

# **USG ASSISTANCE**



## Department of State (INL) Budget (\$000)

Andean Counterdrug Initiative (ACI)	FY 2005 Actual	FY 2006 Actual	FY 2007 Request
Bolivia Total	90,272	79,200	66,000
<i>Bolivia: Alternative Development/Institution Building</i>	41,664	36,630	31,000
<i>Bolivia: Interdiction</i>	48,608	42,570	35,000
Brazil Total	8,928	5,940	4,000
Colombia Total	462,767	464,781	465,000
<i>Colombia: Alternative Development/Institution Building</i>	124,694	129,920	125,000
<i>Colombia: Interdiction</i>	310,694	307,742	313,850
<i>Colombia: Rule of Law</i>	27,379	27,119	26,150
Ecuador Total	25,792	19,800	17,300
<i>Ecuador: Alternative Development/Institution Building</i>	14,880	11,425	8,400
<i>Ecuador: Interdiction/Eradication</i>	10,912	8,375	8,900
Guatemala Total	992	0	0
Nicaragua Total	992	0	0
Panama Total	5,952	4,455	4,000
Peru Total	115,370	106,920	98,500
<i>Peru: Alternative Development/Institution Building</i>	53,866	48,510	42,500
<i>Peru: Interdiction/Eradication</i>	61,504	58,410	56,000
Venezuela Total	2,976	2,229	1,000
Air Bridge Denial Program	11,111	13,860	0
Critical Flight Safety Program	0	29,970	65,700
<b>Total Andean Counterdrug Initiative</b>	<b>725,152</b>	<b>727,155</b>	<b>721,500</b>

Regional	FY 2005 Actual	FY 2006 Actual	FY 2007 Request
<b>Africa</b>			
Liberia	5,000	990	800
Nigeria	2,232	990	400
South Africa	1,756	594	500
Sudan	0	0	9,800
Africa Regional	1,512	594	500
Women's Justice Empowerment Initiative	1,200	0	9,500
<i>Subtotal Africa</i>	<i>11,700</i>	<i>3,168</i>	<i>21,500</i>

*Department of State (INL) Budget  
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Regional (Continued)	FY 2005 Actual	FY 2006 Actual	FY 2007 Request
<b>East Asia and the Pacific</b>			
Indonesia	0	4,950	4,700
Laos	1,984	990	900
Philippines	3,968	1,980	1,900
Thailand	1,608	990	900
East Timor	0	1,485	0
East Asia and the Pacific Regional	0	0	0
<i>Subtotal East Asia and the Pacific</i>	<i>7,560</i>	<i>10,395</i>	<i>8,400</i>
<b>Europe</b>			
Malta	2,976	0	0
<i>Subtotal Europe</i>	<i>2,976</i>	<i>0</i>	<i>0</i>
<b>Near East</b>			
Iraq	0	0	254,600
Morocco	2,992	990	1,000
<i>Subtotal Near East</i>	<i>2,992</i>	<i>990</i>	<i>255,600</i>
<b>South Asia</b>			
Afghanistan	89,280	232,650	297,390
Afghanistan Supplemental	620,000	0	
Pakistan	32,150	37,620	25,500
<i>Subtotal South Asia</i>	<i>741,430</i>	<i>270,270</i>	<i>322,890</i>
<b>Western Hemisphere</b>			
Bahamas	992	495	500
Guatemala	2,820	2,475	2,200
Haiti	0	14,850	10,000
Jamaica	1,488	990	900
Mexico	39,680	39,600	39,000
Latin America Regional	3,224	2,475	0
Southern Cone	0	0	500
Caribbean and Central America (Transit Zone)	0	0	1,700
<i>Subtotal Western Hemisphere</i>	<i>48,204</i>	<i>60,885</i>	<i>54,800</i>

*Department of State (INL) Budget  
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<b>Global</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Requested</b>
Asia Regional	496	0	0
Interregional Aviation Support	66,620	62,865	65,500
Systems Support and Upgrades	694	0	0
International Organizations	5,000	3,960	5,400
United Nations Crime Center	496	0	0
Demand Reduction/Drug Awareness	9,920	9,900	1,900
Trafficking in Persons	4,960	4,950	7,000
INL Anticrime Programs	15,079	10,395	14,500
Civilian Police Program	2,678	1,980	2,000
ILEA Operations	12,734	15,840	17,000
PD&S	13,850	16,830	19,000
<b><i>Subtotal Global</i></b>	<b><i>132,527</i></b>	<b><i>126,720</i></b>	<b><i>132,300</i></b>
<b>INCLE Total</b>	<b>947,389</b>	<b>472,428</b>	<b>795,490</b>
<b><i>Total INL Programs</i></b>	<b><i>1,671,341</i></b>	<b><i>1,199,583</i></b>	<b><i>1,516,990</i></b>

## International Training

International counternarcotics training is managed/funded by INL and carried out by the DEA, U.S. Customs and Border Service, and U.S. Coast Guard. Major objectives are:

- Contributing to the basic infrastructure for carrying out counternarcotics law enforcement activities in countries which cooperate with and are considered significant to U.S. narcotics control efforts;
- Improving technical skills of drug law enforcement personnel in these countries; and
- Increasing cooperation between U.S. and foreign law enforcement officials.

INL training continues to focus on encouraging foreign law enforcement agency self-sufficiency through infrastructure development. The effectiveness of our counternarcotics efforts overseas should be viewed in terms of what has been done to bring about the establishment of effective host country enforcement institutions, thereby taking drugs out of circulation before they begin their journey toward the United States. U.S. law enforcement personnel stationed overseas are increasingly coming to see their prime responsibility as promoting the creation of host government systems that are compatible with and serve the same broad goals as ours.

The regional training provided at the ILEAs consists of both general law enforcement training as well as specialized training for mid-level managers in police and other law enforcement agencies.

INL-funded training will continue to support the major U.S. and international strategies for combating narcotics trafficking worldwide. Emphasis will be placed on contributing to the activities of international organizations, such as the UNODC and the OAS. Through the meetings of major donors, the Dublin Group, UNODC and other international fora, we will coordinate with other providers of training, and urge them to shoulder greater responsibility in providing training, which serves their particular strategic interests.

INL will maintain its role of coordinating the activities of U.S. law enforcement agencies in response to requests for assistance from U.S. Embassies. This will avoid duplication of effort and ensure that presentations represent the full range of USG policies and procedures.

## International Law Enforcement Academies (ILEAs)

The mission of the regional ILEAs has been to support emerging democracies, help protect U.S. interests through international cooperation, and promote social, political and economic stability by combating crime. To achieve these goals, the ILEA program has provided high-quality training and technical assistance, supported institution building and enforcement capability, and fostered relationships of American law enforcement agencies with their counterparts in each region. ILEAs have also encouraged strong partnerships among regional countries, to address common problems associated with criminal activity.

The ILEA concept and philosophy is a united effort by all the participants-government agencies and ministries, trainers, managers, and students alike-to achieve the common foreign policy goal of international law enforcement. The goal is to train professionals that will craft the future for the rule of law, human dignity, personal safety and global security.

The ILEAs are a progressive concept in the area of international assistance programs. The regional ILEAs offer three different types of programs. The Core program, a series of specialized training courses and regional seminars tailored to region-specific needs and emerging global threats, typically includes 50 participants, normally from three or more countries. The Specialized courses, comprised of about 30 participants, are normally one or two weeks long and often run simultaneously with the Core program. Lastly, topics of the Regional Seminars include transnational crimes, financial crimes, and counterterrorism.

The ILEAs help develop an extensive network of alumni that exchange information with their U.S. counterparts and assist in transnational investigations. These graduates are also expected to become the leaders and decision-makers in their respective societies. The Department of State works with the Departments of Justice (DOJ), Homeland Security (DHS) and Treasury, and with foreign governments to implement the ILEA programs. To date, the combined ILEAs have trained over 17,000 officials from over 70 countries in Africa, Asia, Europe and Latin America. The ILEA budget averages approximately \$16-18 million annually.

**Africa.** ILEA Gaborone (Botswana) opened in 2001. The main feature of the ILEA is a six-week intensive personal and professional development program, called the Law Enforcement Executive Development Program (LEEDP), for law enforcement mid-level managers. The LEEDP brings together approximately 45 participants from several nations for training on topics such as combating transnational criminal activity, supporting democracy by stressing the rule of law in international and domestic police operations, and by raising the professionalism of officers involved in the fight against crime. ILEA Gaborone also offers specialized courses for police and other criminal justice officials to enhance their capacity to work with U.S. and regional officials to combat international criminal activities. These courses concentrate on specific methods and techniques in a variety of subjects, such as counterterrorism, anticorruption, financial crimes, border security, drug enforcement, firearms and many others.

Instruction is provided to participants from Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia and Djibouti, Ethiopia, Kenya, Uganda in East Africa and Nigeria in West Africa. Planned country program expansion into sub-Saharan Africa was facilitated through a Training Needs Assessment/Program Expansion conference held in September 2005. As a result of this conference the sphere of influence for ILEA Gaborone was expanded to include the expansion countries Cameroon, Comoros, Congo, the Democratic Republic of Congo, Gabon and Madagascar.

United States and Botswana trainers provide instruction. ILEA Gaborone has offered specialized courses on money laundering/terrorist financing-related topics such as Criminal Investigation (presented by FBI) and International Banking & Money Laundering Program (presented by DHS/FLETC Federal Law Enforcement Training Center). ILEA Gaborone trains approximately 500 students annually.

**Asia.** ILEA Bangkok (Thailand) opened in March 1999. The ILEA focuses on enhancing the effectiveness of regional cooperation against the principal transnational crime threats in Southeast Asia-illicit drug-trafficking, financial crimes, and alien smuggling. The ILEA provides a Core course (the Supervisory Criminal Investigator Course or SCIC) of management and technical instruction for supervisory criminal investigators and other criminal justice managers. In addition, this ILEA presents one Senior Executive program and about 18 specialized courses-lasting one to two weeks-in a variety of criminal justice topics. The principal objectives of the ILEA are the development of effective law enforcement cooperation within the member countries of the Association of Southeast Asian Nations (ASEAN), plus China, and the strengthening of each country's criminal justice institutions to increase their abilities to cooperate in the suppression of transnational crime.

Instruction is provided to participants from Brunei, Cambodia, China, Hong Kong, Indonesia, Laos, Macau, Malaysia, Philippines, Singapore, Thailand and Vietnam. Subject matter experts from the United States, Thailand, Japan, Netherlands, Philippines and Hong Kong provide instruction. ILEA Bangkok has offered specialized courses on money laundering/terrorist financing-related topics such as Computer Crime Investigations (presented by FBI and DHS/Bureau of Customs and Border Protection (BCBP)) and Complex Financial Investigations (presented by IRS, DHS/BCBP, FBI and DEA). Total annual student participation is approximately 600.

**Europe.** ILEA Budapest (Hungary) opened in 1995. Its mission has been to support the region's emerging democracies by combating an increase in criminal activity that emerged against the backdrop of economic and political restructuring following the collapse of the Soviet Union. ILEA Budapest offers three different types of programs: an eight-week Core course, Regional Seminars and Specialized courses in a variety of criminal justice topics. Instruction is provided to participants from Albania, Armenia, Azerbaijan, Bulgaria, Croatia, Czech Republic, Estonia, Georgia, Hungary, Kazakhstan, Kyrgyz Republic, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

Trainers from 17 federal agencies and local jurisdictions from the United States and also from Hungary, Canada, Germany, United Kingdom, Netherlands, Ireland, Italy, Russia, Interpol and the Council of Europe provide instruction. ILEA Budapest has offered specialized courses on money laundering/terrorist financing-related topics such as Investigating/Prosecuting Organized Crime and Transnational Money Laundering (both presented by DOJ/OPDAT). ILEA Budapest trains approximately 950 students annually.

**Global.** ILEA Roswell (New Mexico) opened in September 2001. This ILEA offers a curriculum comprised of courses similar to those provided at a typical Criminal Justice university/college. These three-week courses have been designed and are taught by academicians for foreign law enforcement officials. This Academy is unique in its format and composition with a strictly academic focus and a worldwide student body. The participants are mid-to-senior level law enforcement and criminal justice officials from Eastern Europe; Russia; the Newly Independent States (NIS); Association of Southeast Asian Nations (ASEAN) member countries; and the People's Republic of China (including the Special Autonomous Regions of Hong Kong and Macau); and member countries of the Southern African Development Community (SADC) plus other East and West African countries; the Caribbean, Central and South American countries. The students are drawn from pools of ILEA graduates from the Academies in Bangkok, Budapest, Gaborone and San Salvador. ILEA Roswell trains approximately 450 students annually.

**Latin America.** At the Organization of American States (OAS) General Assembly meeting in June 2005, Secretary Rice announced that the new ILEA for Latin America would be located in El Salvador. A Bilateral Agreement between El Salvador and the USG establishing the new ILEA was signed in September 2005 and was officially ratified by the Salvadoran National Assembly in November, 2005. The training program for the new ILEA in San Salvador will be similar to the ILEAs in Bangkok, Budapest and Gaborone and will offer a six-week Law Enforcement Management Development Program (LEMDP) for law enforcement and criminal justice officials as well as specialized courses for police, prosecutors, and judicial officials. In 2006, ILEA San Salvador will deliver one LEMDP session and about 10 Specialized courses that will concentrate on attacking international terrorism, illegal trafficking in drugs, alien smuggling, terrorist financing, financial crimes, culture of lawfulness and accountability in government. Components of the six-week LEMDP training session will focus on terrorist financing (presented by the FBI), international money laundering (presented by DHS/ICE/Immigration and Customs Enforcement) and financial evidence/money laundering application (presented by DHS/FLETC and IRS). The Specialized course schedule will include courses on financial crimes investigations (presented by DHS/ICE) and money laundering training (presented by IRS). During the initial phase of operation, participants from the

following countries are expected to attend: Argentina, Bahamas, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Jamaica, Nicaragua, Panama, Paraguay, Peru, Uruguay and Venezuela.

## Drug Enforcement Administration

The primary responsibility of the Drug Enforcement Administration (DEA) is to reduce the threat posed to our nation by illicit narcotics. The majority of illegal drugs impacting American society are produced outside of the United States and smuggled into our country. These illegal drugs are smuggled from their country of origin and often transit other nations before arriving in the United States. Thus, a strong international commitment to counternarcotics law enforcement is required to effectively blunt this menace. In cooperation with other U.S. agencies and foreign law enforcement counterparts, DEA strives to disrupt the illicit narcotics distribution chain, arrest and prosecute those involved in all aspects of the illegal drug trade, and seize their profits and assets.

DEA's contribution to our nation's international counternarcotics strategy is accomplished through the 80 offices located in 58 nations that DEA maintains worldwide. The DEA overseas missions:

- Conduct bilateral investigative activities;
- Coordinate intelligence gathering;
- Coordinate training programs for host country police agencies;
- Assist in the development of host country drug law enforcement institutions and engage in foreign liaison discussions with host country law enforcement.

The emphasis placed on each component is determined by conditions and circumstances within the host nation. In nations where the law enforcement infrastructure is advanced and well developed, the DEA office may tailor its activities to specific areas that best support host nation efforts. In countries lacking a robust law enforcement capability, DEA personnel may provide assistance in all four of the mission areas annotated above. The following sections highlight the assistance that DEA provided during 2005 to host nation counterparts in support of the four established mission components.

### *Bilateral Investigations*

#### Historical Operations

**Operation All Inclusive I-2005.** Operation All Inclusive I-2005 targeted the Eastern Pacific and Western Caribbean transit zones of Central America and the Mexico and Central America land mass. DEA and the interagency community identified this transit zone due to the large volume of cocaine and suspect money moving within the region. By concentrating law enforcement efforts in the Central American corridor, bulk cocaine shipments, typically multi-ton in quantity, would be interdicted before they reached Mexico where the drugs are normally broken down into smaller quantities for transshipment north. From August 5 through October 8, 2005, Operation All Inclusive I-2005 attacked the drug trade's main arteries and support infrastructure in Central America with innovative, multi-faceted, and intelligence-driven operations. The Department of Defense, other U.S. government agencies, and host nation law enforcement and military supported both operational and intelligence aspects of the operation. Operational highlights include:

- Largest cocaine seizure in Belize – 2,376 kilograms;
- Largest currency seizure in Nicaragua – \$1.2 million;
- First judicially authorized wire intercept in Honduras that also provided intelligence on trafficker reactions and adaptations;

- First successful suspect aircraft interdiction in Guatemala since September 2003 which resulted in a cocaine seizure of 430 kilograms and the arrests of the Guatemalan pilot and three Mexican ground crew members;
- Significant currency and cocaine seizure in Panama – 3.9 metric tons and over \$5.7 million;
- Significant marijuana seizure in a Mexico road interdiction operation – 21 metric tons;
- Largest currency seizure in Mexico City – \$7.8 million;
- 46.55 metric tons of cocaine seized in this operation.

**Operation Bahamas and Turks and Caicos (OPBAT).** The Bahamas participates actively as a partner in “Operation Bahamas and Turks and Caicos” (OPBAT), a multi-agency international drug interdiction cooperative effort established in 1982. OPBAT is the largest and oldest cooperative effort overseas by any government involved in drug enforcement. OPBAT brings together on the U.S. side: the DEA, the U.S. Army, U.S. Coast Guard, the Department of Homeland Security, and the Department of State and, on the Bahamian and Turks and Caicos side: counterparts from the Royal Bahamas and Turks and Caicos Police Forces. During 2005 (up to November), OPBAT seized 840 kilograms of cocaine and 9.033 metric tons of marijuana. The Drug Enforcement Unit (DEU) of the Royal Bahamas Police Force (RBPF) cooperated closely with the U.S. and foreign law enforcement agencies on drug investigations in 2005. During 2005, the DEU seized 1.01 metric tons of cocaine and 13 metric tons of marijuana. (Note: OPBAT seizures are included in DEU’s total).

**Operation Cali Exchange.** Operation Cali Exchange targeted a drug distribution and money laundering organization that operated networks in the United States, Colombia, Brazil, the Dominican Republic, Panama, and the Bahamas. This organization utilized various methods such as bulk cash deliveries, wire transfers, and the Colombian Black Market Peso Exchange (BMPE) to launder drug proceeds in Miami, New York, and Chicago and return drug profits to the drug suppliers based in Colombia. The investigation has revealed that 28 different bank accounts in the United States and abroad were utilized to launder drug proceeds and that over \$10.2 million was laundered through the U.S. banking system. Operation Cali Exchange resulted in 24 indictments, 18 arrests, the seizure of over \$7 million, 2,107 kilograms of cocaine, and 518 pounds of marijuana. Operation Cali Exchange marks the third round of success in DEA’s “Money Trail Initiative,” an innovative financial crime strategy that attacks the financing of the illegal drug trade in order to dismantle major drug trafficking organizations. To date, DEA’s “Money Trail Initiative” has resulted in the seizure of \$43.6 million.

**Operation Cohesion (formerly Operation Purple and Operation Topaz).** On October 3 through October 5, 2005, the International Narcotics Control Board (INCB) held a meeting to discuss both Operation Purple and Operation Topaz, to determine their future direction. The combined steering committee determined that Operations Purple and Topaz had been effective in their time, but that these successes had diminished to the point where changes must be made in order to reinvigorate them. For example, there were no seizure statistics for either operation in FY 2005. In summary, the attendees agreed to make the following changes:

- Combine both operations into a single project named Project Cohesion.
- Maintain the system of running the project with the Central National Authorities (CNAs), the combined steering committee currently running Projects Purple and Topaz. It was agreed that the committee would continue to govern Project Cohesion.
- Continue the use of the Pre-Export Notification (PEN) system.

- The new INCB online system, for the electronic exchange of PENS, should be put into use as soon as possible to ensure that export notification is timely. Adopt a regional approach utilizing “time limited” operations to increase arrests and chemical seizures.
- Increase the efficiency of sharing intelligence and enforcement activities so that real time exchange of information could be obtained.
- Conduct chemical backtracking investigations into seizures and stopped shipments and investigate each case to the highest level.
- Regularly evaluate operational activities to target the best areas to maximize chemical seizures, while ensuring that the Cohesion Task Force remains flexible with periodic rotation of the regional operation coordinators.
- Include new task force members in accordance with identified trends and based on participating country commitment and capacity.
- Closely coordinate with the Project Prism task force and their operational activities.

The European Commission, Interpol, and the World Customs Organization (WCO) agreed to support this project and meet with the Task Force as appropriate. The United States, Colombia and Mexico agreed to begin a regional project to focus on chemical diversion interdiction. Operation Seis Fronteras will provide a current focus for these activities initially. In addition, it will be necessary for the DEA to meet with Mexican and Colombian officials in order to identify suspect exports of acetic anhydride (AA) and potassium permanganate (PP) to South America. Many of these exports transit Mexico.

Prior to this meeting, DEA Office of Dangerous Drugs and Chemicals reviewed U.S. exports of AA and PP and determined that they have increased dramatically in the past two years. It is imperative that DEA begin to review with U.S. companies their exports to Central and South America in an effort to remind them that they must “know their customer.” If necessary, they should also know to whom their customers are shipping in order to prevent downstream diversion of these chemicals. The United States, China, Mexico, Colombia, Germany, and Turkey agreed to serve on the Task Force overseeing this project and to act as regional focal points for operations in their respective parts of the world. In addition, the INCB will serve as the international focal point for receiving and disseminating information.

### **Operation Cold Remedy/Aztec Flu, Seizure of 11.5 Million Pseudoephedrine Tablets in Mexico.**

On July 31, 2004, based on information provided by the DEA Guadalajara Resident Office, the Agencia Federal de Investigaciones (Mexican Federal Police) seized 11.5 million tablets of pseudoephedrine at the port of Manzanillo. The tablets were sent by a Hong Kong pharmaceutical manufacturer for delivery to a fictitious company in Mexico. If converted, the pseudoephedrine would have yielded approximately 1,000 pounds of methamphetamine or 96 million dosage units. On July 8, the Agencia Federal de Investigaciones seized another four million tablets of pseudoephedrine in Mexico City. These tablets were also sent by a Hong Kong pharmaceutical manufacturer for delivery to a fictitious company in Mexico. If converted, the pseudoephedrine would have yielded approximately 33.6 million dosage units of methamphetamine. The investigations were conducted in coordination with the Subprocuraduria de Investigaciones Especializada en Delincuencia Organizada (Mexican Prosecutor’s Office). As of December 31, 2004, Operation Aztec Flu/Operation Cold Remedy has resulted in the seizure of more than 67 million pseudoephedrine tablets.

**Operation Containment.** Operation Containment is an intensive, multinational, law enforcement initiative that was congressionally mandated in 2002 and is led by DEA. It involves countries in

Central Asia, the Caucuses, the Middle East, Europe, and Russia. The following 19 countries are participating in Op Containment:

**Afghanistan, Armenia, Azerbaijan, Bulgaria, Germany, Greece, India, Kazakhstan, Kyrgyz Republic, Pakistan, Tajikistan, Turkey, Turkmenistan, Romania, Russia, Ukraine, Uzbekistan, United States, and the United Kingdom.**

The following are the goals of Operation Containment.

- Implement a coordinated post-Taliban heroin counternarcotics strategy to reduce the production of opium through the prevention of poppy cultivation and destruction of known opium stockpiles and heroin laboratories.
- Diminish the availability of heroin and morphine base in countries surrounding Afghanistan and along the Balkan and Silk Road trafficking routes.
- Deny safe havens to criminal organizations involved in drug trafficking, drug related terrorist activities, and money laundering. To deprive these organizations of their financial basis for their activities.
- Engage in proactive enforcement and intelligence gathering operations utilizing a regional organizational attack strategy that targets the highest level heroin Drug Trafficking Organizations (DTOs) and their command and control structures operating in Afghanistan and the greater Southwest and Central Asian region.
- Continue implementing administrative, diplomatic, and investigative measures needed to reduce the flow of Afghan heroin into world markets and prevent Afghanistan from becoming a major heroin supplier to the United States.
- In order to accomplish these goals DEA has enhanced the staffing levels of the Kabul Country Office and works closely with various Afghan and USG agencies in a coordinated approach to enforcement efforts against the highest level DTOs.
- Further DEA office enhancements have already taken place with increased special agent positions at the Ankara, Turkey Country Office; Istanbul, Turkey Resident Office; London, England Country Office; and Moscow, Russia Country Office.
- In a response to a request by the Administration and the U.S. Ambassador to Afghanistan, DEA detailed its Assistant Administrator for Intelligence to serve as the Counter Narcotics Coordinator (CNC) in Afghanistan. The CNC has been in Kabul since mid-August 2004, and is responsible for overseeing all U.S. Government counternarcotics programs in Afghanistan.
- The Kabul Country Office's primary counterpart in Afghanistan is the Counter Narcotics Police-Afghanistan (CNP-A). DEA has assisted the Afghan Government in establishing the National Interdiction Unit (NIU), which are composed of CNP-A officers who have been selected to work narcotic enforcement operations with the Kabul Country Office and DEA's Foreign-deployed Advisory and Support Teams (FAST). DEA continues to advise, train, and mentor these NIU officers. To date, DEA has trained over 100 NIU officers and who are already operationally deployed and working with their DEA counterparts throughout Afghanistan.

On September 28 and 29, 2004, the DEA Ankara, Turkey Country Office and the Turkish National Police co-hosted delegates from the above 19 partner countries. This action oriented conference resulted in proactive initiatives designed to counter the threat from Afghanistan opiates within the region. Four initiatives were developed in order to accomplish the above-mentioned goals.

- Collective identification and targeting of the major DTOs.
- Promotion of international money laundering investigations against regional DTOs.
- Participants agreed to identify DTOs actively involved in the illicit distribution of acetic anhydride (AA) and other precursor chemicals.
- All participants agreed on increased sharing of investigative leads and intelligence since DTOs operate across national boundaries. Participants want to deny DTOs with safe havens of operation.

In FY 2004, Operation Containment resulted in the seizures of 14.9 metric tons of heroin, 7.7 metric tons of morphine base, 5.9 metric tons of opium gum, 77 metric tons of cannabis, approximately 3.6 tons of chemicals, 498 arrests, the seizure and destruction of 11 clandestine heroin labs, and led to the dismantlement or disruption of major distribution and transportation organizations involved in the Southwest Asian heroin drug trade.

In FY 2005, Operation Containment resulted in the seizure of 11.5 metric tons of heroin, 1.3 metric tons of morphine base, 43.9 metric tons of opium gum, 168.8 metric tons of cannabis, approximately 14.2 metric tons of chemicals, 577 arrests, the seizure and destruction of 248 clandestine heroin labs, and led to the dismantlement or disruption of major distribution and transportation organizations involved in the Southwest Asian heroin drug trade.

Some of the noteworthy seizures are listed below:

- In November and December 2004, the Kabul Country Office and CNP-A arrested three Afghan National drug traffickers in Kabul, Afghanistan. All three defendants were part of a Kabul Country Office initiated undercover operation, which resulted in the seizure of four kilograms of heroin. The defendants were indicted within the Southern District of New York for conspiracy to import 200 kilograms of heroin into the United States. All three traffickers are in Afghan custody undergoing trial in the newly established Central Narcotics Tribunal.
- On December 4, 2004, the Istanbul, Turkey Resident Office and the Turkish National Police (TNP) seized 566 kilograms of heroin concealed inside hollow pieces of marble in Mersin, Turkey. Four Turkish Nationals were arrested and approximately 100,000 Euro (\$133,263 USD) was seized. The heroin originated in Afghanistan and was destined for markets in the Netherlands.
- On November 28, 2004, the Kabul Country Office and the NIU raided two mountainous compounds in Lowgar Province, Afghanistan and seized approximately 140 metric tons of marijuana. The marijuana was in the process of being converted into hashish.
- On November 9, 2004, the Istanbul Resident Office and TNP seized 110 kilograms of heroin in a stash location in Istanbul, Turkey. A total of eight Turkish Nationals and two foreign nationals were arrested. The heroin originated in Afghanistan and was destined for markets in Western Europe.
- On October 20, 2004, the Istanbul Resident Office and TNP seized 60 kilograms of heroin from a vehicle in Istanbul, Turkey. Five Turkish Nationals were arrested. The heroin originated in Afghanistan and was destined for markets in the Netherlands.
- On October 19, 2004, the Istanbul Resident Office and TNP seized 82 kilograms of heroin from the trunk of a vehicle in Istanbul, Turkey. Twelve Turkish Nationals

were arrested and nine illegal firearms seized. The heroin originated in Afghanistan and was destined for markets in Western Europe.

**Operation High Step.** Operation High Step is a Special Operations Division (SOD)-supported, multi-national, multi-jurisdictional, multi-agency investigation targeting the Carlos Alberto Bejarano-Ospina/Gonzalo Salazar-Oliveros DTO. Also known as Operation Isla de Sur by the Bogotá Country Office, which is coordinating this investigation with DEA New York, DEA JFK Airport Group, New York Strike Force, DEA New York Task Force, DEA Houston, DEA Chicago, DEA Miami, DEA Orlando, DEA Tampa, and the Colombian National Police (CNP) Direccion Antinarcoitics Control Precursores Quimicas (ANTIN). In November 2005, police and federal agents arrested 78 people and seized hundreds of pounds of heroin in near-simultaneous raids across Colombia and the United States. The ring brought heroin from labs in Colombia to Boston, New York, Chicago and Orlando. Seventeen people were arrested in Massachusetts, where the ring was selling heroin in Everett and Lynn, authorities said. Nineteen people were arrested in Colombia, including the alleged leaders of the drug ring Alberto Bejarano-Ospina and Gonzalo Salazar-Oliveros. They have been charged with distribution of and conspiracy to distribute heroin and are now subject to extradition to the United States. During the year-long investigation, authorities also seized \$1.4 million in cash and 20 weapons. To date, enforcement efforts during Operation High Step have resulted in 88 arrests and seizures totaling 86 kilograms of heroin, 45 kilograms of cocaine, and \$1.5 million in U.S. currency. The success of this wire intercept investigation exemplifies the cooperation between law enforcement entities throughout the U.S. and the Government of Colombia.

**Operation Mallorca.** A 27-month, multi-jurisdictional Organized Crime Drug Enforcement Task Force (OCDETF) money laundering operation that targeted the alleged money laundering activities of four Colombia-based money brokers who funneled drug proceeds through the Colombian BMPE. The BMPE is a system where drug traffickers sell drug proceeds in U.S. dollars to brokers for pesos. Brokers then sell the drug proceeds to Colombian importers who purchase goods in the U.S. and elsewhere. By purchasing the U.S. dollars on the BMPE and not through Colombia's regulated exchange system, the importers avoid Colombian taxes and tariffs, gaining significant profit and a competitive advantage over those who import legally. Targets in the investigation were arrested in Barranquilla, Colombia, Puerto Rico, New York, Miami, and California.

To date, there are 13 Colombian drug traffickers in custody and indictments were returned in the Southern District of New York against four businesses. The investigation has documented 68 separate transfers of drug money totaling over \$12 million in San Juan, Puerto Rico, New York, and Miami. Monies were laundered through approximately 300 wire transfers to 200 bank accounts, involving 170 separate account holders in 16 U.S. cities and 13 foreign countries. In addition, investigative efforts revealed 13 different trafficking groups in Colombia. Operation Mallorca resulted in the arrests of 36 individuals in two countries and the seizure of \$7.2 million, as well as 947 kilograms of cocaine, 7 kilograms of heroin, and 21,650 pounds of marijuana.

**Operation Mapale.** From November 21 through December 5, 2005, DEA's Bogotá Country Office, the Colombian National Police, and the Colombian military executed Operation Mapale II, targeting laboratories controlled by the Autodefensas Unidas de Colombia (AUC), the Fuerzas Armadas Revolucionarias de Colombia (FARC), and the North Valley Cartel in southwest Colombia. Results included the seizure of 800 kilograms of cocaine HCl, 70 kilograms of cocaine base, 13 kilograms of heroin, 9,560 gallons of liquid precursor chemicals, 1,540 kilograms of precursor chemicals, \$40,454 in U.S. currency, the destruction of 22 cocaine laboratories and 103 hectares of coca plants, and 10 arrests. Combined results of Operation Mapale I and Operation Mapale II included the seizure of 1,297 kilograms of cocaine HCl, 12,941 kilograms of cocaine base, 13 kilograms of heroin, 54,629 gallons of liquid precursor chemicals, 38,002 kilograms of solid precursor chemicals, \$55,839 in U.S. currency, the destruction of 81 cocaine laboratories, 103 hectares of coca plants, and 16 arrests.

**Operation Marble Palace I.** *Consolidated Priority Organization Target (CPOT)* Haji Bashir Noorzai Arrested. In April of 2005, Afghan Heroin Warlord Haji Bashir Noorzai was arrested by DEA in New York City, New York for distributing hundreds of kilograms of heroin from the time period of 1990 to 2004 from Afghanistan and Pakistan to the United States. Noorzai had previously been designated by President Bush as a Drug Kingpin pursuant to the Foreign Narcotics Kingpin Designation Act. Noorzai is known by DEA to have been to the largest heroin trafficker in Southwest Asia. In addition, there is a \$50 million forfeiture allegation in the Southern District of New York federal indictment. Noorzai is pending trial in New York.

**Operation Marble Palace II.** In January of 2005, DEA Kabul Country Office agents and our Afghan NIU counterparts arrested Afghan Heroin Drug Kingpin Haji Baz Mohammad in Kandahar, Afghanistan. President Bush had previously designated Haji Baz Mohammad as a Drug Kingpin pursuant the Foreign Narcotics Kingpin Designation Act. Mohammad was indicted in the Southern District of New York for distributing hundreds of kilograms of heroin from the time period 1990 to 2005 from Afghanistan and Pakistan to the United States. In October of 2005 Mohammad was extradited from Afghanistan to the United States. This represented the first Afghan drug trafficker to be extradited from Afghanistan to the United States to face narcotics charges. Numerous co-defendants of Mohammad who were part of Mohammad's New York based cell have been prosecuted and sentenced to federal prison. In addition, there is a \$25 million forfeiture allegation in the Southern District of New York federal indictment. Mohammad is pending trial in New York.

**Operation Mountain Mist.** A SOD-supported multi-jurisdictional, multi-national OCDETF investigation targeting the communications of AUC paramilitary leaders, CPOT Hernan Giraldo-Serna, Rodrigo Tovar-Pupo, and their supporting lieutenants who are among the most feared and dangerous criminals in Colombia. Their groups, which have been designated as Terrorist Organizations by the Department of State, utilize violent means to maintain total control and to protect their significant sources and supplies of cocaine. Cumulative operational results through September 30, 2005, include 92 arrests and the seizure of 20 cocaine HCL labs, 19,339 kilograms of cocaine, 28,999 gallons of precursor chemicals, 4,000 pounds of marijuana, and \$2,730,583 in U.S. currency.

**Operation Panama Express.** Operation Panama Express is a joint operation designed to disrupt and dismantle major maritime drug smuggling organizations operating from the Pacific and Caribbean coasts of Colombia. The operation is conducted by DEA and several other federal, state, and local law enforcement authorities, including the Federal Bureau of Investigation, Immigration and Customs Enforcement, and the Joint Interagency Task Force (JIATF). Since the February 2000 implementation of Operation Panama Express, 356 metric tons of cocaine have been seized, 109,164 kilograms of cocaine has been scuttled, and 1,107 individuals have been arrested.

**Operation United Eagles.** In August 2003, the Mexico City Country Office initiated Operation United Eagles, a fugitive apprehension effort targeting CPOTs operating or living in Mexico. A fugitive apprehension team was created and currently consists of 50 members of the Mexican Agencia Federal de Investigaciones (AFI), who were trained by DEA, the U.S. Marshals, and the FBI. Initially, Operation United Eagles focused on locating and apprehending key leaders of the Arrellano Felix Organization (AFO). As of July 15, 2005, Operation United Eagles has resulted in the arrest of 19 members of the AFO, including 5 "Tier I" members: Efran Perez, Jorge Aureliano Felix, Gilberto Higuera Guerrero, Giberto Camacho Valle, and Marco Antonio Simental Garcia. Additionally, as of September 30, 2005, the fugitive apprehension team was instrumental in the arrests of two Tier 1 associates of CPOT Oscar Arriola, five Tier 1 and Tier 2 associates of CPOT Joaquin "Chapo" Guzman, and two Tier 2 associates of CPOT Vicente Carrillo-Fuentes.

**Operation Uprising.** Operation Uprising is a SOD-supported, multi-jurisdictional, multi-national investigation targeting members of the FARC including CPOTs Jorge Briceño Suarez (a.k.a. Mono Jojoy), Jose Benito Cabrera Cuevas (a.k.a. Fabian Ramirez), and Tomas Molina Caracas (a.k.a. Negro

Acacio), and the independent drug trafficking organizations supplied by the FARC. The success of Operation Uprising has been the result of the joint efforts of the Bogotá, Panama, Brasilia, Caracas, Asuncion, Curacao, The Hague Country Offices, Sao Paulo Resident Office, Foreign Operations Group of the Caribbean Division operating in Suriname, and the BCG. As of December 31, 2005, Operation Uprising has resulted in 100 arrests and the seizure of approximately 9,834.5 kilograms of cocaine, and 547.5 kilograms of cocaine base.

**Operation Windjammer.** On May 19, 2005, based on information provided by the Cartagena Resident Office, the Kingston Country Office initiated a Title III Priority Target Investigation focusing on Gareth Lewis, a multi-ton Jamaica based cocaine distributor. Through a myriad of technical investigative resources, the Kingston Country Office, in conjunction with the Cartagena Resident Office, Panama Country Office, and SOD determined that Lewis distributed multi-ton quantities of cocaine to the U.S. and Europe via Panama and Mexico. On December 9, 2005, it was determined that evidence supporting the indictment of Gareth Lewis, his father Jeffrey Lewis, and other co-conspirators could be sought based on Judicial wire intercepts collected by both the Kingston Country Office and Cartagena Resident Office. On January 3, 2006, a two-count indictment was rendered by the U.S. District Court for the District of Columbia alleging that Gareth Lewis, Jeffrey Lewis, and five co-conspirators were in violation of Title 21, United States Code, Sections 863 and 959, conspiring to transport cocaine into the U.S. In support of the Caribbean Division's Operation Tradewinds Initiative, Operation Windjammer, the Kingston Country Office-sponsored Judicial Wire Intercept Program played a significant role in obtaining vital evidence that was utilized to implicate the Lewis' and members of their drug trafficking organization. Moreover, the indictment rendered was the first indictment secured as a result of the successful utilization of the Kingston Country Office's Title III Initiative. As evidenced by this indictment, Operation Windjammer was tailored to assist DEA via host nation counterparts in pursuing priority target and/or significant narcotics traffickers impacting the United States via Jamaica. Windjammer intercepts from this investigation, coupled with seizures in Colombia in excess of 1,400 kilograms of cocaine, attest to the value of this judicial wire intercept program.

**Project Prism.** This project, which began in June 2002, is an initiative sponsored by the INCB under the United Nations. The initiative is aimed at assisting governments in developing countries and implementing operating procedures to more effectively control and monitor the trade in Amphetamine Type Stimulants (ATS) precursors, which are used mainly in the production of methamphetamine and ecstasy, in order to prevent their diversion. A task force oversees the initiation of individual operations and ensures the sharing of information, intelligence, and resulting findings. Two working groups were formed: one targeting chemicals and the other group targeting materials and equipment used in illicit ATS production as well as the use of the Internet in preventing diversion of these chemicals.

As a member of the project, DEA has highlighted the problem of diversion of pharmaceutical preparations, which is fueling the clandestine production of methamphetamine in the Western Hemisphere. Canada and Mexico are very supportive of U.S. concerns over diverted pharmaceutical preparations. The countries that do not view these preparations as a problem are those countries that follow the literal reading of the 1988 United Nations Convention, which exempts pharmaceutical preparations (pseudoephedrine cold tablets) from control, or those countries that domestically control these preparations to a much greater extent than the United States and therefore are not seeing their diversion. Because of Project Prism, DEA in coordination with Hong Kong, has identified at least 67 million tablets of pharmaceutical preparations that were diverted to Mexico to fictitious companies.

### 1st Quarter FY2005 (October 1, 2004-December 31, 2004)

**Arrest of Financial CPOT Gabriel Puerta-Parra in Colombia.** On October 8, 2004, the DEA Bogotá County Office reported the arrest of Financial CPOT Gabriel Puerta-Parra by the Colombian

National Police Sensitive Investigative Unit in La Vega, Colombia. Puerta-Parra, a former attorney for the Departamento Administrativo de Seguridad, the Colombian equivalent to the FBI, was indicted in the U.S District Courts for the District of Columbia and the Southern District of Florida and charged with violation of the Racketeer Influenced and Corrupt Organization Act, conspiracy, cocaine trafficking, and money laundering. According to intelligence information, Puerta-Parra was a key counselor and advisor to the North Valley Cartel since the 1980s and an attorney for former Medellín Cartel leader Pablo Escobar. Puerta-Parra utilized a large range of legitimate businesses including investment and real estate companies, agricultural enterprises, and currency exchanges to launder drug proceeds through the U.S., Mexico, Colombia, Ecuador, and Vanuatu. Extradition of Puerta-Parra to the U.S. is pending.

**Arrest of AUC Lieutenant Alvaro Padilla-Redondo.** On October 16, 2004, AUC Lieutenant Alvaro Padilla-Redondo was arrested in Colombia by the Colombian National Police Antinarcotics Unit, as part of a four-year multi-jurisdictional investigation known as Operation Mountain Mist. This operation was conducted by the DEA Cartagena Resident Office, the DEA Miami and New York Divisions, and the DEA Las Vegas District Office. In June 2004, Padilla-Redondo, a member of the CPOT Hernan Giraldo-Serna drug trafficking organization, was indicted for conspiracy to import cocaine into the United States in the U.S. District Court for the District of Columbia. According to intelligence information, Padilla-Redondo was responsible for the security of maritime cocaine loading operations on the North coast area of Colombia. Extradition of Padilla-Redondo to the U.S. is pending.

**Seizure of More Than 180 Pounds of Heroin and Arrest of 11 in Turkey.** On October 19, 2004, investigations conducted by the DEA Istanbul Resident Office and the Turkish National Police resulted in seizures of more than 180 pounds of heroin in Istanbul, Turkey. A total of 11 Turkish nationals from two drug trafficking organizations were arrested as a result of the operations. According to intelligence information, one of the organizations involved was supplied by an Afghanistan source which had been identified and targeted in September as part of the Operation Containment targeting initiative.

**Seizure of 2.2 Tons of Opium in Afghanistan.** On October 25, 2004, the DEA Kabul Country Office reported the seizure of 2.2 tons of opium in Nangarhar Province, Afghanistan. The opium was seized at a market and a nearby residential compound during a joint operation conducted by the Kabul Country Office, Afghan Special Narcotics Force, British Drug Liaison Office, and the CNP-A. Seventy-five individuals were detained for questioning and two were arrested. The operation was carried out with the support of the Combined Forces Command-Afghanistan Intelligence Fusion Center.

**Arrest of Mexican CPOT Osiel Cardenas-Guillen's lieutenant.** On October 29, 2004, the Mexican AFI arrested Rogelio Pizana-Gonzalez at a nightclub in Matamoros, Tamaulipas, Mexico. While the AFI was conducting enforcement operations, they unexpectedly encountered Pizana and several of his bodyguards inside a nightclub. A shootout ensued and, as a result, one AFI agent was killed, two Policia Federal Preventiva police officers were injured, and two of Pizana's bodyguards were killed. When Pizana attempted to flee the area in an armored-plated vehicle, a second shootout occurred. Pizana was subsequently taken into custody.

**Leader of Afghanistan Heroin Trafficking Organization Arrested.** On November 5, 2004, the four-month investigation of an Afghanistan-based heroin trafficking organization by the DEA Kabul Country Office and CNP-A resulted in the arrest of Misri Khan in Kabul, Afghanistan. Khan, the leader of the drug trafficking organization, and four associates were indicted for conspiracy to import 440 pounds of heroin into the United States in September 2004 in the U.S. District Court for the Southern District of New York. According to intelligence information, Khan's organization manufactured and exported large shipments of heroin from Afghanistan and Pakistan to the United

States, Asia, and Europe. Khan and his two co-defendants Bahram Khan and Noor Ullah are currently being prosecuted by the Afghan Vertical Prosecution Task Force (VPTF) at the Central Narcotics Tribunal in Kabul, Afghanistan.

**Shipment of 1,900 Pounds of Opium Seized in Afghanistan.** On November 17, 2004, the DEA Kabul Country Office reported the seizure of 1,900 pounds of opium by CNP-A in Kabul, Afghanistan. The opium was being transported in a tanker-trailer truck. According to intelligence information, the opium originated in Northern Afghanistan and was being shipped to Kandahar, Afghanistan. The Kabul Country Office is assisting CNP-A in developing investigative leads in an attempt to identify the organization responsible for shipping the opium.

**Afghanistan Heroin Trafficker Arrested.** On November 27, 2004, as the result of a four-month investigation conducted by the DEA Kabul Country Office, Haji Bahram Khan was arrested by the CNP-A. Bahram Khan, a member of the Misri Khan Afghanistan-based heroin trafficking organization, was indicted in September for conspiracy and heroin trafficking in the U.S. District Court for the Southern District of New York. Misri Khan was previously arrested in Afghanistan on November 4. According to the indictment, Bahram and Khan negotiated the shipment of 440 pounds of heroin from Afghanistan to the United States. Bahram and Khan are currently being prosecuted by the VPTF at the Central Narcotics Tribunal in Kabul, Afghanistan.

**CPOT Zeev ROSENSTEIN Arrested.** On November 8, 2004, the DEA Miami Division reported the arrest of CPOT Zeev Rosenstein by the Israeli National Police in Tel Aviv, Israel. The arrest is the result of a three-year investigation and September indictment of Rosenstein for trafficking MDMA in the U.S. District Court for the Southern District of Florida. According to intelligence information, Rosenstain is the leader of an Israeli criminal organization responsible for financing, coordinating and smuggling multi-million tablet shipments of MDMA from Belgium and Holland to the United States, Israel, and Europe. Investigative information has linked Rosenstain to a 2001 seizure in New York of 700,000 MDMA tablets and \$187,000 in U.S. currency. In December of 2005, the Israeli Justice Minister signed the extradition order allowing Rosenstain to be extradited to Miami, Florida. Rosenstain has up to 90 days to explore any new appeals before formal extradition to the U.S. for prosecution.

**Financial CPOT Lino Antonio Sierra-Vargas Arrested in Colombia.** On December 1, 2004, Financial CPOT Lino Antonio Sierra-Vargas was arrested by the Colombian National Police in Colombia as the result of an 18-month OCDETF investigation conducted by the DEA Miami Division and the DEA Bogotá Country Office. Sierra-Vargas was indicted in June on charges of conspiracy and money laundering in the U.S. District Court for the Southern District of Florida. Since 1997, Sierra-Vargas was responsible for the distribution of 4.4 tons of cocaine and laundering more than \$5 million in drug proceeds. Sierra-Vargas is awaiting extradition to the U.S.

**Financial CPOT Gilberto Rodriguez-Orejuela Extradited to the U.S.** On December 4, 2004, Financial CPOT Gilberto Rodriguez-Orejuela was extradited from Bogotá, Colombia to the United States to face charges of drug trafficking and money laundering. Rodriguez-Orejuela was indicted in December 2003 in the U.S. District Court for the Southern District of New York and in January 2004 in the U.S. District Court for the Southern District of Florida as the result of OCDETF investigations conducted by the DEA New York and Miami Divisions and the DEA Bogotá Country Office. Rodriguez-Orejuela and his brother Miguel founded and directed the notorious Cali Cartel that became the world's chief supplier of cocaine in the 1990s and earned an estimated \$8 billion in annual profits.

**Arrest of North Valle Cartel (NVC) Target Dagoberto Florez-Rios.** Dagoberto Florez-Rios was a member of NVC and is the brother-in-law of NVC member Arcangel De Jesus Henao-Montoya, who was arrested in Panama on January 10, 2004, and extradited to the United States on January 14, 2004. Florez-Rios was second-in-command to Henao-Montoya and responsible for the distribution of metric ton quantities of cocaine to the United States. On March 5, 2004, a Grand Jury in the U.S. District

Court for the Eastern District of New York, issued a superseding sealed indictment charging Florez-Rios on multiple counts of drug trafficking and money laundering. Florez-Rios was indicted for conspiracy to possess with intent to distribute cocaine (Title 21, USC 846, 841(a) (1), conspiracy to import a controlled substance into the U.S. (Title 21, USC 952 (a), 963, 960 (b) (1), conspiracy to distribute a controlled substance (Title 21, USC 959(c), and conspiracy to launder money (Title 18, USC 1956 (a) (1). On March 17, 2004, the Government of Colombia received a Provisional Arrest Warrant (PAW) for the purpose of arresting and extraditing Florez-Rios. On December 28, 2004, the Colombia National Police Sensitive Investigative Unit (CNP-SIU) executed a search and arrest warrant in Colombia that resulted in the arrest of Florez-Rios.

### **2nd & 3rd Quarter FY2005 (January 1, 2005-June 30, 2005)**

**Takedown of Operation Coastline I & II.** In August 2003, the Bogotá Country Office and Colombian National Police (CNP) initiated an investigation targeting the activities of a group of heroin traffickers operating under the direction of James Dario Vives Repes. This investigation, named Operation COASTLINE, was based on information from a source of information via a telephone call during Operation FUENTE, the Bogotá Country Office's 800-number call-in program developed to counter heroin production and trafficking. Through the investigation, the Bogotá Country Office and the CNP learned that this group of traffickers employed a variety of means to transport heroin into the United States from the west coast of Colombia via Panama, such as the use of maritime cargo containers, go-fast boats, and mail courier services.

On October 26, 2004, the CNP conducted a successful takedown of Operation COASTLINE leading to the arrest of Vives Repes and 24 of his associates. Vives Repes was arrested under a PPAW from the Southern District of New York, for violation of Title 21, USC 952 & 841(A), importation and possession with intent to distribute heroin and cocaine. As a direct result of the success and disruption caused by Operation COASTLINE, the Bogotá Country Office implemented Operation Coastline II, which also targeted associates of the Vives Repes Organization. On January 25, 2005, the Bogotá Country Office and the CNP executed the arrest of four individuals in Cali and seven individuals in Colombia under Operation COASTLINE II. Since the commencement and investigations of Operations COASTLINE I & II there have been 62 arrests and seizure of 50 kilograms of heroin, 783 kilograms of cocaine, and 900 kilograms of Pegan, a cocaine/marijuana mixture.

**Extradition of Agustin Vasquez Mendoza.** On January 29, 2005, Agustin Vasquez Mendoza was extradited from Mexico to the United States to stand trial for his role in the murder of DEA Special Agent Richard Fass eleven years ago in Glendale, Arizona. Vasquez Mendoza was removed from Mexico City by DEA Agents and transported to Phoenix, Arizona, where he appeared before a Maricopa County judge to answer a July 5, 1994, Maricopa County Grand Jury indictment for First Degree Murder, Conspiracy/Armed Robbery, Attempted Murder, Attempted Armed Robbery, Kidnapping, and First Degree Burglary. On February 7, 2005, Vasquez-Mendoza was arraigned in the State Superior Court in Phoenix where he entered a plea of not guilty to all counts and will remain in custody pending trial. A trial date of February 16, 2006, has been set.

**Murder/Attempted Murder of Potential Witnesses Against CPOT Fernando ZEVALLOS.** On February 1, 2005, two potential witnesses in the ongoing Peruvian trial against CPOT and Office of Foreign Assets Control (OFAC) designated Kingpin Fernando Zevallos-Gonzales were attacked, one fatally and the other was severely wounded. Jose Maria Aguilar-Ruiz, aka Shushupe, a former drug trafficking associate of Zevallos-Gonzales, was killed while incarcerated at a Peruvian prison located in Pucallpa, Peru. Oscar Benites-Linares, also a former drug trafficking associate of Zevallos-Gonzales was stabbed by three fellow inmates while incarcerated in a Peruvian prison in Huaraz, Peru, but received superficial wounds. Aguilar-Ruiz and Benites-Linares had previously provided sworn

statements implicating Zevallos-Gonzales. Peruvian National Police are in the early stages of investigating the murder of Aguilar-Ruiz and the attempted murder of Benites-Linares.

**Seizure of 1.2 Metric Tons of Cocaine in the Port of Callao, Peru.** On February 9-10, 2005, DEA Lima and the Peruvian National Police (PNP) seized approximately 1.2 metric tons of cocaine HCl and subsequently arrested 12 Peruvian nationals at the Port of Callao. DEA Lima Country Office and the PNP had developed information that a suspected ISO-tank would be utilized to transport a large quantity of cocaine. Through assistance of the Narcotics Affairs Section (NAS), DEA Lima Country Office and the PNP conducted a search of the tank, which resulted in the discovery of the cocaine hidden in false compartments in the front and rear of the tank. During the search and seizure, retired U.S. Coast Guard Chief Petty Officer and NAS contractor Brian Tuttle was tragically killed following an explosion from inside the tanker. Subsequent to a search to ensure no explosive booby traps had been attached to the tanker, the opening of the false compartments continued until the cocaine had been retrieved.

**Arrest of Archivaldo Ivan Guzman-Salazar, Son of CPOT Joaquin Guzman-Loera AKA Chapo.** On February 14, 2005, Zapopan Municipal Police Officers (ZMP) (Zapopan is located in the metropolitan area of Guadalajara in the State of Jalisco) arrested Archivaldo Ivan Guzman-Salazar, Jorge Ozuna-Tovar, and Alfredo Gomez-Diaz – who was armed with a .45 caliber handgun –, as they were sitting in their vehicle waiting for another carload of associates. Prior to the arrest of Guzman-Salazar, ZMP had observed a man being thrown from a vehicle. ZMP pursued the vehicle and eventually detained five subjects later identified as associates of Guzman-Salazar.

**Violent Heroin and Cocaine Trafficking Organization Dismantled.** On February 21, 2005, based on information provided by the DEA New York Division Task Force, the Dutch National Police, with the assistance of the DEA Curacao Country Office, arrested Regional Priority Organization Target Luis Alberto Ibarra at the Curacao, Netherlands Antilles International Airport. Ibarra was sentenced on May 26, 2005, to 262 months incarceration. With the previous arrest of 17 associates, the arrest of Ibarra, a Venezuelan national, has effectively dismantled a violent heroin and cocaine trafficking organization. The Ibarra organization purchased heroin in Cucuta, Colombia, transported it to Caracas, Venezuela, then couriers would smuggle the heroin into the United States. The heroin was then distributed in Miami, Florida, Houston, Texas and Newark, New Jersey. According to intelligence information, since assuming the leadership of the organization in 2003, Ibarra has been responsible for the distribution of approximately 220 pounds of heroin to the United States per month. Intelligence information shows the organization transported several hundred pounds of cocaine from Venezuela to Amsterdam each month. It has been reported that this organization relied on corruption, torture, murder, and intimidation to further its objectives.

**Seizure of One Metric Ton of Cocaine in Lima, Peru.** On February 25, 2005, DEA Lima Country Office and PNP seized approximately one metric ton of cocaine HCl and arrested 25 individuals, consisting of Colombian, Mexican, and Peruvian nationals. DEA Lima Country Office and the PNP had initiated an investigation concerning Peruvian traffickers based in Colombia that were organizing shipments of cocaine HCl. Through development of investigative intelligence, the locations of the organization's drug stash houses were found. Pursuant to execution of search and arrest warrants, the PNP seized 200 kilograms and 800 kilograms of cocaine HCl in both houses respectively.

**Financial CPOT Miguel Rodriguez-Orejuela Extradited to the United States.** In March of 2005, Miguel Rodriguez-Orejuela was extradited from Colombia to the United States to face narcotics trafficking and money laundering charges. Additionally, on January 16, 2006, Miguel's son, William Rodriguez-Abadia, surrendered to DEA and Immigration and Customs Enforcement agents in Panama City, Panama. William Rodriguez-Abadia was indicted in a Miami Division Group 6 Priority Target investigation linked to CPOT Miguel Rodriguez-Orejuela. Miguel Rodriguez-Orejuela and his brother, Gilberto, are charged in an indictment returned by a federal grand jury in the Southern District of

Florida with conspiracy to import cocaine, conspiracy to possess with intent to distribute cocaine, and conspiracy to launder drug proceeds.

The Rodriguez-Orejuela brothers are also named in an indictment returned by a federal grand jury in the Southern District of New York, charging them with a separate money laundering conspiracy. In December 2004, Financial CPOT Gilberto Rodriguez-Orejuela was extradited from Bogotá, Colombia to the United States to face charges of drug trafficking and money laundering. Rodriguez-Orejuela was indicted in December 2003 in the U.S. District Court for the Southern District of New York and in January 2004 in the U.S. District Court for the Southern District of Florida as the result of OCDEF investigations conducted by the DEA New York and Miami Divisions and the DEA Bogotá Country Office. Rodriguez-Orejuela and his brother Miguel founded and directed the notorious Cali cartel that became the world's chief supplier of cocaine in the 1990s and earned an estimated \$8 billion in annual profits.

**Operation Alborada I.** On March 8, 2005, the Bogotá Country Office and the Colombian National Police (CNP), SIJIN unit executed Operation Alborada I, which targeted a cocaine processing laboratory in the jungle outside of Medellin, Colombia. This operation was based on information received from a source of information during Operation Fuente, the Bogotá Country Office's 800-number call-in program developed to counter heroin production and trafficking. Operation Alborada I resulted in the seizure of approximately 400 kilograms of cocaine, 500 kilograms of potassium permanganate, 250 kilograms of sodium carbonate, 390 kilograms of ammonia, 4,500 kilograms of hexane, and no arrests (observation towers located at the laboratory suggest that everyone fled prior to CNP's arrival). Intelligence corroborated by the seizure suggests that this laboratory was producing 2,000 kilograms of cocaine each week. The Bogotá Country Office and CNP have not been able to link the seizure to any particular organization. Operation Alborada I is not part of an on-going investigation but a target of opportunity.

**Malladi Investigation.** The Malladi investigation, coordinated by DEA OED, targeted Malladi Inc. located in Edison, New Jersey, an importer of listed chemicals. Malladi imported over 87 tons of pseudoephedrine raw material into the United States in 2004 from India and was a large supplier of ephedrine and pseudoephedrine to manufacturers of "gray market" products. The investigation revealed Malladi provided inconsistent statements regarding the declared customers for the importation requests. As a result, in April 2005, OED Staff Coordinators served an Administrative Inspection Warrant at Malladi, Inc., located in Edison, New Jersey. The inspection revealed Malladi had intentionally imported and exported listed chemicals with the intent to evade the reporting requirements and violated numerous other civil and criminal violations. As a result of the findings, 5,200 kilograms of ephedrine and pseudoephedrine were seized from the location and an additional 46,000 kilograms of ephedrine was seized at the New Jersey and New York ports due to Malladi's failure to file the proper paperwork for the importations. Malladi, Inc. surrendered both their import and export registrations.

**Arrest of Wenceslado Caicedo-Mosquera.** On July 14, 2004, the Bogota Country Office, in conjunction with the Colombian Navy, Colombian National Police (CNP), Cali CNP DIJIN Sensitive Investigative Unit (SIU), Cuerpo Technico de Investigaciones (CTI), and other Embassy agencies initiated an investigation against the Wenceslado Caicedo-Mosquera (Priority Target) Drug Trafficking Organization. On March 21, 2005, the Bogotá Country Office received intelligence from the CNP DIJIN SIU that Caicedo-Mosquera was scheduled to travel to Guayaquil, Ecuador. The Bogotá Country Office, CNP DIJIN SIU, and the Guayaquil Resident Office coordinated their efforts and on March 24, 2005, Caicedo-Mosquera was surveilled by the Guayaquil Resident Office SIU in Manta, Ecuador. Upon identifying Caicedo-Mosquera, the Guayaquil Resident Office SIU detained him until identification could be confirmed. Based on surveillance photographs, Caicedo-Mosquera was positively identified. On March 25, 2005, the Ecuadorian Government expelled Caicedo-Mosquera to Colombia.

The CNP DIJIN SIU took custody of Caicedo-Mosquera and transported him via a CNP aircraft to the Colombian Prosecutor's Office in Cali, Colombia. Caicedo-Mosquera was arrested for human rights violations in Colombia and will face homicide charges as well. Based upon the arrest of Caicedo-Mosquera, the Bogotá Country Office and the CNP executed 25 arrest warrants and 26 search warrants at various residences and businesses in Colombia during the weekend of March 26, 2005, resulting in the arrest of 11 associates and seizure of 6 armored vehicles, 4 ATVs, various weapons, documents, and cellular telephones. The CNP are currently in the process of seizing various properties with an estimated value of \$3,000,000 U.S. currency. The Bogotá Country Office is currently coordinating with the DEA Tampa District Office and the SOD 959 Group in an effort to indict Caicedo-Mosquera and extradite him to the United States on conspiracy and smuggling charges.

**Extradition of CPOT Elias Cobos Munoz.** On April 15, 2005, CPOT Elias Cobos Munoz was extradited from Colombia to the Southern District of Florida to face cocaine conspiracy and money laundering conspiracy charges. On June 23, 2004, DEA announced the culmination of the Caribbean Initiative with the indictment and arrest of CPOT Elias Cobos Munoz, the reputed head of one of the largest Colombian north coast drug trafficking and drug transportation organizations based in Colombia and Jamaica, and 56 other high-level traffickers. CPOT Cobos Munoz has been responsible for importing more than three metric tons of cocaine per month from Colombia into the United States since 2000. The supply and transportation networks targeted by this effort were responsible for approximately 10 percent of the cocaine available in the United States. CPOT Cobos Munoz was extradited along with two co-defendants, Florentino Riviera-Farfan (aka "Tarzan"), and Jorge Ivan Lalinde-Lalinde (aka "El Mono").

**Seizure of 1,095 Kilograms of Cocaine in Tacna, Peru.** On April 15, 2005, DEA Lima Country Office-sponsored SIU seized approximately 1,095 kilograms of cocaine HCl and arrested 10 Peruvian nationals in Tacna. In addition, \$1,100 in U.S. currency and an estimated \$455 U.S. dollars in Peruvian currency were seized. This seizure was a result of developed electronic information indicating that an international drug trafficking organization was operating out of the Rio Apurimac valley. A clandestine cocaine lab (unknown location) is suspected to be operating somewhere within the valley; manufactured cocaine HCl is then transported to the southern Peruvian coastal region. The suspected transportation vehicle was placed under surveillance until its cargo had been off-loaded at the fish export company. The cocaine was found to be packed in frozen squid, similar to a November 2004 incident where the cocaine was similarly packed and off-loaded in a coastal port processing area. Review of documents and other developed information had identified containers of frozen squid from this company had been sent to locations in the United States and Europe. Leads were provided to the appropriate DEA offices in Los Angeles, Newark and Brussels.

**Arrest/Surrender of CPOT Defendant Diego Fernando Murillo-Bejarano, AKA "Don Berna."** On May 27, 2005, as a result of negotiations between the AUC and the Government of Colombia (GOC), CPOT Diego Fernando Murillo-Bejarano (aka "Don Berna," aka "Adolfo Paz") surrendered to Colombian CNP Director Jorge Daniel Castro-Castro in the AUC stronghold of Valencia, Cordoba Province of Colombia. Murillo-Bejarano was a major Colombian trafficker with extensive contacts among Mexico's organized crime and drug trafficking organizations. Murillo-Bejarano has been the subject of numerous DEA and OCDETF investigations, as well as SOD Operation Trident and Operation Panama Express. Murillo-Bejarano was originally associated with the Medellin Cartel under the leadership of Pablo Escobar, but has more recently been associated with the North Valley Cartel. Murillo-Bejarano is currently indicted in the Southern District of New York for Conspiracy to Import Cocaine and Money Laundering. Murillo-Bejarano is currently being held in Colombia on charges of ordering the murder of a Colombian Congressman, his sister, and driver.

**First Major Trafficker Extradited to the U.S. by Paraguay.** Following on last year's tremendous success in capturing Brazilian fugitive and accused arms/drug trafficker Ivan Carlos Mendes Mesquita, Paraguay extradited him to the United States in June 2005. The United States had initiated an

extradition request for Mendes Mesquita on charges of possession of cocaine and conspiracy to distribute; the Paraguayan Court of Appeals upheld the extradition in a timely manner and the Supreme Court rejected Mendes Mesquita's appeals. Mendes Mesquita is the first major trafficker extradited to the United States by Paraguay, representing an important step in the war against drug trafficking organizations with links to the FARC. Paraguay has been successful in either expelling or securing extradition orders for three additional drug traffickers. In December 2005, Paraguayan's Supreme Court approved the extradition of Jose Luis Gomez to the United States on charges of money laundering.

**Seizure of 1.14 Tons of Cocaine and One Laboratory in Junin, Peru.** On June 9, 2005, DEA Lima Country Office-sponsored PNP-OFINT (Operational Intelligence) unit located an operational cocaine conversion laboratory and seized approximately 1.14 tons of cocaine and seven tons of precursor chemicals. During May 2005, the Lima Country Office and PNP-OFINT initiated an investigation targeting a drug trafficking organization operating in Ayacucho, Peru. According to developed information, this organization consisted of Bolivians, Colombians, and Peruvians. According to the CS, the cocaine was to be transported to Bolivia for further shipment to the United States. It appears that the traffickers and clandestine laboratory personnel overheard the incoming helicopters and fled into the jungle. The seizure consisted of 113.5 kilograms of cocaine HCl, 706 kilograms of liquid cocaine, 330.45 of cocaine paste, along with a sundry of precursor chemicals totaling over 7 metric tons.

**Arrest of 11 Individuals and Seizure of 65 Kilograms of Cocaine (Operation Triple Threat).** On June 17, 2005, elements of the Brazilian Federal Police (DPF), Counter-Drug Unit, and Sensitive Investigative Unit (SIU), arrested 13 drug traffickers and served 18 search warrants associated with the Wahid Maziad Abou Karroum Priority Target Organization operating in Southern Brazil. Eleven members of the Arab drug trafficking organization were arrested in São Paulo, SP, Brazil and two in Ponta Porã, MS, Brazil. The takedown was pursuant to 15 arrest warrants and 18 search warrants issued by a Brazilian judge on June 13, 2005. The arrested defendants were transported to the DPF Headquarters where they were processed. In the course of affecting the search warrants the DPF seized approximately \$90,000 in U.S. currency, 65 kilograms of cocaine, and a 40-foot sailboat.

### 4th Quarter FY2005 (July 1, 2005-September 30, 2005)

**Extradition of CPOT Fernando Gutierrez-Cancino.** On July 28, 2005, Financial CPOT Fernando Gutierrez-Cancino was extradited from Spain to the United States to face charges including the money laundering and violation of Title 50 USC 1701 through 1706-conspiracy to violate the International Emergency Economic Powers Act. Gutierrez-Cancino had been jailed in Spain since February 17, 2004. Gutierrez-Cancino was the chief money launder and business partner of the Rodriguez-Orejuela brothers. Gutierrez-Cancini was a co-investor with the Rodriguez-Orejuela brothers in several OFAC listed businesses that were used as a means to launder drug proceeds.

**Seizure of 21 Metric Tons of Marijuana in Mexico.** During a roadblock drug interdiction initiative on August 24, 2005, Mexican AFI seized a tractor-trailer in Navajoa, Sonora containing 21.05 metric tons of marijuana. The marijuana, consisting of 6,217 packages, was concealed in two "hopper" tanker trailers and was allegedly being transported to Tijuana. The driver, a Mexican national, was arrested and charged with crimes against health.

**Pseudoephedrine Seizure in Mazatlan, Mexico.** Pursuant to an ongoing road interdiction initiative under Operation All Inclusive, on September 2, 2005, Mexican AFI Agents seized 622,800 tablets of pseudoephedrine from a vehicle at a road checkpoint on Mexico International Highway 15 just south of Mazatlan, Mexico. The pseudoephedrine tablets had purportedly originated in Guadalajara and had a final destination of Culiacan, Sinaloa, Mexico. Both occupants of the vehicle were arrested.

**Largest Ever Cocaine Seizure in Belize.** On September 12, 2005, the Belize City Country Office, the Belize Police Department Anti-Drug Unit, and the Belize Defense Force responded to an alleged cocaine stash location on Western Tobacco Caye Range, Belize. Subsequent to a search of the island, law enforcement personnel discovered in excess of 3,000 kilograms of cocaine buried on the island. No arrests were made.

**Largest Seizure Ever of Cocaine and Heroin in the Netherlands Antilles.** In September 2005, after law enforcement made the largest seizure ever of 2,345 kilograms of cocaine and 28 kilograms of heroin, the court system (for the first time) approved the dismissal of a local prosecution in lieu of a U.S. extradition and prosecution of seven prominent targets involved in the regional organization. Currently all individuals have been extradited to the United States and are awaiting trial.

**Seizure of \$500 Million Pharmacy Chain Controlled by Financial CPOTs Miguel and Gilberto Rodriguez-Orejuela.** On September 22, 2005, the DEA Bogotá Country Office reported the seizure in Colombia of 472 pharmacies and a pharmaceutical laboratory controlled by financial CPOTs Miguel and Gilberto Rodriguez-Orejuela. The real property and inventory have been valued at an estimated \$500 million, the largest asset seizure in Colombia to date. The seizures were made by the Colombian National Police based on a two-year money laundering investigation conducted with the Bogotá Country Office, the DEA New York Division Strike Force, and the Office of Foreign Asset Control (OFAC). Seizures occurred simultaneously in 28 of 32 regions in Colombia and involved the coordination of 3,200 law enforcement officers countrywide. The investigation revealed that the first pharmacy was purchased by Gilberto Rodriguez-Orejuela in 1972. The brothers have utilized drug profits to develop the franchise and until the seizures, used the stores to launder drug proceeds. The Government of Colombia has replaced the company's top executives and future profits will be used to fund counternarcotics programs. Miguel and Gilberto Rodriguez-Orejuela are currently awaiting trial in Miami Florida as a result of drug-trafficking charges.

**Seizure of 3.9 Metric Tons of Cocaine in Panama.** On September 24, 2005, based on information received by the Panama Country Office, the Panama National Police discovered and seized a cache of cocaine was located in the area of Cocle Del Norte, located on the Caribbean side of Panama. A total of 3.9 metric tons of cocaine, two AK-47s, and eighty 55-gallon drums of gasoline were seized and nine defendants were arrested. The cocaine and gasoline were buried in the ground approximately two hundred meters from a beach area. The cocaine shipment was to be transported (at a rate of 2,000 kilograms per load) at a later date by go-fast vessels to larger fishing vessels for shipment onward to Mexico or Belize.

**Seizure of 430 Kilograms of Cocaine in Guatemala.** On September 28, 2005, a narcotics-laden Cessna 207 aircraft bearing false tail number N-571L was interdicted by Guatemalan narcotics agents and elements of the U.S. Army's JTF Bravo at a remote airstrip located in the northern Peten region of Guatemala and less than 25 miles from the Mexican border. U.S. Army aircraft came under small arms fire from several suspects on the ground attempting to unload the target aircraft. No injuries occurred and no return fire was reported from the military. Agents arrested four individuals including three Mexican nationals and one Guatemalan at the scene and seized approximately 430 kilograms of cocaine. This was the first successful suspect aircraft interdiction in Guatemala since September 2003.

### 1st Quarter FY2006 (October-December 2005)

**Operation Furia.** On October 8, 2005, the Bogotá Country Office, in conjunction with the Colombian Coast Guard and the Colombian Marines, received confidential source information regarding a drug caleta (underground storage facility) and go-fast launch site on the southwest coast of Colombia. According to informant information, this drug caleta and launch site was located along the Mira River approximately three hours south (by boat) of the city of Tumaco, Nariño, Colombia. On October 10, 2005, the above units executed Operation Furia, which resulted in the seizure of approximately nine

tons of cocaine HCL, four rifles with eight rifle magazines, five small fishing boats, one fiberglass go-fast boat, two 200-horsepower Yamaha motors, five 75-horsepower Yamaha motors and one communication radio, model ICON. Operation Furia resulted in no arrests. Intelligence, corroborated by military counterparts, confirms that this seizure is connected to the 29th Front of the FARC and the AUC. Operation Furia was not part of an on-going investigation, just a target of opportunity.

**Extradition of North Valle Cartel Leader Jairo Aparicio-Lenis.** On October 21, 2005, Jairo Aparicio-Lenis, a leader of the North Valley Cartel, one of Colombia's most powerful cocaine trafficking organizations, was extradited to the United States to face racketeering and drug charges. Aparicio-Lenis arrived in Florida and was transferred to Washington, D.C., where he has been charged by a federal grand jury along with eight other leaders of the North Valley Cartel. The April 29, 2004, indictment charges the cartel leaders with violations of the Racketeer Influenced and Corrupt Organizations Act (RICO) and with distributing cocaine knowing and intending that it would be unlawfully imported into the United States. The indictment alleges that the North Valley Cartel bribed and corrupted Colombian legislators. According to the indictment, Aparicio-Lenis was a member of the North Valley Cartel responsible for laundering the cartel's cocaine proceeds. The cartel operated in the Norte Valle del Cauca region of Colombia, the cities of Cali and Buenaventura, Colombia, as well as Mexico and the United States. If convicted, Aparicio-Lenis faces a maximum sentence of up to life imprisonment on the cocaine-importation charges and 20 years in prison for the RICO charge.

**Seizure of One Metric Ton of Cocaine via Airport Interdiction.** The Airport Interdiction Program at the Jorge Chavez International Airport (JCIA) in Lima, Peru has experienced a significant increase in the number of arrests and seizures. The Airport Interdiction unit has assisted many other countries besides the United States, including European, Far East, and South American nations, with critical investigative information, which has led to the arrest of numerous drug smugglers and couriers. Through the end of November 2005, this unit has affected the seizure of approximately 1000 kilograms of cocaine product. This quantity exceeds 900 kilograms seized in 2004.

**Seizure of 2.2 Metric Tons of Cocaine in Chiclayo, Peru.** On November 6, 2005, members of PNP DITID[BAP1] seized 2.2 metric tons of cocaine HCL and arrested 11 suspects consisting of Colombians, Peruvians, and Venezuelans. Investigative information developed by the PNP provided that a drug transportation group, headed by a Colombian, was organizing a multi-ton shipment of cocaine to Mexico. The cocaine discovered was to be stored in an underground location in a rural area approximate to Chiclayo.

**Operation Gear Grinder.** This operation, which culminated in December 2005, was a 21-month DEA, OCDETF investigation that targeted eight major steroid manufacturing companies, their owners, and their trafficking associates. A federal grand jury in San Diego indicted 23 individuals, including three U.S. citizens, and eight Mexican companies. It resulted in the arrest of the owner of three of the world's largest anabolic steroid manufacturers. DEA identified these eight companies, all located in Mexico, which produced 82 percent of all steroids submitted to DEA laboratories for analysis. These businesses conducted their sales primarily via the Internet and DEA estimated their total annual wholesale U.S. steroid sales at \$56 million. These Mexico-based businesses took notice of the demand for anabolic steroids and created a marketing strategy tailored to the needs of the U.S. consumer, including high-quality products and internet websites.

Communications via the Internet and parcel distributions were the core of these companies' operations. The websites showcased the products and offered an e-mail address to exchange prices and tracking numbers and provided ordering and payment instructions. They used U.S.-based e-mail addresses and listed each manufacturer utilizing a business website to place their products in the hands of American consumers. Some manufacturers provided direct referrals to distributors through the "Contact Us" section of the websites. The steroids were smuggled into the United States and shipped to customers. Additionally, steroids from the eight companies were shipped to U.S. traffickers, who

re-sold the products to their customers. Financial transactions were primarily done via Western Union wire transfers, as well as bank transfers and credit card payments. These groups also supplied numerous pharmacies along the U.S./Mexico border, where U.S. customers could purchase steroids and smuggle them back across the border into the United States.

**Seizure of 257 Kilograms of Cocaine in Paraguay.** In December 2005, the National Anti-Drug Secretariat (SENAD) of Paraguay seized 257 kilograms of cocaine destined for Spain; apprehended 7 members of a drug trafficking organization and confiscated the equivalent of \$34,000. The operation also directly facilitated further arrests of traffickers in Europe. This operation, conducted in close collaboration with DEA and Spanish police officials, represents the largest seizure ever made in Asuncion and reflects SENAD's ability to carry out a complicated operation in concert with foreign law enforcement authorities.

**Conviction of CPOT Fernando Zevallos-Gonzales.** On December 19, 2005, CPOT Fernando Zevallos-Gonzales was convicted on charges related to a 3.34-ton cocaine seizure in January 1995. Zevallos-Gonzales was sentenced to 20 years in prison and is currently in custody in Peru. On January 9, 1995, 3.34 tons of cocaine was seized by the Peruvian National Police (PNP) in Piura, Peru. PNP investigation identified Zevallos-Gonzales as the source of supply for the seized cocaine and, in 1997, an arrest warrant was issued for Zevallos-Gonzales for drug trafficking. Zevallos-Gonzales returned to Peru from the United States to face these charges. Zevallos-Gonzales was acquitted in March 2002; however, the acquittal was overturned in June 2003 by the Peruvian Supreme Court and a retrial was scheduled for September 2003. Due to a procedural technicality, the September 2003 retrial was suspended in January 2004 and a second retrial of this case began in June 2004. The Zevallos-Gonzales prosecution was marked by allegations of corruption, witness intimidation, and murder of significant witnesses. On November 19, 2005, with the trial in the closing argument stages, Zevallos-Gonzales was arrested on warrants issued in Lima for additional charges of Drug Trafficking, three counts of Murder, Attempted Murder, and three counts of Coercion of Witnesses. These charges were based on identification and arrest of individuals associated with "hit and kidnap" squads working for Zevallos-Gonzales. Search warrants were issued and served on Zevallos-Gonzales' residence and offices in Lima. The U.S. Department of the Treasury, Office of Foreign Assets Control (OFAC) designated Zevallos-Gonzales as a Tier 1 Foreign Drug Kingpin in June 2004. Currently, there are no indictments of Zevallos-Gonzales in the United States.

# United States Coast Guard

## Overview

The Coast Guard's multiyear campaign plan to combat the dynamic maritime drug trafficking threat, Campaign Steel Web, is continually evolving to reflect changes in drug trafficking trends.

Steel Web 2005 is fully aligned with the National Drug Control Strategy (NDCS), the National Interdiction Command and Control Plan (NICCP), national security and other directives complementing the contributions of our law enforcement (DOJ/DEA, DHS/ICE, CIS, CBP and local LEAs) and DoD partners in this effort.

Three pillars form the foundation of Steel Web 2005:

- First, denial of maritime drug smuggling routes by developing a dynamic interdiction presence in the transit and arrival zones through more actionable tactical intelligence and information, focusing our limited resources to maximize the removal of cocaine being smuggled via three major smuggling vectors: Eastern Caribbean, Western Caribbean and Eastern Pacific.
- Secondly, international engagement, primarily bilateral agreement sustainment and development, strengthening ties with source and transit zone nations to increase their capabilities in maritime law enforcement, reduce drug-related activities, and enhance legitimate commerce within their territorial limits, and in support of coordinated local, state and federal interagency efforts to combat drug smuggling through joint planning and execution.
- Finally, fast track and implement the latest research and development (R&D) and off-the-shelf technologies available, to speed better equipment to the Coast Guard men and women who detect, monitor and interdict suspect vessels, locate contraband during boardings and searches, and to provide them with improved/more capable assets for interdiction. These pillars form the foundation for operational planning, cooperative efforts and regional engagement activities.

The keys to success of Steel Web 2005 have been adherence to the concept of centralized operational planning and decentralized execution, which includes maintaining the flexibility to respond to tactical intelligence and information; pursuit of international engagement opportunities which occur at the tactical, theater and strategic levels; partnering with law enforcement officials of other nations, which helps develop indigenous interdiction forces and enhances the cumulative impact of interdiction efforts directed at drug traffickers in the region; and maintenance and training support through exportable training teams and the Caribbean Support Tender make for more effective counternarcotics partners.

## Combined Operations

The Coast Guard conducted several maritime counternarcotics combined operations in 2005 in coordination and/or cooperation with military and law enforcement forces from: Colombia, Jamaica, the United Kingdom and its Overseas Territories, Netherlands and Netherlands Antilles, and France and its Overseas Territories. Recently a combined U.S. and Colombian surge operation featured a U.S. Coast Guard Communications Team deployed on Armada De Colombia Ship (ARC) INDEPENDENCIA, providing over-the-horizon communications with Joint Interagency Task Force South, coordinating the targeting of drug laden go-fast vessels.

## International Agreements

By June 2005 the number of bilateral agreements in place between the U.S. and our Central, South American and Caribbean partner nations was 30, moving toward our goal of eliminating safe havens for drug smugglers.

## International Cooperative Efforts

In FY 2005, the Coast Guard prosecuted 87 drug smuggling events, which resulted in the seizure of 66 vessels, the arrest of 364 suspected smugglers, and the seizure of 303,187 pounds of cocaine and 10,026 pounds of marijuana. Many of the 87 events involved some type of foreign support or cooperation, either through direct unit participation, exercise of bilateral agreements, granting permission to board, or logistics support.

## International Training and Technical Assistance

In FY 2005, the USCG provided International Training and Technical Assistance in support of drug interdiction programs through a variety of support efforts. One delivery mechanism is the USCG Cutter GENTIAN operating as the Caribbean Support Tender (CST). The USCGC GENTIAN is a former Balsam class buoy tender built in 1942 and decommissioned in 1998. In September 1999 it was re-commissioned in Miami, Florida as a training vessel in response to an international commitment made by President Clinton at the May 1997 Caribbean/U.S. Summit in Bridgetown, Barbados. The CST is the United States' only maritime vessel solely dedicated to international engagement with the goal of strengthening cooperating nations' operational and maritime interdiction capabilities. The CST also provides OJT training for an international crew complement of 13 students from 7 countries. In 2005, 482 students from 17 countries received training in a variety of technical skills designed to build capabilities in military law enforcement including patrol, interdiction and boarding techniques. The CST supports an INL-funded program to refurbish go-fast boats seized as contraband. The go-fast refurbishment program resulted in the re-employment in FY 2005 of seven former trafficking boats as law enforcement vessels in five foreign maritime services from the region. At one-fourth the cost of a new go-fast purchase, this program offers a cost-effective means of enhancing host nation interdiction assets. In FY 05, the CST also assisted six countries to make repairs to thirteen small boat platforms. A dedicated three-person Technical Assistance Field Team also provides engineering skills, boat assessment and repair contracting services to the RSS nations' boats.

Students are also taught by the USCG's International Training Division's Mobile Training Teams who deliver one-to-two-weeklong courses to student groups in the host nation. Courses include Maritime Law Enforcement (MLE) Boarding and Advanced Boarding Officer, Joint MLE Boarding, Maritime Operations Planning and Management, MLE Instructor and Port Security/ Port Vulnerability and Small Boat Operations. Courses consist of formal classroom instruction and either on-board or on-locale hands-on skill training. In FY 2005, 647 students from 14 countries received instruction.

Individual students also receive instruction in USCG resident training programs. These students develop a broad range of skills from boat handling and boat and engine repair to senior officer leadership training. Approximately 250 students from 18 countries were enrolled in resident training in FY 2005.

## U.S. Customs and Border Protection

The Department of Homeland Security, Customs & Border Protection (CBP) processes goods, merchandise, and people entering and exiting the United States. CBP officers intercept contraband, illicit goods, and unreported currency as it crosses our borders. Interdiction efforts are targeted in order to minimize impact on legitimate trade by utilizing techniques of selectivity to identify high-risk shipments for intensive examination. CBP now incorporates the border control functions of passport control and agriculture inspections to provide seamless border control processing termed, “One Face at the Border.” CBP has jurisdiction between ports of entry under the authority of the Office Border Patrol. CBP responds to the nation’s terrorism priorities through strategic programs designed to increase port security.

CBP is an integrated border control agency that operates at a high level of efficiency and integrity. On the average day, CBP examines 1.3 million arriving passengers, 410,000 arriving conveyances, seizes \$500,000 in currency and 4 tons of narcotics, arrests 2600 fugitives or violators, while facilitating commercial trade and collecting \$52 million in duty. The State Department Bureau for International Narcotics and Law Enforcement Affairs and CBP promote international cooperation through interagency agreements providing training and assistance programs on a global scale. These agreements enable CBP to deliver a variety of training, high-tech tools, and management strategies for combating transnational crime, thereby promoting international law enforcement.

### International Training and Assistance

In 2005, CBP provided technical training and assistance in support of the International Law Enforcement Academy (ILEA) programs, currently operating in Bangkok, Budapest, Gaborone, and Latin America. The mission of the ILEA is to promote social, political, and economic stability by combating crime. To achieve this goal, ILEA provides high-quality training and technical assistance, supports institution building and enforcement capability and fosters improved relationships between American law enforcement agencies and their counterparts in the region.

ILEA encourages strong partnerships among regional countries to address common problems associated with criminal activity. CBP has supported ILEA programs by developing and conducting specialized training on topics which include “International Controlled Deliveries and Drug Investigations” (conducted jointly with the Drug Enforcement Administration); “Complex Financial Investigations” (conducted jointly with Immigration and Customs Enforcement); “Intellectual Property Rights Investigations” (conducted with the Federal Bureau of Investigation); and a “Customs Forensics Lab” course. In 2005, CBP provided assistance for twelve different ILEA programs.

In 2005, agents from the Border Patrol Tactical Unit (BORTAC), in coordination with the Department of State, conducted training and acted in an advisory capacity to law enforcement personnel in 2 Central American countries. Border Patrol Tactical Unit (BORTAC) is CBP’s national special response team which has a mission to respond to terrorist threats of all types—anywhere in the world—in order to protect our nation’s homeland. Since its inception in 1984, BORTAC has developed and maintained a motivated and well-trained tactical cadre able to meet a constantly evolving threat. The BORTAC Strategic Plan provides a blueprint for increases BORTAC’s capabilities, through training and personnel development, to support missions addressing various threats to national security.

BORTAC agents have been deployed to Honduras, to support the Honduras International Narcotics and Law Enforcement Office and the Policia De Fronteras (PDF). The PDF has minimal equipment, inadequate facilities, poor communications, and limited transportation support. BORTAC representatives have been deployed at remote stations along the Nicaraguan, El Salvadoran, and

Guatemalan borders, providing training in basic patrol, interdiction and checkpoint operations, as well as operational planning and maritime operations.

In October and November 2005, BORTAC provided the Government of Ecuador with a Mobile Training Team (MTT). The MTT provided basic tactical pistol and officer safety training to the Ecuadorian National Police (ENP). BORTAC agents also coordinated, developed, and implemented training sessions consisting of basic firearms skills, basic tactical weapons skills, personal protection tactics, and ground defense. Those training sessions were conducted in four geographic locations within Ecuador and the MTT successfully trained 156 ENP personnel, including members from four Ecuadorian special unit and counternarcotics teams.

In 2005, CBP officials also deployed Textile Production Verification Teams (TPVTs) to Kenya, South Africa, Namibia and Madagascar. While in Namibia, training was given to 30 Namibian Customs officials on the requirements of the African Growth and Opportunity Act (AGOA). The TPVT returned to South Africa to follow up on the transshipment of Chinese textiles, claiming South Africa origin for merchandise in which AGOA claims were not made. One individual, who was counterfeiting the South African certificates of origin, was arrested. The TPVT team also conducted verifications for AGOA claims in Kenya and Madagascar.

### Port Security Initiatives

In response to increased threats of terrorism, CBP supported programs that seek to identify high-risk shipments to the United States—before they reach our ports. One important program was the Container Security Initiative (CSI). The Container Security Initiative (CSI) addresses the threat to border security and global trade posed by the potential for terrorist use of a maritime shipping container. CSI consists of security protocols that, if fully implemented, ensure that all maritime shipping containers, that pose a potential risk for terrorism, are identified, inspected and secured at foreign ports before they are placed on vessels destined for the United States. CBP is now stationing multidisciplinary teams, consisting of representatives from both CBP and ICE that work together with their host government counterparts. Their mission is to jointly target and pre-screen containers as well as to develop additional investigative leads related to the terrorist threat to cargo destined for the United States.

Through CSI, CBP officers work with host customs administrations to establish security criteria for identifying high-risk containers, using nonintrusive technology to quickly inspect high-risk containers before they are shipped to U.S. ports. Additional steps are taken to enhance the physical integrity of inspected containers while they are enrooted to the U.S. A total of 42 foreign ports were “CSI operational” at the end of 2005, with plans to further increase that number in 2006.

### Plan Colombia

In support of the Government of Colombia’s plan to strengthen its counternarcotics and counterterrorism operations—Plan Colombia—CBP developed and implemented an initiative focusing on joint U.S.-Colombia narcotics interdiction efforts. As part of U.S. support to Plan Colombia, CBP provided Colombia with training and assistance on integrity, border interdiction, and industry partnership programs. Through this support, CBP has provided Colombia with basic tools, vehicles, high-tech equipment, training and technical assistance to the Colombian National Police, Colombian Customs, and other Colombian law enforcement agencies.

### Customs Mutual Assistance Agreements

CBP provides a portion of U.S. support, provided to host nations under Customs Mutual Assistance Agreements (CMAAs). CMAAs provide for mutual assistance in the enforcement of customs-related

laws. Under CMAA protocols, CBP provides assistance to its foreign counterparts in the collection of evidence for criminal cases. U.S. courts have ruled that evidence—gathered via these executive agreements—is fully admissible in U.S. court cases.

### Training in the United States

**International Visitors Program (IVP).** The IVP provides a venue for foreign officials to consult with their counterparts and appropriate high level managers in CBP Headquarters, as well as conduct on-site observational tours of selected U.S. ports and field operations. The focus includes narcotics enforcement, port security, counter terrorism and intelligence operations. In 2005, the IVP supported a total of 977 participants, 173 programs and 145 countries.

**Canine Training.** CBP's Canine Enforcement Training Center (CETC) continues to provide training courses, designed to assist foreign countries in the proper use of detector dogs. CETC provides each country a clear and logical framework for the initial training and employment of detector dog teams for the successful interdiction of smuggled narcotics, explosives, and currency. CETC provides support to countries in the initial development and evaluation of canine training programs, as well as the enhancement of existing canine interdiction and breeding programs. Training is provided to federal police and customs officers, trainers, and supervisors on all facets of canine training and utilization. Over the past 27 years, over 500 officers—representing over 50 countries—have been trained at the CETC in Front Royal, Virginia. Recently, canine training has been provided to Trinidad, Brazil, and Peru, with continuing support to canine programs being provided to Israel, Kazakhstan, and Trinidad.

### Training in Host Countries

**Overseas Enforcement Training.** This training combines formal classroom training and field exercises for host nation border control personnel. The curriculum includes narcotics interdiction, identifying falsified/forged travel documents, effective targeting and search techniques, risk management and the identification of terrorist tools—all in a border context. In 2005, this training was provided to 1730 participants in 15 countries.

**Short Term Advisory Training.** This training allows on-site CBP experts to assist host government agencies with selected projects, such as building institutions and improving interdiction capabilities. These may focus on specific narcotics threats, port security initiatives and the counterproliferation of Weapons of Mass Destruction (WMD). CBP advisors are also deployed to help with host nation strategic planning, commercial processing, investigations, canine enforcement, automation and border/trade facilitation. In 2005, approximately 25 short term advisors were fielded to various countries in Latin America and the Caribbean.

**Integrity/Anticorruption Training.** This training is designed to promote professionalism and integrity within the workforce of those agencies that are particularly vulnerable to bribery and corruption. The focus is on integrity awareness and development of internal investigation capabilities and organizations. In 2005, this training was provided to 150 participants in five countries.

### Looking Ahead

The Department of Homeland Security, which began operations in January 2003, consolidated several agencies with customs, immigration, and border enforcement experience. CBP, with its history of revenue collection and border protection, took its place in this consolidated grouping of agencies designated to combat terrorism. The long-standing mission of CBP in providing security to U.S. citizens—through targeted examination and interdiction—plays a major role in the new organizational concept. Port security functions continue to be on the forefront, focusing on enforcement activities, promoting domestic security, and fighting the threat of international terrorism.

In 2006, CBP's border security mission will be further strengthened, through initiatives that secure the supply chain of international cargo destined to the U.S. CBP's international missions will also focus on evaluating and prioritizing the needs of countries needing assistance in capacity building. CBP will place continued emphasis on evaluating the effectiveness of all its programs and CBP advisors will be deployed to assist countries in improving their border security operations and in meeting recognized international standards for security and reporting.

