **Youth and Parents Encounter: Nicaragua**

A Youth and Parents Encounter was held in May in Nicaragua in cooperation with the Nicaraguan Institute for Human Development (INPHRU) and the Coordinating Group for Drug Abuse Prevention. The course provided ninety youth leaders, parents and professionals from throughout Nicaragua with advanced training in drug abuse prevention techniques, project design and execution.

#### ▪ **Follow-up National Training Workshop: Uruguay**

A training workshop for drug abuse prevention for teachers of physical education was held in Uruguay in April. Approximately 50 teachers from throughout the country were trained.

#### ▪ **Drug Abuse Prevention Training for Women: Dominican Republic**

A training workshop, which focused on the theme "Women and Drug Abuse," was held in September in the Dominican Republic in conjunction with Casa Alianza. Approximately 45 women from throughout the island were provided with training in prevention techniques, focusing on the specific needs of women in the area of prevention and health promotion.



- **Follow-up Activities: Peru**

Peru's Ministry for Promotion of Women and Human Development (PROMUDEH) was provided with seed funds to carry out follow-up activities to training courses held in 1998 in Lima and in Huanuco, a rural area of Peru.

<b>Strengthen capacity and promote research</b>
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- **Research and Fellowships**

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New initiatives in 1999 included a drug abuse research program in Central America in cooperation with the Johns Hopkins University. This project, built on CICAD's existing drug epidemiology research infrastructure, explores high concentrations or "clusters" of drug use among youth (age 12-17) in seven member states: Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, and Panama. The U.S. National Institute on Drug Abuse (NIDA) funds the current research, which is expected to yield invaluable information on the correlation between certain types of behaviors and levels of drug use. National coordinators began data collection for this research project in July 1999 and collection efforts will continue through the end of this year. The Johns Hopkins University will then analyze this information and preliminary findings will be available early in 2000.

CICAD also continued to participate in the OAS Fellowship Program to develop technical expertise and exchange of information in the area of drug abuse prevention and treatment. In 1999, fellowships were again awarded for the nine-month diploma course in addiction studies at the Complutense University in Madrid, Spain. The Spanish Government, the OAS Department of Fellowships, and CICAD all provided support for these fellowships. For the first time, two universities in Peru offered short graduate-level courses for OAS/CICAD fellows: the Cayetano Heredia University gave a two-month course for ten international students on the psychology of addictions and drug abuse prevention. The Federico Villarreal University, also in Lima, offered a two-month course on prevention and therapeutic intervention, and youth and family violence. Both of these courses offered credit towards a graduate degree. Eighteen member states (Argentina, Bolivia, Brazil, Colombia, Costa Rica, Chile, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Uruguay and Venezuela) were represented in the 1999 awards, which were financed by the OAS Fellowships Program and by CICAD.

<b>Promote the preparation of guidelines</b>
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- **Standards of Care in Drug Abuse Treatment**

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CICAD continues an initiative to help member states develop and implement minimum standards of care for drug dependency evaluation and treatment. This initiative, underway in CICAD since 1997, is designed to help governments develop a consensus in the national health care community around the desirability of establishing minimum

standards of care, and then to implement practices and guidelines. A long-term objective, recommended by CICAD's Expert Group on Demand Reduction (March 1998), is to develop systems of accreditation for treatment providers.

The Pan American Health Organization (PAHO) has provided expertise and support for this project. During 1998-99, technical assistance and follow-up was provided in the establishment of Minimum Standards of Care in Ecuador, Panama, Peru and Uruguay. A manual documenting the different experiences of each country in the implementation and adaptation of legislation is presently being edited and will be published in the first quarter of 2000.

### **C. PRIORITY: SUPPLY REDUCTION AND APPLICATION OF CONTROL MEASURES**

#### **• Research Program on Biological Control of Alternative Development Products**

In conjunction with the United States Department of Agriculture and the private sector, CICAD has designed an ambitious bio-control research program centered on *Theobroma cacao*. The program is oriented to evaluating air and soil borne diseases in cacao within a broad-scale integrated pest management country program. At present, CICAD is working with the Peruvian National Drug Control Agency (CONTRADROGAS) and the Peruvian Ministry of Agriculture and the National Agricultural Health Services (SENASA) of the Peruvian Ministry of Agriculture on the production of bio-control agents for field tests. The overall aim of the program is to evaluate the effectiveness of bio-control agents on *moniliasis roleri*, *crinipellis perniciososa* and *phytophthora palmivora* and to reduce the production of illicit coca by rehabilitating the existing agricultural economy in an area through a program of crop varietal introduction, integrated pest management and technology transfer/extension.

The initial field tests will be conducted throughout different coca growing regions of Peru. If field tests prove positive, it may be possible to apply the information compiled by this project to increase cacao production and reduce the illicit crop cultivation in other illicit growing regions in OAS member states.

#### **• Promotion of Alternative Development**

CICAD is also funding the construction of a research site in San Martin, (Peru). The aim of this site is to support national and local efforts in the promotion of licit crops in coca growing regions of Peru. In addition to research, the San Martin facility will carry out numerous meetings and seminars on a variety of agricultural themes for local farmers and farmer representatives. Although cacao is a priority crop, extensive work will also go forward on banana, coffee and tropical citrus crops.

- **Consultative Group and Table of Donors for Alternative Development and Prevention and Rehabilitation in Peru**

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At the Meeting of the Consultative Group in Support of the Fight against Drugs in Peru, which took place in Brussels, November 11-12, 1998, CICAD and the Inter-American Development Bank (IDB) organized a Table of Donors for Peruvian Anti-drug programs. The Peruvian Government and cooperating anti-drug agencies agreed to hold a follow-up conference in 1999 with the IDB and CICAD in order to review the programs of alternative development and prevention and treatment made possible with the financial support of the Table of Donors. This follow-up meeting, however, has been rescheduled and will take place in the first quarter of 2000.

**Develop a mechanism for the identification of economic redevelopment options, the verification of illicit drug cultivation and environmental damage**

- **Generalized Land-Use Evaluation and Management Tool (GLEAM)**

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In 1999, CICAD saw the successful use of the Generalized Land-Use Evaluation and Management Tool (GLEAM). The GLEAM maps existing land-use activities, both legal and illegal, through rapid data acquisition, assimilation, assessment and integration via a geographic information system (GIS) and a computerized image analysis system (IA). It provides a means to evaluate the extent, trends and environmental impacts of illicit crop cultivation in the Andean Region and provides a mechanism whereby economically viable redevelopment options can be devised.

The GLEAM was developed with the full participation of the Government of Peru and centered on the coca-growing region of Aguaytia (Peru). The pilot project was delivered to and tested by the Government of Peru in May 1999 and presently CICAD is in the process of identifying future target areas for a broader application of the GLEAM tool in Peru. CICAD also met with officials from the Bolivian Government in early October 1999 to discuss the expansion of the GLEAM tool. As a result of these negotiations, the project will commence the first quarter of 2000 in the Yungas region of Bolivia.

To expand and continue these GLEAM projects in various member states, the Supply Reduction Program will rely on the continued financial support of the US State Department.

**Promote greater coordination among law enforcement agencies/officials and the judiciary in member states**

- **Drug Control Training**

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In partnership with the Royal Canadian Mounted Police (RCMP), CICAD continued a drug control training initiative which delivers a two-week training program in Ottawa for police officers from member states. This year's training session, which was designed for

mid-level counter-narcotics officers, took place at the Canadian Police College and was attended by officers from 29 countries. Presentations were given by representatives from Colombia (National Police), Peru, the United States (Drug Enforcement Administration), and the RCMP. A combination of lecture and participatory work was employed, including practical exercises and demonstrations. Topics covered in the workshop included international anti-drug cooperation from a Canadian and a South American perspective, community involvement, demand reduction, comparative law, drug identification, officer safety in clandestine labs, professional conduct, managing informants, criminal intelligence, undercover operations, money laundering, security in the judicial process, and a “high risk entry” demonstration.

CICAD also collaborates with the United Nations International Drug Control Program on a drug control administrators training program and, new partnerships are being established to develop other training initiatives in the area of customs controls and the control of precursors and chemicals used in the processing and manufacturing of illicit drugs.

#### • **Maritime Cooperation and Port Security Project**

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This project seeks to promote communication between agencies and officials and places emphasis on exploring ways to promote maritime cooperation at the sub-regional level through Expert Group meetings and on examining current practices and mechanisms for maritime cooperation. Over the past year, CICAD has been cooperating with the OAS Port and Harbor Commission in developing training programs in port security awareness. The most recent seminar was delivered in June to high-level port security officials from the following OAS member states: Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Uruguay and Venezuela.

The seminar took place in Guayaquil (Ecuador) and participating agencies included US Customs, the Port of Miami, and the NY/NJ Port Authority. Additionally, an anti-drug port operations seminar was delivered in the fourth quarter of 1999 in Lima (Peru).

#### • **Customs Cooperation Project**

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In 1999, the Program of Supply Reduction sought to promote cooperation among officials and agencies through its Customs Cooperation project. By identifying, developing and implementing projects which promote communication, this program enhances the technical expertise of agents through training activities, while at the same time, promoting network development. With the support of international organizations such as the United Nations International Drug Control Program (UNDCP), the *Centre Interministeriel de Formation Anti-Drogue* (CIFAD), the World Customs Organization (WCO) and the Caribbean Customs Law Enforcement Council (CCLEC), CICAD is currently expanding the project with the establishment of a sub-regional training program.

In 1999, customs officers from Antigua and Barbuda, Aruba, Bahamas, Barbados, British Virgin Islands, Cayman Islands, Dominica, Grenada, Guyana, Jamaica, Netherlands

Antilles, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and Trinidad and Tobago received training on risk profiling, targeting and examination of air passengers suspected of internal body concealment of drugs. The training was delivered at CIFAD's training center located in Fort de France, (Martinique).

**Promote and facilitate international coordination in intelligence gathering and exchange regarding drug-related investigations**

• **Telecommunications Network for Precursor Chemicals (RETCOD)**

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In order to provide a means for the rapid and reliable exchange of information among law enforcement officials controlling illicit drugs and the movement of precursor chemicals along common borders, CICAD has continued to develop the Inter-American Drug Control Telecommunications Network (RETCOD). This computer and high frequency (HF) radio based network permits direct encrypted communication of both voice and data, enabling participants to share information and intelligence in a secure fashion.

The network is now in its third year of operation and includes a total of seven countries and twenty-one participating agencies including National Anti-Drug Police, National Anti-Drug Councils, Customs officials and officials from the Armed Forces/Air Interdiction. This year an additional fourteen computers were deployed, bringing the total number of installed terminals to sixty-five. These are found in the principal cities and remote areas of Bolivia, Brazil, Chile, Colombia, Ecuador, Peru and Venezuela.

The first six HF radios were also installed in March of this year in the border areas of Brazil (Manaus and Tabatinga), Colombia (Bogota and Leticia), and Peru (Iquitos and Caballococha). These radios, when interfaced with a computer, allow e-mail exchange even in isolated areas where telephone lines are not always available.

As this program approaches its fourth year of operations, the number of requests for this project by agencies and member states continues to rise. However, the expansion of the RETCOD system depends on the availability of funding. In February 2000, CICAD will host an international conference with RETCOD participants in Lima (Peru) in order to discuss the financial repercussions associated with the incorporation of new agencies and member states (Argentina, Panama, Paraguay, the United States, and Uruguay) into the RETCOD network.

• **Chemical Precursors Control System**

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In order to develop a regional precursor chemical control system aimed at reducing the potential for the diversion of precursors in the Caribbean, CICAD designed a project covering eleven Caribbean countries, which is being co-financed by the European Commission.

The Chemical Precursors Control System Project aims to improve coordination and communication among agencies involved in chemical substance control; to provide

software, training and equipment to those agencies; to provide technical assistance to the administrative agencies in accordance with international conventions and to provide legal assistance for formulating regulations and bilateral agreements to improve the efficiency of the system.

The project began in October 1999, with analysis and data collection in the countries. Suriname was the first country visited. Between November 1999 and January 2000, Grenada, St. Lucia, Trinidad and Tobago, Antigua and Barbuda, St. Kitts and Nevis, and The Dominican Republic had been visited. Visits to Barbados, Jamaica, Bahamas and Guyana are programmed for February and March 2000.

During the visits to countries, meetings are held with the main authorities involved in the control of chemical substances and precursors. Current legislation is examined and the level of application, together with coordination mechanisms including the existence of a central coordination body, enforcement and interdiction activities, etc., mechanisms for collaborating among Customs, Police and other agencies involved in chemical control, existing communication systems and special training needs are identified. For each country a report is prepared which is sent to the country in question for its comments.

The next stages of the project are as follows:

**Plan of Action:** Once there is a final version of the reports on the current situation of the countries, including the needs and recommendations, a plan of action is to be developed to provide technical assistance in areas which need strengthening (for example, legal development, chemical control, systems, procedures, communications and training).

**Expansion of the Inter-American Drug Control Telecommunications Network (RETCOD)** to include a Caribbean component linking officials responsible for the control of precursors in this region. The aim is to link the different agencies in charge of the chemical control within a country and other countries: customs, national law enforcement, and the office concerned with the administrative aspects (permits and licenses). This will provide a means to exchange information and promote collaboration in the control of chemical substances.

**Inter-American precursor chemical control workshops** to train individuals representing the agencies responsible for the control of chemicals in monitoring, detecting, investigating and interdicting the movement and potential diversion of chemicals. The proposal calls for a workshop to be held in 2000. For these workshops, participating countries/territories will nominate three individuals to represent the principal agencies responsible for the control of chemicals. The workshop will include two days for introductory training in the use of the RETCOD/Precursors network and three days focusing on a range of Issues related to monitoring, detecting, investigating, and interdicting the movement and potential diversion of chemicals.

- **Regional Anti-Drug Intelligence School for the Andean Community**

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Individuals and organizations involved in illicit drug trafficking recognize the importance of gathering and exchanging information and intelligence allowing them to react quickly to changing circumstances, minimize their risk and maximize their illegal profits. The gathering and exchange of intelligence is equally important to drug control law enforcement agencies.

The First Conference of the Andean Regional Group for Drug Control and the Second Meeting of the Andean Community for Anti-drug Intelligence were held in the city of Arequipa (Peru) August 5-7, 1998 to focus on trafficking and counter-intelligence operations. Among the decisions adopted at this conference, the Andean community (Bolivia, Brazil, Chile Colombia, Ecuador, Peru and Venezuela), proposed to establish “the Regional School of the Andean Community for Anti-Drug Intelligence.” The Andean Community called upon OAS/CICAD for assistance in the establishment of this proposed Regional School which would serve as a leading instrument in anti-drug efforts in the region.

The inauguration of the Regional School of the Andean Community for Anti-drug Intelligence took place on December 14, 1999 in Lima (Peru). Its objective is to establish a specialized, multinational center of instruction with the support of OAS/CICAD, for academic and operational training in the field of anti-drug intelligence for police personnel and members of other institutions involved in fighting drugs in the member countries of the Andean Community for Anti-drug Intelligence. Specifically, the Regional School aims to develop academic activities to update the police personnel of the Andean region on anti-drug intelligence and evaluate, on an ongoing basis, the efficiency and effectiveness of the methods, techniques, and procedures for anti-drug intelligence being used in the region to fight international drug trafficking.

Responsibility for the organization and administration of the Regional School rests with the Executive Secretariat of the Andean Community for Anti-Drug Intelligence. Its administrative and teaching staff will be from the member countries with additional instructors coming from other countries recognized for their experience in this area. OAS/CICAD will continue to play an important role in the establishment and further development of this school.

#### **D. PRIORITY: LEGAL DEVELOPMENT**

<p><b>Mandate the group of experts on money laundering to promote continuity and manage all substantive matters related to this issue</b></p>
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- **Money Laundering Control**

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- (a) **CICAD Group of Experts to Control Money Laundering**

A meeting of the CICAD Group of Experts was held in July 20-22, 1999 in Washington D.C. at which the Group discussed and made recommendations on matters relating to the Plan of Action of Buenos Aires and on the preparation of a technical opinion on the feasibility of the preparation of a hemispheric convention to combat money laundering for adoption by CICAD and submission to the Permanent Council of the Organization. In addition, the Group heard progress reports on the Secretariat's anti-money laundering training programs (see below), on money laundering typologies focusing on the black market money exchange, on the status of the development of the Commission's Multilateral Evaluation Mechanism and on the Financial Action Task Force, to which Argentina, Brazil and Mexico are observers.

At CICAD's twenty-fifth regular session held in Washington, D.C. May 6-7, 1999, the Commission adopted Operating Guidelines for CICAD Expert Groups which state that at the appropriate regular session, the Commission shall elect the country that will, in the person of a representative designated by his or her government for that purpose, chair each Expert Group. The term of office for the Chairman shall be for one year; this person may be reelected. Furthermore, these guidelines stated that the Expert Group should meet when mandated by the Commission to undertake a specific task or tasks set forth in a draft work plan, which shall include the objectives, the proposed number and schedule of meetings, and the necessary financing. (CICAD/doc.1018/99 rev.1)

Taking into account the new modalities agreed upon by the Commission regarding the functioning of the Expert Groups, at this July meeting, the Expert Group to Control Money Laundering identified several elements to be considered in its work program, published in document CICAD/doc.1025/99), and recommended extending the mandate of the chairmanship (Argentina) for an additional one-year period.

The conclusions and recommendations of the meetings of the Expert Group were adopted by the Commission at its twenty-sixth regular session in Montevideo (Uruguay), October 5-7, 1999.

**(b) Project for Money Laundering Prevention in Financial Institutions**

The Experts Group's 1998 recommendations on the establishment of a comprehensive anti-money laundering training program were carried forward throughout 1999. Significant progress was made with respect to the implementation of an agreement with the Inter-American Development Bank for a pilot project for the training of officials of supervisory agencies and banks in selected countries on measures to prevent the use of banks for money laundering. A project director was recruited, an in-depth needs assessment of the beneficiary countries was carried out and the international contracting process was completed and a firm selected to design and carry out the training to begin early in 2000. The Secretariat also carried out needs assessments and completed preliminary design work in relation to the training of judges and prosecutors on legal issues related to money laundering and training for the officials of Financial Intelligence/Analysis Units which are now being established throughout the hemisphere. The Secretariat has also begun seeking financing for such projects so that they can be put



into effect in 2000. CICAD is attempting to accelerate processing of program cooperation and financing with donors and will seek support from the capitals for this purpose.

(c) **Proposed amendments to the Model Regulations Concerning Laundering Offences connected to Illicit Drug Trafficking and other Serious Offences**

Proposed amendments to the model regulations concerning laundering offences connected to illicit drug trafficking and related offences recommended by the CICAD Group of Experts on Money Laundering were adopted by the twenty-fifth regular session of CICAD held in Washington, DC from May 6-7. The General Assembly of the Organization adopted the amendments at its twenty-ninth regular session in Guatemala City (Guatemala) on June 7, 1999, and urged member states to provide institutional support for the measures they contain.

(d) **Participation in Meetings, Conferences and Seminars**

The Legal Development Section was an active participant in a number of international and regional meetings and conferences on the control of money laundering. A Legal Development representative made presentations to the Financial Action Task Force (FATF) meetings of February 8-10 and September 20-23, in the Plenary sessions and in the International Organizations Coordination Group and the specialized working group on Latin America and the Caribbean. One officer from the section also attended the Caribbean Financial Action Task Force (CFATF) plenary meetings held in Port of Spain (Trinidad) March 23-25 and the Council meeting from October 20-23 inclusive. The Legal Development section also gave presentations in a Workshop hosted by the Governments of Colombia and Spain in Cartagena de Indias (Colombia), June 2-4, 1999; at a UN sponsored anti-money laundering seminar in Santo Domingo (Dominican Republic), June 10-14; and at the Third Hemispheric Congress to Prevent Money Laundering sponsored by the Latin American Federation of Banks (FELABAN) and the Panamanian Bankers Association, which took place in Panama City (Panama), August 10-13; and to graduate students in the International Affairs program of Georgetown University, Washington, D.C. It also gave presentations to the Global Alert Media anti-money laundering conference held in Miami (United States) over April 21-23, 1999.

**Develop control mechanisms and model systems**

**• Control of Arms and Explosives**

On November 23 and 24, 1999 in Lima (Peru) the Executive Secretariat held a seminar in coordination with the Latin America and Caribbean office of the UN Regional Center for Peace, Disarmament and Development to promote regional adoption, as appropriate in accordance with domestic legislation, of the Model Regulations for Control of the International Movement of Firearms, their Parts and Components and Ammunition. Policy makers from the pertinent ministries of mainland countries of South America as well as representatives from Mexico, Canada and the U.S. attended this seminar.

A second seminar for the Central American and Caribbean countries is proposed in Martinique in the first quarter of 2000. In order for the Inter-American Convention against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives, and other Related Materials to become effective, it will be important to continue these successful seminars in member countries; the Legal Development Program requires further financial and technical support to do so.

### **• Precursor Chemical Model Regulations**

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Proposed amendments to the Model Regulations to Control Chemical Substances used in the Illicit Production of Narcotic Drugs and Psychotropic Substances, recommended by the CICAD Group of Experts to Control Chemical Precursors and Chemical Substances, were adopted by the twenty-fifth regular session of CICAD held in Washington, DC on May 6-7. The General Assembly of the Organization adopted the amendments at its twenty-ninth regular session in Guatemala City (Guatemala) on June 7, 1999 in resolution AG/RES.1658 (XXIX-0/99).

Since that time, the Legal Development Section has provided technical assistance to Panama in the development of proposals and procedures for harmonizing controls over the movement of chemicals with particular reference to pre-export clearances and on country training needs and is assisting in the development of a Caribbean regional project for precursor chemical control.

In the area of precursor chemical control CICAD has also cooperated with the European Commission and several of its member states which are also permanent observers to this Organization.

### **Provide technical and legal cooperation**

In response to requests from the Government of Ecuador, the Secretariat provided technical assistance and suggestions on proposed legislation relating to drug and money laundering control.

### **• Center for Legal Cooperation and Development in Central America (CEDEJU)**

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The Legal Development Program on behalf of CICAD, together with its counterparts in UNDCP and the Central American Anti-Drug Commission (CCP) met in Mexico City (Mexico) in September 1999 to select a new Project Director with a view to recommencing project operations to harmonize national laws in Central America related to drug trafficking and, in particular, money laundering and to train prosecutors and judges in these fields. CEDEJU is presently active in Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

- **Cooperation/Coordination with other Organizations**

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The Legal Development program has established links with a variety of international and regional organizations in the major areas of its work and cooperates and coordinates extensively with those bodies.

In terms of the United Nations International Drug Control Program, the Executive Secretariat has strong links with the UNDCP's Latin American section in Vienna as well as certain of its field offices, in particular, the Mexico and Central America Office and the Caribbean Office.

The coordination with Vienna occurs on a number of fronts, including cooperation with the Anti-Money Laundering program as well as work with the Legal Service and the Latin America program. In addition, there has been contact with the Regional Centre for Peace, Disarmament and Development in Latin America on firearm matters. In terms of related UN agencies, there have been periodic contacts with the International Narcotics Control Board (INCB) on precursor chemical matters. In the area of money laundering control, the Secretariat participates in at least one of the three annual plenary sessions and sub-committees of the Financial Action Task Force (FATF), thereby keeping abreast of developments in anti-money laundering control among OECD countries and others.

The International Organizations' Coordination Meeting of FATF held on the margins of the Plenary Session affords opportunities to work with a variety of international agencies including the Commonwealth Secretariat, the European Commission, the Council of Europe, INTERPOL and the World Customs Organization. It has also led to participation in the meetings of the Egmont Group, countries which have a national Financial Intelligence Unit (FIU) or an interest in the establishing of one, to compile and analyze information to combat money laundering. The Secretariat has also cooperated with the Panama Bankers Association, the Colombian Bankers Association and the Latin American Federation of Banks (FELABAN) and intends to coordinate some of its future work to control money laundering with these organizations. In the area of witness protection and potentially other areas, CICAD is working directly with the CARICOM Secretariat.

### **E. PRIORITY: INSTITUTION BUILDING**

<p><b>Assist with institution building in member states to promote cooperation among agencies, ministries and other involved entities</b></p>
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In 1999, the Institution Building Program of CICAD focussed its efforts on promoting collaboration between National Anti-Drug Plans, strengthening National Drug Commissions and improving telecommunication networks.

## • **Design and Modernization of National Anti-Drug Plans (NAPs)**

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The object of this project is to offer technical support to the National Drug Councils (NDCs), and to the design and modernization of National Anti-Drug Plans (NAPs). This objective is emphasized in the Action Plan of the Second Summit of the Americas and the Anti-Drug Strategy in the Hemisphere.

This project was initially to benefit: Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Dominican Republic, El Salvador, Guatemala, Haiti, Honduras, Nicaragua, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and The Grenadines. Since then, Costa Rica, Ecuador, Jamaica, Panama, Trinidad and Tobago, and Venezuela have signaled their interest in participating in this key program, one that has a basic role in the MEM.

For this project, representatives from both government and non-government institutions participate in strategic planning seminars and work groups that focus on various scopes of action: prevention, control, treatment and rehabilitation, investigation criminal prosecution, and statistical analysis. The representatives analyze the different lines of action, evaluate strengths (positive aspects), weaknesses (aspects to improve) and challenges faced (priorities for the future), as well as define the policies, strategies, objectives, and projects to be included in the NAP. In the last stage of the project, the Anti-Drug Plan group is created to analyze the workshop's efforts and to select the main subjects to be included in the writing of the NAP.

Strategic planning seminars took place in the following member states:

**Guatemala** - March 2-4, 1999. With the participation of 65 representatives of 45 government and nongovernment organizations. The Anti-Drug Plan group met separately on March 5.

**Costa Rica** - March 17-21, 1999. 62 representatives from 42 organizations took part in the workshop. The Anti-Drug Plan group met March 23.

**Dominican Republic** - May 18-22, 1999. 42 representatives participated from 25 organizations, as many public as private organizations. The Anti-Drug Plan group met May 24 and 25.

**Honduras** - July 12-17, 1999. With the participation of 66 representatives from 42 organizations. The Anti-Drug Plan group met July 15 and 16.

**St. Kitts and Nevis** – August 16-19, 1999. With the participation of 22 representatives from 15 organizations.

**Belize** – September 3-6, 1999. With the participation of 48 representatives from 14 organizations. The Anti-Drug Plan group met September 6 and 7.

**St. Lucia** – November 22-25, 1999. With the participation of 32 representatives from 21 organizations. The Anti-Drug Plan Group met November 26.

Ecuador, whose NAP came into effect in April 1999, was the first country to receive technical support through a workshop that took place in Quito (Ecuador) in December 1998. The President of the Republic presented the new National Anti-Drug Plan to the national and international community on June 25, 1999.

The modernized National Anti-Drug Plans for the member states Costa Rica, the Dominican Republic and Guatemala are also prepared and are ready to be approved by appropriate national authorities.

CICAD plans to offer technical assistance to Antigua and Barbuda, El Salvador, Nicaragua, Panama, Saint Vincent and the Grenadines, and Venezuela. In order to cope with the diversity encountered in these countries, the Institution Building Program has revised the project's work plan according to the institutional capabilities of individual countries. With an increase in the number of participating countries and an extended timeframe for the project, the Institution Building Program is requesting an increased budget to fulfil these plans.

#### • **Strengthening National Drug Councils in Central America**

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CICAD's 1999 project to strengthen the National Drug Councils (NDCs) was made possible with financial support from the Government of Spain through a contribution of US\$500,000. Begun in August, this project will coordinate the efforts of national authorities and experts from NDCs for duration of 24 months. By improving strategic planning and providing technical assistance, this effort will benefit the six Central American member states: Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

The National Drug Council Project accomplishes the following goals:

- a) Provides computer equipment and programs to the National Executive Secretariat, its statistics and information center, and the offices of agencies responsible for prevention, treatment and rehabilitation, control, and legal action.
- b) Trains national employees who will manage this new equipment and utilize statistics and information systems.
- c) Organizes meetings and workshops on Organizational Development.
- d) Makes payment of Internet service, including the initial installation and 24 monthly payments, for each national department that benefits from the project.

To implement this project, a Specialist from Spain has joined CICAD full-time in the Institution Building Program. This is the first type of cooperation of this kind.

#### • **Inter-American Telecommunications Network for Drug Control (RETCOD/National Drug Councils)**

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In October 1995, CICAD authorized the Executive Secretariat to implement a system of telecommunications in order to improve the capacity of the National Drug Councils

(NDCs) to communicate among themselves and to maximize the use of existing hemispheric telecommunications facilities. The main objective of RETCOD/NDCs is to equip member states with safe, rapid, and inexpensive telecommunications equipment and procedures. With this goal in mind, the project has provided computers and programs and offered training to the representatives of national institutions and focal points in charge of the fight against drug trafficking.

This program covers the costs associated with renewing Internet access for an additional twelve months and the costs associated with the improvement of information systems in 27 member states. Over the past year, the RETCOD/NDCs Program has been successfully implemented in each of the 34 member states of CICAD.

For this program, each country receives the necessary software and hardware to set up an e-mail account and Web site through a local representative or “focal point.” Each focal point signs on daily to the Internet and reviews updated information such as statistics related to illegal drug use and illicit drug traffic, licenses granted for the import or export of controlled substances, the text of current bilateral agreements, statistical analyses and their results, and/or the local news related to the subject.

By strengthening the systems of telecommunications in member states, this project provides the reciprocal and multilateral communication necessary for the success of the Multilateral Evaluation Mechanism (MEM).

#### **F. PRIORITY: INFORMATION AND STATISTICAL SYSTEMS AND SERVICES (ISSS)**

As the next century approaches, the existence of and regional access to various forms of information underlie the successful implementation of the Anti-Drug Strategy in the Hemisphere and the fulfillment of CICAD’s Multilateral Evaluation Mechanism (MEM).

Considering the importance of the MEM and the need for member states to gather, compile, analyze, and exchange information for this process, in October 1998, at its twenty-fourth regular session in Tegucigalpa (Honduras), the Commission commenced a series of discussions designed to reorient the Executive Secretariat’s information programs and activities.

At CICAD’s twenty-fifth regular session, held in Washington, D.C., May 6-7, 1999, the Commission heard a presentation on progress made and future plans for drug information services based on the guidelines received at Tegucigalpa, and in order to respond to XXI Century realities (CICAD/doc.1014/99). The Commission resolved at that meeting to focus its information priorities and resources in support of the activities of the MEM and the national coordinating bodies (CICAD/doc.1018/99 rev.1).

In 1999, the Executive Secretariat responded to this new focus with a revised information work and organization plan which reorients CICAD’s information activities in support of the execution of MEM-related tasks by national coordinating bodies and the CICAD

Executive Secretariat, via the construction of specific information modules. A letter to Commission representatives soliciting their input was drafted and sent.

### **Anti-drug strategy as a global commitment**

Any information strategy for the XXI Century must, of necessity, consider the adoption, adaptation or application of new technologies to information identification, content analysis/organization and dissemination. Consistent with CICAD's request for the use of new information technologies in its information activities, the Executive Secretariat's Information Systems and Services Program concentrated on identifying the application potential of advanced developments in computer science and engineering information technologies to the hemisphere's illicit drug problem.

#### **• Information Technology Research to Solve Global Problems**

CICAD's Information Systems and Services Program, jointly with the National Science Foundation (NSF), organized the "Workshop on the Western Hemisphere Collaboration: Information Technology to Solve Global Problems" in Orlando, Florida on February 22, 1999.

Sixteen distinguished computer scientists from Latin America, Canada, and the United States attended the workshop along with specialists from CICAD. It was agreed that the following four focus areas provide an essential foundation for establishing technologies to solve hemispheric problems; infrastructure, content, universal access and design, and education/training. Another workshop was organized in order to identify specific test beds (pilot projects) and collaboration models.

#### **• Development of a Multilateral Program between the National Science Foundation (NSF) and the OAS**

Again in collaboration with the National Science Foundation (NSF), CICAD's Information Systems and Services organized the conference "Information Technology Research: Test Beds\* for Collaborative Solutions to Western Hemisphere Problems" which took place August 10-12, 1999, in Manzanillo (Mexico). At this conference, over 48 computer scientists and information experts from 13 member states and the Commission developed four research test beds. Based on their discussion, the following topics were selected on the basis of their relevance to national and regional problems:

- Imagery System for Regional Cooperation;
- Efficient Delivery of Information/Training/Education to Diverse Populations;
- Socio-Technological Platform for Multilingual Community Interactions; and

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\* The term "test bed" refers to a pilot project that develops and integrates technologies with selected themes based on their significance towards regional and national problems. A test bed developed at this meeting, for example, included a network that unites information regarding national systems of health, education, and agriculture.

- Support for Digital Governments.\*\*

The Manzanillo conference marked a move towards the establishment of a joint NSF/OAS multilateral program in information technology for the solution of hemispheric problems. At CICAD's twenty-sixth regular session, held in Montevideo (Uruguay), October 5-7, 1999, the Commission examined the conceptual model and pilot project. The NSF has pledged up to one million dollars for the research needed for the multilingual translation software that is an initial step of the pilot project.

### • **Information Dissemination**

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This Program also moved forward in its Internet information dissemination program by placing the Inter-American Drug Information System (IADIS) CD-ROM on-line.

## Strengthen capacity of information resources

### • **Inter-American Statistical Data Bank**

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According to the Action Plan for the Anti-Drug Strategy in the Hemisphere, the Executive Secretariat resolves to increase cooperation in areas such as the collection and analysis of data, standardization of systems that measure drug consumption, scientific and technical training and the exchange of experiences.

With the purpose of fulfilling this resolution, CICAD's Inter-American Statistical Data Bank has allowed for the development of Statistical Indicators that create a platform for the initiation of the evaluation process of the Multilateral Evaluation Mechanism (MEM). The Data Bank provides technical support for the development and strengthening of National Systems of Statistical Information for this evaluation process which assess the efforts of each country to resolve problems related to drug abuse and drug trafficking. Also, in its commitment to the MEM process, the Data Bank trains and prepares national teams and facilitates the member states with necessary tools, such as software developed by CICAD for the systematic collection of data required to proceed with the evaluation and to reach proposed goals.

Given the different infrastructures and data collection capabilities found in each member state, it will be impossible to receive equivalent responses from the various countries. Thus, more attention must be given to statistical development and greater support must be provided to institutions responsible for the coordination and legal control of drugs at a national level. The importance of strengthening statistical networks was emphasized in CICAD's twenty-fifth regular session, Washington, DC, May 6-7, 1999, in which the Executive Secretariat proposed and the Commission approved plans to create an Inter-American Observatory on Drugs, a project which is in the process of being organized and

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\*\* The term "digital government" refers to the automatization of government and information services to improve efficient communication between government and citizen (i.e. integrated government agency services).



under which CICAD's statistical programs will operate in the future (CICAD/doc.1018/99 rev.1). The Secretariat presented a report to the twenty-sixth regular session indicating the progress made, and the Commission asked for a further update at its twenty-seventh session to be held in May 2000.

- **Statistical Data Bank Projects in 1999**

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In efforts to expand the access of OAS member states to drug related statistical information and to prepare the groundwork for the statistical needs of the MEM. Over the past year the Statistical Data Bank:

- Completed the sixth Statistical Report on Drugs for 1999, which was distributed in December 1999.
- Carried out five national Training Seminars on Information Systems in Argentina, Costa Rica, Guatemala, Uruguay and Bolivia.
- Continued with the implementation and maintenance of statistical databases in the areas of drug supply control (CICDAT) and drug use statistics (SIDUC).
- Revised and performed substantial modifications to the CICDAT program (software) in order to facilitate electronic submission and capture of data.
- Continued with the preparation and revision of a database on statistical surveys of drug use.
- Revised and adjusted the SIDUC program (software) and equipment in accordance with the databases sent by each country.
- Distributed fourteen computers donated by the Spanish Government in order to strengthen the statistical control project of CICDAT. Likewise, it has distributed the six computers donated by the Korean Government donated to strengthen efforts in the area of Demand Reduction in Central America.
- In coordination with Chile's National Council for the Control of Narcotics (CONACE) and the Canadian Centre for Substance Abuse (CCSA), the Data Bank participated in a Seminar on the Estimated Impact of Social Costs caused by the Use of Psychotropic Substances in November 1999 in Santiago (Chile).

## **CHAPTER VII. COOPERATION WITH OTHER INTER-AMERICAN AND INTERNATIONAL ORGANIZATIONS AND WITH PERMANENT OBSERVERS**

CICAD has developed cooperative actions with Inter-American and international organizations as well as with permanent observers in order to ensure complementarity of action and to avoid duplication of efforts.

- **United Nations System**

Regular planning and programming meetings are held with the United Nations International Drug Control Program (UNDCP) on subjects of shared interest. UNDCP representatives attend all of CICAD's regular meetings, and CICAD participates as an observer at the meetings of the United Nations Commission of Narcotic Drugs.

- **Inter-American Children's Institute (IIN)**

Over the last decade, CICAD and the IIN have carried out drug abuse prevention training projects in various Latin American countries and, in 1998-99, the organizations expanded the program to the Caribbean.

- **Pan American Health Organization (PAHO)**

Since CICAD was established, it has had a good working relationship with PAHO, which has led to co-financing arrangements for various projects related to demand reduction. In 1999, CICAD drew on PAHO's expertise for the Nursing School Training Program in the Andean countries, and on the project to help countries establish minimum standards of care in drug abuse treatment.

- **Caribbean Community (CARICOM)**

CICAD is working directly with the CARICOM Secretariat programs in the area of witness protection and potentially in other areas of legal development and control.

- **European Union (EU)/European Commission**

Building on a long history of inter-institutional cooperation, CICAD has established working relationships with the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) which was established by the European Community in response to an increasing drug problem.

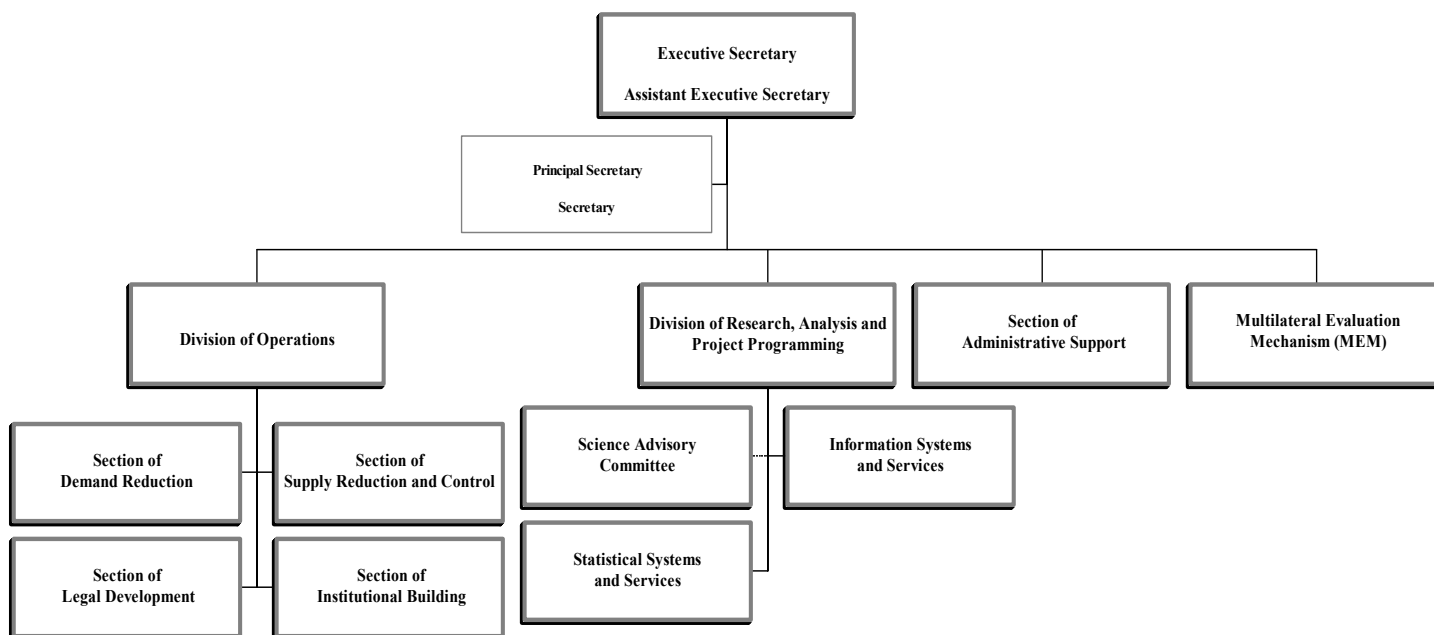
- **Other International Organizations**

CICAD maintains strong working relationships with the World Customs Organization, the Caribbean Customs Law Enforcement Council (CCLEC) on cooperation in maritime affairs, and the International Criminal Police Organization (INTERPOL).

- **Permanent Observers**

The governments of France, Israel, Japan, Korea and Spain have provided valuable financial and technical assistance to various CICAD programs. Other permanent observers, such as Germany, Italy, the Netherlands, Russia and the United Kingdom, have participated regularly in CICAD meetings.

## CHAPTER VIII. CICAD 1999 EXECUTIVE SECRETARIAT



### The CICAD Interns

In 1999, entering its third year, the internship program expanded its important role in the work of CICAD. It draws on the OAS Student Intern Program which is designed for junior, senior, and graduate students at the university level. These students gain practical work experience within their fields of study while providing necessary projects and research papers for the Organization. During 1999, CICAD hosted the following interns: Nuala Lawlor (Canada), Mariana Feged (Colombia), Miguel Millán (Colombia), Angela Rosales (Colombia), Hugo Saenz (Colombia), Patricio Salgado (Ecuador), Eun Jung Cho (Korea), Jiwon Han (Korea), Taehyun Kim (Korea), Hyunsu Oh (Korea), Karen Binger (USA), Gillian Bruce (USA), Anita Grabowski (USA), Yeilyn McCormick (USA), Elena Olsen (USA), and Daniel Renart (USA).

## CHAPTER IX. CICAD ON THE WEB

In 1996, the Commission established a direct, electronic, high-speed, low-cost communications network for all member states. At that time, CICAD constructed a website (located at [www.cicad.oas.org](http://www.cicad.oas.org)) which described the Commission's Statute and its Regulations. However, this simple one page website grew rapidly to include the historical evolution of the organization, its working framework, and its guiding principles. By 1998, important documents such as the Anti-Drug National Plans, publications, directories, and final reports were also to be found on-line. This website,

frequently updated, keeps member states regularly informed about significant new projects. Information is now available on the development of the Multilateral Evaluation Mechanism, in addition to references to specific projects and expert groups currently fulfilling the mandate of the Commission.

The CICAD website includes an extensive collection of links to virtual libraries, national congresses, universities, media sources, and regional/international organizations. With access to such a wide array of information, Inter-American Drug Information System (IADIS) databases, and OAS documents, the CICAD website is an essential resource for the OAS and an important source of information for the entire community working to control illicit drugs.

## CHAPTER X. FINANCIAL AND BUDGETARY CONSIDERATIONS

### A. CURRENT BUDGETARY SITUATION OF CICAD

1999 funding for CICAD activities includes cash contributions received at the end of 1998 from the US Government (INL/USFY98), specific funds received during 1999 and special and in-kind contributions, as per the following table:

<b>Cash Contributions* (Table i.)</b>	
United States *	4,338,013
OAS Regular Fund	1,812,900
Spain	245,000
Canada	236,706
Inter-American Development Bank	285,170
Japan	155,000
European Union	146,324
Johns Hopkins University	111,310
Mexico	50,000
Chile	10,000
Dominican Republic	3,000
Peru	8,000
Interest **	113,000
<b>Sub-Total</b>	<b>US\$ 7,514,423</b>
<b>Special and In-Kind Contributions</b>	
United States	300,000
Canada	120,000
US/National Science Foundation	105,115
Spain ***	37,800
Belize	2,600
<b>Sub-Total</b>	<b>US\$ 565,515</b>
<b>TOTAL:</b>	<b>US\$ 8,079,938</b>

\* Many of these funds and/or accounts are multi-year

\*\* Interest was credited to CICAD accounts after a deduction of one third to cover costs incurred by the General Secretariat of the OAS for administrative support to CICAD

\*\*\* As per estimate from the OAS Fellowships Department.

### **OAS Regular Fund:**

In 1999, CICAD received a total of **US\$1,812,900** from the OAS Regular Fund. Of this total approximately 80% (**US\$1,439,100**) is directed towards salaries of CICAD staff. The balance is used to support the negotiation phase of the Multilateral Evaluation Mechanism (MEM) **US\$116,300**; the organization of two statutory meetings of the Commission, **US\$66,800**, and non-discretionary operating expenses of the Executive Secretariat of CICAD, **US\$190,700**.

## **B. FUNDS REQUESTED AND RECEIVED**

### **1. United States Contribution:**

During 1999 CICAD worked with funds from the U.S. contribution for fiscal year 1998 (USFY98) for **US\$1,416,000**, distributed among the five programmatic areas of CICAD. In addition CICAD received the following:

- **INL (FY99) US\$950,000** (received April 1999) directed towards the Money Laundering, Institutional Building, Alternative Development and Street Children projects.
- **INL (FY99) US\$1,575,000** (pledged August 2, 1999) for Alternative Development projects in Peru, Bolivia and the Caribbean. As of December 31, 1999, **US \$797,013** was received.
- **INL (FY99) US\$175,000** (received September, 1999) for Alternative Development projects in Colombia and Peru.
- **INL (FY99) US\$ 76,000** (pledged July 22, 1999) for the Caribbean Prevention Project.
- **INL (FY99) US\$2,255,000** (pledged September 30, 1999). As of December 31, 1999, **\$1,000,000** was received.

**TOTAL received** from INL through December 31, 1999: **US\$4,338,013**.

- **Department of Agriculture: US\$600,000** (available as of Sept. 8, 1999) for Alternative Development projects in agricultural research and extension area in Bolivia, Colombia, Jamaica, Paraguay and Peru.

### **2. Canadian Contribution:**

The Canadian contribution for 1999, through December 31, 1999, was **US\$236,706**, from the following sources:

- |                          |           |               |
|--------------------------|-----------|---------------|
| • Foreign Affairs-Canada | \$136,600 | (CA\$200,000) |
| • Solicitor General      | \$100,106 | (CA\$150,000) |

Of this contribution, the amount of CA\$150,000 (approx. US\$101,668) was earmarked for the MEM process, and the rest was distributed among the Supply Reduction, Demand Reduction and Institution Building programs.

### **3. Government of Spain:**

The Spanish Agency for International Cooperation (AECI) disbursed the first installment of **US\$245,000** of its total contribution of approximately US\$500,000 for the project “Strengthening of the National Drug Control Commissions in Central America”.

### **4. European Union:**

The first installment of 60,000 Euros (US\$62,442) for the project *Inter-American Drug Information System (IADIS) On-line Management*, was received at the end of April 1999. Also, the first installment of 81,360 Euros (US\$83,882.16) for the Caribbean Chemical project was received at the end of June 1999. Received to date **US\$146,324.16**.

### **5. General Fund:**

The carry-over amount of this fund into 1999 was **US\$31,656**, which was used at the beginning of the year for contract renewals. As of December 31, 1999, CICAD received a total of **US\$71,000** from the Governments of the Chile (US\$10,000), Mexico (US\$50,000), the Dominican Republic (US\$3,000), and Peru (US\$8,000).

### **6. Government of Japan**

A contribution of **US\$155,000** for the Nursing School Training in Drug Abuse Prevention and Treatment was received in July 1999.

### **7. Inter-American Development Bank (IDB)**

A contribution for a total of **US\$177,170** for the project on *Ensuring the Integrity of Financial Markets in Latin America* (ATN/MT-5909-RG) has been received through December 31, 1999. Also, in March 1999, CICAD initiated another project with the IDB (ATN/SF-6304-RG) on the *Design of Training Programs to Support the Integrity of Financial Markets in Latin America and the Caribbean*, for a total of US\$120,000 for a period of one year. As of December 31, 1999, **US\$108,000** has been received for this project.

### **8. In-kind and special contributions**

- **Government of Canada.** During July 1999, CICAD and the RCMP co-sponsored the Eleventh Inter-American Workshop for Law Enforcement Officers. The RCMP provided lodging and meals for participants as well as professional and logistical support. The estimated Canadian contribution is calculated at **US\$120,000** approximately (based on what the OAS would have expended had it paid those costs).
- **Government of the U.S.** Support from the Department of Defense (DoD) of **US\$300,000** for US Fiscal Year 1999 (June 1999-June 2000) for CICAD’s RETCOD project, provided directly to participating countries. Coordination through the designing and fielding of an HF communications capability to network precursor chemical computer databases, resident at bases of operation, to river mobile operators monitoring chemical movements in western Brazil, southeast Colombia and northern Peru. Uses low-maintenance radios.
- **Government of France.** In June 1999, CIFAD and CICAD co-sponsored a Workshop on Risk Profiling and Examination of Air Passengers, held in Martinique. CIFAD covered expenditures associated with venue, instructors, interpretation

services, equipment and document reproduction. The estimated French contribution is calculated at **US\$18,800** approximately (based on what the OAS would have expended had it paid those costs).

- **Government of Spain.** Six scholarships (October 1999-June 2000) for graduate studies on all aspects of drug abuse at the Universidad Complutense de Madrid, through the Spanish Agency for International Cooperation/Ibero-American Institute for Cooperation. The approximate monthly cost per student is **\$700** (based on an estimate from the OAS Fellowships Department) for a period of nine months. Therefore, the estimated Spanish contribution is approximately **US\$37,800**.
- **US/National Science Foundation (NSF).** (1) In February 1999, CICAD and the NSF co-sponsored a Workshop "Western Hemisphere Collaboration: Information Technology Research to Solve Global Problems in Orlando, Florida. The NSF paid tickets, lodging and meals for 16 participants from Latin America during 2 days, as well as all expenditures related to venue, documents, translation, equipment and others. The NSF contribution is calculated at **US\$25,000**, approximately (based on what the OAS would have expended had it paid those costs). (2) In August 1999, CICAD and the NSF co-sponsored a Workshop on Information Technology Research: Test Beds for Collaborative Solutions to Western Hemisphere Problems, in Manzanillo, Mexico. The NSF paid tickets, lodging and meals for 44 participants from Latin America, as well as all expenditures related to venue, documents, translation, equipment and others. The NSF contribution is calculated at **US\$80,115**.
- **Government of Belize.** Shared payment of expenditures associated with venue and equipment during the Workshop for the Preparation of the National Anti-Drug Plan of Belize, (Sept. 2-9, 1999), for a total of **US\$2,600**.

### **9. John Hopkins University**

Under a Cooperation Agreement, the Johns Hopkins University transferred a sum of **US\$111,300** to CICAD for a collaboration research project with Central American scholars financed by the National Institute for Drug Abuse (NIDA). The total contribution will be **US\$121,310** as per signed agreement.

**Appendix C** includes carry-over funds from previous contributions, as well as the contributions received for 1999 (Table i.) from **ALL** sources of financing:

### **C. Result of Efforts to Obtain External Financing**

Since more than 70% of CICAD's funding is derived from external financing, the Commission's Executive Secretariat draws up detailed project proposals related to CICAD's policies, which are then presented to possible donors for their consideration.

<b>Cash Contributions to CICAD – External Funds (Table ii.)</b>				
<b><u>Year 1996</u></b>	<b><u>Year 1997</u></b>	<b><u>Year 1998</u></b>	<b><u>Year 1999</u></b>	<b><u>Year 2000 (Approx.)</u></b>
\$1,226,876	\$2,205,000	\$2,527,730	\$5,828,440	\$2,868,000

#### **D. POSSIBLE SOURCES OF FUNDING FOR THE YEAR 2000:**

- On August 27, 1999 the Government of the United States pledged a **US\$2,255,000** contribution (**of which US \$1,000,000 were received in September, 1999**) to CICAD to be used for activities in the fourth quarter of 1999 and during 2000. In December 1999, the U.S. also pledged **\$200,000** for the MEM.
- The Government of Canada offered CA\$600,000 (approx. US\$413,000)
- Contributions for the year 2000 were sought from Canada, Spain, Japan, France, UNDCP and the European Union.

### **CHAPTER XI. RECOMMENDATIONS TO THE GENERAL ASSEMBLY**

The Inter-American Drug Abuse Control Commission (CICAD) has made important progress in its work over the past year. Despite these successes, there are several areas where CICAD requires the support or approval of the General Assembly to strengthen its action so that it may continue to move towards achieving its goals.

CICAD therefore recommends the following to the General Assembly:

1. That, regarding the establishment of the Multilateral Evaluation Mechanism (MEM), it take note of the work of the CICAD Intergovernmental Working Group (IWG) in completing the design of the MEM in 1999, approved by CICAD in October 1999, and continue to support the Commission in the first evaluation round of the Mechanism to take place in 2000.
2. That it take note of the progress made by CICAD in establishing the Inter-American Observatory on Drugs, which will assist member states with the collection of drug-related statistics and promote interdisciplinary scientific research on all aspects of the drug phenomenon, and that it approve a Regular Fund post at the P-4 level for a senior drug epidemiologist/researcher to ensure that the research conducted under the Observatory's auspices is of the highest quality possible.
3. That it urge the international community, and the financial institutions in particular, to provide member states and CICAD with the financial resources necessary to implement comprehensive demand reduction and alternative development programs, because of their critical importance within drug abuse control efforts.
4. That it strongly support the initiatives taken by the member states to reduce illicit crop cultivation, taking note with satisfaction of the significant results in this area obtained by the region in 1999.



5. That it urge member states and permanent observers to maintain specialized trade preference systems such as the Andean Trade Preference Act, the Caribbean Basin Initiative and the Special System of Andean Preferences (Andean GSP) of the European Union, in support of national and regional alternative development programs.
6. That it take note of the report of CICAD's Group of Experts on Money Laundering Control (CICAD/doc.1024/99) as endorsed by the Commission at its twenty-sixth regular session held in Montevideo, Uruguay, in October 1999, through CICAD resolution 2/99 (XXVI-0/99) on the advisability of an inter-American Convention, and convey it to the Permanent Council's Working Group on Money Laundering for its further consideration of this issue.
7. That it support CICAD/Inter-American Development Bank's money laundering control program including a five-year program of training, technology transfer and international cooperation to combat money laundering, and to request the General Assembly, in its consideration of CICAD's Regular Fund budget, to approve the creation of a new P-4 post on a long-term contract basis for a Senior Money Laundering Control officer, to direct this program.



**DECLARATION OF THE INTER-AMERICAN DRUG ABUSE CONTROL COMMISSION ON THE MULTILATERAL EVALUATION MECHANISM**

The member states of the Inter-American Drug Abuse Control Commission of the Organization of American States, meeting in Montevideo, Uruguay, on the occasion of the twenty sixth regular session of the Inter-American Drug Abuse Control Commission (CICAD), and having approved the establishment of the Multilateral Evaluation Mechanism,

BEARING IN MIND that the Heads of State and Government, meeting at the Second Summit of the Americas, held in Santiago, Chile, in April 1998, agreed a Plan of Action which establishes that their governments *will "continue to develop their national and multilateral efforts in order to achieve full application of the Hemispheric Anti-Drug Strategy, and will strengthen this alliance based on the principles of respect for the sovereignty and territorial jurisdiction of the States, reciprocity, shared responsibility and all integrated, balanced approach in conformity with their domestic laws";*

BEARING IN MIND ALSO that for purposes of strengthening mutual confidence, dialogue, and hemispheric cooperation, and on the basis of the aforementioned principles, the Plan of Action establishes the commitment to *"develop, within the framework of the Inter-American Drug Abuse Control Commission (CICAD-OAS), a singular and objective process of multilateral governmental evaluation in order to monitor the progress of their individual and collective efforts in the Hemisphere and of all the countries participating in the Summit, in dealing with the diverse manifestations of the problem";*

RECOGNIZING the importance of the Anti-Drug Strategy in the Hemisphere, approved in Buenos Aires at the twentieth regular session of CICAD, and signed in Montevideo in December 1996, as the framework of reference to guide inter-American cooperation in dealing with problems caused by the illicit use, production, trafficking, and distribution of drugs and related offences;

CONVINCED that multilateral cooperation is the means to ensure objective evaluation of states' efforts in dealing with the drug problem; and

AWARE of the value of progress made in strengthening hemispheric cooperation in promoting similar efforts made in other regions and within the framework of the United Nations,

I. Welcome with satisfaction the results of the work carried out by the Intergovernmental Working Group of CICAD responsible for designing the Multilateral Evaluation Mechanism, as concluded in Ottawa, Canada in September 1999.

2. Express their decisive support for the implementation of the Multilateral Evaluation Mechanism, approved at the twenty-sixth regular session of CICAD.

3. Reaffirm the principles on which the Multilateral Evaluation Mechanism is based, that is, respect for the sovereignty, territorial jurisdiction, and domestic law of the states, as well as reciprocity, shared responsibility, and an integrated, balanced approach in dealing with the issue; the Anti-Drug Strategy in the Hemisphere; and the international agreements and instruments in effect.

4. Decide that the Multilateral Evaluation Mechanism will be applicable to all states, individually and collectively; that it will be governmental, singular and objective, with the participation of specialized representatives of the governments; that it will be transparent, impartial, and equitable so as to ensure objective evaluation; that it will ensure full, timely participation by the states, based on generally applied norms and procedures, established by mutual agreement in advance, in order to ensure an equitable evaluation process; that

it will not contain sanctions of any nature; and that it will respect the confidentiality of deliberations and information administered by the states, in accordance with the norms and procedures established in advance.

5. Commit ourselves to support the successful conduct and completion of the first evaluation exercise in 2000, which is to be carried out by the Governmental Experts' Group, composed of representatives of the member states of the Organization of American States.

6. Request that the Executive Secretariat of CICAD provide the necessary support for the Governmental Experts' Group to ensure completion of the first evaluation exercise in December 2000, so that the results may be presented at the Summit of the Americas, to be held in Quebec City, Canada, in 2001.

**CICAD RESOLUTION ON THE ESTABLISHMENT  
OF THE MULTILATERAL EVALUATION MECHANISM**

THE INTER-AMERICAN DRUG ABUSE CONTROL COMMISSION,

RECALLING that, with the intention of strengthening mutual confidence, dialogue, and hemispheric cooperation, and on the basis of the principles of respect for the sovereignty, territorial jurisdiction, and domestic law of the states; and of reciprocity, shared responsibility, and an integrated, balanced approach in addressing the topic, in the Plan of Action of the Second Summit of the Americas, the governments agreed to develop, within the CICAD framework, a singular, objective process of multilateral governmental evaluation in order to monitor the progress of individual and collective efforts in the Hemisphere and those of all countries participating in the Summit, in dealing with the diverse manifestations of the problem;

RECALLING ALSO that, at its twenty-second regular session, the Commission established an Intergovernmental Working Group responsible for designing the Multilateral Evaluation Mechanism to follow up on the initiatives considered in the framework of its consultative meetings and to fulfill the mandates contained in the Plan of Action of the Second Summit of the Americas;

BEARING IN MIND that the Intergovernmental Working Group held six meetings, at which it defined principles, objectives, and characteristics of the evaluation mechanism, identified a set of indicators, and designed a process and schedule for the first evaluation exercise, to be conducted in 2000; and

HAVING SEEN the report of the Intergovernmental Working Group on the Multilateral Evaluation Mechanism,

RESOLVES:

1. To approve the establishment of the Multilateral Evaluation Mechanism, to be operated on the basis of the principles of respect for the sovereignty, territorial jurisdiction, and domestic law of the states; reciprocity, shared responsibility, and an integrated, balanced approach in addressing the topic; the Anti-Drug Strategy in the Hemisphere, and the international agreements and instruments in effect.
2. To decide that the Multilateral Evaluation Mechanism will be applicable to all states, individually and collectively; that it will be governmental, singular and objective, with the participation of specialized representatives of the governments; that it will be transparent, impartial, and equitable so as to ensure objective evaluation; that it will ensure full, timely participation by the states, based on generally applied norms and procedures, established by mutual agreement in advance, in order to ensure an equitable evaluation process; that it will not contain sanctions of any nature; and that it will respect the confidentiality of deliberations and information administered by the states, in accordance with the norms and procedures established in advance.
3. To decide also that the multilateral evaluation process shall have the following objectives:
  - a. To achieve full application of the Anti-Drug Strategy in the Hemisphere;
  - b. To build mutual confidence, dialogue, and hemispheric cooperation to deal more effectively and efficiently with the various aspects of the worldwide drug problem;
  - c. To monitor the progress of individual and collective efforts in the Hemisphere of all countries participating in the mechanism, indicating both results obtained and obstacles encountered by all countries;
  - d. To promote the following actions, based on the results of the evaluation, and in the framework of CICAD: to support the states in the implementation of their national plans; to contribute to strengthening their capacities to deal with the problem; and to promote the development of

technical assistance and training programs and the exchange of experiences, in accordance with the needs of each state;

- e. To produce regular reports on the status of the problem in the countries of the Hemisphere;
  - f. To strengthen multilateral cooperation as the means to ensure objective evaluation of states' efforts to deal with the drug problem;
  - g. To promote, through CICAD, the strengthening of cooperation and coordination with other regions, the United Nations, and other international organizations.
4. To decide on the establishment of the Governmental Experts' Group, comprising all member states of the Organization of American States, in accordance with the procedures and terms of reference identified by the Intergovernmental Working Group.
  5. To approve the 79 indicators identified by the Intergovernmental Working Group, including the 61 selected indicators in the questionnaire that will serve as the basis for the first evaluation exercise to be conducted in 2000.
  6. To approve also the formats for the hemispheric and multilateral evaluation reports prepared by the Intergovernmental Working Group, which will be the basis for the first evaluation round;
  7. To request the Executive Secretariat to take the steps necessary to implement the Multilateral Evaluation Mechanism in a timely fashion, in accordance with the schedule agreed by the Intergovernmental Working Group, so that the first evaluation exercise may be conducted in 2000, and completed in December of that year.
  8. To urge the member states to lend their full support to the Multilateral Evaluation Mechanism, and, in particular, to designate their principal and alternate representatives to the Group of Government Experts, to submit the information requested within the time periods established and to provide material resources so as to ensure the success of the first evaluation exercise.
  9. To make any recommendations it deems pertinent for monitoring the evaluation process in 2001, when the first evaluation exercise has been completed, on the basis of the experience acquired.

## APPENDIX C: EXECUTION OF CICAD'S WORKING CAPITAL (CARRY OVER AND CONTRIBUTIONS) THROUGH DECEMBER 31, 1999

**(IN US DOLLARS)**

	US/INL		CANADA		JAPAN		EUROPEAN UNION		SPAIN		FRANCE		UNDCP		JOHNS HOPKINS UNIV.		CICAD GEN. FUND & INTEREST	
	Rcvd	Exctd	Rcvd	Exctd	Rcvd	Exctd	Rcvd	Exctd	Rcvd	Exctd	Rcvd	Exctd	Rcvd	Exctd	Rcvd	Exctd	Rcvd	Exctd
<b>MEM:</b>			120.9	93.0														
<b>DEMAND REDUCTION:</b>																		
Street Children	306.7	188.6			87.9	70.1												
Nursing			26.7	17.2	299.2	176.3												
Treatment Training	75.8	74.1																
Atlantic Coast-Prevention	114.9	94.3																
Caribbean Prevention			10.9	0.0														
Youth Encounters	72.2	47.5	9.4	0.0														
Women & Drug Abuse	16.0	15.5	14.1	7.2														
NIDA/Research	44.5	44.4													111.3	101.4		
Fellowships	20.5	20.5	10.0	10.0													4.0	4.0
Techn/Adm. Support	101.5	101.5																
<b>Sub-total</b>	<b>752.1</b>	<b>586.4</b>	<b>71.1</b>	<b>34.4</b>	<b>387.1</b>	<b>246.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>111.3</b>	<b>101.4</b>	<b>4.0</b>	<b>4.0</b>
<b>SUPPLY REDUCTION:</b>																		
Field Research Site-Tarapoto	137.0	117.2																
Peruvian Cacao Project	958.5	210.0															4.3	4.3
Feasibility Study-Intelligence Andean Region	0.7	0.7																
Control & Interdiction-Training	49.8	48.4	40.0	40.0														
Customs/Maritime RETCOD	32.7	32.6	1.7	1.7														
	218.6	119.1	3.1	3.1							72.7	66.5						
Market Links-Colombia																		
Alt.Development-Pest Management	13.2	12.8																
Alt.Developm-GLEAM	544.9	544.0																
Chemical Control-Software	0.2	0.0																
Chemical Control-Systems	47.7	41.7					83.8	83.0										
Supply Reduction-Adm/Technical Support	197.0	197.0															0.5	0.5





INL contrib. To be distributed	219.6	0.0																	
Personnel			79.3	79.3															
Adm/Technical Support																		86.3	86.3
CICAD-General Fund			0.4	0.0														60.1	17.4
Resource Generation																		5.6	5.6
Drug Policy Leadership Conf.	75.0	58.6																	
Support Consult.Groups																		15.0	4.4
CICAD Regular Sessions																			
<b>Sub-total</b>	<b>294.6</b>	<b>58.6</b>	<b>79.7</b>	<b>79.3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>167</b>	<b>113.7</b>
<b>TOTALS BY DONOR (incl. carry-over funds from previous years)</b>	<b>4970.8</b>	<b>3103.1</b>	<b>322.3</b>	<b>256.4</b>	<b>390.0</b>	<b>249.2</b>	<b>197.9</b>	<b>90.1</b>	<b>325.3</b>	<b>157.9</b>	<b>72.7</b>	<b>66.5</b>	<b>1.9</b>	<b>1.7</b>	<b>111.3</b>	<b>101.4</b>	<b>206.8</b>	<b>143.6</b>	
<b>WORKING CAPITAL ALL AREAS FOR 1999:</b>																			
																		<b>\$8,7</b>	
																		<b>02.1</b>	
<b>EXECUTION OF WORKING CAPITAL-TO DECEMBER 1999:</b>																			
																		<b>\$6,2</b>	
																		<b>57.2</b>	
<b>TO BE EXECUTED DURING THE YEAR 2000</b>																			
																		<b>\$2,4</b>	
																		<b>44.9</b>	