

BUREAU OF INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT AFFAIRS

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2004 Final	2005 Enacted	2006 Request
Drug Resources by Function			
Interdiction	\$37.577	\$26.175	\$18.115
International	911.881	872.552	1,057.625
Total	\$949.458	\$898.727	\$1,075.740
Drug Resources by Decision Unit			
International Narcotics Control & Law Enforcement (INCLE)	\$161.871	\$173.575	\$341.240
Andean Counterdrug Initiative (ACI)	737.587	725.152	734.500
<i>Transfer from FMF to ACI - [non-add]</i>	<i>10.900</i>		
Afghanistan Supplemental Account	50.000	0.000	0.000
Total	\$949.458	\$898.727	\$1,075.740
Drug Resources Personnel Summary			
Total FTEs (direct only)	204	205	221
Information			
Total Agency Budget	\$1,461.3	\$1,051.3	\$1,218.4
Drug Percentage	65.0%	85.5%	88.3%

II. PROGRAM SUMMARY

- The primary mission of the Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL) is to develop implement and monitor U.S. Government international counternarcotics control strategies and foreign assistance programs that support the *Strategy*.
- INL programs are designed to advance international cooperation in order to reduce the foreign production and trafficking of illicit coca, opium poppy, marijuana and other illegal drugs. INL commodity and technical assistance programs improve foreign government institutional capabilities to implement their own comprehensive national drug control plans

that will reduce trafficking in illicit drugs and money laundering activities. Training and assistance also supports prevention and treatment programs and projects designed to increase public awareness of the drug threat to strengthen the international coalition against drug trafficking. An INL interregional aviation program supports drug-crop eradication, surveillance and counterdrug enforcement operations.

- Projects funded by INL are directed at improving foreign law enforcement and intelligence gathering capabilities and enhancing the effectiveness of criminal justice sectors to allow foreign governments to increase drug shipment interdictions, effectively investigate, prosecute and convict major narcotics criminals, and break up major drug trafficking organizations.
- INL is responsible for foreign policy formulation and coordination and for advancing diplomatic initiatives in counter-narcotics in the international arena.

III. BUDGET SUMMARY

2005 Program

- The FY 2005 enacted level is \$898.7 million. Of this amount, \$725.2 million is for the Andean Counterdrug Initiative (ACI) account and \$173.6 million is for the International Narcotics Control and Law Enforcement (INCLE) account.
- The FY 2005 budget request includes \$26.2 million to support interdiction drug control efforts that will fund programs primarily in the transit zone of Mexico, Central America and the Caribbean. INL programs will provide training, equipment and technical assistance to develop effective intelligence and enforcement organizations that work closely with U.S. government agencies involved in drug interdiction and law enforcement activities.
- The FY 2005 budget includes \$872.6 million for international drug control efforts. This includes \$724.5 million for Latin American programs, \$4 million for Africa, Asia, Middle East, \$45.1 million for Afghanistan/Pakistan, \$69.4 million for Interregional Aviation Support, \$0.69 million for Systems Support and Upgrades, \$5.0 million for International Organizations, \$9.9 million for Drug Awareness and Demand Reduction programs, and \$13.9 million for Program Development and Support expenses.
- INL programs address the unique counternarcotics issues in source and transit countries and improve foreign government capabilities to implement comprehensive drug control plans.

Andean Counterdrug Initiative

- The goals of the ACI are to reduce and disrupt the flow of drugs to the United States, assist host country efforts to eradicate drug crops, stop the transportation of drugs and illicit proceeds within and outside of these countries, and in the case of Colombia support a Colombian campaign to battle narco-terrorism in its national territory. It encompasses and coordinates four major bilateral programs (Bolivia, Colombia, Ecuador, and Peru) and three support bilateral programs (Brazil, Panama, and Venezuela). The ACI targets the production

of cocaine and heroin (cultivation of raw materials and the refining process), supports regional and global efforts to disrupt world trafficking of illegal drugs and attacking drug organizations, and promotes legal alternatives for those involved in this illegal industry.

- **Bolivia:** INL provides training, equipment and technical assistance for twenty-six counternarcotics programs designed to: support Bolivian efforts to halt exportation of cocaine; increase interdiction of essential chemicals and cocaine products through eradication and interdiction of illicit coca; promote strong, cohesive democratic government institutions capable of stopping narcotics production and trafficking in Bolivia; create sustained economic growth in the Chapare and Yungas regions in order to reduce the impact of the drug trade on the Bolivian economy; improve investigations into alleged human rights violations; and strengthen and improve the efficiency of the Bolivian criminal justice system.
- **Colombia:** The counterdrug program for Colombia will support programs to eradicate coca and poppy crops, disrupt trafficking and address the related illegal activities that provide funding to narco-terrorists. A prime goal is to spray all remaining coca and opium poppy in Colombia. Repeated spraying will deter replanting and allow the Government of Colombia to reduce coca cultivation. Support will be provided for the reestablished Air Bridge Denial program, including the air assets shifted from Peru; equipment and infrastructure support for Colombian Army and Colombian National Police operations that will be expanded to include added presence in conflict zones; and alternative development and institution building programs designed to provide viable income and employment options to discourage the cultivation of illicit crops, protect threatened individuals and offices, protect human rights, expand judicial capabilities and promote transparency and accountability in public offices.
- **Peru:** The USG program in Peru will support interdiction and border control efforts to preempt spillover from the greatly enhanced Colombia counternarcotics efforts. In addition, funding will support the continuation of manual eradication, alternative development and institution building initiatives.
- **Ecuador:** The program in Ecuador will allow the government to continue to strengthen the presence of security forces on the northern border where spillover effects from Colombia counternarcotics operations, already threatening Ecuador's national security, are increasing daily. Law enforcement, border security and alternative development projects initiated in FY 2002/2003 to meet this challenge will continue.
- **Brazil, Venezuela and Panama:** Programs in Brazil and Venezuela will be used to combat the growing problem of cross-border narcotics trafficking by focusing on improving police and military operations. The program in Panama will train law enforcement units to improve drug detection, money laundering and precursor chemical investigations and prosecutions, and provide assistance for other critical institution building efforts.
- **Airbridge Denial Program:** Programs in Colombia and Peru will be used to support Contractor Logistical Support (CLS) including maintenance of aircraft, spare parts, and training and USG safety monitor oversight. Programs will support up to three additional forward operating locations in order for the Colombian Air Force to conduct ABD operational missions in different parts of Colombia. Additionally, training will be provided

to pilots and sensor operators for the Cessna Citation 560 and C-26 aircraft and to ensure that the aircraft are maintained properly while supporting fully operational ABD interdiction missions. Colombia's airbridge denial equipment complement has been augmented with the aircraft formerly stationed in Peru, giving Columbia additional resources to fulfill its mission.

International Narcotics Control and Law Enforcement

- INCLE country programs focus on reducing the amount of illegal drugs entering the United States by targeting drugs both at the source and in-transit. Programs are designed to reduce drug cultivation through enforcement, eradication, and alternative development; strengthen the capacity of law enforcement institutions to investigate and prosecute major drug trafficking organizations; improve the capacity of host national police and military forces to attack narcotics production and trafficking centers; and foster regional and global cooperation against drug trafficking.
- Mexico is a vital partner in security and law enforcement. Programs in that country will assist the government in improving interdiction and eradication capabilities and will support reforms to the criminal justice sector, particularly activities to promote professional development and combat corruption. Border monitoring technology to detect smuggling, as well as high-level cooperation with the law enforcement community, built up during 2004 will reap benefits and lead to additional operations in 2005. In addition, vital programs related to border security and frontier monitoring will continue to be developed and implemented in 2005.
- Central America and the Caribbean: Programs in Central America and the Caribbean (and certain non-Andean countries of South America) will support efforts to upgrade drug interdiction and law enforcement capabilities and to modernize judicial sector institutions in order to detect and prosecute narcotraffickers, financial crimes and governmental corruption. INL will provide training and information systems and communications equipment to enhance intelligence gathering and sharing capabilities.
- Africa, Asia and the Middle East: Programs in this region provide training, technical assistance and equipment to strengthen counter-narcotics law enforcement and judicial institutions in Afghanistan, Laos and other nations in Africa, Asia and the Middle East, including Nigeria, South Africa, Morocco, and Indonesia. Funding also is used to support positions in India and U.S. Mission to the European Union, Brussels.
- Afghanistan: Counternarcotics programs will support a number of initiatives. Funds will be used to expand the training program for drug enforcement forces beyond Kabul to include interdiction, investigation and intelligence gathering. Additional funds will provide training and equipment for the counter-narcotics border police, justice sector reforms, and to support eradication efforts. With the opium production of Afghanistan increasing, farmers must be presented with options to resist the lure of opium planting. Funds will be used to support alternative development and income generation programs designed to provide sustainable alternative crops and income opportunities in major poppy growing areas experiencing eradication.

- **Pakistan:** INL assistance will include the Border Security Program, which is designed to strengthen the capacity of law enforcement agencies in Pakistan to secure the western border against terrorists, criminal elements, and narcotics traffickers. Additional commodities to enhance communication and mobility will be supplied to border security agencies and aviation funding will provide for maintenance, support and operating expenses for the USG-established Ministry of Interior Air Wing. Funds will also be used to provide border control training, develop the National Criminal Data Base project, and construct border security roads in the federally administered Tribal Areas. Counternarcotics funding will be used for programs to eliminate opium poppy cultivation, which has recently extended to several non-traditional areas. Funds will be used to complete crop control programs in the Bajaur and Mohmand Agencies and support crop control operations in Khyber Agency and areas of new or expanded opium poppy cultivation.
- **Aviation Support:** The funds will help support aviation services to a tremendously expanded aviation program that has grown to over 160 aircraft operating in Colombia, Peru, Bolivia, and Pakistan. The program supports cooperating government efforts to eradicate illicit drug crops by conducting fast moving and cost effective spray campaigns; providing logistical support for manual destruction; providing mobility for operations against drug processing facilities; conducting reconnaissance missions; and, transporting personnel and equipment in support of drug control operations. This program also provides extensive training and institution building to enable foreign governments to increase their own ability to perform these functions.
- **System Support and Upgrades:** The program will support sensor packages in Barbados, Trinidad and Tobago, Mexico and Colombia, as well as the maritime surveillance and intelligence collection programs in Peru.
- **International Organizations:** INL provides direct funding to the United Nations Office of Drugs and Crime (UNODC) and the Organization of American States' Inter-American Drug Abuse Control Commission (CICAD) and, through them, to smaller sub-regional programs and organizations. These organizations foster increased regional and international cooperation in a wide variety of counter-drug efforts, including drug control activities in source countries where U.S. bilateral assistance is not feasible.
- **Demand Reduction and Drug Awareness:** The program will support a variety of international demand reduction programs that address Presidential priorities, including programs with faith-based organizations that provide prevention, intervention and recovery maintenance services.
- **Program Development and Support (PD&S):** PD&S funds are used for domestic administrative operating costs associated with the Washington-based INL staff, including salaries and benefits, field travel and administrative support expenses.

2006 Request

- The FY 2006 request of \$1,075.7 million is \$177 million over the FY 2005 enacted level. Of this amount, \$734.5 million is for the ACI account and \$341.2 million is for the INCLE account.
- The FY 2006 request includes \$18.1 million for the interdiction drug control function that will fund programs primarily in Mexico, Central America and the Caribbean.
- The FY 2006 request also includes \$1,057.6 million in the international drug control function. This includes \$737.0 million for Latin American programs, \$2.8 million for Africa, Asia and the Middle East, \$70.0 million for Interregional Aviation Support, \$10.0 million for International Organizations, \$3.0 million for Drug Awareness and Demand Reduction programs, \$220.8 million for Afghanistan/Pakistan and \$14.0 million for Program Development and Support expenses.

Andean Counterdrug Initiative

- The FY 2006 request of \$734.5 million, an increase of \$9.3 million over the FY 2005 enacted level. The request will fund projects needed to continue the enforcement, border control, crop reduction, alternative development, institution building, and administration of justice and human rights programs in the region. The ACI budget provides support to Colombia, Peru, Bolivia, Ecuador, Brazil, Venezuela and Panama.
- Colombia: The FY 2006 request of \$463.0 million for Colombia will support programs to eradicate coca and poppy crops, disrupt trafficking and address the related illegal activities that provide funding to narco-terrorists. A prime goal in CY 2004 and FY 2005 is to spray all remaining coca and opium poppy in Colombia. Repeated spraying will deter replanting and allow the Government of Colombia to reduce coca cultivation. The FY 2006 program will focus on a “maintenance spraying” phase. Nonetheless field dispersal, smaller fields and aircraft range limitations will keep eradication flight hours high. Support will be provided for the reestablished Air Bridge Denial program; equipment and infrastructure support for Colombian Army Counterdrug Mobile Brigade and Colombian National Police operations that will be expanded to include forward operating counternarcotics bases in conflict zones; and alternative development and institution building programs designed to provide public security in the conflict zones, produce viable income and employment options to discourage the cultivation of illicit crops, protect threatened individuals and offices, protect human rights, expand judicial capabilities and promote transparency and accountability in public offices.
- Bolivia: The \$80 million request for Bolivia will support Bolivian efforts to eliminate the remaining illegal coca in Bolivia, halt exportation of cocaine, increase interdiction of essential chemicals and cocaine products, foster alternative economic development, expand the numbers and efficiency of prosecutors in narcotics related cases, support drug awareness efforts and improve the transparency and anti-corruption efforts in the Bolivian government. An increasing portion of the funds is dedicated to making the National Police more self-sufficient. Bolivia remains one of the poorest countries in the hemisphere. Without USG

assistance, Bolivia would be unable to support the present level of counternarcotics and alternative development programs.

- Peru: The \$97 million request for Peru will support interdiction and border control efforts to preempt spillover from the greatly enhanced Colombia counternarcotics efforts. In addition, funding will support significant law enforcement operations planned in major coca-growing valleys, the continuation of manual eradication, alternative development and institution building initiatives, demand reduction programs and establishing the infrastructure requisite to the resumption of an Air Bridge Denial program.
- Ecuador: The \$20 million requested for the program in Ecuador will allow the government to continue to strengthen the presence of security forces at its land and seas ports and on the northern border where spillover effects from Colombia counternarcotics operations already threaten Ecuador's national security. Other projects will include law enforcement skills training, support for the money-laundering unit, and increasing the reach of alternative development projects initiated in prior years.
- Brazil, Venezuela and Panama: Funding in the amount of \$6 million for programs in Brazil and \$3 million in Venezuela will be used to combat the growing problem of cross-border narcotics trafficking by focusing on improving police and military operations while focusing on port and airport security. Funding of \$4.5 million for Panama will be used to train law enforcement and customs units to promote narco-terrorist interdiction capabilities, improve drug detection, money laundering and precursor chemical investigations and prosecutions, and provide assistance for other critical institution building efforts.
- Air Bridge Denial: Funding of \$21 million will support training, logistical support, and equipment to maintain operational readiness of the Colombian Air Bridge Denial aircraft (including the aircraft shifted from Peru following the closure of that country's Air Bridge Denial program), and will help establish a series of forward operating locations.
- Critical Flight Safety Program: Funding of \$40.0 million will be used to stop degradation and extend the life of a Vietnam-era aircraft fleet in order to maintain a viable fleet for counter-narcotics missions. These aircraft will be upgraded and refurbished to restore structural integrity, sustain airworthiness, and make the aircraft commercially supportable. Additional helicopters will be acquired for search and rescue and expanded mission requirements in Colombia.

International Narcotics Control and Law Enforcement

- Afghanistan: Afghanistan: Funding of \$188 million (\$166.2 million increase over the FY 2005 level) for counternarcotics programs continue the expanded counternarcotics program started in FY 2005. Specifically, funding will support six Central Poppy Eradication Force teams during the annual poppy crop eradication campaign. In addition funds will be used to support a demand reduction program and a public affairs campaign aimed at reducing drug use and publicizing the eradication and alternative livelihoods programs.

- Pakistan: \$32.8 million: As a Major Non-NATO Ally and a partner in the GWOT, INL will assist Pakistan through the border security program by continuing to provide maintenance, support, and operating expenses for the USG-established Ministry of Interior Air Wing in Quetta and at forward operating base serving NWFP/FATA; provide additional patrol vehicles and communications and surveillance equipment; and build frontier roads to continue to open inaccessible areas in the FATA. Law enforcement development funds will also support training, technical assistance, and equipment to expand investigative skills and forensics capacities; build accountability and internal control structures; enhance the capacity of police training institutions; improve managerial and leadership expertise; and expand the Automated Fingerprint Identification System (AFIS) and a National Criminal Data Base to link federal and provincial law enforcement agencies and improve investigative capacities and cooperation. Counter-narcotics funding will also support crop control operations, with a focus on areas of new or expanded opium poppy cultivation, including the construction of roads to enable law enforcement to eradicate poppy crops and to promote farm-to-market access for legitimate crops, as well as financing demand reduction efforts and public awareness campaigns.
- Mexico: Funding of \$15 million will be used to provide programs to assist the government improve interdiction and eradication capabilities and support reforms to the criminal justice sector, particularly activities to promote professional development and combat corruption. Additional funds will enhance the capacity of the Treasury Ministry to detect suspicious transactions and investigate and prosecute offenses. Funding will also assist demand reduction and drug awareness programs to combat the soaring drug abuse problem.
- Central America and the Caribbean: Funding of \$5.7 million for Central America and the Caribbean (and certain non-Andean countries of South America) will be used to upgrade drug interdiction and law enforcement capabilities and modernize judicial sector institutions in order to detect and prosecute narcotrafficking, financial crimes and governmental corruption. INL will provide training and information systems and communications equipment to enhance intelligence gathering and sharing capabilities. Other funds will support demand reduction efforts to resist the growing drug use problem in the region.
- Africa, East Asia and the Pacific, Near East and Asia Regional: Funding of \$2.8 million will be used to provide training, technical assistance and equipment to strengthen counternarcotics law enforcement and judicial institutions in Nigeria, Mozambique, Indonesia, Laos, Philippines, Thailand, Morocco,. INL funding will support alternative development programs in Burma through the UNODC and NGOs.
- Aviation Support: The \$70.0 million requested for Aviation Support will help support aviation services in the areas of eradication, reconnaissance, mobility, interdiction, and logistics to a tremendously expanded aviation program that has grown to over 160 fixed wing and rotary aircraft of ten types operating in Colombia, Peru, Bolivia, and Pakistan.
- Drug Awareness and Demand Reduction: The FY 2006 request of \$3 million will allow for the funding of a variety of international demand reduction programs that address Presidential priorities, including programs with faith-based organizations that provide prevention, intervention and recovery maintenance services.

- Other Line Items: Funding in the amount of \$10.0 million for International Organizations is requested for FY 2006, while the Program Development and Support (PD&S) funding level of \$14 million.

IV. PERFORMANCE

Summary

- This section on program accomplishments is drawn from the department's FY 2006 Budget Request and Performance Plan, the FY 2004 Performance and Accountability Report (PAR), and the FY 2006 PART Assessment of INL's ACI and INCLE programs in the Western Hemisphere (WHA). The chart below includes a comparison of targets and achievements from the GPRA documents listed above. The outcome-oriented measures and selected output measures presented indicate how program performance is being monitored.
- The FY 2006 PART assessment for ACI indicated that INL is on track to meet or exceed its long-term goals for reducing the production of pure cocaine and interdicting drug shipments from the Andean region but noted that partner agency USAID needs to develop long-term outcome measures for the alternative development component of the program. The assessment for INCLE WHA pointed to mixed results in pursuing long-term and annual goals. To address financial management weaknesses identified by the assessment of both programs, INL is implementing a new financial management system to track and report information needed to inform strategic planning and resource allocation systems. The ACI and INCLE WHA programs each received an overall score of "Adequate".
- ACI has begun paying high dividends in the fight against illegal cocaine and heroin from the Andean region of South America. In 2003, the Andean coca crop dropped to its lowest levels since USG estimates began back in 1986, with overall cultivation down 16 percent over the previous year. For 2004, based on preliminary estimates, the aerial eradication operation is on a glide path for a third straight year of reduced coca and opium poppy cultivation. Final data on cultivation will not be available until March 2005.
- In South East Asia, opium poppy cultivation is projected to continue the sharp decline of recent years, to the point where the region, once the primary world source, no longer produces enough opium poppy to meet regional demands. In Afghanistan, cultivation surged during the 2003-2004 growing season, increasing by nearly 240 percent, to approximately 206,000 hectares. Most of Afghanistan's opium and heroin remains in the region or is trafficked to Europe and Russia, with only a very small fraction entering the United States.

Selected Measures of Performance			
PART Review			
	ACI	INCLE	FY 2006 Rating: <i>Adequate</i> . For ACI, INL is on track to meet or exceed it long-term goals but USAID needs to develop long-term outcome measures for the alternative development program. The INCLE WHA had mixed long-term and annual results.
Purpose	100	100	
Planning	63	75	
Management	43	43	
Results	34	33	
Outcome-Oriented Measures		FY 2004	
		Target	Actual
a. Reduce cultivation of coca, in hectares		154,000	available in Mar 05
b. Reduce cultivation of opium poppy, in hectares, key source c countries		119,000	available in Mar 05
c Disrupt/reduce flow of cocaine and heroin entering US arrival zone by improving host government interdiction, in metric tons		210/12.2	available in Mar 05

Discussion

- Targeting coca, opium poppies, and marijuana during cultivation is the single most effective means of reducing the quantity of such drugs entering the international market and the United States. The U.S.-backed aerial eradication program in Colombia, the primary source of cocaine entering the United States, has been particularly effective. Despite the increase in cultivation in Bolivia, both Peru and Bolivia remain well below the peak years of the mid-1990s and substantially below the level in Colombia. Opium poppy cultivation in Colombia, which, along with Mexico, provides 90 percent of the illegal heroin consumed in the United States, also declined in 2003, by 10 percent and is projected to drop further in 2004.
- Although the continuing reduction in opium poppy cultivation in South East Asia, primarily Burma, represents an important advance, declines there are more than offset by the large increase in Afghanistan during the 2003-2004 growing season. Despite the counternarcotics assistance of the UK, US and others, the Government of Afghanistan has had only limited success in extending its police and counterdrug authority to outlying provinces where most of the opium poppy is produced. To meet this growing challenge, the U.S. plans to substantially increase its counterdrug assistance to Afghanistan to step up both eradication and interdiction. Although cultivation in Afghanistan more than tripled, net production of opium poppy is estimated to have increased only 73 percent due to weather, plant disease, and other factors.
- The Department of State, as outlined in its FY 2006 GPRA Performance Plan, has appropriately focused its current efforts on the Administration's directive to target aggressively international drug and criminal activities by contributing to the disruption and dismantlement of major criminal organizations and strengthening international law enforcement and judicial systems. Further, the Department has initiated focused efforts to address the PART findings by developing long-term and annual outcome measures and vigorously pursuing the President's Management Agenda by linking annual funding requests to relevant program goals.