

# AID TO COLOMBIA—THE EUROPEAN ROLE IN THE FIGHT AGAINST NARCO-TERRORISM

---

## HEARING BEFORE THE SUBCOMMITTEE ON THE WESTERN HEMISPHERE OF THE COMMITTEE ON INTERNATIONAL RELATIONS HOUSE OF REPRESENTATIVES ONE HUNDRED EIGHTH CONGRESS SECOND SESSION

---

NOVEMBER 18, 2004

---

**Serial No. 108–155**

---

Printed for the use of the Committee on International Relations



Available via the World Wide Web: [http://www.house.gov/international\\_relations](http://www.house.gov/international_relations)

---

U.S. GOVERNMENT PRINTING OFFICE

96–931PDF

WASHINGTON : 2005

---

For sale by the Superintendent of Documents, U.S. Government Printing Office  
Internet: [bookstore.gpo.gov](http://bookstore.gpo.gov) Phone: toll free (866) 512–1800; DC area (202) 512–1800  
Fax: (202) 512–2250 Mail: Stop SSOP, Washington, DC 20402–0001

## COMMITTEE ON INTERNATIONAL RELATIONS

HENRY J. HYDE, Illinois, *Chairman*

JAMES A. LEACH, Iowa	TOM LANTOS, California
CHRISTOPHER H. SMITH, New Jersey, <i>Vice Chairman</i>	HOWARD L. BERMAN, California
DAN BURTON, Indiana	GARY L. ACKERMAN, New York
ELTON GALLEGLY, California	ENI F.H. FALEOMAVAEGA, American Samoa
ILEANA ROS-LEHTINEN, Florida	DONALD M. PAYNE, New Jersey
CASS BALLENGER, North Carolina	ROBERT MENENDEZ, New Jersey
DANA ROHRABACHER, California	SHERROD BROWN, Ohio
EDWARD R. ROYCE, California	BRAD SHERMAN, California
PETER T. KING, New York	ROBERT WEXLER, Florida
STEVE CHABOT, Ohio	ELIOT L. ENGEL, New York
AMO HOUGHTON, New York	WILLIAM D. DELAHUNT, Massachusetts
JOHN M. McHUGH, New York	GREGORY W. MEEKS, New York
ROY BLUNT, Missouri	BARBARA LEE, California
THOMAS G. TANCREDI, Colorado	JOSEPH CROWLEY, New York
RON PAUL, Texas	JOSEPH M. HOFFEL, Pennsylvania
NICK SMITH, Michigan	EARL BLUMENAUER, Oregon
JOSEPH R. PITTS, Pennsylvania	SHELLEY BERKLEY, Nevada
JEFF FLAKE, Arizona	GRACE F. NAPOLITANO, California
JO ANN DAVIS, Virginia	ADAM B. SCHIFF, California
MARK GREEN, Wisconsin	DIANE E. WATSON, California
JERRY WELLER, Illinois	ADAM SMITH, Washington
MIKE PENCE, Indiana	BETTY MCCOLLUM, Minnesota
THADDEUS G. McCOTTER, Michigan	BEN CHANDLER, Kentucky
KATHERINE HARRIS, Florida	
VACANCY	

THOMAS E. MOONEY, SR., *Staff Director/General Counsel*

ROBERT R. KING, *Democratic Staff Director*

---

## SUBCOMMITTEE ON THE WESTERN HEMISPHERE

CASS BALLENGER, North Carolina, *Chairman*

RON PAUL, Texas	ROBERT MENENDEZ, New Jersey
JERRY WELLER, Illinois	WILLIAM D. DELAHUNT, Massachusetts
KATHERINE HARRIS, Florida	GRACE NAPOLITANO, California
JAMES A. LEACH, Iowa	ENI F.H. FALEOMAVAEGA, American Samoa
ILEANA ROS-LEHTINEN, Florida	DONALD M. PAYNE, New Jersey

CALEB MCCARRY, *Subcommittee Staff Director*

JESSICA LEWIS, *Democratic Professional Staff Member*

TED BRENNAN, *Professional Staff Member*

JEAN CARROLL, *Staff Associate*

# CONTENTS

---

	Page
WITNESSES	
The Honorable Adolfo A. Franco, Assistant Administrator, Bureau for Latin America and the Caribbean, U.S. Agency for International Development .....	28
The Honorable Robert R. Charles, Assistant Secretary, Bureau of International Narcotics and Law Enforcement, U.S. Department of State .....	33
Juan Jose Quintana, Counselor, Embassy of Colombia .....	52
Michael E. Shifter, Vice President for Policy, Inter-American Dialogue .....	55
Sandro Calvani, Representative, United Nations Office of Drugs and Crime (UNODC), Bogotá, Colombia .....	60
Marc W. Chernick, Visiting Associate Professor, Georgetown University .....	66
LETTERS, STATEMENTS, ETC., SUBMITTED FOR THE HEARING	
The Honorable Adolfo A. Franco: Prepared statement .....	30
The Honorable Robert R. Charles: Prepared statement .....	36
Juan Jose Quintana: Prepared statement .....	54
Michael E. Shifter: Prepared statement .....	57
Sandro Calvani: Prepared statement .....	63



## **AID TO COLOMBIA—THE EUROPEAN ROLE IN THE FIGHT AGAINST NARCO-TERRORISM**

**THURSDAY, NOVEMBER 18, 2004**

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON THE WESTERN HEMISPHERE,  
COMMITTEE ON INTERNATIONAL RELATIONS,  
*Washington, DC.*

The Subcommittee met, pursuant to call, at 1:35 p.m. in room 2172, Rayburn House Office Building, Hon. Cass Ballenger [Chairman of the Subcommittee] presiding.

Mr. BALLENGER. The Committee will come to order. I will begin by offering my opening statement, and then will allow the other Members to present their opening statements. We will then watch a short video before moving on to our witnesses.

Today's hearing will focus on the role of our European allies and the effort that they are putting in to eradicate drug trafficking and associated terrorism in Colombia.

Although the British and the Dutch and the Caribbean, at least, continue to play critical roles in fighting trafficking of drugs—elicit narcotics, that is—to the United States and Europe, we have seen little or no such cooperation from most of our other nations of Europe and the European Union.

In the year 2000, when U.S. contributions to Plan Colombia were being debated in the Congress, it was clear that our Government was willing to provide most of the required military aid to Colombia, while our European allies pledged similar funding, over a billion dollars, to fund economic and social programs.

Today, more than 90 percent of all military assistance to Colombia is fully provided by us. And to date, most of the funding pledged by the Europeans has yet to materialize.

While the United States was sensitive to the Europeans' reluctance to provide Colombia with military assistance, we welcomed their pledge of assistance to provide funding for the "soft side" of Plan Colombia. Money, pledged by the European Union was to support alternative crop programs, or displaced persons projects, the resettlement of demobilized guerillas, opening new export markets, and other economic development programs. At the time, we were glad that the Europeans wanted to help. However, we expected more than mere words and a lot more than the \$120 million now given annually. This figure, I must note, is equal to what the United States has provided in nonmilitary assistance.

Why should Europe be concerned and care about Colombia? Why should stability and peace in the Andean region be of concern to Europe? The answer is simple: Illicit narcotics. Illegal drugs from

Colombia, especially cocaine, is now flooding communities of all sizes, both here and in Europe. Millions of children and young adults, and their families, are being destroyed along with the futures of our nations. Keeping drugs out of our community is the greatest challenge to our governments. But no one government can do it alone.

Stopping the flow of drugs from Colombia to the United States and Europe will take a concerted effort. And I hate to say this, but the United States, with the exception of Great Britain, is shouldering this burden alone. Today, we hope to reinvigorate our allies and encourage them to act.

Let me give you a little background. Committee investigative staff reported earlier this month that as much as 50 percent of the cocaine from Colombia no longer comes to the United States; it now heads to places like Brazil and more and more to Europe. According to some experts in the Drug Enforcement Administration, Europe, which once viewed America's cocaine and crack cocaine epidemic as simply a regional matter for us to deal with, now gets a substantial portion of Colombia's deadly cocaine, and it is accelerating rapidly.

Earlier this year, Italian authorities reported an 8-ton seizure of Colombian cocaine. Colombian National Police recently reported that a commercial airline flight from Jamaica to London had about 50 couriers moving Colombian cocaine to Europe. Spain now is seen as the gateway for Colombian cocaine to Europe. It has witnessed a nearly fourfold increase in seizures since 1996. In 2002, 16 countries in Europe reported abuse of crack cocaine. Colombia, it seems, is now their problem as well. The European-Colombian drug traffic trend is clear, easy to see, and one we can all clearly comprehend.

Now we need a European response suited to this common challenge. At the donors conference scheduled for February 4th and 5th in Cartagena, Colombia, the European Union and its member states will be given the prime opportunity to make good on their promises by providing the very assistance they pledged to Colombia in the previous conferences.

Our European allies no longer have an excuse to stay on the sidelines. Stopping the flow of illegal drugs is vital to the collective interests of both hemispheres. Together we must help Colombia prevail for both the sake of our children and our communities on both sides of the Atlantic. I thank you.

Before I allow my colleagues to offer their opening statements, I wanted to take a few minutes to thank the Members of this Subcommittee for their hard work on behalf of our Nation and the nations of the Western Hemisphere. And I particularly would like to thank Ranking Member Bob Menendez.

Bob, although we have disagreed on things from time to time, you have always been fair and willing to discuss matters calmly and openly. Your understanding of the issues, unwavering commitment to the region, and your dedication to doing what is right has made working with you a pleasure, and I believe that a good working relationship has served our Congress and our constituency well. Thank you.

Now, let me not forget to mention one other person. As you know, our staff makes us all look good. I wanted to recognize your

staff director, Jessica Lewis, for her professionalism, hard work, and good humor in working with me and my own staff. Thank you, Jessica. And I also want to recognize Jessica's predecessor, Pedro Pablo Kuczynski.

Finally, I cannot forget my long-time partner in crime, Bill Delahunt. Anytime you get a liberal from Massachusetts and a conservative from North Carolina to work well together, you have got something special. Thank you, Bill, for your hard work. And I wish you the best.

Mr. Menendez, your opening statement.

Mr. MENENDEZ. Well, thank you, Mr. Chairman. And thank you for your most gracious comments. There is only one mistake you made in that last part of the statement about Mr. Delahunt. It is "liberal." At least that is how we see it on so many of those commercials.

First of all, I also want to take the opportunity—since this will be, as I understand it, our last hearing with you as our Chairman—to say that I know that every Member of this Committee, certainly all of those on our side as well as yours, want to thank you and join me in thanking you for your incredibly dedicated work on the behalf of the people of this Hemisphere. You are one of the few people on either side of the aisle who takes a true interest in Latin America. And you have been a real partner. And even where we have disagreed, our goals have been the same. We may have disagreed as to how to get there. But we have never disagreed in our commitment to the Hemisphere.

And you will be missed, not only on this Committee, but certainly in your voice in this Congress on hemispheric issues. But I know you are not going to be missed in the Hemisphere, because I know that you plan to continue your hard work on behalf of all of the citizens of the region as you have done for so long, not only in your personal engagement and in your professional engagement, but in your humanitarian engagement on behalf of the people of the Hemisphere. It is really an extraordinary thing to have seen over the last 12 years that I have been here, and certainly over the last several years that you have been Chair, and I want to thank you very much.

I also want to thank you for the manner in which you conducted the work of the Subcommittee, the courtesy and comity which you provided to Members on this side of the aisle. If that was the case throughout the House of Representatives, I think we would achieve a lot greater success. I hope that your successor, whoever that may be, will take lessons from the way in which you conduct this Committee.

I want to thank your very talented staff, who have always been collaborative and worked in a spirit of real bipartisanship—even when we found areas of disagreement. How could we achieve that?

And I would like to present a small token of our appreciation, Mr. Chairman. It is within the House Rules. It may be wrapped in gold, but don't worry about it, it is not bullion. But it is a book that I think you will appreciate on the work that you have done in this Hemisphere and the relationships we have had in the Hemisphere.

Mr. BALLENGER. Thank you.

Mr. MENENDEZ. Turning, Mr. Chairman, I may have to leave the hearing at some point simply because I sit on the 9/11 Commission Conference Committee, which has been meeting throughout the week. And we met late last night and early this morning. I may be called away. With deference to our witnesses, I don't want you to think that I am slighting you or the Committee.

According to the title of this hearing, we are here today to discuss the European role in the fight against narco-terrorism. But I believe we are really here to discuss the European role in the fight to create prosperity and the fight for democracy and the rule of law, and the fight for justice and safety for the Colombian people.

I have always believed that the fight against the drug lords and rebels will only be won as part of a larger fight against poverty, violence, and the hard-fought battle for economic and social development. I am a strong supporter of funding to fight the drug lords, but I also believe that we must invest in creating real alternatives for the people on the ground so that they have sustainable incentives to move away from drug production.

Clearly, the Europeans and the United States share the same goal in Colombia: To work together with our Colombian counterparts to end the longstanding civil war and bring peace and prosperity to the Colombian people. Yet, the United States has taken the lion's share of the burden in Colombia.

Now, some of my colleagues might suggest that this is a clear failure on the part of the Europeans. They might say that the Europeans were supposed to take the "soft side," and we were supposed to take the "hard side." Yet, I believe the truth of the matter is much more nuanced than that. If we want the Europeans to fully engage in the Colombian process, then we must find a way to develop a real working relationship with the Europeans. This Administration's inability to engage our allies goes far beyond our disagreements in Iraq. Iraq just got the attention of the press. We have a transatlantic breakdown in relations that keeps us from fully reaching our mutual goals in this Hemisphere.

Let me be clear. I strongly believe that the Europeans should take an active role in the fight against drugs and the fight for development in Colombia. But if we want them on the team, then we have to invite them in, listen to their ideas, and be willing to work with them.

We are at a very different moment than we were when Plan Colombia was designed. As you know, Plan Colombia expires at the end of 2005, and we have the chance to make Plan Colombia 2 much stronger by creating a cross-Atlantic alliance committed to fighting the drug lords and improving economic and social development in Colombia. And I believe there is a unique window of opportunity for three reasons.

First, we have learned a lot about what has worked and what hasn't worked in Plan Colombia. We know that we have some successes. In 2003, homicide was down 22 percent, and kidnappings were down by 32 percent. Cocaine production decreased by 21 percent, and opium poppy production decreased by 10 percent.

Now, some experts point out, however, that we haven't met our goals as measured by other standards, such as decreasing the



amount of cocaine on the streets in the United States or lowering the price of cocaine.

We also cannot overlook the fact that there were more internally-displaced people in Colombia in 2003 than in any other country in the world. Colombia still is the largest cocaine producer in the world. And while kidnapping and poverty levels have decreased, they still remain at alarming rates. And furthermore, concerns about Colombia's human rights records serve as a reminder that our policy toward Colombia cannot be focused on ending narcotics alone.

Secondly, the Europeans have new motivation to get more heavily involved in Colombia, because they face a growing cocaine consumption problem and an increase in the amount of cocaine from Colombia.

And, thirdly, we are about to start a new term of the Bush Administration.

And, no, before you get overzealous, I am not suggesting that this is a moment I am celebrating, Mr. Chairman. But I would suggest that the Administration and the likely new Secretary of State have an opportunity to create a new legacy for the Administration in our own hemisphere on this issue. I hope that will be a topic discussed during the President's trip to Colombia. And this is a prime moment to build toward future cooperation with our European colleagues. We should, as they say, "seize the day," not squander it.

As we work together on this new plan, I would hope that it would include the following elements:

First and foremost, we must maintain support for drug interdiction and eradication. But we must also increase the proportion of funding spent on alternative development, increasing the rule of law and other "soft areas."

Secondly, we should also promote a regional approach to the problem, which can help prevent cocaine production from simply moving from one area of the region to another, the frequently described "balloon effect." The drug lords don't let the borders limit their vision of how to create the most profitable cocaine business in the world. We shouldn't let those borders limit our vision of how to eliminate their business.

And, thirdly, as I made clear earlier, we must promote real European involvement in the next phase of our work. But I also believe that we may need to allow each side to specialize in what they do best to maximize our resources and expertise.

In closing, I would like to be clear that today's hearing is not a discussion, from my view, simply on European or United States involvement in Colombia. Today's discussion must be on how the Europeans and the United States will work with the Colombians and their regional neighbors to reach the goals they see for their own countries.

Ultimately, this is a policy debate over an issue that directly impacts the lives of citizens in all three parts of the world. It is the children of United States, European and Colombian parents who are dying from cocaine abuse, civil war, or drug-related violence. This is an issue that hits home literally in all three places. It is,

I believe, a problem that we can solve only when we truly work together.

In that spirit, Mr. Chairman, I look forward to the witnesses, and engaging them after their testimony. And, once again, thank you for your incredible dedication to the people of this Hemisphere and to your work on this Committee.

Mr. BALLENGER. Thank you.

Congressman Paul.

Mr. PAUL. Thank you, Mr. Chairman. And welcome, Mr. Franco and Mr. Charles. It seems like if we are going to have a discussion about the Europeans and why they are not participating, it looks like we ought to be talking to the Europeans eventually. I am not sure we can get the answer—maybe we can—from you on why the Europeans don't get involved. Because quite possibly they are reluctant to—maybe they are not convinced it is a wise investment. But, evidently they thought it was at one time and made some commitments, but we need to know more about what the Europeans are thinking.

But there also may be some frustrations about the success. I know we like to look at things in a positive manner. But Drug Czar John Waters, in an interview in Mexico City here, recently said,

“We have not yet seen in all of these efforts what we are hoping for on the supply side, which is a reduction in availability.”

And he went on to say that there had been no notable disruption in the supply of drugs to the United States. So that raises questions about the success. We have spent over \$3 billion since the year 2000. And it really raises more profound questions about whether we can achieve what we want.

As a physician, I can verify, you know, how bad the drug usage is in this country and how horrible it is. But, then again, the approach is pretty important. If dealing on the supply side doesn't work, maybe it is only going to be on the demand side. As long as the demand is there, you know, spraying crops in Colombia, which is risky business too, just might mean that this whole effort is pushed to Peru and Bolivia and wherever.

So I think the overall policy has to be addressed on whether or not we are pursuing this in the right manner. I know the motivation on everybody's part is the same. But then again, I am interested in finding out, if we can today, why the Europeans have become so reluctant. And I yield back.

Mr. BALLENGER. Just a statement for the record. The Chairman and Chairman Hyde of the International Relations invited the head of the European Union delegation to testify and present the EU's views.

Without objection, I wish to submit the letter that we received declining the invitation.

[The information referred to follows:]

HENRY J. HYDE, ILLINOIS  
Chairman

JAMES A. LEACH, IOWA  
DOLIS BEULSTER, NEBRASKA  
CHRISTOPHER H. SMITH, NEW JERSEY, VICE CHAIRMAN  
DAN BURTON, INDIANA  
ELTON GALLEGLY, CALIFORNIA  
ILIANA ROS-LEHTINEN, FLORIDA  
CASE GALLINGER, NORTH CAROLINA  
DIANA ROHRBACH, CALIFORNIA  
EDWARD R. ROYCE, CALIFORNIA  
PETER T. KING, NEW YORK  
STEVE CHABOT, OHIO  
AMO HUGHTON, NEW YORK  
JOHN M. McHUGH, NEW YORK  
ROY BLUNT, MISSOURI  
THOMAS O. TANCREDI, COLORADO  
RON PAUL, TEXAS  
NICK SMITH, MICHIGAN  
JOSEPH R. PITTS, PENNSYLVANIA  
JEFF FLAKE, ARIZONA  
JO ANN DAVIS, VIRGINIA  
MARK GREEN, WISCONSIN  
JERRY WELLER, ILLINOIS  
MIKE PENCE, INDIANA  
THADDEUS G. MCCOTTER, MICHIGAN  
KATHERINE HARRIS, FLORIDA

THOMAS E. MOONEY  
STAFF DIRECTOR/GENERAL COUNSEL  
JOHN WALKER ROBERTS  
DEPUTY STAFF DIRECTOR

One Hundred Eight Congress  
Congress of the United States  
Committee on International Relations  
House of Representatives  
Washington, DC 20515

(202) 225-5021

[http://www.house.gov/international\\_relations/](http://www.house.gov/international_relations/)

October 8, 2004

TOM LANTOS, CALIFORNIA  
Ranking Democratic Member

HOWARD L. Berman, CALIFORNIA  
GARY L. ACKERMAN, NEW YORK  
ENI P. H. RAJONMAVAIGA, AMERICAN SAMOA  
DONALD M. PAYNE, NEW JERSEY  
ROBERT MENENDEZ, NEW JERSEY  
SHERROD BROWN, OHIO  
BRAD SHERMAN, CALIFORNIA  
ROBERT WEHLER, FLORIDA  
ELIOT L. ENGEL, NEW YORK  
WILLIAM D. DELAHUNT, MASSACHUSETTS  
GREGORY W. MEeks, NEW YORK  
BARBARA LEE, CALIFORNIA  
JOSEPH CROWLEY, NEW YORK  
JOSEPH M. HOSPIEL, PENNSYLVANIA  
EARL BLUMENAUER, OREGON  
SHELLEY BERKLEY, INDIANA  
GRACE F. NAPOLITANO, CALIFORNIA  
ADAM B. SCHIFF, CALIFORNIA  
DIANE E. WATSON, CALIFORNIA  
ADAM SMITH, WASHINGTON  
BETTY MCCOLLUM, MINNESOTA  
BEN CHANDLER, KENTUCKY

ROBERT F. KING  
DEMOCRATIC STAFF DIRECTOR  
PETER M. YEO  
DEMOCRATIC DEPUTY STAFF DIRECTOR  
DAVID S. ABRAHAMOWITZ  
DEMOCRATIC CHIEF COUNSEL

His Excellency Dr. Günter Burghardt  
Ambassador (Head of Delegation)  
Delegation of the European Commission  
2300 M Street, N.W.  
Washington, D.C. 20037

Dear Mr. Ambassador:

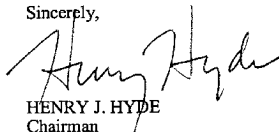
I am writing in reference to my invitation requesting you to testify before the Committee on International Relations' Subcommittee on the Western Hemisphere at a hearing that was to be held on Thursday, October 14, 2004, concerning "Aid to Colombia: The European Role in the Fight Against Narco-terrorism."

Due to the schedule of the House of Representatives, we are postponing the hearing referenced in my letter of October 1<sup>st</sup>. We have rescheduled it for Thursday, November 18, 2004, when Congress will be in session. We would greatly appreciate your participation in this hearing on its new date and at its new starting time of 1:30 p.m. The location will continue to be Room 2172 of the Rayburn House Office Building.

Please refer to the Committee's instructions for hearing witnesses that I enclosed with my letter of October 1<sup>st</sup> and, again, please have your staff contact Caleb McCarry of the Subcommittee Professional staff at (202) 225-0517, or Jean Carroll at (202) 226-9980 should you need any additional information.

With best wishes,

Sincerely,

  
HENRY J. HYDE  
Chairman

HJH:ccm/mco



EUROPEAN UNION  
DELEGATION OF THE EUROPEAN COMMISSION

Head of Delegation


Washington, November 16, 2004

Dear Mr. Chairman,

It would be very much appreciated if you could see to that the attached background material on the European Commission's programs in Colombia could be printed in the official record of the hearing you are holding this week.

Again I regret the timing of this hearing vis a vis the ending of my duties in the United States and very much appreciate your cooperation in publishing this material on my behalf.

Sincerely,



Dr. Günter Burghardt  
Ambassador

The Honorable  
Henry Hyde  
Chairman  
Committee on International Relations  
U.S. House of Representatives  
Washington DC 20515

## EUROPEAN COMMUNITY FINANCIAL ASSISTANCE TO COLOMBIA

The overall effort of the European Community co-operation towards Colombia (i.e. not including EU Member States bilateral programmes) since its beginning<sup>1</sup> to 2003 amounts to 313 M € in commitment appropriations. Financial and Technical ('official') co-operation with the Colombian government accounts for about 50% of this, followed by Humanitarian aid by ECHO (18%), decentralised co-operation via the NGOs (12%), environmental and tropical forest protection (7%).

In 2004, at the end of the 3<sup>rd</sup> quarter, more than € 15 million had been disbursed.

### ***Financial and Technical ('official') co-operation 2001-2006***

The Peace-package (105 M €) using the programmable resources 2001-2006, announced at the third meeting of the support Group for the Peace process in Colombia (Brussels, 30 April 2001), was established in the Colombia N.I.P. (National Indicative Programme), with the necessary flexibility. In fact, 24,2 M€ were set aside as a reserve allowing the EC to respond to the evolution of the Peace process.

Following the approval of the first Peace Laboratory in 2001 (E.C. contribution: 34,8 M €), the implementation of the Peace-package has continued in 2003 with the approval of the second Peace Laboratory (E.C. contribution: 33 M €).

For 2004 the EC financed a programme concerning the "Strengthening of the Justice service" (amount allocated 10,5 M €) and a project in support of "Land Mines Observatory" (amount allocated 2,5 M €) depending from the Vice Presidency.

The projects currently in implementation concern the following sectors:

-Rural development: the action (8 M €) in the region of *Tierradentro*, in the south of the country.

- Institutional support: concerns the training of officials of the Municipalities. The intervention (6 M€) started January 2000 and covers the small and average municipalities of the whole national territory.

- Land-mapping: the action (8 M €) foresees the instalment of equipment, furniture of software and training of Colombian officials in order to establish the mapping of various Colombian regions for multiple purposes, including the control of illicit crops.

- Support for the youth and street children: an intervention (6M€) aimed to support the activity of Colombian Institution for the protection of Children.

- Peace Laboratory in the Magdalena Medio Region: the EC financial contribution of 34,8 M€ has to be implemented in two phases. The first phase (14.8 M€) of expected three years duration, started in February 2002.

---

<sup>1</sup> Between 1976 and 1983 EC co-operation consisted in financing some NGO actions. A more important co-operation effort through the Fin. and Tech. co-operation and other budget lines only began in 1984.

***Economic co-operation:***

The only project (950.000 €) still in implementation concerns the creation of a design laboratory for the development of handicrafts and SMEs.

***Human Rights:***

Colombia is a 'focus country' of the 'European Initiative for Democracy and Human Rights' (budget article B7-701). 19 projects are running or about to start, for a total amount of € 14 810 844, involving 19 local NGOs, 7 European NGOs, 2 universities, and the Bogotá Office of the UN Human Rights High Commissioner.

***Humanitarian Assistance:***

ECHO's Global Plan for 2003 had a budget of € 8 million. The 2004 Global Plan has a budget of € 8 million. Since 1997, the EC through ECHO has approved assistance to Colombia for a total amount of € 54,6 million.

***Uprooted People:***

This budget line aims at providing the chronically displaced population with ways to insert and integrate into society, socially and economically ('post-emergency' operations, as opposed to ECHO operations, that address short-term issues). Colombia is the only beneficiary of this budget line in Latin America. Most of the Member States pay a particular attention to the issue.

1,52 M€ were allocated in 2002 (support to the United Nations High Commissioner for Refugees operations).

21,55 M€ have been committed in 2003-2004 in order to finance UNHCR activities in favour of IDPs as well as actions aiming at the socio-economic stabilisation and reintegration of displaced population, proposed by international and national NGOs, in collaboration with the "Red de Solidaridad Social" (the Colombian institution in charge of co-ordinating public assistance to displaced population).

***Decentralised Co-operation through NGO's:***

Since co-operation started, the EC has financed in Colombia, through the NGO-cofinancing budget line, 410 actions for an overall amount of 31 M €. The sectors covered by the various projects are: rural development (production, micro-credit etc.); vocational training and primary education; preventive health; micro-enterprises (informal sector) and multi-service centres.

***Other budget lines:***

- Environment and tropical forests (two projects for a total amount of € 2 276 000)
- Fight against AIDS (one project worth € 1 800 000)
- North-South Co-operation in the fight against drugs and drug addiction (two projects worth € 2 375 000)

## Fiche on cooperation

COLOMBIA : Commitment and Payment appropriations 1999-2003 (in €)												
Budget line	1,999 Commit.	1,999 Payments	2,000 Commit.	2,000 Payments	2,001 Commit.	2,001 Payments	2,002 Commit.	2,002 Payments	2,003 Commit.	2,003 Payments	Total Commit.	Total Payment
Fin. and techn. co-op.	0	3,610,241	0	2,747,343	34,800,000	4,740,243	953,610	6,017,933	33,000,000	10,436,166	68,763,610	27,551,326
Economic co-operation	200,000	408,952	0	94,068	0	150,962	0	110,080	0	223,565	200,000	987,317
Up-rooted people							1,522,913		10,550,000	3,324,058	12,072,913	3,324,058
Humanitarian Aid - ECHO	9,000,000	7,183,622	6,500,000	7,684,974	10,000,000	8,810,357	9,200,000	7,775,216	8,000,000	9,360,919	43,600,000	40,776,098
ECHO Disaster preparedness	0						1,640,000	170,000			1,640,000	170,000
NGO cofinancing	4,005,580	2,326,405	1,075,936	1,912,527	2,431,702	2,895,438	2,244,823	1,494,146	1,330,584	1,626,554	11,086,625	10,255,082
Environment	0	479,026	0	170,698	2,275,978	493,243	2,115,120	936,716			4,391,086	2,082,683
Tropical forest	0	1,317,770	0	1,082,135	2,390,781	1,376,746	2,115,120	1,365,462		678,123	4,415,901	6,823,238
Fight against AIDS	0	0	0	0	1,800,000	0		568,000			1,800,000	568,000
H.R. and Torture	3,650,000	2,134,759	0	0	1,381,716	1,243,544	4,272,843	2,536,022	3,678,719	3,321,334	13,163,078	9,235,659
Other budget lines	0	0	0	0	0	0	0	0	0	0	0	0
TOTALS	17,855,580	17,440,475	7,574,936	13,871,745	54,990,175	19,612,535	24,064,229	20,999,677	56,669,303	28,970,729	151,145,223	107,785,061

## 2001-2006 Programming of the Financial &amp; Technical ('official') Cooperation with the Colombian Government

	2001	2002	2003	2004	2005	2006
Peace laboratories	34,8		33			
Administrative and judicial reform				10,5		
Campaign against anti-personnel mines				2,5		
Others				8,2	16	
Total : 105.1	34,8		33	13,7	8,2	16

Mr. PAUL. Thank you.

Mr. BALLENGER. Congressman Delahunt.

Mr. DELAHUNT. Thank you, Mr. Chairman. And I think this is a good ending to a great career, serving not just the people of the United States, but the people of the Hemisphere, for this particular hearing, because I think it underscores the commitment that you have had during your career here in Congress that has been mentioned by my colleague, Bob Menendez.

And let me agree with the points that Mr. Menendez made in terms of what the focus, as we look forward, should be in terms of our efforts. We have had great success, Cass, dealing with our counterparts in various national assemblies, the most obvious, of course, being the National Assembly of Venezuela, the so-called "Boston Group."

But I daresay, rather than an exchange of letters—for whatever the reason the declination for appearance before the Committee today on this hearing that was received from the European Union—that whoever your successor is could take this particular issue and design a mechanism much like what you launched when you and the others created the so-called "Boston Group" to create an ongoing dialogue not just in terms of American-European relationships, but how it implicates the Hemisphere.

I think this is an obvious lesson, because we all remember representations being made that the Europeans would come forward with—my memory is a billion dollars' worth of support for the so-called "soft side," if you will, in terms of the needs of Colombia to deal with this particular issue.

Clearly, the United States has a moral obligation to Colombia to assist in ending the scourge of cocaine and heroin and other drugs. While there is a demand, there is going to be a horrible price paid by Colombia and other producing nations in terms of disruption of their societies.

But I think that a bold initiative—and I could see a role for you as Chairman Emeritus—might very well be the creation of a mechanism which would engender and encourage dialogue with European nations, not in an executive-to-executive role, because often times statements are made by executives on all sides in bilateral relationships that are as much about posturing as they might be about substance. But take it to a different level, and create, if you will, a role for Congress to deal with their colleagues not just in Colombia, but elsewhere in Latin America, along with members of European parliaments and the European Union itself to address the issue, in a respectful and civil way, as opposed to attempting to assess blame.

Anyhow, that was a comment that was prompted by the very insightful statement by my friend, Bob Menendez.

But having said that, I want to address another matter that is just as important, and that is the fact that you will be leaving us in your capacity as a Member of Congress and as our Chairman. You have heard me say this in private on many occasions. But I want to say it in public and for the record: We are all going to miss you.

And I think you know on a personal level how much I will miss you, Cass. And I think you will be missed more than any of us real-



ize at this particular moment. And as, again, the Ranking Member indicated, the Western Hemisphere is going to miss you as much as those of us who count you as a friend.

Because it is true. For years you have been one of the few friends that Latin America has truly had in this institution. Few Members know the region as well as you do, and I can't think of a single individual who has such profound affection and love for the people of Latin America as Cass Ballenger. It comes from the heart. That has been reflected in decades of contribution, not just as a Member of Congress, but engagement in extremely worthy causes for the people of Latin America. And you have never let ideology get in the way of your desire to help.

As you indicated, for you and I to share this experience together, who would have ever "thunk" it. I think I can probably say publicly now that you did visit Hyannisport several years ago and, in fact, set foot on "you know what" compound, but I won't expound on that any further.

But I do think that your ability to care about people on a personal level, and again I think of the Boston Group where ardent partisans in probably the most bitterly polarized society in Latin America—I speak of Venezuela—were able to come together and, I think, leave the better for it, where half were members of the government and the other half were members of the opposition.

I think, Cass, that you created some space in a society that needed it, and still needs it, for dialogue and respectful civil discourse to happen. You are to be congratulated for that, because you really have established a standard for civility that is hard to match; and in a polarized United States Congress, that too has been all too rare.

And Cass Ballenger has always kept his word—and I count that as something of great significance—no matter how much heartburn it might cause you. And I think back now, not too long ago, to a hearing that was held in this very room regarding the situation in Haiti, where you gave great latitude in terms of the questioning and the amount of time that each Member was able to inquire of the Assistant Secretary.

I am sure that some discussions were held after that about why such a lengthy hearing. But it was based upon the fact that you really do believe in democracy and civility and keeping your word. You never let things get personal; you never look for the limelight. You simply did what you felt was right in a quiet, honorable way.

I am proud to call you my Chairman. I am proud to call you my friend. I am grateful that I had the good fortune of serving in the United States Congress at the same time that you represented the people of your district in North Carolina.

I would also be remiss not to compliment your staff, whom I have grown to like, and to recognize their talents, their ability, and their sincere and genuine commitment. And as Bob Menendez said, if you keep going, you will get them fired.

But Caleb and Ted, John Mackey, and all of the others that sit there, they are good and decent people. They are invariably wrong, but they are good and decent people.

So with that, Cass, my most sincere and genuine good wishes. And good luck, my friend.

Mr. BALLENGER. Thank you, sir.

Representative Harris.

Ms. HARRIS. Thank you, Mr. Chairman. Mr. Chairman, I would like to associate myself with the vast majority of Mr. Delahunt's remarks, with the exception of "invariably wrong" on the staff, because I think they are inevitably right.

But, Mr. Chairman, it is with such a heavy heart that you are leaving us. We have so enjoyed your leadership in Latin America, the relationships that you have not only made with each of us, but with the remarkable people to our south with whom we share families and histories and a heritage, to let them know that they are important to us, that they have not been forgotten. Certainly, were it not for 9/11, I believe that your leadership in this arena would have created such an enormous opportunity for us as we move forward.

And we are going to be charged with maintaining that standard and that passion that you have shared, not only with all of your stellar efforts as our Chair, but with your heart. And you are so deeply embraced throughout the Americas for that heart, for your inordinate personal generosity, not to mention the role in governance.

And so I hope that standard that you created, that wonderful bipartisanship, those relationships that you have helped create on our trips with us, and that leadership will never ever leave this Committee. You may be gone from our presence right here, but never forgotten.

We are going to look forward to your leadership as you continue on because, you know, we are not letting you go. We know you are going to continue on with our friends in Latin America. They value you so. And we value the legacy that you have created here, Mr. Chairman. Thank you so much. You have had a noble time here. So thank you.

I would also like to make my opening remarks about the hearing today concerning the aid to Colombia and the Europeans' role in the fight against narco-terrorism. We are going to hear of recent European missteps in Colombia, such as the uncovered Danish GeoCash contribution to the FARC. I am hopeful that today's hearings will focus on the opportunity to create positive contributions for our European friends regarding Colombia.

I thus ask unanimous consent that the written testimony of Colombian Ambassador to the U.N. Office of Drugs and Crime in Vienna, Ambassador Serrano, be entered into the record and provided to the media here today, especially for the European press.

Mr. BALLENGER. Without objection.

[The information referred to follows:]



EMBAJADA DE COLOMBIA  
MISIÓN PERMANENTE DE COLOMBIA  
ANTE LA OFICINA DE LAS NACIONES UNIDAS  
Y LOS ORGANISMOS INTERNACIONALES  
VIENA

EMD 1217

Vienna, October 13 2004

Honorable  
HENRY J. HYDE  
Chairman  
Committee on International Relations  
House of Representatives  
United States Congress  
Washington D.C.

Dear Mr. Chairman:

I have the honor to acknowledge your letter dated October 1, by which you extended a kind invitation to testify before the Committee on International Relations, Subcommittee on the Western Hemisphere at a hearing entitled, "Aid to Colombia-The European Role in the Fight against Narco-terrorism".

As you may recall, I have attended invitations to appear before the Congress in the past and I have always encountered a receptive atmosphere and a deep sympathy towards Colombia. I believe these visits have been a key factor for the understanding of Colombia's complex reality and that they have helped to materialize the vital cooperation and support we now receive from the United States.

Much to my regret and due to my obligations as Head of Colombia's Embassy to Austria, Croatia, Czech Republic, Hungary, Slovenia, Slovakia, Serbia and Montenegro and Turkey as well as Permanent Representative to the International Organizations in Vienna, I will not be able to attend on this opportunity.

Nevertheless, I would like to share my perceptions on the recent trends in the European cocaine market, contained in the document herewith attached, which is based on the "World Drug Report 2004", recently published by the United Nations Office on Drugs and Crime.

Sincerely yours,

ROSSO JOSE SERRANO CADENA  
Ambassador  
Permanent Representative



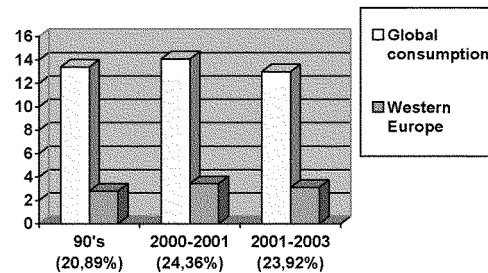
## COCAINE CONSUMPTION TRENDS IN WESTERN EUROPE <sup>1</sup>

According to the document *World Drug Report 2004*, recently published by the United Nations Office on Drugs and Crime, some 13 million people around the world are affected by cocaine consumption. Close to 25% of the global consumers are to be found in Europe (3.34 million), of which 90% are in Western Europe.

Statistics show clearly a growing tendency in the European market for Cocaine. This can be seen clearly in the growing number of consumers as well as the increase in seizures of this drug.

1. In Europe, the UNODC's Drug Abuse Index showed a strong rise of cocaine use over the last decade. There seems to be indication of stabilization in the last two years, however this is a world trend and could be a result of the increase of seizures of the drug.

**COCAINE CONSUMPTION IN MILLIONS OF PEOPLE**



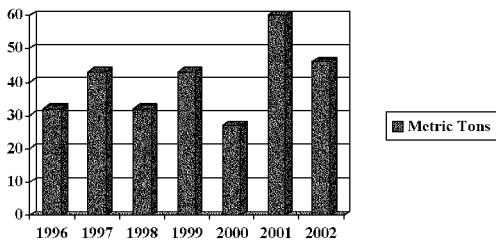
A very worrying phenomenon is the emergence of crack-cocaine consumption in Europe, which is far more dangerous. In the last few years, 16 countries reported information on trends in abuse of crack-cocaine in 2002, two thirds of these are located in Western Europe, seven countries reported an increase in crack-cocaine consumption, other seven reported no greater change and only two a decline. Crack-cocaine is still concentrated in a few areas in Europe, but there is a risk that it could spread across the continent.

2. Seizures are a direct indicator that allows evaluating to what extent the illicit traffic of a certain substance has increased, especially if it is compared to other indicators. A greater volume of seizures shows the efficiency of the law enforcement authorities but at the same time it can indicate a greater availability of the drug – greater quantities in circulation in a determined

<sup>1</sup> In the Reports of the United Nations Office on Drugs and Crime, West Europe is considered the present European Union – without taking into account the adherent countries – and also including Cyprus, Iceland, Liechtenstein, Malta, Monaco, Norway, Switzerland, and Turkey.

geographical zone- and equally greater consumption. A tendency towards increase is clearly seen in Europe.

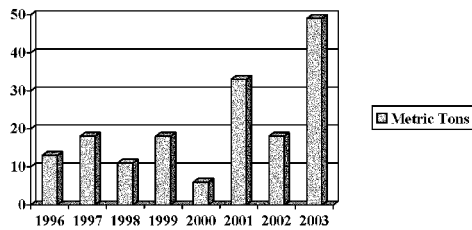
**SEIZURES OF COCAINE IN WEST EUROPE  
(Metric Tons)**



1996	1997	1998	1999	2000	2001	2002
32	43	32	43	27	60	46

Spain is considered one of the greatest points of entrance for cocaine for the Western Europe market. Due to this, the confiscation of cocaine in Spain, apart from representing a high percentage of the total, could also show the trend in the rest of the continent.

**SEIZURES OF COCAINE IN SPAIN  
(Metric Tons)**



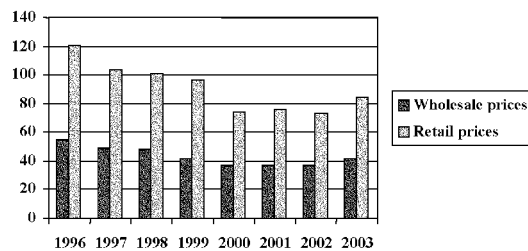
1996	1997	1998	1999	2000	2001	2002	2003
13	18	11	18	6	33	18	49

The large increase of seizures in Spain in 2003 (49 tons), indicates there will be a significant increase in the overall amount of seizures of cocaine in Europe for this year.

It is important to underline the work done by Spanish National Police and the Civil Guard in close co-operation with the Colombian National Police, as well as the work done in the intelligence field by the United Kingdom's authorities which have contributed to neutralize criminal organizations.

3. The cocaine prices in Europe are also an important indicator to measure the availability of the drug. The law enforcement authorities in West Europe have already identified a declining trend in the cocaine prices, in wholesale as also in retail. This could be interpreted as an important increase in the availability of the drug and at the same time, leads to a major consumption of the drug.

#### COCAINE RETAIL AND WHOLESALE PRICES



#### IN WESTERN EUROPE (Per gram US\$ dollars)

	1998	1999	2000	2001	2002	2003
Wholesale prices (US\$)	48	42	37	37	37	42
Retail prices (US\$)	101.4	96.3	74.4	77	73	84

The slight increase of cocaine prices in the last year could be due to the increase of seizures of the drug.

#### CONCLUSIONS

1. The greater availability and consumption of cocaine in Europe gives rise to the necessity of strengthening the co-operation between European and Andean countries, with the aim to find viable alternatives to reduce the supply and demand of the substance.

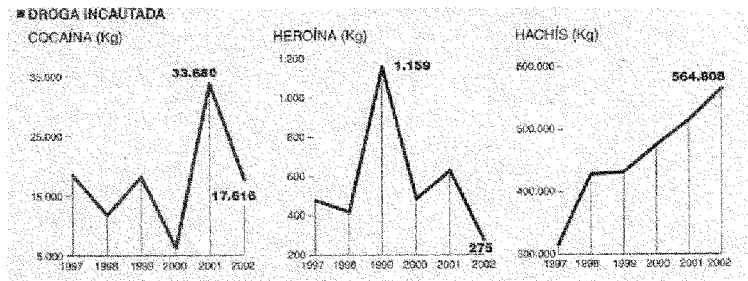
2. The European responsibility, shared with the Andean countries, could translate into a major co-operation and technical assistance for countries like Colombia in areas such as alternative development, the opening of markets for its products, interdiction, the control of chemical precursors, the application of the law and a decisive contribution to the project of *Forester Families* of the Government of President Uribe.
3. Additionally, the necessity to strengthen the exchange of information between law enforcement agencies of both regions should be considered.
4. It is important that the European Union include in its Agenda, in a permanent manner, the control of chemical precursors in order to avoid by all means that these fall in the hands of drug traffickers.
5. It is equally peremptory to cut the relations between criminal organizations of East Europe, with other criminal organizations from West Europe and America, which are in great part responsible for international trafficking.
6. Terrorism financed by drug trafficking money, as in the case of Colombia with the FARC, will be diminished in accordance to the extent in which there is co-ordinate labor in order to abate the production and the consumption of drugs.
7. The association of drugs and terrorism has translated into an increase of illicit crops, yet these also increase when there are new consumers as in the case of Europe, as presented in the United Nations report.

**ILLEGAL DRUG SMUGGLERS DEVISE NEW ROUTES  
TO THE EUROPEAN MARKET  
(From the Spanish journal El Pais)**

*Spanish Police warns about new routes and alliances among drug traffickers to accede to European market.*

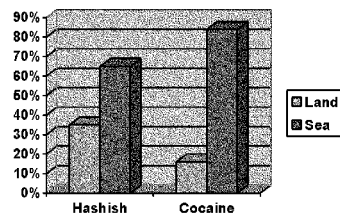
Statistics confirm the importance of Spain in illegal drug trafficking, last year Spain accounted for 50% of the cocaine seizures in the European Union, regarding Hashish, this figure goes up to 70%. Worldwide, Spain is number one in Hashish seizures (50% of the total) and third in cocaine, following the United States and Colombia; it even surpasses México in this matter.

**SEIZURES OF ILLICIT DRUGS IN SPAIN**

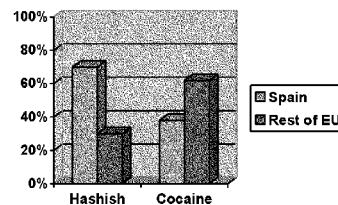


Out of the total of Spanish seizures, 84% were done in the sea, and only 16% on land. Between January 2003 and August 2004 43,000 kilos of cocaine were seized as a result of the boarding of 23 vessels, the majority of these in the area of the Canaries Isles. Many of these ships were heading towards African ports in countries like Mauritania, Senegal, Gambia, Togo and Morocco.

**Place of intervention**



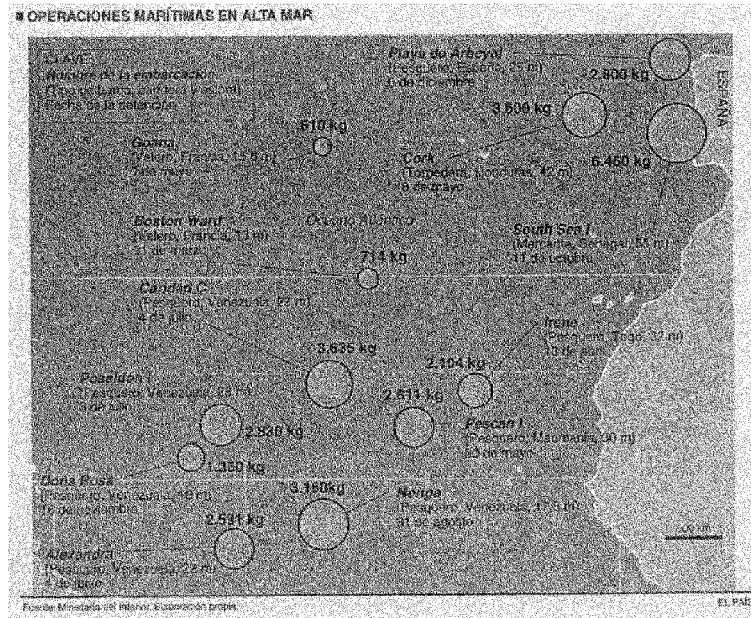
**Seizures in the European Union**



Drug Smugglers have been using sailboats to introduce cocaine into Spain, taking advantage of the lack of control in the numerous sport docks on the



Spanish coast; nevertheless the number of seizures along traditional Hashish or commercial routes is on the increase.

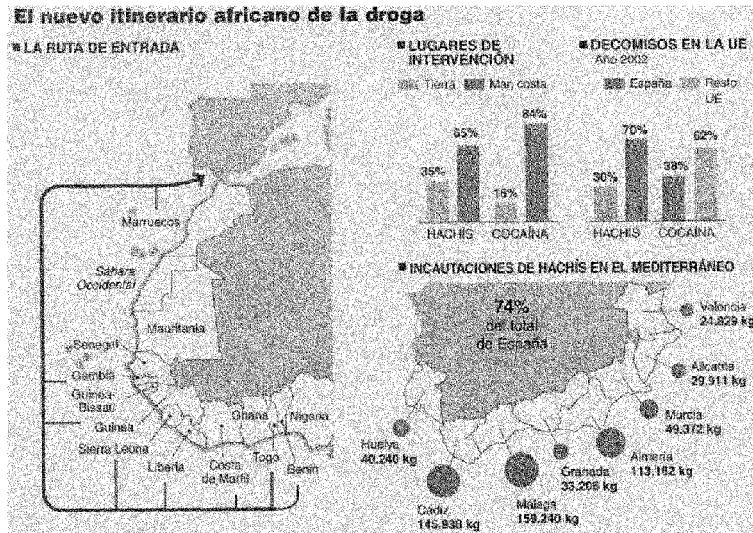


It's alarming the way in which Hashish seizures are growing, going from 440.000 kilos in 2000 to 700.000 kilos in 2003, this leads to consider an important growth in the production of this drug, of which Morocco is the world's largest producer. Hashish business is dominated nowadays by Moroccan organizations; these have been developing more complex networks with the aid of their numerous colonies throughout Europe. These organizations are very tight and hard to permeate; investigators are often encountered with difficulties due to the language and the lack of information.

Several recent findings suggest that Colombian drug smugglers have established alliances with Moroccan organizations to operate in conjunction, there have been seizures in which cocaine is found within Hashish, packed in the same manner. Recently, the Spanish police discovered a boat in the Chipiona beaches carrying 1.200 kilos of Hashish and 120 kilos of Cocaine, Spanish investigators could determine that the Colombian organization responsible had agreed with Moroccan smugglers the introduction into Spain of vast amounts of cocaine they had stored in Mauritania.

The routes of entry of Hashish into Spain have diversified due to the use of faster boats with a wider range, drug smugglers are now reaching provinces

such as Huelva, Almería, Murcia y Valencia, where seizures have multiplied, important quantities have also been seized as far as the Ebro river delta.



This new phenomenon worries authorities because this would implicate that drug smugglers would be operating from safe ports in Africa, where police are scarce and corruption is common, this added to the fact that some of these countries are susceptible to religious fundamentalism and the presence of international terrorist organizations is possible.

The new African itinerary for drug smuggling is Nigeria, Ghana, Liberia, Sierra Leone, Guinea, Gambia, Senegal, Western Sahara, Morocco and Spain.

Additionally, the higher value of cocaine (1 kilo of cocaine is ten times more valuable than a kilo of hashish) could be a new source of income to the Spanish criminal organizations, multiplying the already existing levels of violence and crime associated with drug trafficking.

## CONCLUSIONS

1. The executive Director of UNODC, Antonio Maria Costa in a recent visit to Bogotá, claimed that the cocaine consumption in Europe has lost momentum lately, as published in the "World Drug Report 2004".
2. This phenomenon might be directly linked to the growth in seizures of this drug.

3. Drug trafficking organizations have created new bonds, mafias that used to be separated due to language and cultural differences or fear, are now working together.
4. Authorities are being more effective, as shown by the increase in seizures; nevertheless criminal organizations are still able to find new opportunities and vulnerabilities.

**ROSSO JOSE SERRANO CADENA**  
Ambassador  
Permanent Representative

Asistencia Oficial al Desarrollo - AOD - en Colombia - 1999 - 2007									
	1999	1999	2000	2001	2002	2003	2004	2005	2006
<b>BILATERAL</b>									
Alemania	14.229.612	13.960.028	15.437.368	8.755.320	21.342.918	20.992.140	12.000.000	12.000.000	
Austria	734.614	686.433	512.191	592.389	1	607.352			
Bélgica		1.300.000	1.300.000	4.282.500	1.998.181	2.135.397			
Canadá	3.634.226	2.035.586	2.646.089	1.811.995	2.500.000	3.084.280	3.855.350	3.855.350	
España	3.000.000	5.000.000	8.900.000	25.000.000	25.500.000	30.000.000	30.000.000	125.000.000	125.000.000
Estados Unidos	2.733.833	1.386.590	3.851.076	37.111.233	125.508.994	117.500.000	125.000.000	125.000.000	
Finlandia	40.000	230.000	88.000	390.000	530.000				
Francia	2.800.000	1.047.900	5.709.147	1.475.000		8.326.231			
Italia	401.733			1.775.612	1.241.799	1.038.389			
Japón	10.229.612	10.000.000	14.000.000	15.787.919	6.913.553	6.991.907	5.500.000		
Noruega					8.380.000	8.082.475			
Países Bajos	500.000	8.536.818	8.000.000	7.328.097	9.561.800	7.990.968	10.000.000	12.000.000	
Reino Unido	5.500.000	4.000.000		3.086.733	493.571	1.476.851	1.023.343	1.023.343	746.100
Suecia	5.280.000	8.820.000		6.746.723	7.562.340	11.488.452	3.993.096	885.833	
Suiza					6.114.533	6.570.000	8.250.000		
<b>Subtotal Bilateral</b>	<b>94.163.251</b>	<b>92.833.363</b>	<b>11.223.116</b>	<b>128.223.676</b>	<b>218.042.688</b>	<b>228.348.442</b>	<b>182.371.748</b>	<b>354.778.628</b>	<b>746.100</b>
<b>MULTILATERAL</b>									
ACHUR					2.829.260	4.300.000	5.000.000	5.000.000	5.000.000
BID	9.195.000	645.600	12.400.900	3.900.000	4.500.000	6.780.000			
BM	1.580.000	1.697.970	1.254.199	605.350	1.200.000	3.014.198	7.442.038		
CAF		918.129	1.136.185	1.911.952	823.186	1.926.858	1.000.000	1.000.000	
CEPAL						200.000			
FAO	3.037.000	1.607.812	1.793.991		1.607.100	389.321	230.000		
OACNUDH						1.170.757	831.497		
OEA			607.900			580.335			
OEI						0	2.435.289		
OMI					9.320.000	11.042.000	13.000.000		
OTI				1.260.504	0	600.000			
ONUDI						95.000			
ONUSIDA						105.000			
OPSOMS		2.380.752	2.400.300	1.897.164	877.691	690.000	874.000	2.730.000	2.890.000
PIRA	700.000	1.081.396	1.000.300		3.050.091	3.690.049	6.000.000	9.000.000	
PIUD		709.100	710.300	734.704	2.429.310	2.280.000	2.160.000	2.204.000	2.500.000
SECAD		86.980			1.434.297	1.054.278			
UNODC	796.260	4.440.000	4.500.000		1.809.150	1.968.750	2.903.100		
UNESCO				285.000	337.700	134.415			
UNFPA	600.000	400.000	574.914	700.000	1.017.000	409.950	549.000	549.000	549.000
UNICEF	4.428.662			2.835.346	4.445.000	4.548.852			
Unión Europea	27.994.440	10.768.339	10.751.172	16.991.104	18.081.727	36.303.846	57.010.554	65.899.030	68.150.011
<b>Subtotal Multilateral</b>	<b>56.928.362</b>	<b>24.727.679</b>	<b>37.128.961</b>	<b>38.181.124</b>	<b>36.753.212</b>	<b>66.721.807</b>	<b>98.156.389</b>	<b>98.683.530</b>	<b>79.088.011</b>
<b>TOTAL</b>	<b>151.091.613</b>	<b>117.561.042</b>	<b>148.352.077</b>	<b>166.404.800</b>	<b>254.795.900</b>	<b>295.070.249</b>	<b>280.528.138</b>	<b>453.462.158</b>	<b>825.188.111</b>

-305.000

Datos correspondientes a la cooperación internacional al desarrollo no reembolsable. [Programable por Gobierno y No programable]  
 FUENTE: ACCI, a partir de los informes de actividades de cada año y los reportes de las fuentes cooperantes. Cifras hasta 2003 desembolsos efectivos. Cifras 2004: programación ya acordada.  
 En millonarios al primer dato corresponde a recursos del Organismo. La segunda cifra corresponde a recursos reportados por los países y son ejecutados por el organismo.

## NOTAS Bilaterales

Alemania: Por información de la Embajada se ajusta la cifra del año 2002, incluyendo la cooperación no programable. La cifra 2003 es preliminar.  
 Estados Unidos: la cifra 2003 solo incluye tres Convenios de Cooperación: Democracia, Desarrollo Alternativo y Poblaciones Vulnerables.  
 España: tomado a partir del documento "Análisis de la cooperación española en Colombia 1999 - 2003"

Finlandia: Informe AOD Bilateral por país. Ministerio de Asuntos Exteriores - Departamento para Política al Desarrollo - de Finlandia

## NOTAS Multilaterales

UNODC: las cifras corresponden a contribuciones realizadas por los países.

Unión Europea: La cifra 2003 corresponde a desembolsos de la Comisión no necesariamente ejecutados en la vigencia

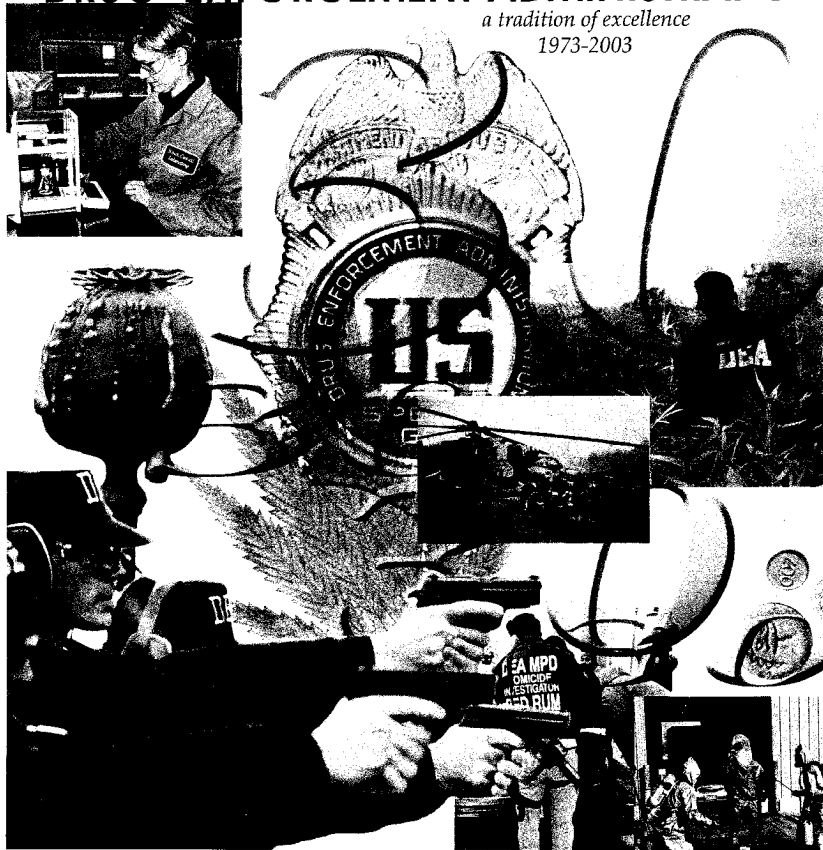
22/08/2004



U.S. Department of Justice  
Drug Enforcement Administration

# DRUG ENFORCEMENT ADMINISTRATION

*a tradition of excellence*  
1973-2003



**Retiring CNP  
Director  
Serrano  
Honored  
(2000)**



DEA presented retired Colombian National Police (CNP) Director General Rosso Serrano with the first-ever honorary Special Agent badge at a ceremony at DEA headquarters on July 19, 2000. It is the DEA's highest award, and is presented only in exceptional cases to individuals outside DEA who have had a monumental impact on drug law enforcement nationally or internationally. "I can think of no one who so embodies the spirit of this award but General Serrano. He has put service to his country, his people, and the world before his personal safety," stated Administrator Donnie Marshall at the ceremony.

General Serrano joined the CNP in 1963 as a second lieutenant and advanced steadily through the ranks until becoming Director in 1995. The accomplishments of CNP under General Serrano debilitated major international drug traffickers and affected the drug trade worldwide. Under his command, the CNP declared war on drug cartels and joined forces with the DEA in dismantling the infamous Cali organization. Other CNP accomplishments under Serrano include the arrests of Jose Santacruz-Londono, Pacho Herrera, Henry Loaiza-Ceballos, and Juan Carlos Ramirez-Abadia. Cooperation between DEA and CNP continued as new independent drug organizations were created. One of the most significant was Operation Millennium, in October 1999, that dismantled the "Juvenal" transportation organization, which had been supplying between 20 and 30 tons of cocaine per month to the United States and Europe.

Ms. HARRIS. Thank you. Ambassador Serrano is the legendary, drug-fighting, former Director of the Colombian National Police, a two-time International Association of Chiefs of Police Policeman of the Year, the only foreign national ever made an honorary DEA agent.

Ambassador Serrano's perception and his extraordinary analysis of illicit drug trafficking trends shows that an ever-greater amount of cocaine from Colombia flows throughout Europe. His analysis of consumer cocaine use and drug trafficking ought to serve as a wake-up call for our European friends.

At this time, there is no place for complacency on their part regarding Colombia's narco-terrorism. It must end. The Serrano analysis shows that close to 25 percent of global cocaine consumption now occurs in Europe, and that 90 percent of this within Western Europe. Since drug use as stated is often a lagging indicator, it may even be much higher at this point. Moreover, crack cocaine consumption has emerged within Europe as an alarming phenomenon.

Here in the United States, we know from bitter experience about the violence and destruction that can accompany this type of drug use, and our friends in Europe need to take immediate action to stamp out this worrisome trend.

Yet, the most startling figure in the Serrano research is the nearly 50-metric-ton seizures of cocaine seized in 2003 in Spain, a country that the Colombian traffickers use as their gateway into Europe. In addition, the traditional North African route for hashish smuggling may also have begun to be exploited by the Colombians as another means to move more and more cocaine throughout Spain and into Europe.

Despite the alarming evidence, today Spain itself and other nations of Europe, such as Germany, remain less than helpful in stemming the flow of illicit drugs from Colombia. Our British friends once again seem to be the only European players really helping Colombia with its antinarcotics efforts.

And apart from that, Ambassador Serrano's, DEA's, and HIRC's experts have also detected soaring cocaine flows into Europe. This increase in illicit narcotics activities means more and more violence, more and more terrorism emanating from Colombia.

In conclusion, it must by now be clear to our European friends that this insidious problem of cocaine trafficking and use extends far beyond America into their countries as well.

Now it is time for European partners to come to the assistance of Colombia, because security, peace and prosperity in that nation constitute a critical mutual interest. Together with the administration of Colombian President Uribe, who has just done an extraordinary job, we need to tackle this drug challenge and help Colombia with its own dark era of narco-terrorism. Only then will we witness an end to the ancillary violence that harms our communities and young children on both sides of the Atlantic Ocean.

Thank you, Mr. Chairman.

Mr. BALLENGER. Now, I would like to declare that I am not up for sainthood.

But let me just say, first of all, our first witness, Adolfo Franco, is Assistant Administrator for Latin American and the Caribbean

of the U.S. Agency for International Development. And before you begin, Adolfo, I would like to personally thank you here in public for all of the fine work that you have done for us at USAID. I have personally witnessed the results of your efforts to help poor people of the Americas, especially the children.

And I know that Latin America is a better place because of your fine service at USAID. And I hope you will continue to serve in this capacity. And with that, the floor is yours.

**STATEMENT OF THE HONORABLE ADOLFO A. FRANCO, ASSISTANT ADMINISTRATOR, BUREAU FOR LATIN AMERICAN AND THE CARIBBEAN, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT**

Mr. FRANCO. Thank you, Mr. Chairman. And thank you, Mr. Menendez and the other Members of this distinguished Committee for the opportunity to testify today on USAID programs.

Mr. Chairman, I want to underscore what all of the distinguished Members have said about your extraordinary career and your commitment to Central America and to the process in Venezuela that we have worked on.

Before this hearing began, Mr. Ballenger was asking me, "Did you get these medical supplies down to Puntamayo like I told you to?" So his heart, his commitment, his hard work, his dedication, I think, represents the best of public service. And it has been an honor and a privilege to work with you over the years on shared goals and objectives.

Mr. Chairman, the United States Agency for International Development is very proud of its contribution and the efforts of our Government to assist the Government of Colombia and the people of Colombia to promote peace and democracy in that country and, most importantly, to decrease the flow of drugs into the United States, Europe and elsewhere.

It is an extraordinary privilege for me to serve with my colleague who will testify in a few moments, Assistant Secretary Charles, who has been an extraordinary leader and a partner in this effort. To this end, the United States Agency for International Development is working to achieve the goals of decreasing the flow of drugs to the United States and elsewhere by supporting three broad and mutually supporting objectives.

And they are, first, as Mr. Menendez has said, to support democratic institution building and the rule of law in Colombia. Secondly, to support development alternatives and economic opportunities for marginalized Colombian populations. Those are most of the people engaged in the production of the cocoa leaf. And lastly, through the important work of supporting people internally displaced by the civil war and conflict in Colombia that now goes into its sixth decade.

Incidentally, Colombia does have, as Mr. Menendez said, one of the highest displaced populations in the world, and the only one in our Hemisphere. According to *The World Drug Report of 2004*, Mr. Chairman, that was recently published by the United Nations Office on Drugs and Crime, approximately 13 million people around the world are affected by cocaine consumption.



Over 25 percent of these individuals—approximately 3.3 million—are drug users in Europe, with approximately 90 percent of these users residing in Western Europe. To combat this scourge, the United States Government continues to urge the European Union to increase their support for counternarcotics programs in Colombia.

To that end, last week, I traveled to Spain to meet with the Spanish Development Agency to discuss our program in Colombia and the means by which we can achieve the mutual goals of providing economic opportunities for those that produce coca so they can engage in licit activities in return for their voluntary coca eradication.

Initially, I want to speak about the USAID programs. Our concentrated efforts were in the Puntamayo department in the southern part of the country, which had the highest coca production. We have now expanded our efforts to other departments where there is a high incidence and threat of coca and poppy cultivation.

This year, our efforts have supported more than 10,000 hectares of legal crops for a cumulative total of 50,000 hectares of legal crops since our efforts were launched in the year 2000.

Our efforts in this period have benefited 38,000 families in this part of Colombia. To put this in context, Puntamayo's population is approximately 300,000 people, and our alternative development assistance has benefited 38,000 families, and that is, more than 38,000 individuals.

Our alternative development also includes activities that improve Colombia's rural infrastructure so that licit crops can be transported and marketed. All of you have traveled to the region and know the logistical challenges of transporting licit crops between the remote areas of the south and Bogota and other large markets.

This year alone, another 200 infrastructure projects have been completed, and 900 have been completed since 2001. I hope to travel with President Uribe early in the year to the southern part of the country to inaugurate and highlight for the Colombian people the successes of our programs.

Under the alternative development program, USAID has built 90 schools, 40 water systems and 80 municipal buildings ranging from homes for the elderly to business centers and community centers, all of these in areas where there is illicit coca production.

USAID is also working to develop agribusiness partnerships and is a key participant in negotiations for a free trade agreement between the United States and Colombia to enhance and increase market access for licit Colombian products within the Andean region and beyond to the United States and Western Europe.

Although I want to stress USAID's work in alternative development, Mr. Chairman, I know that you and other Members of the Committee, including Mr. Menendez, are aware of the other activities that we are undertaking in Colombia, including the support for the justice system and human rights; the protection for human rights workers, judicial personnel, trial witnesses and government officials. This is at the center of our efforts to promote equitable society and to attack impunity in that country.

Together, these projects are creating a civil and human rights protection infrastructure and consciousness, a climate of respect so

that the Colombian Government may be able to prevent—and be more responsive to—human rights violations and to create a climate of respect for the rule of law.

I am also particularly proud of USAID's assistance to the internally displaced people of Colombia. This assistance, which is administered by USAID and the State Department's Bureau for Population Migration and Refugees, includes food, shelter, income, and income generation and education programs.

Last quarter, IDP programs collectively aided more than 130,000 persons for a total of 1.9 million people since 2001. More needs to be done as there are nearly 2 million displaced people in Colombia.

Despite these significant accomplishments, the job is not complete and the program continues to evolve in response to a changing political and economic condition in the country. As you know, our Presidents will meet next week to discuss the road ahead in the year 2005 and beyond. There are, as Mr. Menendez says, windows of opportunities where additional European assistance could make a difference. I discussed these matters in Spain last week.

You are absolutely right, Mr. Menendez. There are areas in which we can collaborate and there are areas in which the Europeans can take the lead and others where we can take the lead. I intend to pursue that with European colleagues, particularly from Spain, in February, when they pay a visit to the Administrator of USAID, Andrew Natsios.

The United States Government will continue to take advantage of every opportunity to encourage our European partners to increase their contributions and support in the fight against illicit narcotics and to create a lasting peace in Colombia.

I wish to underscore, Mr. Chairman, that a year and a half ago, I attended the consultative group meeting on Colombia in London. At that time, I was encouraged that the European Union would make substantial contributions. However, to date, I have to share some of the concerns of the Members of this Committee that the level of support for what is referred to as the "soft side" or "development side" has not been as forthcoming as we would like.

Thank you again for the opportunity to appear before the Committee. It would be my pleasure to answer any questions that you, Mr. Chairman, Mr. Menendez, other Members of the Committee may have for me. Thank you.

[The prepared statement of Mr. Franco follows:]

PREPARED STATEMENT OF THE HONORABLE ADOLFO A. FRANCO, ASSISTANT ADMINISTRATOR, BUREAU FOR LATIN AMERICA AND THE CARIBBEAN, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Thank you, Mr. Chairman and distinguished members of the committee, for the opportunity to testify before the House Committee on International Relations Subcommittee on the Western Hemisphere.

Mr. Chairman, the U.S. Agency for International Development is proud of its contribution and participation in the US government efforts to promote peace and democracy in Colombia and to decrease the flow of drugs into the United States.

USAID is working toward the achievement of these goals by supporting three broad and mutually supporting objectives:

- Support for democratic institution building and the rule of law;
- Support for alternative development; and
- Support for internally displaced persons

Today I would like to concentrate on alternative development. The United States believes that alternative development is an essential component to overall eradication policy that includes aerial spraying. In contrast, most European Governments consider alternative development to be an effective substitute for aerial spraying. They see alternative development as complementary to law enforcement measures. However, these same governments recognize that European funded alternative development activities in Colombia have not yet reached the scale of national level impact.

And national level impact is what is needed. According to the World Drug Report 2004, recently published by the United Nations Office on Drugs and Crime, some 13 million people around the world are affected by cocaine consumption. Over 25 percent (approximately 3.34 million) of these consumers are in Europe, with approximately 90 percent in Western Europe.

The United States Government continues to urge representatives from the European Union member countries and the European Union to increase their support for counter narcotics programs in Colombia.

USAID's counter narcotics programs demonstrate what is possible to achieve through national level impact programs. In coordination with the private sector, USAID is working to improve access to and expand the efficient operation of markets and facilitate sustainable and broad-based income and employment growth in strategically targeted areas of the country. Expanding economic and social alternatives will lead to a sustainable expansion of viable alternatives to illicit crop production.

Initially, USAID programs concentrated in Putumayo and Caquetá, areas that contained Colombia's densest coca cultivation, but have now expanded into other departments with high incidence or threat of coca cultivation. This year, our efforts have already supported more than 10,000 hectares of legal crops, for a cumulative total of 49,000 hectares since 2000. These activities have benefited more than 38,000 families.

Our alternative development program is giving families like Bertha Ardila and her sons an alternative to the violent coca trade. Nine months after joining the alternative development program the Ardila family have replaced their coca crop with 24 hectares of corn, yucca and cocoa. In fact they are planning to build a stable and buy cows to start a milk production operation with their own resources. The success of our alternative development program is spreading as reflected by Mrs. Ardila comments, *"Our neighbors used to call us crazy for our decision. Now, they ask us about the program and how they can join"*.

Alternative development also includes activities that improve Colombia's rural infrastructure, so that licit crops can be transported and marketed. This year alone, over 200 infrastructure projects were completed for a total of almost 900 since 2001. Under alternative development we have built more than 90 schools, 40 water systems, and 80 municipal buildings—ranging from homes for the elderly to business centers and community centers. Projects completed also include 195 sewage projects and 35 roads. Democracy and legitimate, accountable businesses continue to take root with 21 citizen oversight committees having been formed last quarter, for a cumulative total of 220 municipalities with improved public services.

Trade is also an important element in bringing economic stability to Colombia. Under the Colombian Agribusiness Partnership Program (CAPP), USAID is providing resources to finance a range of competitive agro-processing and cultivation expansion activities; and anticipates leveraging upwards over \$200 million in private sector financing in the program overall over the next three years. This program is also supporting securitized bond issuances designed to provide sustainable capital market financing for long-term commercial crop production and processing projects. Additionally, USAID under the Colombian Forestry Project is working with farmers and agro-forestry businesses to develop employment-intensive and environmentally-sustainable industry chain linkages in the forestry sector. Trade and the forestry industry are areas of potential collaboration with the European Union and European member countries.

USAID-sponsored alternative development projects in Colombia are also reinforcing the core functions and values that underpin Colombia's democratic civil society. Program beneficiaries are uniting and forming associations to ensure progress achieved continues after USAID funding has ended. The Association "Building a Future," for instance, comprised of 14 small farmer organizations, representing 388 families from Mocoa, recently gained national attention when they were invited to speak at a forum in Bucaramanga sponsored by the influential Colombian non-governmental organization, *Planeta Paz*. The President of the Association, Libardo Martinez, when speaking with other local leaders, stressed the importance of community work and organization. According to Martinez, ". . . the Putumayo experi-

ence has become the reference point for progress for the other departments and for the rest of the world.” Colombians are increasingly proud of the future they are creating, using rule of law and the legitimate economy as a pivot point.

I can’t leave without addressing USAID’s achievements in democratic support and support to internally displaced persons.

Building democratic institution and strengthening the rule of law are key elements in creating a stable, prosperous, and drug-free Colombia. We have established 37 Justice Houses (*casas de justicia*), which increase access to justice for poor Colombians. Make no mistake: this is not a small victory or goal—it is at the very heart, in our view, of sustainable progress and U.S. support. So far, these *casas de justicia* have handled over 2.8 million cases, easing the burden on the over-taxed judicial system. Remarkably, the Department of Justice and USAID “Administration of Justice” initiatives have also established 35 new Oral Trial courtrooms and trained over 10,000 lawyers, judges and public defenders in new oral legal procedures designed to reduce impunity and quicken the judicial process. Similarly, an “Early Warning System” is up and running, which monitors potential conditions that might trigger human rights violations and thereby provides warnings of impending threats. In addition, 11 new mobile satellite units of the national human rights unit have been arrayed around Colombia to provide a more immediate response to allegations of human rights violations in the most remote areas of the country. Together, these projects are creating a civil and human rights protection infrastructure—a climate of respect—so that the Colombian government may be able to prevent or be more responsive to human rights violations. Support for the Inter-American Human Rights Commission or the Vice President’s Human Rights Observatory are two areas that may be of interest to the European Union. The EU and member countries historically have supported democracy and human rights programs.

Also on human rights, the Colombian government “protection program” has been expanded to include protection for mayors, local human rights officials, council members, municipal human rights workers, medical missions, journalists, and former mayors. In the third quarter of FY 2004, more than 40 individuals received protection measures for a cumulative total of 3,540. During this quarter, ten additional offices are in the process of being armored, for a cumulative total of 87 offices protected as of June 2004. Further, a professional police corps has been trained and equipped to protect judicial personnel, witnesses, and government officials. By providing protection to these individuals and offices, we are playing an increasingly important role in ensuring the ability of Colombia’s leaders, human rights defenders, and local officials, to conduct activities in as secure an environment as possible.

Finally, we provide emergency and longer-term assistance to vulnerable groups, particularly Internally Displaced Persons (IDPs). This assistance, administered by USAID and the State Department’s Bureau for Population, Migration, and Refugees includes food, shelter, psychosocial assistance, physical and mental health services, community strengthening, income and employment generation, urban assistance, education, and rehabilitation of child ex-combatants. It also strengthens the Colombian agency responsible for IDP coordination, protection, and border monitoring. The program runs more than 300 projects in 25 departments and 200 municipalities throughout the country.

USAID through its IDP program has helped many people like Ruth Dary Ortiz realize their potential. Ruth lives in the run-down neighborhood called “Nelson Mandela” which is home to displaced families who have fled the fighting and instability of the countryside. Armed fighters broke into her home and killed her brother. When her family fled their village and moved to Cartagena, they arrived with no money or prospects of a job. Today, Ruth is enrolled in a 6-month course in internet and computer maintenance supported by Entra 21, a regional youth employment program which is funded by USAID. She credits the program as being more than just a program but an opportunity in life.”

Last quarter, IDP programs collectively aided more than 130,000 persons for a cumulative total of over 1.9 million persons since 2001. During the same period, more than 7,500 jobs were created for IDPs and other vulnerable persons, such as youth at risk of displacement or recruitment by illegal armed combatants. To date, IDP programs have provided vocational and skill development training for nearly 52,000 IDPs and created over 65,000 jobs. Equally important, access to education was increased during the last quarter for more than 900 displaced and other vulnerable children for a total of 164,840 recipients since the program began. Finally, more than 200 families who were willing and able to safely return to their original communities were assisted last quarter, for a cumulative total of 19,535 families, or over 97,000 individuals since 2001. The IDP Program also assisted 170 additional child ex-combatants during the last quarter. By providing viable life and employment op-

tions, the program discourages families from taking up cultivation of illicit crops. The European Union member countries have supported activities in support of indigenous peoples and to help prevent trafficking in persons. Continued support in these areas is likely to be of interest to the member states.

Despite these significant accomplishments, the job is not complete and the program continues to evolve in response to changing political, economic and social conditions. There are windows of opportunities where additional European assistance will make a difference. The United States Government will continue to take advantage of every opportunity to encourage our European partners to increase their contributions and support in the fight against the illicit narcotics trade to create a lasting peace in Colombia.

Thank you Mr. Chairman for the opportunity to appear before you and the Members of the Subcommittee this afternoon. It would be a pleasure to respond to any questions you or others Members may have.

Mr. BALLENGER. I would like to add one thing. I was in Colombia the week before last, and your officer there in Bogota said, "Why don't you kind of mention it to the President, if they would just fix the road up from Puntamayo back to Bogota, that all of these developments that you have put in down there would be much more efficiently delivered and so forth."

So when I got a chance, I asked him. He said, well, how long is it? I think it is 170 kilometers. At your man's suggestion, I said, and we are willing to split the cost with you. And I think we planted the seed. Let's hope that they pave that road. It was a pretty crummy looking road that I rode on.

Mr. FRANCO. I will look into this matter, Mr. Chairman, and report back to you. There have been two issues with road construction, and one has been the road maintenance issue. We need to make sure that those are tended to. There is a willingness often to build roads but then the maintenance issues and the necessary investments later on, that particularly the Colombians need to pledge, need to be undertaken to ensure that the road can be maintained.

Second is the security issue for us, but I will follow-up on that, Mr. Chairman.

Mr. BALLENGER. I appreciate it.

Now we go to our friend. Bobby Charles serves as the Assistant Secretary of State for International Narcotics and Law Enforcement Affairs.

Since this is probably my last hearing, I want to commend Bobby for his efforts to fight the drug trafficking in America and elsewhere. I believe, through Bobby's hard work, things are really turning around. While more work needs to be done, I believe that with people like Bobby on our side, we can and will succeed in the end.

And with that, I turn it over to you, Bobby.

**STATEMENT OF THE HONORABLE ROBERT R. CHARLES, ASSISTANT SECRETARY, BUREAU OF INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT, U.S. DEPARTMENT OF STATE**

Mr. CHARLES. Thank you, Mr. Chairman. And I think I just need to add my gratitude to the pile of gratitude that sits before you already.

We have traveled a lot of the world together. And when I was up here at this end of the avenue, your leadership has been, as ev-

everyone has said—Mr. Menendez, my colleague, from Mr. Franco, and every other Member—has been exemplary, not just in the professional sense, but has been an example to me personally. Because whether it was getting corrugated steel to the houses that had been destroyed in a hurricane, or working with individuals who had suffered in other ways, you always stepped up to the plate personally and professionally, and really showed a remarkable way to do that. So I thank you also for all of the work you did.

I know that you worked very closely with Speaker Hastert over many years to help create some of the very things that we are talking about here today: The momentum for change. And really you are one of the fathers of that.

And I also have to say that I sat up behind a lot of these daises, and I think a lot of the work that has been done by your staff has really been a driver for change, in particular Caleb McCarry, Ted Brennan and John Mackey. And we continue to work with them because they are real leaders in their own right. So thank you very much.

I would like to just say a few words and then, obviously, back off for questions. Mr. Chairman and all of the distinguished Members, we obviously have a real battle on our hands in Colombia and throughout the region, not only with drugs but with narco-terrorism. And I think that part of what we need to see is that there is something of a tipping point afoot here.

Its origins go back in time to when His Excellency, Jose Serrano, was in fact the Chief of Police in Colombia, and when members of this panel and others on both sides of the aisle created the response to Plan Colombia and ultimately supported this extraordinary effort to try to move toward something big.

I do believe that we are at a tipping point in Colombia. And I do believe that calls for more European assistance, not least because they are increasingly implicated.

A tipping point, of course, is a moment. It is an objective indicator when things begin to really accelerate. And while some of the statistics were mentioned by Congressman Menendez, I think it is worth taking just a moment to hear some of them, because they will hearten people. Particularly as we look toward consolidating gains, and looking to our European friends and allies to add further support to the regional success that I hope will be coming.

By way of example, the cocaine seizures set records in the last 3 years in Colombia. In 2003, 145 metric tons of cocaine were seized in Colombia, compared to just 80 in 2001.

On cultivation, in 2002 you had a 21 percent reduction in cultivation. In 2003 you had a 15 percent reduction. You are going to see big reductions this year again. What is happening there? The question is answered by, Deterrence is what is happening there.

As you spray and kill these crops, they become less-profitable risks and costs rise. People get into the alternative development, which Mr. Franco has so ably described down there.

Murders, down on both the common and the mass side over the past 2 years by 18 percent. This year alone, it is down by 47 percent; again, that number from this time last year. Kidnappings are down 57 percent over the last 2 years, down again 39 percent from

this time last year. Terrorist acts are down 19 percent over the last 2 years, and down 34 percent again from this time last year.

Captures—now this is important—of the kinds of insurgents we are talking about. Captures of paramilitary personnel are up 280 percent in Colombia over the last 2 years; captures of the FARC and ELM members are up 209 percent and captures of narcotraffickers—big king-pin types which everybody recognizes—are up 69 percent over the last 2 years.

Attacks on towns are down 89 percent. Of course, this reflects the increased stabilization that has come from 158 new areas, municipalities being stabilized for the first time in the history of Colombia. President Uribe has stabilized all 1,098 of the municipalities through a standing police force that isn't getting overrun by the FARC or the AUC.

And attacks on the pipeline are down by 40 percent. Those are not small things. Those are objective indicators of a tipping point. And I think they call out for added assistance, not only from the United States Congress, which in many ways has been the father of this entire program, but from our European allies.

There are a lot of things that can be said about this, but I think I am going to jump ahead a bit and talk about the fact that the numbers clearly show that we have to be in this together. Every element, every indication of cocaine use in Europe indicates that cocaine use is rising and that, as a result of that, we need to be tackling it. We use twice the amount of Colombian cocaine in this country than Europe uses, but we provide four times the assistance to Colombia for the broad panoply of programs that we see making this kind of difference.

Let's talk numbers, because that is really what you want to hear. And I think it is important to understand both where we stand and how important it is to move further faster.

Since Plan Colombia was announced, there have been three formal donor conferences in Madrid, Bogota and Brussels. By the way, that goes well beyond the many additional side meetings. I just had a meeting last week with the British. Mr. Franco has meetings all of the time. Our colleagues have meetings all the time. This is always an issue on the agenda. It never slips off the agenda as far as we are concerned. It will continue to drive itself higher up on the agenda.

On July 10, 2003, there was a donor planning meeting in London, and the fourth donor conference is now going to be held in Cartagena, Colombia, in 2005 for overall review of the participation.

I should say that Secretary Powell, my colleagues in other Bureaus of the State Department and I, regularly engage the Europeans bilaterally and multilaterally on the needs that Colombia presents. That is also true when we talk specifically to UNODC, who will have a representative here today. I met with Mr. Costa just last week. It was either earlier this week or late last week, I don't get enough sleep to remember, but it was one of those two.

And we also have the Dublin Group, the mini Dublin Groups, the SECAD at OAS and a number of forums in which we tackle this issue.

And you are absolutely right. I am grateful for this hearing because, in addition to giving us all an opportunity to acknowledge your leadership and hard work, it is really timely in terms of asking for additional assistance.

According to the Colombian Agency for International Cooperation, the European Union and its members invested about \$120 million in Colombia in 2003, of which \$84 million was bilateral. Recognize these numbers are soft, because a lot of the programs are actually measured by program rather than by annual allocation. So it is hard to know. This is a discernment based on what we think is being spent.

Major bilateral programs include Belgium for \$2 million, France for \$8 million, Germany for \$20.9 million, the Netherlands for \$8 million, which obviously presents other issues, Spain for \$30 million and Sweden for \$11.4 million.

There are a number of other smaller projects, rural development, strengthening penal institutions, beyond alternative development in its more well-recognized sense of alternative crops. The United States, on the other hand, obligated \$580 million in Andean counterdrug initiative funding alone in 2003. This included \$168.2 million in alternative development and institution building. In other words, in 2003 again, the United States obligated four times the amount of money that the entire European Union member-states contributed.

These numbers obviously also don't reflect June support, but then remember that we contribute to Colombia through the U.N. and through the UNODC. My office alone gives millions of dollars to the UNODC for this purpose.

These figures move into even sharper focus when you consider that at least 150 metric tons—as others have said—of cocaine enters Europe each year while the United States receives 350 metric tons. To put it more clearly, the United States consumes twice the amount of cocaine consumed in Europe, yet the United States obligated to Colombia 400 percent of the assistance—400 percent more in assistance in 2003—than all the member states.

There is a lot more that can be said about it, but I think I am going to end in saying, in short, when you have a shared big problem, it requires an uncompromisingly bold and shared solution.

That is where we are, Mr. Chairman. We understand—and I think we share almost word for word—the concerns that you have, that the other Members have and also that Mr. Menendez has so ably discussed.

I am happy to answer questions, specific or general.

[The prepared statement of Mr. Charles follows:]

PREPARED STATEMENT OF THE HONORABLE ROBERT R. CHARLES, ASSISTANT SECRETARY, BUREAU OF INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT, U.S. DEPARTMENT OF STATE

Mr. Chairman, and distinguished members of the committee, thank you for the invitation to discuss aid to Colombia and the European role in the fight against narcoterrorism. Before I begin to talk about the subject of today, I would like to take a moment to recognize the extraordinary efforts of Chairman Cass Ballenger over the years. Representative Ballenger, you have been a staunch and longtime supporter of INL programs in Colombia and you will be missed in Congress, in the State Department, in INL, and in Colombia. I salute your many years of fine service.



I have told you before that I believe we are at a tipping point in Colombia. Seizures and eradications are at record levels. Kidnappings, massacres, and murders are down significantly. People are now talking about peace as something that could really happen sooner rather than later. All of these success stories create a powerful testament for more assistance to Colombia, so that this hard earned momentum is not lost. Congress has recognized this by providing continued bipartisan support to Colombia. However, we cannot provide this assistance alone. Help is needed from other nations that are friends of Colombia and who have a stake in combating narcoterrorism and drug consumption. Both Europe and the United States have recognized the need for demand countries to take responsibility along with supply countries.

I would preface my comments by making a broad general statement. European support and concern for Colombia seem to be growing, although both are still not what they could be. On counternarcotics, the European focus is on demand reduction and alternative development, rather than eradication and interdiction. Nonetheless, this support is welcome. European engagement contributes to the overall social and economic progress being registered in Colombia. The Europeans, multilaterally and bilaterally, are engaging more directly and we encourage this.

Our support to Plan Colombia, complemented by our regional efforts in the Andes, represents a significant investment by the American people and Congress to fight the flow of drugs responsible for ending thousands of lives each year in the United States, most of them young Americans. It is also a robust effort to fight powerful, often entrenched terrorists in this Hemisphere. Finally, it is a bold and uncompromising initiative to protect democratic rule in Colombia, and across the Andean region. The grand gamble of robust support by the U.S. Congress—now showing fruit in Colombia—would not have been possible without the extraordinary, courageous and determined leadership of President Uribe. Since taking office in August 2002, his administration has taken an aggressive stand against narcoterrorism. That stand has enabled the broad panoply of hard and soft Colombia programs to work. I would like to say for the record, here today, that I believe President Uribe qualifies as one of the most courageous leaders in the Western Hemisphere, and perhaps in the history of our hemisphere. He is showing the kind of political leadership, perhaps even for allies in the region, which engenders more than respect—it is the kind of intellectual and operational leadership that causes lasting, sustainable change in a country, and may across the entire region and in the hemisphere. He is at the tip of a spear, and the spear is a true paradigm shift, away from a world that views drug trafficking and terrorism as immutable, and toward a world that calls and renders both terrorism and drug trafficking part of a dead past. He is cutting a swath that we all should be proud to follow, in many ways like the leadership of Elliot Ness in 1930's Chicago or Rudolph Giuliani in 1990's New York. He is demonstrating that past assumptions are subject to challenge, and that past norms can be altered and even ended. I am grateful to him for his leadership, and all Americans should be, even as I am enduringly grateful to the U.S. Congress and the leaders on and off this committee who have long championed the Andean Region counter-drug effort and before it, Plan Colombia. I must pause to note that one of the strongest leaders on this issue has been this chamber's present leader, and my former boss, Speaker Dennis Hastert, as well as many of the members and staff of this committee. That said, it is today my pleasure to be able to testify before you. I earnestly thank you for your unwavering support for the people and programs that are making a difference in Colombia—and therefore in heartland America.

The abhorrent plagues of narcotics consumption and narcoterrorism do not recognize national borders. They are transnational problems that require transnational solutions. The drug problem is not limited to just the U.S. or to Colombia. Every nation on Earth is affected daily by the heartbreaking loss of life, productivity, and health directly attributable to illegal narcotics. Our friends and allies in Europe are not immune from the negative effects of illegal drugs. Cocaine consumption is a growing problem in Europe. The European Center for Drugs and Drug Addiction (EMCDDA) 2003 report indicates that cocaine use in the United Kingdom, Denmark, Germany, Spain and the Netherlands is increasing. As our own experience has shown, this problem must be engaged on all fronts, and with all available tools.

Europe as a whole and individual countries have been actively engaged in Colombia since the beginning of Plan Colombia and have implemented some very worthwhile projects, some of which I will describe to provide an idea of European efforts. Nevertheless, it is important to repeat that more could be done. We are at a point where we must keep the pressure on the narcoterrorists and provide opportunities to Colombians who want peace and prosperity. Letting up now would be like quitting in the third quarter of a football game. We must push forward. We may not be in the end zone, but we have certainly passed the 50-yard line. Significant and

increased support from Europe will be necessary if we are to sustain the positive momentum in Colombia. Colombia and Europe will benefit from increased European support, and both will suffer without it.

#### OUR EFFORTS TO PROMOTE EUROPEAN ASSISTANCE

Since Plan Colombia was announced, there have been three formal donor conferences in Madrid, Bogotá, and Brussels. On July 10, 2003, there was a donor planning meeting in London, and the fourth donor conference will be held in Cartagena, Colombia in 2005 to review progress and better coordinate programs that are being implemented as a result of the earlier meeting. This fourth conference was originally planned for 2004, but has now been postponed until 2005. Secretary Powell, my colleagues in other bureaus of the State Department, and I regularly engage the Europeans bilaterally and in multilateral fora to engage them on the needs of Colombia and the benefits to increasing their assistance. My bureau pressed these issues last month in direct talks with the European Union in Brussels and again, earlier this month at the Major Donors Meeting of the UN Office on Drugs and Crime (UNODC). These conversations are sometimes tough, and they should be. Other mechanisms we use to promote cooperation and greater European assistance include the Dublin Group, Mini-Dublin Groups, and the Inter-American Drug Abuse Commission (CICAD) of the Organization of the American States (OAS).

#### OVERALL EUROPEAN ASSISTANCE—A COMPLICATED PICTURE

European aid to Colombia is varied in both sources and funding mechanisms. There is no one clearinghouse or entity that provides the complete picture. There is multilateral aid and bilateral aid. There are loans, grants, and concessions, plus a variety of budget approval and disbursement processes. In addition, most countries track funds by project execution and not years, as we do. Many countries provide assistance solely through multilateral organizations like the UN and others via Non-governmental Organizations (NGOs). Many of the projects are not directly linked to confronting narcotrafficking. In spite of all these difficulties in tracking the numbers, the universal sentiment in Colombia and in the State Department, is that EU and European bilateral assistance has increased, but that more could and should be done by the countries of Europe. Due to the difficulty in getting definitive numbers, I will rely heavily on overall big picture numbers provided by the European Union and the Colombian Agency for International Cooperation (ACCI) for what has actually been spent in Colombia. I am sure that some projects have been missed and some numbers may be lower or higher. Nonetheless, I believe that the overall portrait of numbers that I will share with you is relatively accurate.

According to ACCI, the EU and its member states invested about \$120 million in Colombia in 2003, of which \$84 million was bilateral. Major bilateral programs included Belgium (\$2 million), France (\$8 million), Germany (\$20.9 million), the Netherlands (\$8 million), Spain (\$30 million), and Sweden (\$11.4 million). EU commission projects include a \$35 million Peace Laboratory in the Magdalena Medio region of Colombia, and a \$33 million Peace Laboratory in the state of Norte de Santander. Other projects are much smaller in scope and include such projects as rural development, strengthening of penal institutions, assistance to uprooted communities, and promotion of organic fruit production with small farmer collectives.

The U.S. on the other hand, obligated \$580 million in Andean Counterdrug Initiative (ACI) funding alone in 2003. This included \$168.2 million in alternative development and institutional building. In other words, in 2003 the U.S. obligated over 4 times the amount of money as the entire EU and its member states. These numbers do not include support from the UN, but remember we also support Colombia via the UN. These figures move into even sharper focus when you consider that at least 150 metric tons of cocaine enters Europe each year, while the U.S. receives over 300 metric tons. To put it more clearly, the U.S. consumes twice the amount of cocaine that is consumed in Europe, yet the U.S. obligated in Colombia 400 percent more in assistance in 2003 than did the EU and its member states. While Colombia is not the sole provider of cocaine to the U.S. or to Europe, it is certainly the major provider producing two-thirds of the world's coca and processing even more.

#### WHERE THE EUROPEAN ASSISTANCE IS GOING

The European Union and the countries of Europe do have a number of worthy projects in Colombia. In general, the Europeans prefer to invest in what we often call "soft" projects. These projects are often development oriented in nature and generally devoted to non-law enforcement recipients. The EU also has appropriated a substantial amount of money for humanitarian projects via the EU Humanitarian

Aid Office (ECHO). For the period of 2002 through 2004, the EU provided over \$35 million to Colombia for this purpose even though much more has been promised. This is indicative of one of the problems with the European efforts to date; some pledges have yet to materialize, and when pledges are actually obligated, there is great delay in disbursing the funds. The time to act in Colombia is now, while the narcoterrorists are on the ropes, not possibly two or three years from now.

#### EUROPEAN UNION MULTILATERAL ASSISTANCE

The Colombian Agency for International Cooperation lists five major European multilateral projects in Colombia. These projects have disbursed less than \$10 million in the last five years. They include alternative development in the Colombian states of Meta, Caqueté, and Santa Marta; a monitoring system for illicit crops; decentralization of the National Drug Plan; capacity building for control of drugs and precursor chemicals; and strengthening of local authorities in the fight against corruption. These are all projects that clearly are worthwhile and need to be done, but \$10 million is not nearly enough to address problems that have a profound effect on Europe. These are all important projects, but we would like to see more. Big problems require uncompromisingly bold solutions.

#### UNITED NATIONS OFFICE ON DRUGS AND CRIME (UNODC)

At present, the UNODC has at least five projects in Colombia that receive funding from European countries. The total value for these projects is a little over \$11 million with a little over half of this amount already used in Colombia. The largest of these provides \$4.3 million for an alternative development project with farmers in the states of Caquetá and Meta. The project started in January of 1999 and will finish in December of 2006. The next largest project is one entitled, "Sustainable Livelihoods" that is also a developmental project. It began in September of 1999 and has a completion date of December 2004. The approved budget is \$1.9 million. A third project provides \$1.7 million to strengthen the capacity of the Colombian justice system in investigating, prosecuting, and sentencing drug and precursor traffickers. This project started in January of 1998 and is scheduled to be completed by December 2005. The fourth project is a prevention, treatment, and rehabilitation project for \$1.7 million. It began in January of 1999 and will wrap up in December of 2005. The final UNODC project is for almost \$1.5 million and is designed to build upon the work of a previous project that developed an integrated monitoring system for illicit crops. The goal of this project is to expand the database beyond geographical data to include social and economic data as well. These projects complement a USAID grant to UNODC totaling \$5 million supporting alternative development activities in the department of Nariño and complimentary verification and monitoring systems. There are issues that require intense and continuing dialogue with UNODC, and I am well aware of them, but the efforts are on-going and generating results.

#### WHERE GREATER ASSISTANCE IS NEEDED

What we do in places like Colombia has a direct effect here, in the United States. The same is true for Europe. Failure to invest more in Colombia will only compound the problems of narcotics consumption and narco-trafficking in Europe in the future. Six areas that will be discussed at the upcoming Cartagena conference are: Forestry, Reintegration into Society, Alternative and Productive Development, Strengthening the Rule of Law, Regional Development Programs, and Forced Displacement and Humanitarian Programs.

We believe Europe can provide significant help in the area of dealing with internally displaced persons, demobilized persons, and deserters. As peace flourishes, there will be a significantly increased need for programs and projects dealing with these individuals and ensuring that they are integrated back as productive members into Colombian society. We have asked the Europeans about their plans in this area and have been told that they are considering how to respond. President Uribe has recently announced that Colombia will begin to demobilize thousands of paramilitary members in the coming months. I want to emphasize that this demobilization must in no way exonerate members of the insurgent and paramilitary groups who have committed serious crimes and acts of terrorism from facing justice in Colombia, Europe, or the U.S., and President Uribe has echoed this sentiment to us.

Another area where European assistance is needed is the area of money laundering and terrorist financing. This is the lifeblood of the narcoterrorists, and we must attack their money at every opportunity and in every country. Europe has a well-developed banking system and significant experience and expertise in dealing with money laundering. The Colombian narcoterrorists use European banks, and

European assistance would be particularly welcomed in this area. Since September 11, our own experts have been working double time on terrorist financing, and we would welcome European assistance.

Europe is especially well suited to help combat the diversion of precursor chemicals. Europe, like the U.S., has a highly developed chemical sector that exports to the whole world. Unfortunately, some of these chemicals are diverted to the manufacture of drugs that are killing children in Colombia, the U.S. and Europe. Denying this vital component to the drug trade would certainly seem like a promising area for the Europeans to pursue with Colombia.

#### COUNTERNARCOTICS ACHIEVEMENTS IN COLOMBIA

Even though you, the Members of Congress need no convincing, I think it important to review what we have done in Colombia, so that everyone knows that the American taxpayer's dollars are being put to good use. If the Europeans look closely at these success stories, I think that they too would agree that increasing their investment in Colombia's battle against narcoterrorism is the right thing to do. I would encourage them to mimic the comprehensiveness of our program and not limit themselves to just "soft" projects and programs. The bird's eye view of Colombia is encouraging. The commitment of Congress and the effective implementation of our programs are paying off, and Colombians finally have hope for a better future.

#### ERADICATION

In 2003, INL and the Colombians, working closely together, eradicated 116,000 hectares of coca via aerial spraying. At the same time, alternative development programs in Colombia resulted in the manual eradication of an additional 8,441 hectares. The 113,850 hectares under cultivation this year represents a 33 percent reduction from the peak-growing year in 2001 when 169,800 hectares of coca were under illicit cultivation. Riding on the success of Colombia reductions, production of coca in the Andean region dropped for the second straight year—this time by 16 percent.

The Colombian government, with USG support, is making similar progress on opium poppy eradication. In 2003, Colombia sprayed 2,821 hectares of opium poppy while 1,009 hectares were manually eradicated. This was a reduction of 21 percent for 2003. In 2002, our efforts reduced coca cultivation by 15 percent. This was a double-digit decline for the second straight year—a first time accomplishment. With Colombian heroin victimizing children from Florida to Illinois, New York, Maine, and points West, we must continue our vigorous efforts to eliminate all the poppy in Colombia.

This year our spray goal for coca and opium poppy is ambitious: 130,000 hectares of coca and all opium poppy. To date, we are ahead of schedule on these eradication milestones. As of November 15, 2004, we have sprayed over 119,000 hectares of coca and over 3,000 hectares of poppy. When we meet our 2004 goals, it will be the third year in a row that coca and opium poppy eradication has increased. I am certain that we will meet the spray goals for 2004, and we will have our third year in a row of record eradication. I wish I could then say "Three strikes and you are out," to the narcotraffickers, but much remains to be done. However, record eradication statistics combined with record seizure numbers are going to have a positive effect on our constant efforts to keep illegal drugs off the streets of America.

I would be remiss if I did not state for the record that we take environmental concerns very seriously in our spray program. We have sought to be responsive to Members of Congress and non-governmental organizations that have understandably expressed concern about the potential effects of aerial eradication on human health and the environment. We adhere to a higher level of environmental safety in Colombia than any comparable use of herbicide in the world.

#### ALTERNATIVE DEVELOPMENT

Consolidating gains and sustaining progress requires that those who grow coca or opium poppy be not only discouraged from involvement in the drug trade, but also encouraged to enter legitimate markets. Accordingly, alternative development complements interdiction and eradication programs by increasing legal economic opportunities for former producers of coca and poppy. These USAID programs, initially concentrated in Putumayo and Caquetá, areas of Colombia's densest coca cultivation, have expanded into other departments with high incidence or threat of coca cultivation. This year, our efforts have already supported more than 10,000 hectares of legal crops, for a cumulative total of 49,000 hectares since 2000. These activities have benefited more than 38,000 families.

Alternative development is more than alternative crops. It also includes activities that improve Colombia's rural infrastructure, so that licit crops can be transported and marketed. This year alone, over 200 infrastructure projects were completed for a total of almost 900 since 2001. The project built more than 90 schools, 40 water systems, and 80 municipal buildings—ranging from homes for the elderly to business centers and community centers. Projects completed also include 195 sewage projects and 35 roads. Another indication that democracy and legitimate, accountable businesses are taking root is that 21 citizen oversight committees were formed last quarter, for a cumulative total of 220 municipalities with improved public services.

USAID-sponsored alternative development projects in Colombia are reinforcing the core functions and values that underpin Colombia's democratic civil society. Program beneficiaries are uniting and forming associations to ensure progress achieved continues after USAID funding has ended. The Association "Building a Future," for instance, comprised of 14 small farmer organizations, representing 388 families from Mocoa, recently gained national attention when they were invited to speak at a forum in Bucaramanga sponsored by the influential Colombian non-governmental organization, *Planeta Paz*. The President of the Association, Libardo Martinez, when speaking with other local leaders, stressed the importance of community work and organization. According to Martinez, ". . . the Putumayo experience has become the reference point for progress for the other departments and for the rest of the world." Colombians are increasingly proud of the future they are creating, using rule of law and the legitimate economy as a pivot point.

#### INTERDICTION

Interdiction efforts are central to the continuing success in Colombia, and an area where European support could be increased. We provide assistance to and work closely with Colombia's armed forces and police. As a result, Colombian forces reported seizures of 145 metric tons of cocaine and coca base in 2003. If sold on U.S. streets, we estimate an additional \$1.75 billion would have reached drug traffickers and the narcoterrorism they support. In fact, cocaine seizures have increased every year since 2001. Since President Uribe took office in August 2002, Colombian forces have also seized nearly 1,500 kilograms of heroin.

Another good news story seldom written or talked about is Colombia's effective Air Bridge Denial program (ABD). This program is proving to be a highly effective deterrent to international narcotrafficking. Since its resumption in 2003, the program has tracked and sorted thousands of flights, and forced down and/or destroyed over 26 suspected narcotics trafficking aircraft. As of August 2004, the Colombian Air Force and its regional partners had seized almost two metric tons of illicit drugs through the ABD program. In 2003, the program resulted in 6.9 metric tons of drugs seized regionally. The key here is not the number of planes destroyed or the amount of drugs destroyed; rather, our goal is to effectively deter the use of Colombian airspace by traffickers, while protecting civil aviation. Narcotics trafficking patterns are beginning to measurably change in response to the Colombian Air Force effort.

We are undermining the narcotics industry, while also methodically and decisively extending democracy and strengthening security throughout Colombia. We have helped fund the establishment of police in 158 municipalities, many of which had not seen any government or security presence in decades. For the first time in the recorded history of Colombia, there is now a state presence in all 1,098 of Colombia's municipalities. This is an enormous step forward for the people of Colombia and their democratically elected government. As John Locke might say, where there is security and a stable social compact, people will abide the law and mix their labor with the land in a legitimate, lasting way. Due in very large measure to the foresight of this body—the U.S. Congress—we are seeing real success.

#### DEMOCRATIC INSTITUTION BUILDING AND THE RULE OF LAW

To improve the rule of law, USG projects also have assisted the Government of Colombia in establishing 37 Justice Houses (*casas de justicia*), which increase access to justice for poor Colombians. Make no mistake: this is not a small victory or goal—it is at the very heart, in our view, of sustainable progress and U.S. support. So far, these *casas de justicia* have handled over 2.8 million cases, easing the burden on the over-taxed judicial system. Remarkably, the Department of Justice and USAID "Administration of Justice" initiatives have also established 35 new Oral Trial courtrooms and trained over 10,000 lawyers, judges and public defenders in new oral legal procedures designed to reduce impunity and quicken the judicial process. Similarly, an "Early Warning System" is up and running, which monitors potential conditions that might trigger human rights violations and thereby provides

warnings of impending threats. In addition, 11 new mobile satellite units of the national human rights unit have been arrayed around Colombia to provide a more immediate response to allegations of human rights violations in the most remote areas of the country. Together, these projects are creating a civil and human rights protection infrastructure—a climate of respect—so that the Colombian government may be able to prevent or be more responsive to human rights violations.

Also on human rights, the Colombian government “protection program” has been expanded to include protection for mayors, local human rights officials, council members, municipal human rights workers, medical missions, journalists, and former mayors. In the third quarter of FY 2004, more than 40 individuals received protection measures for a cumulative total of 3,540. During this quarter, ten additional offices are in the process of being armored, for a cumulative total of 87 offices protected as of June 2004. Further, a professional police corps has been trained and equipped to protect judicial personnel, witnesses, and government officials. By providing protection to these individuals and offices, we are playing an increasingly important role in ensuring the ability of Colombia’s leaders, human rights defenders, and local officials, to conduct activities in as secure an environment as possible. This is another area in which European support and expertise would be welcome.

Finally, we provide emergency and longer-term assistance to so-called “Vulnerable Groups,” particularly Internally Displaced Persons (IDPs). This assistance, administered by USAID and the State Department’s Bureau for Population, Migration, and Refugees includes food, shelter, psychosocial assistance, physical and mental health services, community strengthening, income and employment generation, urban assistance, education, and rehabilitation of ex-child combatants. It also strengthens the Colombian agency responsible for IDP coordination, protection, and border monitoring. The program runs more than 300 projects in 25 departments and 200 municipalities throughout the country.

Last quarter, IDP programs collectively aided more than 130,000 persons for a cumulative total of over 1.9 million persons since 2001. During the same period, more than 7,500 jobs were created for IDPs and other vulnerable persons, such as youth at risk of displacement or recruitment by illegal armed combatants. To date, IDP programs have provided vocational and skill development training for nearly 52,000 IDPs and created over 65,000 jobs. Equally important, access to education was increased during the last quarter for more than 900 displaced and other vulnerable children for a total of 164,840 recipients since the program began. Finally, more than 200 families who were willing and able to safely return to their original communities were assisted last quarter, for a cumulative total of 19,535 families, or over 97,000 individuals since 2001. The IDP Program also assisted 170 additional child ex-combatants during the last quarter. By providing viable life and employment options, the program discourages families from taking up cultivation of illicit crops. European countries have similar projects in this area and I would encourage them to increase their efforts.

#### CONCLUDING REMARKS

We all know the facts; the United States has invested well over \$3 billion in Colombia since 1999 to fight narcoterrorism. This investment is beginning to produce some very impressive results that will have a direct positive impact on our national security. The U.S. Congress has been incredibly supportive in this noble endeavor and should be commended. Drugs, violence, and crime undermine democracy, rule of law, and the stability required for economic development. The drug trade continues to kill tens of thousands of people throughout the world. Consumer nations like ourselves and the countries of Europe have a moral obligation to assist Colombia in its battle. Besides the moral obligation that seems obvious, the European countries should act out of self-interest, because their citizens are consuming drugs from Colombia. This consumption will generate greater crime and increased social ills. Even scarier is the fact that the drug trade funds terrorists and violent criminal groups in Colombia, which could spread to other countries if not stopped. If we want the evils caused by illicit drugs to stop, we, the Europeans, and all other countries must be resolved to halt the production and trafficking of cocaine, heroin, and other narcotics now. For, if we do not, we will most assuredly see them again—on our doorsteps and street corners. The violence seen on our television screens against our friends and allies to the south is difficult to bear; violence in our very midst imposes a burden far heavier on our hearts and lives. I promise you that I will redouble my efforts to ensure that the nations of Europe realize that we all have a stake in ending the drug threat in Colombia and that there is a need for greater investment in the battle against narcoterrorism.

On balance, the Colombians, with U.S. assistance and support, are on track to dismantle narco-terrorist organizations by seizing their current and future assets in all manners possible. We will face challenges in the coming years that, if not addressed aggressively, have the potential to reverse some of these gains. In particular, the outcome of Colombia's peace process will affect our operations. We must also sustain our support for other allies in the Andes to make sure that the Colombian criminal organizations do not export their production and processing methods to other countries. European assistance is key to ensuring not only that Colombia's ability to build a strong, peaceful country is enhanced, but also that European countries will stand with us to achieve these mutual goals.

I appreciate this Committee's strong commitment to our efforts and look forward to exchanging views on how to carry these efforts into the future. Let me close by offering you this assurance that with or without additional support from Europe I will continue to ensure that outstanding performance and positive results are achieved in the U.S. assistance program to Colombia INL. We will continue to make progress in combating illegal drug production through partnerships with our foreign allies and with the many federal agencies involved in these efforts. We are committed to fight the scourge of narcotrafficking and narcoterrorism in our hemisphere and welcome others who share this commitment to join the fight. Full stop.

Thank you.

Mr. BALLENGER. Thank you. If I may offer a suggestion, Adolfo, I was in Putumayo 10 days ago or 2 weeks ago—I forget exactly when. The development that USAID has put on there is so exceptional that you could hardly explain to anybody in this country that you all really have done such a job.

I mean—recognize, I come from a part of North Carolina that is heavily oriented toward furniture manufacturing, and we are right in the heaviest part of the Amazon Basin where there is unlimited timber that they are planning on cutting and spreading it over a 15-year period. The whole basic idea—the lumber mill that was there would match anything that we could find at any furniture factory in North Carolina and probably even better, because it was comparatively new. And the basic idea that for people like me that—I didn't realize that black pepper was something valuable. They have got a whole unit there that you all installed, and I found out that black pepper is a very expensive product that they can produce cheaper because it grows wild there—and we put the installation there.

When you go to vanilla, again, I hadn't the foggiest idea how you develop vanilla. But to see the way that the whole thing had been put together, and I don't think there was any other—was there any other participation in that particular project, besides USAID?

Mr. FRANCO. No, sir. Well, first of all, thank you very much, Mr. Chairman.

A couple of things. I appreciate your insights, and of course, you know this part of Colombia better than anyone.

First, let me just say, when I assumed this position 3 years ago, the first briefing I had—I was still working on the Hill at the time—was about Putumayo and that there would be absolutely no prospect of being able to carry on development activities, alternative development, or any kind of development activities in that department. And 3 years since, I think we have made remarkable progress, and we still have a long way to go.

I will say that, without the eradication and the aerial spraying, our work would not be possible. That is an essential element, because it is the disincentive.

Once that does take place, then we are prepared to offer the things that you have described—and as Secretary Charles has said,

it becomes a less profitable endeavor—and people are also willing to voluntarily eradicate in exchange for what we call agricultural inputs or other alternatives.

For these products, such as lumber, we are trying to make some market contacts. Our approach has been, unlike in the past, finding the market opportunities first and then seeking the right conditions in Putumayo or elsewhere where we are working to fulfill that market demand, and that is precisely what we have done with pepper, which is a very highly-prized product. It is the same with cocoa in other regions for the production of chocolate. It is for vanilla. It is for some domestic products as well, like the hearts of palm and a number of other products that are also produced there that are largely consumed nationally. So our goal has been throughout to find niche opportunities where we know there is a demand and the particular product or set of products can be exploited in the Putumayo area.

To answer your question, we are going at it alone, largely, in Putumayo. It has been USAID and our partner organizations working there. That is one of the things I did discuss when I was in Europe last week.

We do have some differences—Mr. Menendez is right—with the Europeans as to approach. But reforestation and lumber products and harvesting the forest is something that is very dear to many Europeans, and many European societies would want to promote this type of development. I am looking into those types of opportunities.

It is also the center of President Uribe's efforts, as you know, to reforest parts of Colombia that have been badly managed because of coca production, which is not indigenous to Colombia, and has had a terrible environmental effect. It degrades the soil. So we are looking for those opportunities, but we are going at it alone. I am hoping I can engage the Europeans on this.

Mr. BALLENGER. One suggestion I would make, because I don't think anybody in the United States would believe the beautiful operation that you have going there—

Mr. FRANCO. Thank you sir.

Mr. BALLENGER [continuing]. Is there not somebody in the news media that would be interested in saying something positive about the effort there, about sending a camera crew down, *60 Minutes* or somebody? Wouldn't it be nice to have them on our side?

Mr. FRANCO. It would be nice. Let me just relate my experience. We have friends from the press here. I hope they take us up on it. Generally, bad news, for some reason, is what most of the news media seems to be interested in.

I just returned from Haiti yesterday. When the storm first hit Gonaive, I just couldn't get enough calls from CNN and all the networks telling me we weren't responding fast enough. We have made incredible progress in the last 6 weeks, as said by third parties, not by the USAID. Now, there is a lot less media interest as to the progress made on Gonaive, but I will do my level best. Maybe we can have a *60 Minutes* program or something like it about the great progress. What I was told 3 years ago was that Putumayo was like the "Wild West" and we could not do development there, and look what has happened in 3 years.



Mr. BALLENGER. By the way, let me just ask you something. You gave some numbers—and I have been raising money all my life, either for the United Fund or my own campaign or all this other stuff, and pledges are wonderful things. Those were, I guess, what we are talking about, that the Europeans made pledges of certain numbers.

But the numbers, were you reading the delivery on pledges, the money that came, or is that still just pledges?

Mr. CHARLES. Most of that was actually numbers reflecting the money that had come. But if you remember, the proportions, they are not very high. By way of example, we were talking about single digits for each of those European countries. Yet we are talking about more than half a billion dollars committed by the United States. So the answer to your question is, I have more numbers for you if you want them.

Mr. BALLENGER. No, not terribly.

Mr. CHARLES. On the one side, pledges committed are actually there. But I will tell you, I think a great deal more can be done and everything consistent with everything that has been said here today. There are things that Europeans can do, and individual countries can be committed to doing. More of that will allow us to do more of the things that we do well, and it is not just eradication. It is everything from culture, lawfulness, teaching to building court houses and training judges. I mean, there are many, many opportunities. I think that the thing that we all have said—but it is worth reiterating—is that President Uribe's leadership is truly a unique thing in this Hemisphere. I think this is one of the most courageous leaders, not only in the Hemisphere alive today, but I think perhaps in the history of the Hemisphere.

Mr. BALLENGER. Right.

Mr. CHARLES. Really a remarkable man committed to doing for his country, his countrymen, and ultimately for the region, something that we cannot afford to let pass the opportunity to support him. We need to keep helping him. We need to keep helping.

Mr. BALLENGER. I agree.

Mr. CHARLES. And so do Europeans.

Mr. BALLENGER. Mr. Menendez.

Mr. MENENDEZ. Thank you, Mr. Chairman.

Let me thank both of our witnesses. I am glad I wasn't called away so I could hear what you had to say in addition to your written testimony, which I have reviewed.

Mr. Administrator, join the club on not getting good press, so what can I say.

Plan Colombia is set to end at the end of 2005, leaving the Congress and Colombia and the United States in a situation of either reauthorizing the same plan or reshaping the current plan to fit Colombia's current circumstances. Can you share with the Committee—or maybe, I am not sure if the Secretary is in a position to do so—what if any, are the current plans regarding Plan Colombia?

Does the Administration plan to request a reauthorization of it? Will it be the same Plan Colombia that we are currently operating under, or do you expect changes to be made? If so, could you give us a sense of the scope of those changes?

Mr. FRANCO. Well, it is a little bit above my pay grade, to be truthful with you, Mr. Menendez. I will be as forthright as I can.

First, our Presidents, President Bush and President Uribe, will be meeting shortly in Cartagena. I know that we will be speaking about next year and the future and what needs to be done.

What my job entails—and Secretary Charles can comment on this—is to report on two aspects. That is, what we have accomplished to date, and I have tried to outline some of the areas; secondly, what we forecast the needs to be.

For example, on the IDP situation, we don't expect that situation to dramatically change. And we are helping hundreds of thousands of people in very difficult and dire circumstances.

The alternative development programs by USAID have been, by world development standards, remarkable in 3 years, but they have been an enormous undertaking and a huge investment, of which for most of these products—and they are just bearing fruit, literally—will require a period of time to sustain them.

It is not something you build and walk away from. So our programs, to be sustainable, will require a vision of a longer period of time to develop. So our report—and that would be decided, of course, by the Secretary of State, by the President and ultimately by the Congress—will be to assess what we have accomplished and what we would envision, for example, if there were no future Plan Colombia and what that would entail.

Mr. MENENDEZ. Well, let me go to someone who might be slightly above your pay grade, I think.

Mr. CHARLES. I will.

Mr. MENENDEZ. Maybe significantly above your pay grade.

Mr. CHARLES. Well, I doubt if I am above. I know, based upon my pay, I can't be above anybody's pay grade.

But I would like to support what Adolfo said and, actually, however, be a little bolder, which may mean that he is the only one testifying in front of you next time. But I will be quite bold and tell you that, yes, I think there has to be some mechanism for consolidating the gains. I will refer to your opening remarks where you referenced four components that you think should be within that, within the parameters of what has probably already been discussed up here on the Hill or the other end of the avenue. I think you can safely say those four components will all be a critical piece.

You mentioned the importance of basically continuing what we do well—which is eradication, interdiction, and support for the justice sector. You mentioned an increase in alternative development or a sense that alternative development has to continue to realistically both be tied to the eradication and to create the kind of continuing incentive mix.

We are not talking a whole lot here today yet about the auto eradication programs in Colombia, Bolivia and Peru. But if I can compliment Mr. Franco, they are extraordinary. And they are generating real results. They are the kind of thing that we must continue to throw good money after good. This is not good money after bad. This is a real commitment, a piece of it.

The third thing is the regionalization you mentioned. This has to be a piece of it. You mentioned the balloon effect. We are very fortunate, because we are not seeing the balloon effect yet, and why?

Because there is a real commitment being made throughout this region, not only by us but by regional leaders, to see things differently. We have to reinforce that in the next edition, or whatever we call it, in support of the Andean region.

The final one was getting real European buy-in. It takes some folks longer to see that the writing on the wall applies. And I think, unfortunately, the sad reality of emergency room statistics—Mr. Paul mentioned, you know, his reference to medical impacts. It is obviously going to show up in Europe. There is going to be a need to turn the volume down on that problem. And the only way you are going to do that is to work together with us.

Mr. MENENDEZ. Is there a draft of Plan Colombia 2 that is being discussed?

Mr. CHARLES. There is no draft, but there is a very clear understanding between Republicans, Democrats, Congress and the Administration that there is a need to be firm. I will tell a little story that sort of illustrates this. Ronald Reagan used to tell a story of a man that was drowning. And a man heard someone drowning and went to save him and grabbed a rope and threw the rope out to him and made sure that the drowning man had held on real tight to the other end of it. Then he dropped his end to go find somebody else to rescue.

We can't do that in this region. Everybody is working together right now. We have to do everything we can to reinforce the successes that we are seeing. And so my answer to you would be, within the range of common sense, within the range of understanding, that we have something good happening, that we are at a tipping point. Just by way of example, in a recent poll, more than 70 percent of the Colombian people envision a world in which there is no civil war and no major drug trafficking in their country.

That is fundamental. That is big. That is a change in perception. Now, once the attitude and democracy and all the things that are happening spread throughout the region, you have to reinforce that. You can't back away from it.

Mr. MENENDEZ. Do we expect President Bush and his meetings with President Uribe to talk about the new—whatever we are going to call it—whatever the next phase is?

Mr. CHARLES. Obviously, I am not privy to even the briefing papers on this yet. But I will tell you that my sense is that the progress will be discussed. Whatever the requirements are to continue the progress will be discussed. Undoubtedly in the course of the next—however many months—there will be discussions here on the Hill in terms of how do we get there from here.

Mr. MENENDEZ. If you were called upon either by the Administration or this Committee to say what sort of changes, or what sort of incentivization, beyond what we have both discussed that should be their natural interest, would be necessary to gather greater European assistance, and how the process of designing the program can be improved to solicit better European responses, what would you say? Either one of you, for that fact?

Mr. CHARLES. I think, as an opener, we need to do a better job, perhaps, of explaining that we are all in this boat together, number one. I can go through all the numbers. But the reality is, we are in this together. It is going to be a growing problem for them. Ten

years ago, they didn't have a problem that related to Colombia in any significant way. They do now.

The second thing I think we need to do is explain that—and I think we all need to talk more about it. We are beginning, both USAID and the State Department, INL, to explain that security—when an environment becomes more secure, that opens the door to further discussion about the economic side of what you need to do to support that, to sustain it.

That is true of every country in the world, and frankly, it goes back to John Locke and the basic notion that, when you secure an environment with a social contract, people mix their labor with the land. They begin to protect it. You know, in many ways it is, people will protect titled land when it begins to be titled.

One of the other things that USAID is doing very effectively is that people won't run back into the jungle to produce more drugs. They will stay there. Now, once that begins to happen—and again, President Uribe has stabilized all 1,058 municipalities—that is the moment at which we need to go back to our European friends and say, "Now, you may not like eradication and you may not like some of the other things we do, but now you have got to pony this up together and make this count and stick, so that it is the long term, not the short term."

Mr. MENENDEZ. If I may, Mr. Chairman, since you and I are the only ones left at the hearing—and I really appreciate the answers that I am getting.

One of our witnesses later on in a separate panel will state that they don't believe that a division of labor between the United States and Europe is the appropriate process, that both should be involved in a comprehensive policy. What do you think about that?

Mr. CHARLES. Well, I think, de facto, that is what happens. Right now, for example, there are two big peace prosecutions, and the Europeans are a third. I am forgetting what the exact names of these are, but one of them is for \$33 million, one of them is for \$35 million. Peace laboratories, they are called. They are actually a region which comprehensively tackles everything from health to education, to infrastructure, to broad alternative development.

Well, now, look at what the United States has done in supporting Colombia as a larger matter across the entire country. The only addition to that is that we do eradication. Frankly, in some of the peace laboratories, these regions, we have actually coordinated to—actually, we do the eradication because that is not something they, really, I guess, are comfortable doing. But at the end of the day, what matters is that the job is done.

Historically, whether it is in a corporate context or here in Congress, you know, not everybody is on every Committee. You have got to divide labor. You have got to get the job done and drive results. I think at the end of the day, we will all be proud, including the European participation—those countries, that they are putting more in—of what we have achieved.

Mr. FRANCO. Mr. Menendez, may I add something to that?

Mr. MENENDEZ. Yes, absolutely.

Mr. FRANCO. I fully concur with what Assistant Secretary Charles said. But you mentioned earlier in your remarks, when you were talking about Chairman Ballenger, we have all had the same

common goals and objectives. I firmly believe that is the case in all of my discussions with the Europeans and particularly with the Spanish, who are the largest bilateral European donor in Colombia.

We do have different approaches. I will be candid with you. We do have different methods and approaches in Colombia and elsewhere. We have a division of labor in Haiti today. Our Canadian colleagues are taking the lead on the energy sector. We have divided the country geographically. We have divided them in sector by terms of expertise in terms of the experience we have had. We have worked 40 years in Haiti on food distribution.

Colombia represents, I think, a similar case. There are areas, for example reforestation and human rights, where the Europeans have a keen interest. We work in these areas as well. I don't think there is anything wrong, because we have the same goals and objectives to sit down in a comprehensive way with the Europeans and look at those approaches that work best and the areas of expertise that each of the donors or the specific countries can bring to the table. Sometimes, we will work in partnership in certain areas, and other times—for example, the IDP program—one country or one donor might take the lead.

So I think we have a common goal and objective. I have never met anyone in Europe, in my discussions, that has taken the side of the FARC or another organization that is working against the interests of democracy. We have different approaches in how to work.

Mr. MENENDEZ. A question in my mind, as a witness in a later panel suggests, is that the European Union did not buy into a militarized, antinarcotic strategy as the focus of how to achieve success. Is that something that we will be looking at and considering? Because you can get partial buy-in and do these things in division of labor. But you can do substantial buying with the type of money that you are looking for if you have a more comprehensive nature that everybody agrees to. I am wondering what the validity of those arguments are for your view.

Mr. CHARLES. Let me offer three responses.

First, that may have been true in the first instance, but, right now, it is proving itself out that the coordinated effort where they do what they feel they can do, and we do what we think we can and should also do, is proving that, in support of extraordinary political leadership and political will on the part of President Uribe, we are getting the kinds of results that we want. So, number one, perhaps that would be revisited just as a matter of principle.

Number two, as you move toward a stabilized society—let us use El Salvador, a favorite of the Chairman's—where you get to a greater calm and civil society—not that we are ever going to eliminate drugs. We aren't going to eliminate crime. We haven't eliminated crime in Washington, DC, Los Angeles or North Carolina or Maine or anywhere else. But we will get it down to a very manageable level with this kind of leadership, will, support and allies working with us. As we move in that direction, the propensity rises, the opportunity rises to put more—nonmilitary aid becomes more important whether that is justice sector support training or even equipment for nonmilitary services.

Third answer is, actually, we are getting some military support, or the Colombians are. For example, Spain recently approved a sale of \$6 million in military equipment to Colombia to assist in the counterdrug operations. To a large extent, this is something where—and we have these conversations of course on the Senate side as well—the long term, which we would like to bring toward the midterm and maybe even into the near term, is that you Colombianize this effort. That more of it is taken on domestically, because the overall big expenses begin to fall, and you begin to get the stabilization of these various parts of the country.

But as we move toward that, I think that division of labor cannot—I don't mean that division of labor would ever be an obstacle to the receipt of other assistance in an area where someone wasn't previously active. I think that anything that any of us can do to reinforce this—and, again, I think the average American is supported by this. The average American is being benefited big time by what we are doing in Colombia.

Mr. MENENDEZ. My last two questions, Mr. Chairman. One is, people tend to confuse the European Union with Europe and individual bilateral countries with the union as an entity.

Can you tell us what the European Union contribution in Colombia versus the specific contribution of European countries are? And how successful has the European Union been in creating a cohesive Colombia policy, given differences between member states?

Then my last question would be, you point out in your written testimony that the Europeans need to take stronger action against Colombian drug lords who use European banks. What would you like to see them do that they are not doing?

Mr. CHARLES. First of all, it is a very good point that the European Union obviously has its own commitments. I asked for numbers coming in here on this. And I think they are in the \$120 million range when you add all the bilateral and the EU pieces.

I cannot adequately break it out. I can give you a written document that gives you more detail on this. But in essence, what it is, there is a lot of indefinitiveness in terms of project time frames and who is in and who is out at what times. But the short of it is that there is an EU commitment, and there are a number of bilateral commitments, and I point Spain out as a first instance.

The second part of the question was?

Mr. MENENDEZ. You mentioned in your statement that you would like to see the Europeans take stronger action against drug lord accounts and banks in Europe. What is it specifically that you want to see them do that they are not?

Mr. CHARLES. I think money laundering is a very big deal, and it is getting bigger. I have both testified and written elsewhere on this, but I think that there is an overlap, an increasing overlap with terrorist financing, and I think that we all have a greater interest in trying to get more prosecutions under money laundering laws, but also a greater connectivity in terms of tackling the bigger money laundering issues. So you have law writing and law enforcement and you have ultimately got understanding its connectivity to terrorist financing.

Mr. MENENDEZ. Thank you, Mr. Chairman.

Mr. BALLENGER. You keyed me up, fire away.

Mr. FRANCO. Just to answer Mr. Menendez's question, then we can save the document. The European contribution of that \$120 million that the Secretary reported is \$36 million, and the rest of the remaining \$84 million is broken out bilaterally with Spain being the largest contributor. We do have, sometimes, difficulty in actually knowing what they mean by programs committed, time frames. It is a little difficult for us to actually see when the money is actually on the ground.

Mr. CHARLES. One last point on that.

Mr. BALLENGER. I have got another one. We have got another fellow to talk to. So I have a real tough one for you.

Mr. CHARLES. Okay.

Mr. BALLENGER. What contacts do you know that Raul Reyes, Alfonso Cano and Mono Jojoy have made with the government officials in Europe?

Mr. CHARLES. I know of nothing, but the very fact that you asked the question will make me look at it.

Mr. BALLENGER. What about contacts with NGOs in Europe, the same three?

Mr. CHARLES. I don't know, but I will look at it.

Mr. BALLENGER. What about the Danish NGO who reportedly gave \$8,500 to the FARC? Do you condone this? Do you believe that the other European NGO's contribute financially to the FARC?

Mr. CHARLES. I read that same report. I don't know what is behind it. We are inquiring. Let me say, that would be a very bad thing. As you know, I registered some public complaints recently about a major news magazine that did what I thought was a glorification of the FARC as some sort of entity that helped the poor. I have to tell you, any aid by any organization or entity to the FARC is unacceptable.

Mr. BALLENGER. Have you gentlemen got anything you would like to add?

Mr. CHARLES. Probably not. I just want to say, again, Mr. Chairman, that it has been a real pleasure working with you over the many years, and I know that between you and the speaker and Mr. Menendez and a lot of people who have cared about this issue and have brought it to the forefront so that it could truly be discussed—people sometimes think a hearing just brings it to a discussion, but I think, in the end, it also produces the kinds of appropriations and results that we get.

There are 16 countries with 16 appropriation processes that may now pay more attention to this, and certainly, it will be because of this hearing and because of your leadership over the many years that you have pressed this.

Mr. BALLENGER. Well, I would just like to say to both of you, it seems to me we are doing a heck of a lot better job. Let me just say, if we could back up about 4 or 5 years and shoved you in there, we could have saved a lot of money. But I would like to thank you both for participating in this.

And like I say, if the medical supplies don't get to Putumayo sometime soon, how about letting me know?

Mr. FRANCO. I promise you, Mr. Chairman.

Thank you, sir.

Mr. BALLENGER. Thank you both.

Mr. CHARLES. Thank you very much.

Mr. BALLENGER. Gentlemen, if we could.

I know we kept you for a while here, Mr. Menendez. For those of us that are trying to shut this place down, this Committee, that he has to go to somehow finish—I hope finish—some of the product so that we can get through with this session of Congress.

Let me just say, we welcome you, and turn it over to Mr. Menendez.

Mr. MENENDEZ. Very briefly, Mr. Chairman.

I want to thank the panelists, some of which the Democratic side invited here, and regret that I just got a call to the Conference Committee on the 9–11 Commission's reports.

I have had the opportunity to read your individual testimony. So unless you change it orally on me dramatically, I will know what you basically are saying. But I hope to be back and to be able to go back and forth with some of what I asked the other panel and hear the other responses. I mean no disrespect by it.

I hopefully will be back, Mr. Chairman.

Mr. BALLENGER. Right. Well, let me say a welcome to several of you that I already know.

Let me introduce Mr. Quintana. We talked yesterday afternoon. So we will start with you.

You are a career diplomat in the Colombian Foreign Service, now serve as a political counselor in the Colombian Embassy in Washington and have previously served in The Hague, the Netherlands, and in Sofia, Bulgaria.

We welcome you, Mr. Quintana.

You have time for an opening statement.

**STATEMENT OF JUAN JOSE QUINTANA, COUNSELOR,  
EMBASSY OF COLOMBIA**

Mr. QUINTANA. Thank you, Mr. Chairman.

Before I start my testimony, let me recall what Ambassador Luis Alberto Moreno said to a journalist yesterday concerning Mr. Cass Ballenger. He said, you are, sir, a very good friend of Colombia. We all share that view. Let me tell you, you will be greatly missed down there, not only in Putumayo but in other regions of the country.

Mr. BALLENGER. Thank you.

Mr. QUINTANA. Let me begin by saying that Colombia has a very constructive relationship with the European Union and its member states. In the political plane, the European Governments have consistently expressed support for the Colombian State in its fight against terrorism and drug trafficking. On several locations, they have underlined the need for the international community to contribute to Colombian efforts aimed at defeating those who are waging a war against our democratic institutions.

In this context, it is noteworthy that all Colombian illegal armed groups that are listed as terrorist organizations by the State Department, that is FARC, ELN and AUC, are currently included in the European Union's list of terrorist organizations.

Just a few weeks ago, Colombians were outraged when learning that, in defiance of European legislation concerning aiding and abetting terrorist organizations, an NGO from Denmark was open-



ly collecting donations for the FARC. We are pleased to report now that the Danish Government has been very understanding and has assured us that all the required measures will be taken in order to determine the legal consequences of such an action.

It is also very encouraging that there have been an impressive reaction against this type of attitude on the part of important EU member governments who have firsthand knowledge of the deadly effects of terrorist acts, such as Italy, Spain and Germany. We just hope that these unacceptable actions will not go unpunished, and that international public opinion does not endorse those providing any form of assistance to illegal arms groups who finance themselves by committing heinous crimes like attacks on civil populations, random acts of terrorism and large-scale kidnapping and extortion, not to mention their involvement in all the stages of the drug trafficking business.

With regard to the latter, our European friends have fully accepted that the principle of shared responsibility implies that all countries have united in the fight against this and other crimes of a transnational nature, and that no nation can keep fighting these scourges by itself.

In this regard, let me point out that, since Spain happens to be a main port of entrance to the European narcotics market, the Colombian National Police have a close day-to-day working relationship with the Spanish Police and its Guardia Civil. We also have developed an effective partnership with British authorities, particularly in the field of intelligence sharing.

However, the bulk of the assistance that the European countries provide to Colombia consist of development aid, under a set of guidelines adopted by the European Commission as part of its Strategy for Cooperation for the years 2001–2006. According to this policy paper, the main goal of EU cooperation policies is to help Colombia in its search for peace, as a necessary requirement for our nations' long-term sustainable development. The Commission's response to this challenge entails support for ongoing Colombian actions in the search for peace; focusing on the roots and causes of the conflict; and humanitarian assistance for the victims of the conflict.

At the turn of the new century, Colombia and the countries of Europe agreed to further their cooperation in the fight against poverty and social inequities. These efforts now have a suitable framework with the birth of what is already known in international cycles as "the Group of 24," comprised of those countries and international organizations that attended a meeting on international assistance to Colombia convened by the United Kingdom and held in London in July of last year.

At the closing of that meeting, participant governments and organizations stressed a strong political support to the Government of Colombia and its efforts to confront the threats to democracy, growing terrorism, drugs trafficking, human rights and international humanitarian law violations, as well as the serious humanitarian crisis in the country.

As a follow up of that conference, a second steering and cooperation meeting will be held in February 2005 in Cartagena, and we expect that it will be attended by representatives, full members of

G-24, who, moreover, will have this kind of opportunity to make in situ visits to several projects currently being implemented. It is expected that this meeting will bring about new commitments, which will permit the design and implementation of additional projects that will benefit the population of Colombia and the most needed economic and social development of diverse communities throughout the nation.

The major problems that Colombia faces are transnational in nature and require concerted responses by concerned actors. The EU and its member states are among such actors, and Colombia values highly the fluid political relation that it has been able to build with them, and is grateful for the assistance and cooperation it has received and is receiving, from them.

Thank you very much, Mr. Chairman.

[The prepared statement of Mr. Quintana follows:]

PREPARED STATEMENT OF JUAN JOSE QUINTANA, COUNSELOR, EMBASSY OF  
COLOMBIA

#### EUROPEAN ASSISTANCE TO COLOMBIA

I want to thank you Mr. Chairman for giving me this opportunity to address the Subcommittee with regard to European assistance to Colombia.

Let me begin by saying that Colombia has a very constructive relationship with the European Union and its member States. In the political plane, the European governments have consistently expressed support for the Colombian state in its fight against terrorism and drugs trafficking, and on several occasions they have underlined the need for the international community to contribute to Colombian efforts aimed at defeating those who are waging a war against our democratic institutions. In this context, it is noteworthy that all Colombian illegal armed groups that are listed as terrorist organizations by the State Department, that is, FARC, ELN and AUC, are currently included in the European Union's list of terrorist organizations.

Just a few weeks ago Colombians were outraged when learning that, in defiance of European legislation concerning aiding and abetting terrorist organizations, an NGO from Denmark was openly collecting donations for the FARC. We are pleased to report now that the Danish government has been very understanding and has assured us that all the required measures will be taken in order to determine the legal consequences of such an action. It is also very encouraging that there has been an impressive reaction against this type of attitude on the part of important EU member governments who have first hand knowledge of the deadly effects of terrorist acts, such as Italy, Spain and Germany. We just hope that these unacceptable actions will not go unpunished and that international public opinion does not endorse those providing any form of assistance to illegal armed groups who finance themselves by committing heinous crimes like attacks on civil population, random acts of terrorism and large-scale kidnapping and extortion, not to mention their involvement in all stages of the drugs trafficking business.

With regard to the latter, our European friends have fully accepted that the principle of shared responsibility implies that all countries are united in the fight against this and other crimes of transnational nature, and that no nation can keep fighting these scourges by itself. In this regard, let me point out that since Spain happens to be a main port of entrance to the European narcotics market, the Colombian National Police have a close day-to-day working relationship with the Spanish Police and its Guardia Civil, and that we also have developed an effective partnership with British authorities, particularly in the field of intelligence sharing.

However, the bulk of the assistance that the European countries provide to Colombia consists of Development Aid, under a set of guidelines adopted by the European Commission as part of its Strategy for Cooperation for the years 2001-2006. According to this policy paper, the main goal of EU cooperation policy is to help Colombia in its search for peace, as a necessary requirement for our nation's long-term sustainable development. The Commission's response to this challenge entails support for ongoing Colombian actions in the search for peace; focus in the roots and causes of the conflict; and humanitarian assistance for the victims of the conflict.

For its part, the main areas on which European cooperation projects focus are:

- Economic and social development and poverty alleviation;

- Alternative development;
- Support for justice system reform; and
- Promotion of human rights.

At the turn of the new century, Colombia and the countries of Europe agreed to further their cooperation in the fight against poverty and social inequities. These efforts now have a suitable framework with the birth of what is already known in international circles as “the Group of 24”, comprised of those countries and international organizations that attended a meeting on international assistance to Colombia convened by the United Kingdom and held in London in July of last year. At the closing of that meeting, participant governments and organizations stressed *“their strong political support to the Government of Colombia and its efforts to confront the threats to democracy, growing terrorism, drugs trafficking, human rights and international humanitarian law violations, as well as the serious humanitarian crisis in the country”*.

As a follow up of that conference, a second Steering and Cooperation Meeting will be held in February 2005 in Cartagena, and we expect that it will be attended by representatives of all members of G-24 who, moreover, will have the opportunity to make *in situ* visits to several projects currently being implemented. It is expected that this meeting will bring about new commitments which will permit the design and implementation of additional projects that will benefit the population of Colombia, and the much needed economic and social development of diverse communities throughout the nation.

Mr. Chairman,

The major problems that Colombia faces are transnational in nature and require concerted responses by concerned international actors. The EU and its member states are among such actors, and Colombia values very highly the fluid political relation that it has been able to build with them, and is grateful for the assistance and cooperation it has received—and is receiving, from them.

Thank you very much.

Mr. BALLENGER. Next, we will hear from Mr. Michael Shifter, Vice President for Policy for the Inter-American Dialogue.

We have known each other for years and attended hundreds of meetings together, I guess, at one time or another. Since 1994, he has played a major role in shaping the Dialogue’s agenda and has developed and implemented the organization’s program strategy in the area of democratic governance and human rights. He is an author on Latin American issues, and has taught Latin American politics at both Harvard and Georgetown.

With that, Michael, it is yours.

#### **STATEMENT OF MICHAEL E. SHIFTER, VICE PRESIDENT FOR POLICY, INTER-AMERICAN DIALOGUE**

Mr. SHIFTER. Thank you very much, Mr. Chairman.

I would like to just say a word if I could, as Vice President of the Inter-American Dialogue, that we are also going to miss you as a Co-Chair of our Congressional Members Working Group and your leadership on Latin American issues. But you are welcome to come back to any of the dinners at any time you like. There will always be a chair for you.

I just want to share a few thoughts—and I appreciate very much the invitation this afternoon. I think we are at a moment of great opportunity for dealing more effectively with the Colombia situation, and President Bush’s visit on Monday, I think, underscores that.

That there has already been a lot of progress has been made clear in the first panel. I think the country is in a better place now than it was a few years ago. I think Europe has a vital role to play in this process, in this effort. But, at the same time, I don’t think it is reasonable to expect that Europe is ever going to reach the

scale and commitment of the United States. I just think that they are going to play an important role, a supporting role, but it is not going to be at the same level.

I think it is important to strive for more of a convergence, at least conceptually, between the United States position and the European position. There will always be different priorities and different emphases, but I think it is a mistake to have this division of labor that we sometimes hear of; we will do the hard things, and the Europeans will do the soft, more socially-oriented programs. I don't think that is good for Colombia. I think, at least, it leads to mixed signals and some confusion. So I think that we should really push to try to get much greater agreement and convergence.

It is easy to point to how the Europeans are falling short and have been disappointing in terms of how much they have actually spent on Colombia, compared to what was anticipated or committed in Plan Colombia. I think there has been, however, a process over the last couple of years that has been very positive.

The Europeans have increasingly recognized the importance of the drug question as a cause of violence and conflict in Colombia. They increasingly have taken a tougher stand on the terrorist groups in Colombia and have made that position public.

So a lot of the obstacles, in my judgment, that one saw 4 years ago when Plan Colombia was launched, really have been overcome. To me, that provides a common ground for much closer collaboration and convergence.

I think that, at the same time, the United States has to recognize that the Europeans have identified important issues, and their emphasis on social development objectives, human rights questions, are also things that the United States, perhaps, has been a bit slow to recognize and appreciate fully as well.

So my view is one of both sides kind of coming together at this point. And now the task, as it moves forward, is really to figure out what is a common approach that would reflect the priorities of the Colombians and that both the United States and Europe could support and accept.

Clearly there are a lot of differences within Europe. The United Kingdom and Spain are different from the other countries. I think one should be careful in talking about the role of Europe, because Europe is many things, as has been mentioned.

But, overall, I think that one could note a shift in the position of Europe and most of the countries in Europe in terms of the emphasis on drugs and terrorism now and what was the case then, 4 or 5 years ago. That really presents enormous possibilities for greater convergence.

I think the United States should encourage this shift. I think it can do things by, for example, increasing some of the pressure to improve the human rights situation in Colombia and also to emphasize—in a greater way than it already has—concerns for social development, alternative development, improving the justice system, the rule of the law; concerns that the Europeans have emphasized for a long time that clearly are central.

Now, we are entering a new phase in Colombia where those kinds of concerns, I think, should get more importance. I think there is an evolution in the thinking on the part of Europeans. I

would hope there would be an evolution of the thinking here in Washington as we move ahead for Plan Colombia.

One thing I think we have learned elsewhere, throughout the world, is that it is perhaps more difficult to prepare for the post-conflict, for the peace situation, than it is for the conflict itself.

I think, as we shift gears from dealing with the conflict—even though the conflict still continues, and there is a way to go—to really thinking about how Colombia will deal in the post-conflict situation, the question of institution building, social reform—those kinds of concerns should get a much higher priority.

We have already done a lot of that. But I think we could do a lot more, and I think we could do it a lot better.

So I think, to respond to Congressman Menendez's question, I think there should be a reorientation in the next phase of Plan Colombia. I think, given what Colombia needs, that will produce a much greater coincidence and convergence with what Europeans have been doing.

Let me just say, finally, that I think one question that has not been raised sufficiently—and I think it should be—is that both Europe and the United States need to engage the countries of the region. The next phase should place much more emphasis on a regional approach to dealing with Colombia.

Colombia is not going to make progress toward a sustainable peace, an enduring peace, unless the neighboring countries cooperate more than they have. I think Brazil is a critical player in all of this. I think, as one looks forward, there really needs to be an agreement between Europe, the United States, and Brazil which stands out as a real target of opportunity.

So just to conclude, after our elections here in the United States, a lot of people are talking about windows of opportunity and a lot of foreign policy issues. I just hope that Colombia is considered to be at the top of the list. Because, despite a lot of problems that remain, there has been progress, and there is a real chance to move ahead and to construct an order that will be sustainable and that, I think, could be a success story if one looks at it in a couple years from now.

Thank you.

[The prepared statement of Mr. Shifter follows:]

PREPARED STATEMENT OF MICHAEL E. SHIFTER, VICE PRESIDENT FOR POLICY, INTER-AMERICAN DIALOGUE

I very much appreciate your invitation to appear before the Subcommittee today to talk about "Aid to Colombia: The European Role in the Fight Against Narcoterrorism." With President Bush making his first visit to Colombia and meeting with President Uribe on Monday, this strikes me as an excellent opportunity to think seriously about how the US government can join with the international community to most effectively assist the Colombian government's efforts to build an enduring, peaceful, democratic order. The Colombian government has already accomplished a great deal to reverse the country's decline—much of it attributed to violence fueled by the drug trade—and prepare conditions for an eventual, negotiated settlement with the armed groups. This hearing offers a chance to think ahead and take a longer view about how external assistance can be most helpful.

Europe has a vital role in contributing to Colombia's effort to end its longstanding civil conflict and address the serious drug problem. To be sure, Europe's role has always been, and probably always will be, less central than the role of the United States in supporting Colombia. For reasons of geography, history and culture, the United States is more deeply tied with Colombia. Particularly over the past several years the United States government has wisely shown that it is prepared to devote

considerable resources to such a critical policy challenge. The Europeans are unlikely to ever match that scale or commitment.

Although it is unreasonable to expect that US and European approaches to supporting Colombia will be identical to one another, it is essential to strive for as much convergence in objectives and strategies as possible. This is critical if Colombia is going to be able to devise sustainable solutions to its profound problems. Setting out a “division of labor” between the United States and the Europeans—with the United States seen as providing “hard,” military and anti-drug aid and the Europeans focusing on “soft” assistance oriented towards social development—is unwise. It risks pulling the Colombians in conflicting directions and creating confusion and incoherence. There should be no “right vs. wrong” logic in thinking about external assistance to Colombia. Instead, it is preferable to aim for a common approach that reflects and responds effectively to the priorities set by Colombia’s democratic government. Such a comprehensive, wide-ranging approach was best expressed and spelled out in the “London Declaration” that followed a meeting of key national and multilateral donors to Colombia in July 2003.

It is easy and tempting to point to the shortcomings of the European role in assisting Colombia in its battle against terrorism and drugs. Indeed, the European commitment to the overall Plan Colombia package has been disappointing, and has fallen considerably short of its anticipated contribution of some US \$1 billion. European governments have also generally been slow in recognizing two fundamental features of the Colombian situation: first, the barbarity of the country’s two insurgent groups, particularly the Revolutionary Armed Forces of Colombia (FARC); and, second, the centrality of the drug question in fueling political, destabilizing violence in Colombia, and the importance of tackling the problem at the supply side as well as the demand side. It is fair to say that European governments, and particularly its non-governmental sector, has tended to overemphasize the inequities of Colombia’s social and political order as being “root causes” of the conflict. To be sure, such inequities are real, and need to be addressed. But so are the narcotics and terrorism problems, to which the Europeans have for a long time given relatively short shrift.

Still, since the US contribution of \$1.3 billion to Plan Colombia was approved in June 2000, the distance has narrowed between the US and European positions regarding Colombia. Encouragingly, there is a stronger basis for common ground than before. First, European governments now officially regard all of the illegal armed actors as terrorist groups. This marks a positive change, and reflects greater agreement with the US position. There are fewer illusions and less romanticism about the FARC particularly than just a few years ago. In 2002, the Pax Christi group in Holland published an extensive study on the kidnappings industry in Colombia, offering a devastating critique of an abuse most commonly attributed to the FARC. And both Holland and Sweden are now backing President Uribe’s demobilization of the paramilitary forces.

Second, more European governments have recognized that for Colombia, and most Colombians, security is an urgent priority. The recognition has led to an understanding that security assistance is vital for the Colombian government to allow for the pursuit of broader social and economic development. They have also come increasingly to hold the view that the drug trade is a major factor in accounting for the country’s pervasive lawlessness and insecurity. They increasingly believe that to combat this trade, it is not sufficient to seek to reduce consumption, and promote effective alternative development programs. Law enforcement, and attacking the source of the drugs, also has its place.

Of course, Europe is far from monolithic. There are differences, sometimes rather sharp, among the various countries. The United Kingdom has an approach and priorities that most closely resembles that of the United States. The country has contributed security assistance to Colombia, and has even been involved in sharing of intelligence. Until the new government took over last April, the Spanish position had also been quite close to that of the United States. Prime Minister Zapatero has, however, sought to distance Spain to some extent from the policy pursued by Prime Minister Aznar. A pending sale of Spanish tanks to Colombia was, for example, suspended right after the new government took office. (Moreover, the harder line stance of both these countries can in part be attributed to their own extensive experience dealing with such terrorist groups as the IRA and ETA.)

Some of the other European countries have been more reluctant to fully endorse the priorities accepted by the US and the Colombian government. The Scandinavian governments particularly, but also other European governments, are less willing to provide security assistance to the Colombian government, chiefly on human rights grounds. There is considerable concern about documented links between the country’s security forces and some paramilitary groups. Still, even among European countries critical of the position taken by the US and the Colombian government,

there has been a discernible shift in recent years, and there is every reason to believe that shift can continue. The United States can and should encourage such a shift by further increasing its pressure to help improve the human rights situation.

Indeed, the evolution of European thinking on the Colombian situation presents a unique opportunity as the United States begins the debate about its future support for Colombia. So far, US support has been mainly concentrated in the security area, with a focus on fighting drugs and, since August 2002, armed groups, whether or not there is any direct narcotics connection. The aid to a determined Colombian government has helped yield important and positive results, as reflected in a decline in coca production, and also in kidnappings, homicides and other key security indicators. Colombia's conflict is far from over, but the conditions are riper for a settlement with illegal, armed groups—and there is no longer talk of a possible “failing state”, as there was four years ago. The Colombians deserve most of the credit for this promising turnaround, but US assistance has also played an important role.

Now, however, it is critical to assist the Colombians to prepare for an eventual peace. Given the size and fragmentation of the armed groups, and the continued, pernicious role of narcotics in the country, it is logical to anticipate a very challenging and difficult post-conflict situation. This phase will require sustained support from the United States; otherwise, there is risk of backsliding. In addition, the nature of the support should shift, with a greater emphasis on Colombia's critically important social reform and institution-building tasks. True, the United States has already contributed a great deal in this regard. But it can do better.

Just as Europe has moved closer in fundamental respects to the position held in the United States regarding Colombia, the reverse should also take place. The United States would do well to focus a greater share of its resources in the next stage of support to Colombia to social reform and development aims. The proposed Social Investment Fund of \$2.5 billion over five years, under consideration in the US Congress and now designed to cover the region as a whole, could be a model, particularly for continued aid for Colombia and other countries directly affected by the conflict. Unless resources are redirected in this way, any peace settlement could prove illusory and fleeting. Giving high priority to economic development goals will, over time, also enable Colombians to assume an even larger share of the overall financial contribution.

In addition, more vigorous efforts to strengthen the country's judicial system and rule of law should be undertaken. Despite some noteworthy advances, the human rights situation in Colombia remains critical, and the United States should continue to give this question high priority. Extending the presence of Colombian security forces throughout the country is but a first step in a long-term process. The United States should also encourage the Colombian government to strengthen mechanisms of control and monitoring of the human rights situation, in addition to maintaining pressure to sever links between government forces and paramilitary groups. The demobilization program with the paramilitaries has proceeded by fits and starts. The international community, the United States together with Europe, should assist the Colombian government in pursuit of this formidable challenge, and help make sure that there is a proper balance between justice and peace and violators of the law are held accountable.

It is clear by now that success in Colombia depends not only on external support from the United States and Europe, but most crucially from the other Latin American countries, particularly those in the Andean neighborhood. An effective program, building on but also going beyond Plan Colombia, should be sensitive not only to pursuing greater convergence with Europe, but also in consulting and engaging Colombia's neighbors in a fully regional approach. The Andean Regional Initiative is a good start, but that effort should be expanded. In South America, Brazil should be viewed as a strategic partner of the United States in assisting Colombia regain full governmental authority, attack drugs, and reduce the violence. Brazil, along with other countries in Latin America, has a strong stake in reaching such goals.

The post-election environment in the United States offers a window of opportunity to make progress on an array of key foreign policy challenges. Colombia is one of them. The country has enormous assets and advantages. It is also politically united in wanting to see an end to the conflict. Under strong leadership and a broad consensus, the country seems poised to move towards an enduring, sustainable peace.

For that to happen, however, a longer term and more comprehensive commitment by the United States, in concert with Europe and other Latin American countries, is essential. Though it would be premature to deem Colombia a genuine success story, with the right mix of resources and imagination, from national and international sources, it could well become one. I hope this hearing, and President Bush's visit to Colombia next Monday, will lead the United States to do its part in taking advantage of this opportunity.

Thank you very much for this opportunity. I would be happy to clarify or expand on any of these points, or answer any questions you might have.

Mr. BALLENGER. Next, we have Mr. Sandro Calvani.

Mr. Calvani currently serves as the representative of the United Nations Office on Drugs and Crime, UNODC, in the field office of Bogota, Colombia.

Prior to working in Colombia, Mr. Calvani worked with the Country Director of the U.N. Office of Drug Control Policy in Bolivia, as well as in the Caribbean. He holds a Masters of Science Degree in Biological Sciences from University of Genoa in Italy, and has done postgraduate work at Colorado State and Harvard University.

I would like to welcome you aboard, Mr. Calvani, and thank you for making the trip.

It is all yours, sir.

**STATEMENT OF SANDRO CALVANI, REPRESENTATIVE, UNITED NATIONS OFFICE OF DRUGS AND CRIME (UNODC), BOGOTÁ, COLOMBIA**

Mr. CALVANI. Thank you very much, Mr. Chairman, first of all for the invitation to my boss, Mr. Costa, to contribute our view to this congressional hearing.

I live in Colombia, and I am a frequent visitor to the most remote areas of the country. For the Colombian citizen of all walks of life, the state of insecurity, of violence, wherever it pervades, is unacceptable.

In the recent past, it has resulted in the poor quality of life. It has created a poor investment culture. It represents a serious obstacle to economic growth and employment generation. That is why it is very encouraging for me to witness myself how much these issues are important in the American Congress, the largest democracy in the world, and to you personally, sir, as well as to Congressman Mr. Menendez and the other Members of this Subcommittee.

I agree with almost everything I listened to during these 2 hours on the policy ideas which have been discussed for the present policy and the suggestions for the future policy. Therefore, it would be quite difficult for me to contribute any new figures, any new statistics or any new ideas.

However, I will try my best, also using the advantage that I have, since I have been a United Nations representative to the European Union, to the European Parliament, to the European Council very recently. So I think I understand how the other side of the Atlantic interprets the situation.

First of all, the European Union drug strategy, 2000–2004, is the present strategy. Now, a new strategy is being discussed for the future.

So this hearing, I think, comes at the right moment to contribute to the United Nations as well as to the United States, the State Department, to have an appropriate understanding of how it could be changed on both sides of the Atlantic. The European Union strategy is fully aligned with the principles approved at the United Nations General Assembly's Special Session on Drugs. The Vienna European Council of December 1998 has recognized that Latin



America and the Caribbean are priority regions and that the European Parliament needs to focus on Colombia. Foreign aid to Colombia is 20 years old. All the aid of UNODC to Colombia has been funded by European countries and the United States.

So the European countries and the United States together are the protagonists of what the United Nations does in Colombia. Foreign aid in drug control to Colombia through the United Nations Office on Drugs and Crime, in the past 20 years, has been \$65 million. If we analyze these grants, we see very clearly that the European countries helped Colombia in social and human development, such as drug abuse prevention, rehabilitation and alternative development programs, as well as support to justice. The United States grants, through the United Nations, supported law enforcement activities and, more recently, alternative development and monitoring of illicit crops.

The major characteristic of the European Union's anti-drug policy in Colombia are that the European Union designs and implements a large range of activities, especially in the area of social and human development. Recently, they added what might be called "soft law enforcement," activities, executed through the United Nations bodies or through the European member countries, which strengthen justice and institution building.

Both the United Nations and some European countries support activities aimed at strengthening the institutional capacities of the Colombian institutions to face precursor control—interdiction, aerial, rivers, maritime interdiction. The European Union also recently funded five forensic laboratories to control chemical precursors throughout the area and the control of illicit drugs.

In the past years, the European Union has moved away from prevention and demand reduction into more law enforcement. All illicit crops of Colombia are monitored, their magnitude is identified through one of the most advanced systems in the world—practically, I think the most advanced in the world—with satellite images. It is called the Sistema Integrado de Monitoreo de los Cultivos Ilícitos. It is a United Nations program, which was founded initially by the Europeans and is now founded also by the United States with a new grant of \$800,000 of USAID and INL funds. The United Nations, together with the EU, also devote attention to the criminal justice system and alternative development,

We reached approximately 10,000 families. We have been associated with some of the USAID programs. In particular, I am very glad to say, also, we have been involved in the Putumayo success story, which the Chairman mentioned. In fact, all those alternative development products that now come out of Putumayo—I mention because I have been there recently—like palmitos and palm hearts, now sold around the world with a joint logo of the United Nations and U.S. Government and USAID, they are a strong message to all consumers—whether in Florida or in Belgium, to the housewives who understand that governments of the world will do something to reduce the supply of drugs.

However, sir, alternative development schemes in Colombia, in my opinion, have not reached the scale required to make a big impact on the national level. I have seen the scale in Thailand, where we have eliminated all illicit crops. I have seen it in Bolivia, and

I can tell you that in Colombia, we have not reached that scale. The success story of Putumayo can easily become a success story of Colombia.

There is nothing which prevents us to replicate a success story in Nariño or in Choco or Meta, Caqueta or in the Sierra, Nevada. But we need more funds, and I agree on previous statements, with the fact that the other side of the Atlantic could contribute much more.

In the European strategy, it is indicated that the war against drugs has been fought with the support of the United States. That indicates that Plan Colombia is seen by the Europeans as a truly United States bilateral assistance package, making it difficult for them to be fully involved or sometimes even reluctant in the soft side of it. However, I have also good news.

Plan Colombia's social and human development concerns—I have now found more interest with the European Governments. Two days ago, on Monday, I was in Santa Marta to open the first new European Government contribution to the Family Warden Program (Familias Guardabosques). It is a Presidential program by President Uribe, where the United Nations is putting in an alternative development component.

Italy is contributing 1 million euros—a little bit more than \$1 million—to launch, to open this window of opportunity. I am aware that other European Governments are very close to a decision to enter possibly at the beginning of the next year. The European Union social policy group has a large program on the so-called development and peace, and some of those programs also have an illicit crop reduction component. However, it is not tied aid; they do not require elimination of illicit crop, like the United Nations and the United States do require.

In my written statement, which is available to you, I have suggested five areas of stronger cooperation, which is: (1) Better international control of chemical precursors. All chemical precursors come from the United States and Europe. I think our member countries have a duty to control them better. These are not quantities which go in the stomachs of young girls. They cannot be going around the world with mules, with body transporters. These are millions of liters of chemicals. These are containers. They are big. These are something like ships entering Cartagena, Barranquilla or other ports. We can do better in that area, and the United Nations has good practices to achieve that result. We could control better small arms and automatic weapons, because this is what makes the strength of the armed groups to keep the people under control and to force them to produce illicit crops, even when they would like not to do it.

(2) Alternative development could be enhanced, expanding hectare by hectare, as much has been spent in other parts, like in Bolivia and Peru where we have been successful in almost complete elimination of the illicit crops.

(3) Finally, all concerned partners, I believe, should have a serious effort to achieve effective coordination of all foreign aid against drugs and terrorism in Colombia. We should probably be more transparent. There should be clear chapters of budget lines—in the present European Union aid, there is not a budget line on drug

control—so that all parliaments of the world can understand what has been done, how the money is being spent and how we can achieve a better cooperation.

I think that \$1 million per year on coordination—like we did in southeast Asia, like we did in the Caribbean and in Afghanistan—could give an enormous result in terms of credibility, international trust, efficiency and transparency.

Once more, I thank you for this opportunity, and the United Nations will always be available to provide you all information you may require.

Thank you, sir.

[The prepared statement of Mr. Calvani follows:]

PREPARED STATEMENT OF SANDRO CALVANI, REPRESENTATIVE, UNITED NATIONS  
OFFICE OF DRUGS AND CRIME<sup>1</sup> (UNODC), BOGOTÁ, COLOMBIA

#### EXECUTIVE SUMMARY.

*The two major determinants of the poor human security situation in Colombia are the production and trafficking of illicit drugs and the internal conflict sustained by the Colombian outlaw armed groups. Both scenarios are intimately linked to the global threats caused by narcotrafficking and terrorism. UNODC believes that—together with Afghanistan—the Colombian nexus must remain among the two top priorities of the security related international aid policies, based on the globally recognised principles of multilateral co-responsibility. UNODC advocates and offers its support in order to continue to build better consistency and more transparency of foreign aid in partnership with the Colombian Government, the United States and the European Union to fight and overcome the various expressions of narco-terrorism in Colombia. UNODC stresses that building trust and peace conditions are both tools and welcome side effects of agreed multilateral human security policies. Rather than the representing a threat to the neighbouring countries, a safer Colombia where poverty and narco-terrorism are being progressively eliminated will be a harbinger of common security for the Andean and Central American regions. Perceived strengths and weaknesses of present foreign aid policies, including those of the European Union are discussed and a few recommendations are proposed.*

The two major determinants of the poor human security situation in Colombia are the production and trafficking of illicit drugs and the internal conflict sustained by the Colombian outlaw armed groups. Both scenarios are intimately linked to the global threats caused by narcotrafficking and terrorism. Thus UNODC believes that—together with Afghanistan—the Colombian nexus must remain among the two top priorities of the security related international aid policies, based on the globally recognised principles of multilateral co-responsibility. Beyond the United Nations, such principles have been recently reiterated by the G8 group of most industrialised countries, the Organization of American States and by the European Union and its Member States.

As a resident in Bogotá and a frequent visitor of the most remote areas of the country, I must state also that to target the nexus between violence, poverty and isolation, narcotrafficking and terrorism represents an absolute priority for the Colombian people. For the Colombian citizens of all walks of life—those most affected in the areas under the direct control of narco-terrorism as well as those who suffer the national effects—the state of insecurity and violence, wherever it prevails, is unacceptable. In the recent past it has resulted in a poor quality of life; it has created a poor investment climate; it represents a serious obstacle to economic growth and employment generation. Many opinion makers and independent observers have also argued that narco-terrorism is an historical threat to the very foundations of the Colombian social fabric and to the very survival of Colombia as a nation. In a recent poll 92 % of Colombians ranked violence as the problem with the most perverse effect on them and their families, far above any other social and economic issue.<sup>2</sup>

<sup>1</sup> UNODC websites: [www.unodc.org](http://www.unodc.org) [www.unodc.org.co](http://www.unodc.org.co)

<sup>2</sup> The previous paragraph is adapted from: Elsie Garfield and Jairo Arboleda, *Violence, Sustainability, Peace and Development*, in: World Bank, *Colombia, the Economic Foundation of Peace*, Bogotá, 2003, page 35.

I will focus my witness on the major challenges the international community faces in Colombia to confront the narco-terrorism nexus, with special attention to the main characteristic of foreign aid and the European role in the fight. I will provide a few recommendations which UNODC thinks might enhance the result of our common efforts. In order to provide a complete briefing on these subject I have provided also an extended written text and a set of updated statistics to support my statements.

#### 1. *The European Union and illicit drugs in Colombia*

At global level the EU drug control policies are currently laid down in the “*European Union Drugs Strategy 2000–2004*”. The strategy is characterized by being balanced, multidisciplinary and integrated. It is fully in line with the policies established by the UN General Assembly Special Session on Drugs (UNGASS) in 1998. The Vienna European Council of December 1998 declared Latin America and the Caribbean as priority regions.

*Foreign aid to Colombia* in the area of drug control is more than twenty years old. From 1985 to 2004, the international cooperation to UNODC’s activities in Colombia were funded mainly by European countries, and *the US*. The total UNODC programme 1985–2004 amounted to 65.5 mill.

The analysis of grants to UNODC in Colombia clearly show that European countries helped Colombia in social and human development, such as drug abuse prevention, rehabilitation, and alternative development programmes, as well as support to justice. The US grants supported law enforcement activities and more recently alternative development and monitoring of illicit crops.

In the past five years the US contribution to multilateral fight against narcotics in Colombia has reached US\$ 5.4 million. The US bilateral effort in the same area has reached US\$ 2.3 billion.

*The major characteristic of the EU anti-drugs policy in Colombia are:*

- The EU designs, funds and implements a large range of activities especially in the area of social and human development, but also in complementary areas of what might be called “*soft law enforcement*”. Such activities are executed through United Nations’ bodies, or through the EU Members’ bilateral programmes or through the European Commission.
  - Both the UN and some European countries support activities aiming at strengthening the institutional capacities of the Colombian institutions to face precursor control, *interdiction* (aerial, rivers, maritime and air interdiction) of drug trafficking. UNODC supported and financed mostly with European funds the establishment of five *forensic laboratories* to control chemical precursors and illicit drugs.
  - In the past years, the EU priorities in Colombia have shifted away from prevention and *demand reduction*, to pay instead more attention to law enforcement plans.
  - *Illicit crops*, their location, their magnitude and dynamics are identified and interpreted through the world’s most advanced and transparent methodology with satellite images, called SIMCI (Sistema Integrado de Monitoreo de los Cultivos Ilícitos), a UNODC project, mostly funded by Europeans. In 2003 the same project has received for the first time a grant of US\$ 800.000 from USAID with US/INL funds..
  - UNODC and EU devote equal attention to support the Colombian *criminal justice system* and its transition to the adversarial system, as complementary areas to the fight against drugs and crime.
  - UNODC, other UN bodies, US and most European countries have devoted large funds to *alternative development*.
- However Alternative Development schemes in Colombia have never reached the scale required to make a big impact at national level.
- Contrary to UN and US led alternative development schemes, the EU funded rural development programmes in areas where illicit crops are present are not tied to the certified and enforceable elimination of illicit crops.

The Colombian anti-drug policy was initially discussed on bilateral basis between the US and Colombia, leaving the European partners and Canada aside. In the 2002 issue the EU strategy paper states: “*The war against drugs has been fought with the support of the USA*” [Page 8]. Plan Colombia is seen as a truly US bilateral assistance package, focused on elimination of illicit crops, with some social components, in particular in the area of alternative development. This might explain why, for quite a long time, the EU countries and Canada were reluctant to provide sup-

port and cooperate in the existing anti-drug policy, and to complement the Plan Colombia with additional social programmes and alternative development. Plan Colombia's social and human development concerns are relatively recent additions with some early results that are now attracting the interest of some European Governments, including the Govt. led Family Forest Warden Programme.

The EU is placing special emphasis on a regional Andean approach to drug control policies that is reflected in the Union's trade relations and a specialized dialogue on drugs. Financed from the budget lines for financial and technical cooperation, drug-control related projects in execution or about to start amount to more than €. 140 million [EU data, June 2004].

## 2.. *The EU policy on armed groups.*

Restoring peace has been identified as the most significant development priority for Colombia. The EU's top objective is to help Colombia in its search for peace that is regarded as a pre-requisite to any form of sustainable development. Over the period 2000–2006 an amount of to €145.0 million was devoted to such goal. One of its main programmes is called Peace Laboratories (€.67.8 million). The programme includes four components: peace culture and integral right, productive and social infrastructures, productive activities, and institutional strengthening.

The EU funded "peace laboratories" in the Magdalena Medio and other regions, the anti-landmines programme, as well as support to administrative and judicial reform are prominent components of the EU aid in this sector. In 2002–03 Italy, Belgium, Germany, Spain, France, the Netherlands, the United Kingdom and Sweden also participated with similar or linked programmes which amount to more than €. 50 million. (EU Colombia Country Strategy paper, Annex 8)

## 3. *Topics where foreign aid and technical assistance are still needed*

- *Research that led to hard facts on narco-terrorism:* transparent, more detailed and reliable figures on drug production, yield, prices, drug consumption etc. and its links to other driving factors, such as the impact of the drug economy on the armed conflict, smuggling of arms, support to foreign groups.
- *National drug data systems.* Colombia is not a participant of the Global UNODC NDS data collection and analysis methodology.
- *Integrated control of chemical precursors* with participation of the bordering and the chemical producing countries.
- *Prevention and control of money laundering.*
- *Judicial, police and customs cooperation,* including fight against corruption.

## 4. *A stronger cooperation could be achieved between the EU, the UN and the US*

- *Boost the international control of chemical precursors:* help identifying the origin of the seized precursor and join forces in the prevention and combat of precursor smuggling. A joint task force following the example of operations in Afghanistan, could be a path to follow.
- *A programme to control small arms and automatic weapons could be established.* While weaknesses in this sector have been identified and good practices are established by the Organization of American States and by the UN, the national action plans are still weak. Significant quantities of official firearms end up in the wrong hands.
- *Alternative development should be enhanced.* So far the AD activities are not sufficiently coordinated among foreign and national partners and the amounts of funds devoted only allows for pilot experiences. All recent evaluations and international independent reports have stressed that AD should: apply at large scale; be part of a wider integrated rural programme; benefit from a strong linkage with the plans on forfeited lands and with a land reform; become a part of a wider alliance linked to the existing forms of general preferences and the trade agreements.
- *All concerned partners should make a serious effort to achieve an effective co-ordination of all foreign aid against narco-terrorism in Colombia.* As ACCORD in South East Asia, the recent experience in Afghanistan, the Caribbean anti-narcotics Barbados Plan of Action have demonstrated, impressive results can be achieved through a transparent, smart, lean and computer based co-ordination effort. UNODC has the experience and the know-how to make it happen, using the expertise of some UN Member Countries. Previous experiences in other countries have shown that approximately US\$ 1 million per year spent on co-ordination may provide invaluable outputs of efficiency, international trust and transparency.

I thank you for your kind attention.

Mr. BALLENGER. Thank you, Mr. Calvani.

Next is Dr. Marc Chernick.

Dr. Chernick is a visiting Associate Professor in the Department of Government in the Center for Latin American Studies at Georgetown University. Dr. Chernick earned his Ph.D. from Columbia University.

He has written extensively on drug trafficking in the armed conflict in Colombia and elsewhere in the Andes. We look forward to hearing your testimony.

If you would, please proceed, Dr. Chernick.

**STATEMENT OF MARC W. CHERNICK, VISITING ASSOCIATE  
PROFESSOR, GEORGETOWN UNIVERSITY**

Mr. CHERNICK. Thank you very much, Mr. Chairman.

I also want to thank Mr. Menendez for the invitation as well. I want to begin by placing this question of European contributions upon Colombia in the context of the broader evolution upon Colombia. Because as you well know, Plan Colombia was originally a Colombian program, a \$7.5 billion program. It was designed in the last Government of President Pastrana—it was originally aimed as an integral program that would have its ultimate aim of a political settlement in the armed conflict, both to address multiple issues, including humanitarian issues, drug concerns, political and criminal violence and economic.

The original conception of Plan Colombia was that the United States, the Europeans, the international community and the Colombian Government would share costs.

But what happened was that the first to step up to the plate was the United States. Plan Colombia was debated in the United States Congress, and the result was a special \$1.3 billion supplementary appropriation by the Congress in June of 2000 where the principal focus was anti-narcotics, perhaps thinking that the division of labor would be shared.

Now, principally, again, this was an anti-narcotics program, but there were still significant investments and support for human rights, rule of law, local governments and humanitarian assistance to IDPs.

After the congressional authorization, there was a series of donor conferences held first in Madrid, July of 2000—that was immediately after the appropriations here—in April of 2001 in Brussels and, in between that, a meeting in Bogota. At these conferences, to the dismay of many Colombian officials, it became clear that there was a resistance from many European Governments to the key elements of United States policy, particularly fumigation, and what they viewed as a militarized approach to the drug war.

They were not opposed to many of the broader elements of Plan Colombia as originally designed. They opposed the U.S. input that effectively became the broader framework for Plan Colombia.

At Madrid, the Europeans agreed to formally organize a consultative group in support of the Colombian peace process and not to organize European donors to Plan Colombia. And to reinforce that position, the European Parliament passed resolutions denouncing

Plan Colombia and again affirming European support for the peace process.

Now, individual countries did pledge to support Plan Colombia bilaterally, most notably—as has been mentioned in the other statements—Spain, then under President Aznar, who pledged \$100 million. Norway, not an EU member, pledged \$20 million. But clearly, the European contribution fell short of what had been anticipated.

Now, at that time, as mentioned, the political context in Colombia was quite different than it is today. There were negotiations with the guerilla movements. The Europeans also committed themselves to playing an active role. The United Nations had organized a group of friends of the various peace processes. It is worth noting that, with the peace processes with the ELN, the second guerilla movement in Colombia, Switzerland, Spain, France and Norway served as friends. And in the peace process with the FARC, Germany, Switzerland, France, Norway, Sweden and Spain served as part of the group or friends.

Before the final breakdown in February of 2002, there were a lot of diplomatic initiatives led by the French Ambassador which supported the United Nations to help salvage the process.

Now, it is probably worth noting, very quickly, that this experience in Colombia and the tensions that arose between the Europeans and the Americans over Plan Colombia corresponded with the emergence of the European Union as a player in world affairs. That is, the European Union was just beginning to articulate a single foreign policy or was attempting to do that and to promote a different world view. Colombia is perhaps where this first very clearly manifested itself, and then we began to see this elsewhere in the world. But what is more important than this history is what has happened since, it seems to me.

Since that period, there has been a lot of criticism of European cooperation. But if you look at what individual countries have done, the aid is not insignificant. IFI, which is the Spanish program for Colombia's agency for international cooperation, lists over \$900 million in external support to Plan Colombia. Now that includes international organizations, but much of that comes from Europeans.

The Europeans were very slow in articulating a formal response, particularly the European Union. But by 2002, the European Union developed its central response, which was peace laboratories program.

Now, the numbers I have are different and higher than the ones that were put forth in the earlier panel. In fact, I have been working not with the peace laboratories directly, but the peace laboratories work collaboratively with a World Bank program called the Program for Peace and Development.

They are in the same area doing the same funding of the same programs, but with separate budgets. The first peace laboratory would be building on a program that was already underway by the World Bank in Magdalena Medio. The Europeans authorized \$20,424,000.

Just this past year, the Europeans and the World Bank approved a second peace laboratory. Now, the second peace laboratory for the

Europeans will cover three regions beyond Magdalena Medio. Magdalena Medio will include it, and then three additional ones in Calca, in Catatumbo north of Santander, and the eastern part of Arauca.

Now for that they have earmarked already \$49,680,000, and it is projected that will rise to 130 million euros. That is a substantial commitment. At the same time, the World Bank has approved a two-phase \$80 million loan to support the same programs in the same areas.

It also should be added that on top of the core European Union and World Bank funds for these peace and development zones, there is the mechanism, through the Agency for Cooperation, for other nations to contribute. And they have contributed to these zones, including USAID, which gives money to these zones, or through Magdalena Medio, and will also to the new ones through the Agency for Cooperation.

Now, what these programs are doing is they are basically designed to promote development in zones of violence, many of which are drug-producing zones, and thereby promoting peace.

What is interesting to me now is that in many respects, as the peace laboratories are being consolidated, there is a slow convergence between some of the aims of the EU peace laboratories and the kinds of ideas I hear for Plan Colombia 2. The earlier panel said there is no plan yet, and that is true in a formal sense. It is true in a literal sense. But there is clearly lots of discussion in Bogotá about where that will go, and much of what that is doing is talking about investment in regional areas zones of peace, so there is this convergence.

So, in conclusion, in the initial context of the full-scale peace process has passed, but today there is an interest among both Europeans and United States officials to consolidate gains. While the Europeans are unlikely to endorse fumigation and other aspects of the drug war, the gap is considerably less today than it was 4 years ago.

Plan Columbia 2 will be a United States-Colombia program, but I expect that as the U.S. develops its program over the next year, the conditions are propitious for greater coordination. The Europeans will have a fundamentally separate but increasingly complementary program.

So I thank you for your time, and I am happy to take questions.

Mr. BALLENGER. Let me thank all of you for being here. I do hope that—good, the camera came back. For a minute, you know, you have these hearings, and all of the sex appeal appears in the first panel, and the news media disappears, and your part of the story doesn't get covered.

I would like to say, since this was all about the European assistance and aid and so forth, it makes a heck of a lot more sense to somebody from Colombia or somebody from Europe or Italy, shall we say, or even some of our eggheads from the various and sundry colleges around here to deliver a much more positive, shall we say, aspect of what is going on now.

I would like to ask you, Michael—we have heard about it year in and year out and so forth and so on, and it came up a couple of times, the balloon effect. I know we read about cocaleros in Bo-



livia and so forth. I would like to ask each of you if you have some feeling of what is going on as far as the balloon? Is there such a thing? Somebody said there was not. But it appears to me that it is somewhere, and that Peru and Ecuador and Bolivia seem to be maybe having difficulty. Am I wrong? Let me just start with you, Michael.

Mr. SHIFTER. Thank you. I think what has been reported is that for the first time, we see overall cultivation has gone down. So it has gone down significantly in Colombia. It has been reported—the latest figures I have seen, it has gone down in Peru; in Bolivia it has gone up slightly.

So overall you don't quite see the displacement. I think it is very premature, though, to say that we have sort of conquered or overcome the balloon effect. And certainly we don't see a lot of evidence here that the price and availability of cocaine has changed very much.

So I think the approach still really needs a lot of improvement. I really think it is a mistake to say this is working, even though if we take a snapshot today, the overall cultivation has gone down. There is some evidence that it is likely to reemerge again in other places, in Brazil and Ecuador, as you mentioned, other places in Colombia and the like. And there is—obviously, to the extent that there is still a demand and a market for it, it is very, very hard to deal with that.

I think that one area that we can really make progress in, on the drug question, is for the United States to play a stronger role in encouraging cooperation at a higher political level among all of those countries. There is a lot more that can be done in that. I think that is the problem. Everybody looks to the United States to see what targets they meet. And I think if we try to encourage a process among those countries, we can help try to deal with that problem.

Mr. BALLENGER. Right.

Mr. Calvani, go ahead.

Mr. CALVANI. There is no traditional balloon effect on the high-risk borders, which means, of course, Ecuador and Venezuela. We are pretty sure there is no transfer of any such crops on those sites. However, there is a new Venezuelan responsibility with reference to other kinds of chemical precursors. All that gasoline now seized for the protection of coca paste, and the cocaine has now an origin from Venezuela. That means that the Government of Venezuela has a new responsibility to control better that kind of chemical precursor.

There is no risk for Brazil and Panama to replace coca eliminated in Peru and Bolivia, traditional producers of coca in the past. I think that the countries who have suffered so much, and the Government and the State in those countries, have understood the problems so well that there is no chance that there will be another balloon effect.

In the past, the coca came from Peru into Colombia, and now there is no chance it is going back, because those governments are aware of what would happen. And they have all of the measures in place in order to keep the reduction steady. And the big reduc-

tion in Colombia has not caused the move of the crop to Peru and Bolivia in the past year.

Mr. CHERNICK. Let me just comment on that. I am not sure that the laws of the drug war, the balloon effect, have been rescinded. It isn't playing the role of mass transfers as we saw in the past from Peru and Bolivia up to Colombia. But what we have seen in Colombia, and it is very real, is a slight decrease; that is, that the coca farmers are reseeded at a slower rate than fumigation for the first time that happened since 2003.

But, if you look around Colombia, Plan Colombia was dedicated centrally in Putumayo, Catatambo, the south, and much of that has been disbursed into nontraditional areas. I was, this summer, traveling essentially around the Choco, and much of it has moved up in the Choco, which had not experienced coca cultivation. It was also moving into Arauca and the north, and Norte de Santander. So now it is—there are smaller fields. They are mixed with other crops. But you see in the peripheral area the movement of the drug crops to them, and with them, by the way, the following paramilitary and militaries, so that the conflict is moving out to the edges.

And let me just add another fact, a bit anecdotal, because it is what I saw. The formal statistics show that overall on the Andean region, drug production has declined, and Peru has not shown an increase. Bolivia has shown a marginal increase. I was actually traveling in a coca-producing region in Peru this summer as well, in the Río Apurímac, and there the coca trade is booming. And I was very surprised to see it, because I had been in that area 10 years before, and it was a coca region, a secondary region. Now it is a primary region.

And they told me something else there, which Mr. Calvani would probably know more about than I. But the people in the region said that they are now planting more densely the coca crop so that the official statistics may be misleading; that what one hectare used to carry in terms of coca plant and its yield into coca paste is now much greater, because there is a new technology which is widely used, in this region of Peru at least, where they more densely pack the coca plants in rows.

Mr. BALLENGER. Had you run into that, Mr. Calvani?

Mr. CALVANI. Yes. This is not the balloon effect. This is more industrialized crime. That means that the reduction of hectareage provokes a need of producing better. That means higher efficiency, more plants in less hectares, small hectares spread all over the territory. Sixty-six percent of the total production is in fields less than 3 hectares, and more than half of it is in fields smaller than 1 hectare. That means spread all over the territory.

In Colombia, they imported the Bolivian coca plant, which is the kind of plant that has the highest content of alkaloid, they take better care of the plant, so instead of being 1 meter, is now 1 meter and a half. That is an average. And there are significant plants in the Sierra Nevada with 2 meters, and for the first time in my life in 20 years, I have seen in Sierra Nevada plants of 3 meters, which means trees of coca.

Then the care of the plant—they don't eliminate the leaves by destroying the plant. The children are not allowed in the field any-

more because they destroy the plant, and the plant is kept in good care like we see with tea in Sri Lanka. That means removing only the big leaves on the bottom of the plant; leave the green leaves at the end of the branch so the branch can grow again.

It is a more industrialized crime, and no longer poor peasants who are trying to survive. It is suddenly becoming more efficient. It happens because the consumption has not gone down in the world. As you know, sir, the United States has reduced, slightly, its consumption, but Europe has increased. So in the end, while only one country produces the big bunch of coca, if the demand remains more or less the same at global level, of course they have to industrialize and produce better in the few fields where they are still allowed to do it.

Mr. BALLENGER. Let me ask you gentlemen, because three of you probably have been in that area.

When I was in southern Colombia, they brought a fellow in who showed us how they made coca paste and all of this kind of stuff. And the shocking thing to me—and at the time everybody was raising all kinds of Cain about the spray, that we were going to ruin the river, the Amazon was going to be poisoned forever. And when you looked at the precursor chemicals that were going into the manufacture of coca and coca paste, the spray that might have been being involved was so minute in comparison, it is a wonder that the chemicals—I mean, precursor chemicals that go into making coca are poisonous, cement and hydrochloric acid and all of this stuff, and yet somehow the idea of spraying became poisonous to the world, but precursor chemicals nobody even talked about.

Has there been any effect of the use of those terrible precursor chemicals? Has there been any effect on the waterways of—that is where they dump it all. Has it had any effect as far as anybody knows on the flora and the fauna of that area?

Yes, sir. Mr. Calvani.

Mr. CALVANI. Yes, we do know, sir. Chemical precursors, in particular gasoline and permanganate and the acid, they go into the waterways, and they provoke a lot of damage, in particular for the fishery, and a lot of damage also to the public health and to the environment. If you see Sierra Nevada now, 5 hectares of primary forest has been destroyed to cultivate 1 hectare of coca. And a lot of environmental destruction is due to chemical precursors.

I am convinced that the chemical precursors control in Colombia can be done better, as it has been done in the Mekong, in Southeast Asia, through cooperation on the border and through putting a lot more pressure on governments and governments of producer countries.

Seventy percent of chemical precursor chemicals, for example, come from Trinidad and Tobago. They do not produce chemical precursors. So of course they come from the United States or from Europe through Trinidad and Tobago. What is missed by law enforcement in the States and Europe can be controlled by Venezuela or by the Caribbean Governments effectively, because at the end they have one port, they have one authority, one Custom authority. It could be done better. The United Nations has a lot of experience in that. But we are facing a serious problem in funding our chemical precursor control programs.

Mr. BALLENGER. I would be glad to volunteer any aid that we might give you as far as Venezuela is concerned, but I am not sure that we are allowed in Venezuela. We have a film that I was going to show—I mentioned it earlier—that I would like the staff—if I may run a short video. I think it speaks to what we are talking about at the present time.

I do wish the news media, those of you that are still here, would put a little bit more positive feeling—except for Mr. Calvani, I think everything turned out to be partially positive. But he kind of picked up on the things that we are all worried about, that were not involved in the drugs, the development of the trees. Pretty soon we are going to have a redwood forest that you can pick like coca.

[Whereupon a videotape was played.]

Mr. BALLENGER. Well, for those of you that speak Spanish, I commend you, but I don't speak Spanish. So I hope you enjoyed it.

I would like to thank all of you, because basically you did give them a different picture of, shall we say, the commitment of the European Union, European nations. And I would like to thank you and hope that the meeting that you are going to have with—in Cartagena in February or March would show a recommitment as far as the people there are concerned.

If you want a politician to come down there, I am not allowed—I have got about another week or 10 days where I am allowed to talk about anything in this building, and then all of a sudden I can't talk to anybody here because of our strange laws that we have. But I do plan on continuing to participate in the problems of Central and South America. It has been something that I have always wanted to do.

And I would like to thank each of you for being here. Sadly, the number of people on our Committee that—if they don't get the bills finished, I think we are going to go home tomorrow. But right now, my poor friend Mr. Menendez, they have been meeting for 2 or 3 weeks trying to settle the 9/11 request of the President, to settle what the Senate picked and what the House picked, and my understanding is they are getting nowhere.

But in the meantime, I think, truthfully speaking, if there was a constructive thing that we did today, it was to rejuvenate the idea of the combination between the European nations and the United States. I volunteered on several cases to—since I can't participate in Congress anymore, I can at least participate in some of the meetings.

So, Michael, if you invite me, I guess I can come in to some of your meetings, but I can't invite you to come in. But thank you kindly. I appreciate your attendance, and really, I got a great deal out of it. And I hope the news media picked up on the second half of this. It was a little bit more positive story than the first half. But we in Washington have a tendency to put everything according to our picture, and luckily we got a different picture from some of the people that are involved in that.

And, Mr. Quintana, I know that yesterday you were worried to death about coming to this thing, and I think you did a good job, and you didn't get your Government in any kind of trouble.

Let me thank you again for all of you.

[Whereupon, at 3:50 p.m., the Subcommittee was adjourned.]

