



2012 International Narcotics Control Strategy Report (INCSR)

Bureau of International Narcotics and Law Enforcement Affairs

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Argentina

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I. Summary

Argentina

A. Introduction

While Argentina continues to be an important transit country for Andean-produced cocaine, domestic cocaine production and consumption are growing problems. Argentine officials believe there is increased transit of cocaine through Argentina as a consequence of intensive counternarcotics efforts in Mexico and Colombia, forcing drug traffickers to utilize other routes to market. Diminished drug interdiction capabilities in Bolivia also contribute significantly. In June 2011, the Security Ministry asked the U.S. Drug Enforcement Administration (DEA) to significantly curtail or suspend most activities until further notice, pending an internal review of international cooperation programs as well as the development of new centralized coordination mechanisms.

Marijuana, the bulk of which is imported from Paraguay and used for domestic consumption, continues to be the most widely abused illegal drug in Argentina. However, the prevalence of cocaine use has risen sharply and the country has the second largest internal cocaine market in South America after Brazil. Cocaine remains by far the leading drug for which Argentines seek help at treatment centers, and the use of cocaine base, known locally as "paco," is a growing problem among economically disadvantaged members of society.

Argentina is a party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Argentina created a new Security Ministry in December 2010, in part to increase the effectiveness of federal law enforcement agencies. While Security Minister Nilda Garre implemented numerous reforms designed to improve police performance, insufficient coordination among the various federal and provincial law enforcement agencies continues to hamper Argentina's effectiveness in combating the illegal drug trade. Garre has nonetheless begun to implement several reforms designed to address this problem, including the October 2011 creation of a 60-person special intelligence unit within the Argentine Federal Police (PFA) to fight drug trafficking and other forms of complex organized crime. Prosecution of drug traffickers remains complicated by backlogs in the judicial system. Among the

reasons for these backlogs is the still incomplete move from an inquisitorial system to an accusatorial system at the national level, and the lack of specialized alternative mechanisms, such as drug courts and diversion programs.

President Cristina Fernandez de Kirchner launched a aerial detection plan called "Operation Northern Shield" in July 2011. When fully implemented, the plan could, for the first time, help to deter illegal flights and illicit drug trafficking by providing radar coverage of Argentina's northern border air space. The center-piece of the effort is the installation of seven 3-D radars, the first of which became operative in October 2011.

Despite the Supreme Court's 2009 ruling against imposing criminal penalties for the personal possession of small amounts of marijuana, Argentina's Narcotics Law 23.737 has not been modified. Some Argentine officials continue to advocate legislation to decriminalize personal possession of small quantities of marijuana, arguing that such a measure would permit the shifting of scarce police and judicial resources away from individual users and toward drug trafficking organizations, as well as free up funds for substance abuse treatment. Six bills proposing varying formulas to decriminalize marijuana and in some cases other drugs were introduced into the lower house of the Argentine Congress in July 2011.

Argentina is a party to the 1961 UN Single Convention as amended by the 1972 Protocol; the 1971 UN Convention on Psychotropic Substances; the UN Convention Against Transnational Organized Crime and its three Protocols; and the UN Convention Against Corruption. Argentina has bilateral narcotics cooperation agreements with many neighboring countries, as well as with Mexico, Spain, and the EU (COPOLAD). In addition, Spain, the United Kingdom, Germany, and France provide limited counternarcotics training and equipment to the Government of Argentina. The United States and Argentina are parties to an extradition treaty and a mutual legal assistance treaty. Argentina is also a party to the Inter-American Convention against Corruption, Inter-American Convention of Mutual Assistance in Criminal Matters, the Inter-American Convention against Trafficking in Illegal Firearms, and the Inter-American Convention against Terrorism, among others.

2. Supply Reduction

The Argentine Security Ministry began to publically release drug seizure statistics following Minister Garre's December 2010 appointment. The Security Ministry estimates that Argentine security forces seized approximately 5.8 metric tons (MT) of cocaine from January through October 2011. The ten-month total represents a sharp decrease from the 12.7 MT of cocaine that we estimated, absent the availability of official figures, was seized by Argentine authorities in the first nine months of 2010. The UNODC, using data provided by the Government of Argentina, estimated that Argentina seized 12.1 MT of cocaine in 2008 and 12.6 MT of cocaine in 2009. Argentine government constraints on DEA operations within Argentina for much of 2011 may have contributed to the reduction in cocaine seizures.

The vast majority of Andean cocaine transiting Argentina is smuggled across the Bolivian-Argentine border with diminished drug interdiction capabilities in Bolivia adding to increased flows. Cocaine transiting Argentina is primarily destined for international markets in Europe, particularly Spain. The seizure of increasing numbers of cocaine production facilities (36 in 2010 according to the 2011 UNODC World Drug Report), as well as the widespread availability of paco, a by-product of the base to cocaine hydrochloride conversion process, suggest that domestic production of cocaine in Argentina, though small, is increasing.

The increase in maritime container-based cocaine seizures by the government of Argentina noted in 2010 did not continue into 2011. Decreased seizures may be linked to the constraints imposed on DEA activities, as well as the Government of Argentina's limited capabilities to mount complex, long-term counternarcotics investigations, rather than changes in the modus operandi of drug trafficking organizations.

The Security Ministry estimates that Argentine security forces seized over 87 MT of marijuana from January through October 2011, representing a significant increase from the estimated 66 MT seized during the first nine months of

2010. Most of the marijuana seizures occurred either in the tri-border region with Brazil and Paraguay, or along Argentina's western border with Chile.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

According to the 2011 UNODC World Drug Report, Argentina had the highest prevalence of cocaine use (2.6 percent) in South and Central America among 15 to 64 year-olds. Based on UNODC estimates, Argentina is home to 25 percent of the cocaine users in South and Central America (675,000 users), second only to Brazil. In addition, the abuse of paco appears to be increasing. Paco is readily available on the streets, costs approximately USD \$1.50 a "hit" and produces a brief, intense high when smoked in pipes or mixed with tobacco. Argentine law enforcement officials and local press report that a rise in street crime has been fueled by a corresponding increase in paco consumption. Protocols and techniques employed by Argentina's substance abuse professionals are similar to those found in the United States and Europe.

4. Corruption

As a matter of policy, the Government of Argentina does not encourage or facilitate illicit production or distribution of narcotics, psychotropic drugs, or other controlled substances, or the laundering of proceeds from illegal drug transactions, and there is no evidence to suggest senior government officials are engaged in such activity. An independent judiciary and an investigative press actively pursue allegations of corrupt practices involving government authorities. In January 2011, a town councilman in Formosa Province was arrested following the discovery of 700 kilos of cocaine on one of his properties. In October 2011, a town councilman in Salta Province was arrested in connection with a 357 kilo cocaine shipment bound for Portugal. At the time of this report, both prosecutions were underway.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

In the aftermath of local polemics aired by Argentine officials about U.S. training courses for Argentine public security personnel and the February 2011 seizure by Argentine Customs of sensitive U.S. military cargo at the Buenos Aires international airport, the Government of Argentina moved to systematically reduce counternarcotics and security cooperation with the United States. The participation of Argentine officials in U.S. sponsored counternarcotics training was reduced significantly. The DEA and INL-funded Northern Border Task Force (NBTF), a joint law enforcement group comprising federal and provincial elements which operated along the Bolivian border, and the Eastern Border Task Force (EBTF), which acted against illicit drug smuggling activities in the tri-border area with Paraguay and Brazil, were shut down in March 2011. Their closure, and the Government of Argentina's inability to immediately replace the counternarcotics resources, may have limited Argentina's capabilities to interdict cross-border cocaine and marijuana shipments. The reduction of bilateral counter-narcotics cooperation also limited the U.S. Government's ability to help facilitate Argentina's counternarcotics coordination with neighboring countries. Several previously scheduled U.S. Government supported counternarcotics joint trainings and seminars in the region were cancelled during in 2011.

D. Conclusion

Though the newly created Ministry of Security has worked to improve aspects of Argentina's drug control effort, the slow process of implementing operational reforms and re-allocating sufficient domestic resources, combined with the reduction of counternarcotics cooperation with the United States likely eroded Argentina's narcotics interdiction capabilities in 2011. The reduction of cocaine seizures in containerized cargo may be linked to the constraints imposed on DEA information-sharing activities in Argentina. The Government of Argentina could focus its port-based and other interdiction efforts on targeted investigations supported by increased personnel levels and enhanced use of technology, such as x-ray scanning equipment, in order to reduce the amount of drug traffic currently escaping detection. Likewise, the Argentine government could complement its recent deployment of additional radars in the

northern border areas with additional equipment and human resources to ensure that increased detection of air shipments of narcotics crossing the Bolivian and Paraguayan borders results in increased interdiction on the ground. In addition, the Security Ministry could continue its efforts to optimize cooperation among the various federal and provincial law enforcement entities in order to enhance Argentina's effectiveness in combating the illegal drug trade. It could be particularly useful to further improve judicial efficiency in case processing of narcotics-related investigations and prosecutions.

Chemical Controls Section

Argentina is one of South America's largest producers of precursor chemicals. The Government of Argentina (GOVERNEMENT OF ARGENTINA) has enhanced its precursor chemical regulatory framework as well as the effectiveness of its port and border controls and related criminal investigations in combating the traffic in precursor chemicals.

Argentina is a party to the 1988 UN Drug Convention and has laws meeting the Convention's requirements for record keeping, import and export licensing, and the authority to suspend shipments. Argentine law 26045 placed controls on precursor and essential chemicals, requiring that all manufacturers, importers or exporters, transporters, and distributors of these chemicals be registered with the Secretariat of Planning for the Prevention of Drug Addiction and Drug Trafficking (SEDRONAR). Argentine law prohibits the transport of nonregistered precursor chemicals.

SEDRONAR employs a three pillar precursor chemical control system. First, all commercial entities that utilize these chemicals must register them in a National Precursor Chemical Register. Second, all entities must submit quarterly reports regarding the status/movement of registered chemicals. Finally, all registered chemicals are subject to audits by SEDRONAR's Precursor Chemical Diversion Control and Prosecution Unit. SEDRONAR performed 481 audits between January and November 2011, resulting in the imposition of 319 administrative sanctions and 19 criminal prosecutions. In 2011, for the first time ever, audits were conducted in all 24 provinces of Argentina.

In March 2011, the Argentine judicial system obtained its first ever conviction for the diversion of non-ephedrine precursor chemicals for narcotics trafficking. SEDRONAR attributes the increase in precursor chemical-related prosecutions to its 2011 efforts to train over 400 judges and judicial system staff on Argentina's precursor chemical control regime. SEDRONAR also reports that the prices of precursor chemicals as well as the production of counterfeit chemicals increased significantly during the course of 2011 and attributes both developments to its successes in limiting the diversion of such chemicals.

Argentina restricted the importation and exportation of ephedrine, both as a raw material and as an elaborated product, in 2008, resulting in a substantial decrease in legal ephedrine imports from 2009-11. In addition, the Government of Argentina took steps to implement United Nations Commission on Narcotic Drugs Resolution 49/3. In August 2010, Argentina launched the International Narcotics Control Board's online Pre-Export Notification (PEN) system. SEDRONAR is responsible for data input on precursor chemicals into the PEN system, but also inputs data on pharmaceutical preparations at the request of the Health Ministry, which does not have a PEN system terminal.

Argentina could more effectively combat the traffic in precursor chemicals by fostering greater inter-ministerial cooperation to improve the Government of Argentina's understanding of the overall legitimate demand for such chemicals, thus facilitating efforts to isolate shipments being diverted for illegal narcotics production