

Western Hemisphere Overview

"The purposes of this convention are to prevent, punish, and eliminate terrorism."

The Inter-American Convention Against Terrorism opened for signature in Barbados in June 2002 and signed by 34 member states of the Organization of American States.

When compared to other regions of the world, the Western Hemisphere generally does not attract attention as a "hot zone" in the war on terror. Terrorism in the region was not born on 11 September 2001, however; Latin American countries have struggled with domestic sources of terrorism for decades. International terrorist groups, moreover, have not hesitated to make Latin America a battleground to advance their causes elsewhere. The bombings of the Israeli Embassy in Buenos Aires in 1992 and the Argentine-Jewish Cultural Center in 1994 are two well-known examples. More recent international terrorist attacks in Bali, Indonesia, and Mombasa, Kenya, in 2002 demonstrate that no region of the world—and no type of target—is beyond the reach or strategic interest of international terrorist organizations.

Recognizing this threat and the impact of terrorism on their economic and social development, the vast majority of countries across the Americas and the Caribbean have given strong support to the international Coalition against terrorism. In June, at the OAS General Assembly in Barbados, member states adopted and opened for signature the Inter-American Convention Against Terrorism—a direct response to the 11 September 2001 terrorist attacks on the United States and the first international treaty against terrorism adopted since the attacks. The Convention, a binding legal instrument which is consistent with, and builds upon, previous UN conventions and protocols relating to terrorism and UN Security Council



Secretary of State Colin Powell signs the Inter-American Convention Against Terrorism at the General Assembly of the Organization of American States (OAS) in Barbados, 3 June 2002, as the Minister of Foreign Affairs from El Salvador, Maria Eugenia Brizuela de Avila, looks on.

Resolution 1373, will improve regional cooperation in the fight against terrorism through exchanges of information, experience and training, technical cooperation, and mutual legal assistance. The Convention will enter into force when six states have deposited their instruments of ratification. All OAS member states but one have signed (Dominica is the exception); Canada became the first state to ratify in late 2002. President Bush transmitted the Convention to the Senate for its advice and consent to ratification in November.

Spurred by the Convention and the September 11 attacks, many countries in the Hemisphere have sought to shore up legislative tools to outlaw terrorism, discourage terrorist financing, and make their territory as unattractive as possible to terrorists fleeing from other regions who might seek safehaven in the hemisphere. A number of countries, however, remain engaged in deep internal debate over the scope of new

antiterrorism bills that would grant governments broader powers necessary to prosecute the war on terror. An ongoing OAS Legislative Action Against Terrorism project with Central American parliaments, for example, is aimed specifically at helping legislatures draft antiterrorism legislation and ratify the Inter-American Convention Against Terrorism.

The Western Hemisphere has created a model regional counterterrorism institution in its Inter-American Committee Against Terrorism (known by its Spanish acronym CICTE). CICTE is a body of the OAS that was created in 1998. Since 11 September 2001, it has been reinvigorated as an effective coordinating body for OAS member states on all counterterrorism issues—but with a primary focus on information sharing, training, and strengthening of financial and border controls. Under US chairmanship and Argentine vice-chairmanship, CICTE established a full-time Secretariat in 2002 that is funded by voluntary donations from OAS member states.

(At its Third Regular Session in El Salvador in early 2003, CICTE member states adopted a strong “Declaration of San Salvador Against Terrorism” and made recommendations on counterterrorism initiatives for adoption by the Special Conference on Hemispheric Security, to be held May 2003. The declaration and recommendations both call for increased cooperation to prevent and combat terrorism and recognize the emerging threats posed to the Hemisphere by international terrorist groups and attacks on cyber security.)

The OAS in 2002 also played an important role in the investigation of an illicit diversion in late 2001 of more than 3,000 AK-47 rifles and ammunition from Nicaraguan police and army stocks to the United Self-Defense Forces of Colombia (AUC), which the United States has designated as a Foreign Terrorist Organization and has designated pursuant to Executive Order 13224 on terrorist financing. (The OAS-commissioned report, released in January 2003, contained a detailed analysis of the case along with a series of

recommendations for improving the existing inter-American, arms-control regime. The Government of Nicaragua quickly expressed its intention to follow up on the report and to strengthen its arms-controls and export procedures.)

Domestic terrorist groups have continued to ravage Colombia and, to a lesser extent, Peru. The Colombian Government in February under former President Pastrana cut off long-running peace talks with the Revolutionary Armed Forces of Colombia (FARC), which the United States has designated a Foreign Terrorist Organization, after a series of provocative actions, including kidnapping of a Colombian senator. The FARC intensified its campaign throughout the year and steadily moved its attacks from the countryside to the cities. On 7 August, new Colombian President Alvaro Uribe was inaugurated amid an errant FARC mortar attack that killed 21 residents of a poor Bogota neighborhood. Some elements of the AUC disbanded and reconstituted themselves in an effort to seek political legitimacy, but their ties to narco-trafficking and human rights abuses persist. In December, the AUC declared a unilateral cease-fire and sought peace negotiations with the Government. The National Liberation Army—like the FARC—continued to pursue its favorite terrorist methods of kidnapping and infrastructure bombing. All three organizations are linked to narco-trafficking.

In Peru, a resilient Shining Path is suspected of carrying out the 20 March car bombing at a shopping center across from the US Embassy, two days before a state visit by President Bush. Ten Peruvians died in the attack, including security personnel protecting the Embassy.

At year’s end, there was no confirmed, credible information of an established al-Qaida presence in Latin America. Terrorist fundraising continued to be a concern throughout the region, however. Activities of suspected Hizballah and HAMAS financiers in the Triborder area (Argentina, Brazil,

and Paraguay) led those three countries to take determined and cooperative action during 2002 to investigate and disrupt illicit financial activities. Argentina, Brazil, and Paraguay also invited the United States to join a new “Three Plus One” counterterrorism consultative and cooperation mechanism to analyze and combat any terrorist-related threats in the Triborder. The mechanism is an excellent example of terrorism prevention and regional foresight.

Canada and Mexico worked closely with the United States to secure their common borders and to implement the comprehensive bilateral border accords (signed in December 2001 and March 2002, respectively). The accords aim to ensure national border security while facilitating the free and rapid flow of legitimate travel and commerce.

Cuba, one of the seven state sponsors of terrorism, is discussed in the state sponsorship portion of this report.

Bolivia

The Bolivian Government demonstrated its commitment to combating terrorism in 2002. Since the September 11 attacks, Bolivia has become a party to nine international conventions and protocols relating to terrorism, making it a party to all 12. On 3 June, Bolivia signed the new Inter-American Convention Against Terrorism, although it has not yet ratified the treaty. Throughout the year, Bolivia’s financial investigations unit cooperated with the US Embassy in sharing information about possible terrorist-linked financial transactions and preventing the abuse of Bolivian financial institutions by terrorists.

Bolivia’s new government—inaugurated on 6 August 2002—has maintained its predecessor’s policy of forcibly eradicating illegal coca plants. This policy ensures that Bolivia does not revert to its former status as a key source of coca for cocaine and, through this connection, bolster the terrorist organizations that thrive on the drug trade.

There were no significant acts of terrorism in Bolivia in 2002. Illegal coca growers (*cocaleros*) are thought to be responsible for the deaths of five military and police in 2002, although no individuals have been charged with the crimes. Legal proceedings continued against the alleged perpetrators of a car-bomb explosion near the regional headquarters of the Bolivian National Police in Santa Cruz in December 2001. Some of the alleged perpetrators in custody are former members of the Bolivian national police, and the bombing itself appeared to have been related to local criminal activity.

Chile

The Chilean Government is a consistent and active supporter of US counterterrorism efforts and has taken an active interest in the activities of Islamic extremists connected to the Triborder area of Argentina, Brazil, and Paraguay. In addition, the Chilean Government is working to enact new counterterrorism legislation and strengthen current laws. Chile is a party to 11 of the 12 international conventions and protocols relating to terrorism. The Chilean Senate is considering a bill to create a new Financial Intelligence Unit and criminalize money laundering for arms trafficking and terrorist financing. Chilean officials have sought advice from the US Embassy on how to improve the money-laundering bill and have participated in training courses to improve financial investigations.

The Chilean Government also has contracted an independent consulting firm to author a study on how US law-enforcement agencies have implemented new counterterrorism legislation. Although the Chilean Government has cooperated in efforts to eliminate terrorist financing, it is limited in its ability to investigate and prosecute suspect individuals. Currently, Chilean money-laundering legislation does not cover terrorist activity, so efforts to freeze terrorist funds are hindered by a lack of legal authority.

There were no acts of international terrorism in Chile in 2002, but there were significant developments in three counterterrorism investigations begun in 2001. In late September 2001, the US Embassy had received a letter bomb that local police successfully destroyed in a controlled demolition, and a Santiago doctor's office received an anthrax-tainted letter. The Chilean Government also opened an investigation into the activities in the northern port city of Iquique of Brazil-based Lebanese businessman Assad Ahmad Barakat—suspected of opening two businesses as cover to move money clandestinely to Lebanese Hizballah.

In September 2002, a Chilean judge sentenced two individuals—Lenin Guardia and Humberto Lopez—to 10 years and 300 days in prison for sending the letter bomb to the US Embassy and another to a prominent Chilean attorney. The motivation of Guardia, the professed ringleader, was to create fear in order to generate business for his security-consulting firm.

Another Chilean judge, with the assistance of the FBI, determined the anthrax letter sent in November 2001 to Dr. Antonio Bafi Pacheco was not related to the anthrax cases in the United States and was contaminated locally. This investigation continues.

The investigation into Assad Ahmad Barakat's business in Chile has not led to new information. Barakat was arrested in Brazil in June 2002, and the Brazilian Supreme Court ordered his extradition to Paraguay in December. His lawyers have applied for refugee status in Brazil, and Barakat will remain in detention in Brazil while his refugee case is considered. Barakat no longer has significant holdings in Chile, and his partners in Saleh Trading Limited, located in the northern duty-free port of Iquique, severed ties with him in 2002. Assad and his brother still own an import-export business in Iquique, but according to the Chilean Government, it has not been active.

In August and September, Chilean authorities discovered several small arms caches throughout Santiago and other cities as well as the remnants of explosive material at two communications transmission towers outside Santiago. The weapons and explosives are believed to belong to the largely defunct terrorist group Manuel Rodriguez Patriotic Front (FPMR). Law-enforcement agents believe the weapons were smuggled into Chile in the 1980s, at the height of FPMR's activity, but some view the caches as evidence of an FPMR comeback.

Chile continues to lead other South American nations in its implementation of aviation security. The Government has implemented FAA security regulations ahead of schedule, including the installation of reinforced cockpit doors and the transfer of responsibility for inspecting unaccompanied baggage to the Government.

Colombia

Colombia's three terrorist organizations—the Revolutionary Armed Forces of Colombia (FARC), National Liberation Army (ELN), and United Self-Defense Forces of Colombia (AUC)—were responsible for some 3,500 murders in 2002. By February, President Pastrana had broken off three-year-old peace talks—a cornerstone of his presidency—with Colombia's largest terrorist organization, the 16,000-member FARC. That month, the group's abduction of a Colombian Senator during an airliner hijacking proved to be the incident that led to the collapse of the discussions. In addition to ending the dialogue, Pastrana also terminated the group's *despeje*, or demilitarized zone, where the FARC had been allowed to exist without government interference during the deliberations.

The inauguration of President Alvaro Uribe on 7 August 2002 set the stage for an intensified war on domestic terrorism. The FARC carried out errant mortar attacks on a military facility and the

Presidential Palace—with heads of state and high-level representatives from many nations in attendance—resulting in the deaths of 21 residents of a poor Bogota neighborhood near the Palace. President Uribe has proposed pension and labor reforms and has imposed a government austerity program, as well as a one-time “wealth tax,” to improve Bogota’s fiscal ability to prosecute its war on terrorism. Bogota’s goal is to increase government defense spending from 3.2 percent of gross domestic product to more than five percent. Colombia is party to four of the 12 international conventions and protocols relating to terrorism.

In 2002, as in years past, Colombia endured more kidnappings (roughly 3,000) than any other country in the world. Ransom payments and extortion fees demanded by the primary perpetrators of kidnapping—the FARC and ELN—continued to hobble the Colombian economy and limit investor confidence. Since 1980, the FARC has murdered at least 10 US citizens, and three New Tribes Missionaries abducted by the FARC in 1993 remain unaccounted for.

Throughout 2002, Colombia was highly cooperative in blocking terrorist assets. Bogota created the Financial Information and Analysis Unit, similar in function to the US Financial Crimes Enforcement Unit. Bogota also has been very responsive to US requests for extradition. As of 6 December, Colombia had extradited 29 Colombian citizens to the United States during 2002, with 26 additional cases pending. Of the six FARC members indicted for the capture and killing in 1999 of three US peace activists, one has been apprehended. Three other FARC members not included in the original indictment were arrested in November 2002 in connection with the murders. The FARC and the AUC continued their practice of massacring one another’s alleged supporters, especially in areas where they were competing for narcotics-trafficking corridors and prime coca-growing terrain. FARC and ELN attacks on oil pipelines and other infrastructure vital to the Colombian economy continued as well, although at a reduced level.

As in past years, the on-again, off-again peace talks between Bogota and the ELN did not lead to substantive breakthroughs. The AUC disbanded itself and subsequently reorganized during 2002. It continued to press for political recognition by the Colombian Government and, as of 1 December, began a unilateral cease-fire that included most of the elements that fall under the AUC’s umbrella.

Ecuador

Although Ecuador has generally supported US counterterrorism initiatives, the Government’s weak financial controls, inadequately trained security personnel, and widespread document fraud limit its counterterrorism efforts. Quito signed the Inter-American Convention Against Terrorism but has not yet ratified it. Ecuador is party to seven of the 12 international conventions and protocols relating to terrorism.

Ecuadorian security forces worked to reduce the smuggling of arms destined for Colombian terrorist groups and limited travel at a key border crossing to daytime hours. Nevertheless, armed violence on the Colombian side of the border contributed to increased lawlessness in Ecuador’s northern provinces.

In the autumn there were two bombings in Guayaquil, possibly related to Ecuador’s presidential elections, while thousands of protesters traveled to Quito for the Free Trade Area of the Americas Ministerial in October. Several police and demonstrators were shot in the protests and the police dispersed tear gas.

Peru

Major actions taken by the Peruvian Government during 2002 against terrorism included attempts to strengthen its counterterrorism laws. In June, Lima passed a law that facilitates prosecution for money laundering related to terrorism and mandates the



A damaged car on its roof after a car bomb exploded in front of the US Embassy in Lima, Peru, 21 March 2002.

establishment of a financial intelligence unit (FIU). Implementing regulations for the FIU were issued on 31 October, but Lima has provided only token funding for 2003. The Congressional Defense Committee has been reviewing a draft antiterrorism law designed to strengthen law-enforcement agencies, simplify judicial procedures in terrorism cases, increase prison sentences for terrorists, and ensure that Peruvian antiterrorism legislation conforms to international norms. The executive branch also has proposed a draft law that would change the formula for reducing sentences of terrorists from one day off for two days of good behavior to one day off for five days of good behavior.

Peru has aggressively prosecuted terrorist suspects. The Peruvian National Police reported that 199 suspected terrorists were arrested between January and mid-November. These cases and those involving common crimes, however, can remain in the judicial system for years before being resolved. Some 67 percent of inmates held in prisons have not been sentenced. In January, President Toledo directly addressed the issue of long imprisonment for individuals wrongfully held by publicly apologizing to them. A total of 760 persons have been pardoned and released since 1996 after it was determined that they had been accused unjustly of terrorism. Another 1,664 cases are pending review.

In the most significant terrorist act in Peru in 2002, Sendero Luminoso (SL), or Shining Path, is suspected of being responsible for the bombing on 20 March across the street from the US Embassy that killed 10 persons. Peruvian authorities have so far arrested eight suspected SL members for alleged complicity in the bombing. They were being held pending charges, which could take up to one year. SL's involvement in the illegal narcotics business in Peru is noticeably growing, providing the terrorists with a greater source of funding with which to conduct operations. SL is believed to have conducted 119 terrorist acts in 2002 including roadblocks, harassment of security forces, and raids of towns and villages.

Peru is a party to all 12 of the conventions and protocols relating to terrorism.

Triborder Area (Argentina, Brazil, and Paraguay)

The Triborder area (TBA)—where Argentina, Brazil, and Paraguay converge—has long been characterized as a regional hub for Hizballah and HAMAS fundraising activities, but it is also used for arms and drug trafficking, contraband smuggling, document and currency fraud, money laundering, and the manufacture and movement of pirated goods. Although there were numerous media reports in 2002 of an al-Qaida presence in the TBA, these reports remained uncorroborated by intelligence and law-enforcement officials.

In December, a high-level interagency delegation from the United States attended a special meeting in Buenos Aires of the Tripartite Commission of the Triple Frontier, a security mechanism established by the three TBA countries in 1998. This “Three Plus One” meeting (the three TBA countries plus the United States) is intended to serve as a continuing forum of counterterrorism cooperation and prevention among all four countries. At the conclusion of the December talks, the four



In December 2002, delegates including (L-R) Ambassador Oscar Cabello Sarubbi of Paraguay, US Coordinator for Counterterrorism Cofer Black, US Assistant Secretary of State for Diplomatic Security Francis Taylor, Vice Foreign Minister for Argentina Martin Redrado, Ambassador Marcelo Huergo of Argentina, and Ambassador Antonino Mena Goncalves of Brazil meet for the first Three Plus One Triborder Area Counterterrorism Meeting.

countries agreed to establish a permanent working group to examine specific counterterrorism issues affecting the four countries. The first issue the working group will tackle in 2003 is that of terrorist fundraising on behalf of Hizballah and HAMAS. Experts from the “Three Plus One” countries will share available information on the problem, draw conclusions, and cooperate to reinforce existing countermeasures.

Host of the December meeting on the Triborder area and a past target of international terrorism, the Government of **Argentina** demonstrated its continuing strong support for the global war on terrorism throughout 2002. Argentina cooperated closely in all significant international counterterrorism efforts within the United Nations and the Organization of American States (OAS), where it was vice-chair of the Inter-American Committee Against Terrorism; the United States was chair. The Argentine Government was instrumental in promoting improved coordination with its neighbors (Brazil, Paraguay, Uruguay, Bolivia, and

Chile) in strengthening security and countering terrorist-support networks in the Triborder area. The Government of Argentina has been particularly cooperative in responding to requests related to blocking the financial assets of terrorists. Argentina is a party to eight of the 12 conventions and protocols relating to terrorism.

In 2002, Argentina reiterated its offer—initially made shortly after the September 11 attacks—of material support for UN-mandated Coalition peacekeeping operations in Afghanistan or elsewhere, if needed.

Although there were no acts of international terrorism in Argentina in 2002, investigations into the 1992 bombing of the Israeli Embassy and the 1994 bombing of the Argentina-Israeli Community Center (AMIA) continued. The trials of 20 suspects in the AMIA bombing—of whom 15 are former police officers—were expected to continue well into 2003.

Since 11 September 2001, Argentina has made no significant progress in enacting new antiterrorism laws that would facilitate the investigation and prosecution of terrorists—largely because past abuses by military regimes have limited the degree to which the public will accept an enhancement of the Government’s police powers. In January, the Government created a new office within the Foreign Ministry to coordinate action and policy on international counterterrorism issues, however. In October, Argentina also established a new Financial Intelligence Unit to investigate money laundering and terrorist finance-related crimes.

The Government of **Brazil** extended practical, effective support to US counterterrorism efforts in 2002. Authorities have been cooperative, following up on leads provided by the US Government on terrorist suspects.

A Sao Paulo judge sentenced three Chileans, two Colombians, and one Argentine to 16 years in prison for kidnapping a Brazilian advertising executive. A well-known terrorist and former high-ranking member of the largely defunct Manuel Rodriguez Patriotic Front (Chile), Mauricio Hernandez Norambuena, was among those sentenced.

The Brazilian Federal Police in 2002 arrested individuals with alleged ties to terrorist groups. In April, police arrested Egyptian Mohammed Ali Aboul-Ezz al-Mahdi Ibrahim Soliman (a.k.a. Suleiman), in the Triborder city of Foz do Iguazu. Soliman was arrested on the basis of an Egyptian Government extradition request for his alleged involvement in the 1997 al-Gama'a al-Islamiyya (Islamic Group, IG) attack on tourists in Luxor, Egypt, but the Brazilian Supreme Court released him on 11 September due to insufficient evidence to extradite. On 14 September, another IG suspect, Hesham al-Tarabili was arrested in Brazil at Egypt's request in connection with the Luxor attack.

In another case, authorities in June arrested Assad Ahmad Barakat as a result of an extradition request from Paraguay on charges of tax evasion and criminal association. Barakat is a naturalized Paraguayan of Lebanese origin who had lived in the Triborder area for approximately seven years and had become notorious for allegedly moving millions of dollars to Lebanese Hizballah. The Brazilian Supreme Court on 19 December approved the extradition request. At year's end, Barakat was still in Brazilian custody and applying for refugee status in Brazil.

In January, former President Fernando Cardoso proposed a revision of Brazil's antiterrorism laws that would define terrorism more precisely and impose stricter punishment for those involved in terrorist acts. Brazil became a party to the International Convention for the Suppression of Terrorist Bombings in 2002, making it party to nine of the 12 international conventions and protocols relating to terrorism. Legislation also was pending

to allow wiretaps for court-approved investigations and to become a party to the 1999 International Convention for the Suppression of the Financing of Terrorism. At year's end, neither piece of legislation had yet been submitted for Congressional approval. The Brazilian Government is willing and able to monitor financial operations domestically.

Paraguay continued to be an active partner in the war on terror in 2002. Paraguayan authorities have taken numerous steps to disrupt illicit networks that supply substantial funds to Middle East terrorist groups. Authorities carried out two raids on suspected financial terror cells and pursued the extradition from Brazil of local Lebanese Hizballah leader Assad Ahmad Barakat.

Paraguay became a party to the Montreal Protocol in 2002, making it now a party to six of the 12 international conventions and protocols relating to terrorism. Paraguay has diligently responded to requests to block the assets of individuals or organizations designated by the United States, included on the UN Security Council Resolution 1267 Sanctions Committee's consolidated list, or designated by the European Union as terrorists or affiliates.

During 2002, the United States provided technical assistance to help the Government of Paraguay assess vulnerabilities in its financial system and to plan appropriate policy remedies.

Paraguayan authorities arrested Hizballah fundraiser Sobhi Fayad—an associate of Barakat—after he violated the terms of his conditional release from detention while awaiting trial. Because Paraguay's antiterrorism legislation still has not been passed—due to concerns of possible abuses of the law by authorities—Fayad had been imprisoned for nearly 10 months on charges of tax evasion and criminal association. He subsequently was convicted and sentenced to six-and-a-half years in prison.

During the year, authorities took legal action against persons and organizations in the Triborder area involved in illicit activities in an attempt to disrupt the ability of sympathizers to raise funds for terrorists. For example, Paraguay's counterterrorism Secretariat (SEPRINTE) on 27 June arrested suspected Sunni extremist Ali Nizar Dahroug, nephew of former Triborder shopkeeper and suspected al-Qaida associate Muhammad Dahroug Dahroug. Police seized counterfeit goods and receipts documenting wire transfers of large sums of money to persons in the United States and the Middle East, some payable to Muhammad Dahroug Dahroug in Lebanon.

On 25 July, SEPRINTE raided the Ciudad del Este office and apartment of alleged money launderer Fajkumar Naraindas Sabnani, who is allegedly connected to Hizballah. Police found letters detailing the sale of military assault rifles and other military weapons, receipts for large wire transfers, and what appeared to be bomb-making materials. Although police arrested three employees of Sabnani, he remained in Hong Kong.

Officials also have increased security at Asuncion airport. In November, immigration officials detained a self-proclaimed supporter of Usama Bin Ladin en route to the United States, and airline agents prevented three persons claiming to be from Taiwan bearing false passports and US visas from boarding an aircraft bound for the United States.

The Paraguayan Congress rejected antiterrorism legislation that would have defined terrorism and established criminal penalties for activities related to terrorism. Many legislators fear that a corrupt government could use the new law to target political opposition.

Uruguay

Uruguay did not experience any acts of international terrorism in 2002. The Uruguayan Government has been supportive of the global

Coalition's war against terrorism and routinely condemns acts of international terrorism. Uruguay is a party to eight of the 12 international conventions and protocols relating to terrorism. Although Uruguay does not have the financial or military resources to play a direct role in the war on terrorism, it provides troops to international peacekeeping missions in Africa and the Middle East. Uruguay has seconded staff to the secretariat of the OAS Inter-American Committee Against Terrorism (CICTE) and, following its offer to host CICTE in 2004, was elected Vice Chair in early 2003.

Uruguayan authorities routinely share information and cooperate on counterterrorism efforts with their counterparts—Argentina, Brazil, and Paraguay. Since the Islamic extremist activity is centered on Uruguay's northern border with Brazil, the two countries have worked together closely.

In 2002, Uruguayan law-enforcement authorities assisted with international investigations to monitor the movements and activities of suspected terrorists, and the Parliament is currently drafting new terrorism laws that will further facilitate domestic and international counterterrorism efforts. The Uruguayan Government readily cooperates with US Government requests to investigate individuals or financial transactions linked to terrorism.

Egypt has asked Uruguay to extradite suspected al-Gama'a al-Islamiyya (Islamic Group, IG) terrorist al-Said Hassan Mokhles, wanted in connection with the 1997 attack on tourists in Luxor, Egypt. He has been held in Uruguay since early 1999 on charges of document fraud, but Uruguay and Egypt have been unable to agree on the terms for extradition, in part, because Egypt has not guaranteed in writing that Mokhles will not be subject to the death penalty.

Venezuela

While the Venezuelan Government expressed sympathy in the months following the 11 September 2001 attacks, Caracas made it clear that it opposed the use of force in Afghanistan and has sent mixed signals during the war on terrorism. Venezuela signed the OAS Inter-American Convention Against Terrorism in June 2002, but has not yet ratified the treaty. Venezuela is a party to four of the 12 international conventions and protocols relating to terrorism.

Nevertheless, Venezuelan laws do not support the efficient investigation of terrorist organization financing or activities; the United States during 2002 provided technical assistance to help the Government of Venezuela assess vulnerabilities in its financial system and to plan appropriate policy remedies. The political crisis at the end of the year, however, had pushed all unrelated issues to the backburner. While Venezuela did extradite two members of the terrorist organization Basque Fatherland and Liberty to Spain, reports abounded that the Revolutionary Armed Forces of Colombia (FARC) and the Colombian National Liberation Army were using the border area between Venezuela and Colombia for cross-border incursions and as an unchallenged safehaven for the guerrillas. Additionally, unconfirmed reports persist that elements of the Venezuelan Government may have provided material support to the FARC, particularly weapons.

Canada

At the end of 2001, the Canadian Parliament passed into law an antiterrorism act that toughens penalties for terrorists and terrorist supporters and provides new investigative tools for Canadian law-enforcement and national-security agencies. It also makes terrorist fundraising illegal and allows officials to freeze the assets of suspected terrorists, but it cannot be applied retroactively to activities before the law was passed. In July 2002, Canadian officials published a list of banned terrorist organizations pursuant to the antiterrorism

act, which consisted of al-Qaida and six of its known affiliate groups. Addendums to the list in late November and mid-December added nine more groups, including HAMAS and Hizballah, and Canadian officials expect the list to grow further as they examine and evaluate more organizations.

The Government of Canada has been a helpful and strong supporter of the United States in the fight against international terrorism. Despite some differences in approach, overall antiterrorism cooperation with Canada remains excellent and is a model for bilateral cooperation on counterterrorism issues. Seven US law-enforcement agencies have officers posted to Ottawa and other Canadian cities. Canadian law-enforcement personnel, in turn, are assigned to the United States.

Some US law-enforcement officers have expressed concern that Canadian privacy laws, as well as funding levels for law enforcement, inhibit a fuller and more timely exchange of information and response to requests for assistance. Also, Canadian laws and regulations intended to protect Canadian citizens and landed immigrants from Government intrusion sometimes limit the depth of investigations.

The US Attorney General and Canadian Solicitor General conduct policy coordination at the US-Canada Cross-Border Crime Forum, established during the Prime Minister's 1997 visit to Washington. (The Forum met most recently in Calgary in July 2002.) Under the US-Canada Terrorist Interdiction Program, or TIP, Canada records about one "hit" of known or suspected terrorists per week from the State Department's Visa Lookout List.

Additionally, Canada and the United States will hold a new round of talks under the auspices of the Bilateral Consultative Group on Counterterrorism Cooperation, or BCG. This bilateral group is tasked with reviewing international terrorist trends and planning ways to intensify joint counterterrorist efforts. It last met in June 2001 and was expected

to meet in mid-2003. Other cooperative mechanisms include groups led by the immigration and customs services known as Border Vision and the Shared Border Accord, extradition and mutual legal-assistance treaties, and an information-sharing agreement between the US Drug Enforcement Administration and the Royal Canadian Mounted Police. In 2002, Canada cooperated with the United States in implementing most provisions of the Smart Border Action Plan. This plan and its bilateral implementation have become a model for securing national frontiers while ensuring the free and rapid flow of legitimate travel and commerce.

Canada has continued to be a strong supporter of international efforts to combat terrorism. Besides signing and ratifying the International Convention for the Suppression of Terrorist Financing and implementing UN Security Council Resolution 1373, Canada is active in the G-7, G-8, and G-20 and promotes the Financial Action Task Force on Money Laundering's Special Recommendations on Terrorist Financing and other international efforts to counter terrorist financing. In the autumn, Canada also became the first country to ratify the Inter-American Convention Against Terrorism, which was opened for signature in June. Canadian armed forces participated in Operation Enduring Freedom with the largest deployment of Canadian troops overseas since the Korean war. Canada also maintained a naval task force group engaged in interdiction operations in the Arabian Sea. On 5 December 2002, the United States and Canada established a binational planning group at North

American Aerospace Defense Command (NORAD) to prepare contingency plans to respond to threats and attacks and other major emergencies in Canada or the United States.

Mexico

Mexico remained a strong supporter of the global war on terrorism during 2002. The Mexican Senate ratified three international conventions on counterterrorism. The UN International Convention for the Suppression of Terrorist Bombing and the UN International Convention for the Suppression of the Financing of Terrorism were ratified on 29 October, and the Inter-American Counterterrorism Convention was signed in June and ratified in November. Mexico's military has been on high alert since the September 11 attacks, with increased military checkpoints throughout the country. Mexico has cooperated fully with the United States in implementing a 22-point border-action plan signed in March that aims to improve border infrastructure, expedite the secure flow of people, and facilitate the secure flow of goods across the United States-Mexico border.

There were no international acts of terrorism in Mexico within the past five years, but during times of demonstrations outside the US Embassy, the Mexican Government routinely cooperated by providing extra security to the Embassy. Notably, Mexico closed the offices of the Revolutionary Armed Forces of Colombia in Mexico City in April 2002, after a presence of 10 years.