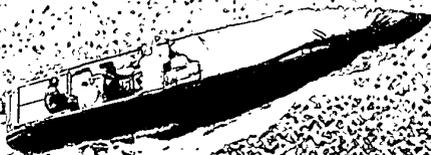
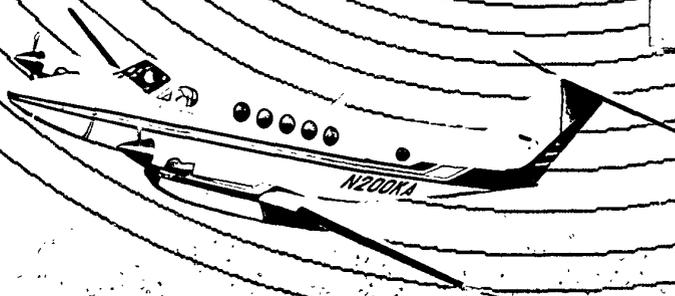
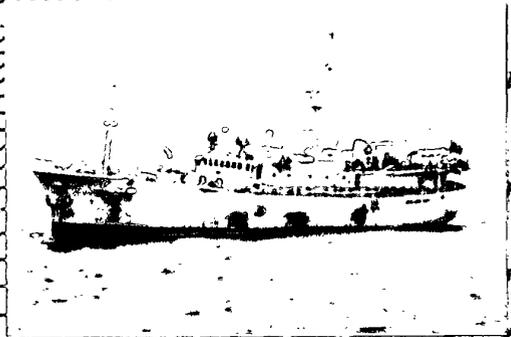


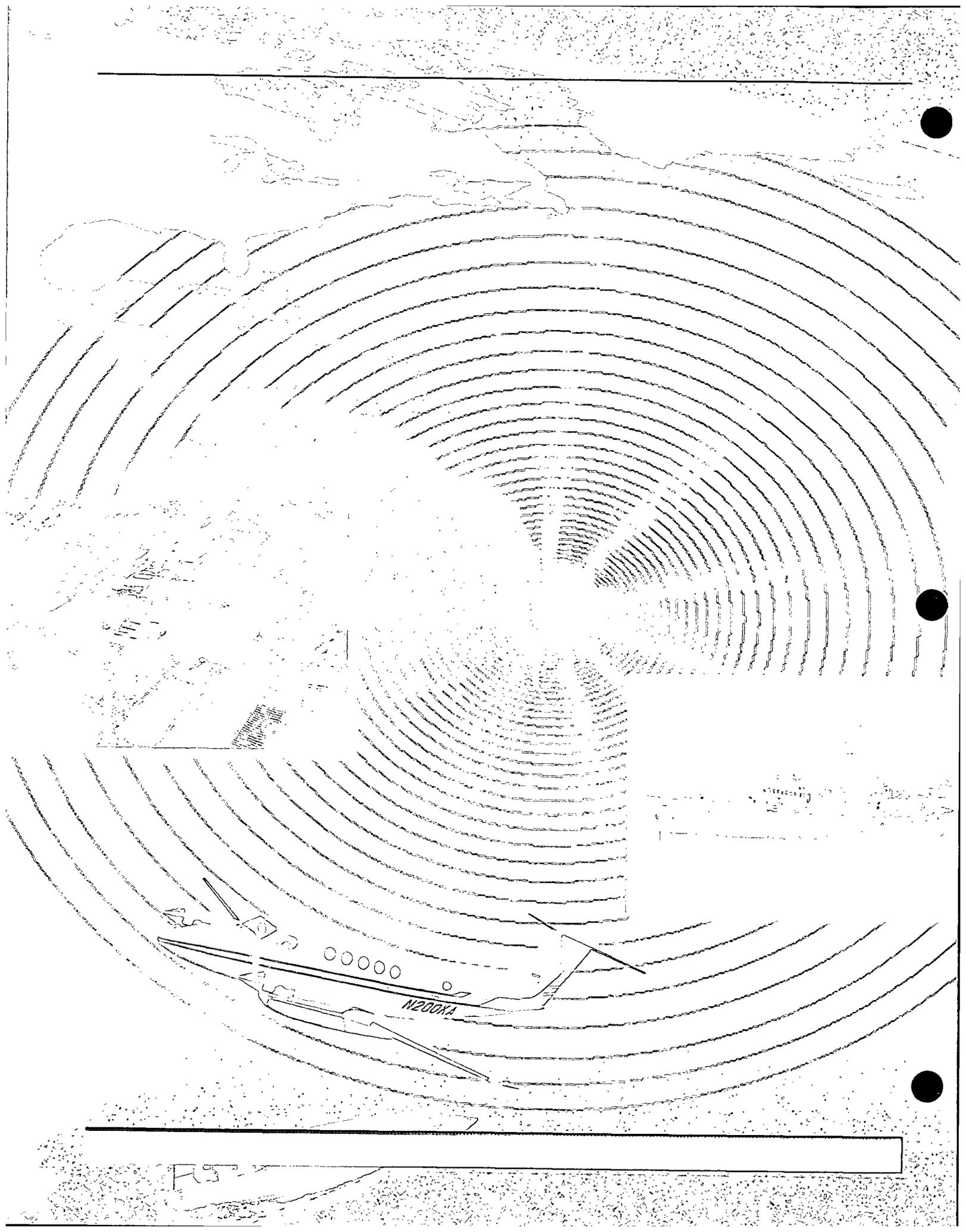
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2001 ANNUAL ASSESSMENT OF
COCAINE
Movement



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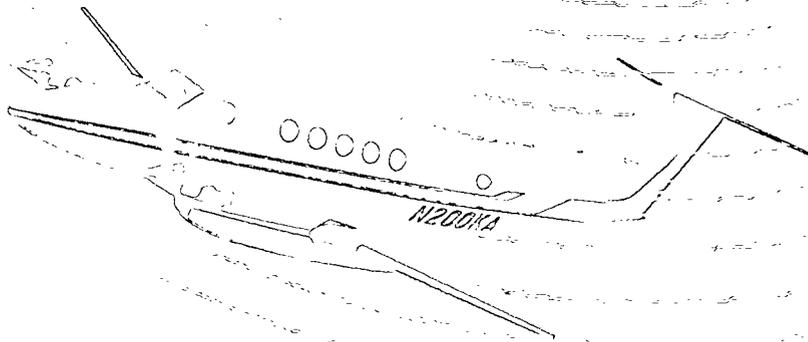
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2001 ANNUAL ASSESSMENT OF COCAINE MOVEMENT

Information Cutoff Date: 31 December 2001

Produced by: Office of National Drug Control Policy

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METHODOLOGY FOR ESTIMATING THE MAGNITUDE OF COCAINE FLOW

This assessment of cocaine movement relies upon a combined methodology — based on supply-side and demand-side analyses using production, consumption, and seizure data — for estimating the amount of cocaine departing South America. This approach provides an estimate of the total magnitude of the threat facing interdiction assets in the Transit Zone and distinguishes the amount bound for US versus non-US markets. In 2001, about 521 metric tons were estimated to have departed South America for the United States and an additional 304 metric tons for non-US markets. Not all cocaine reached its intended markets due to losses en route such as seizures and consumption.

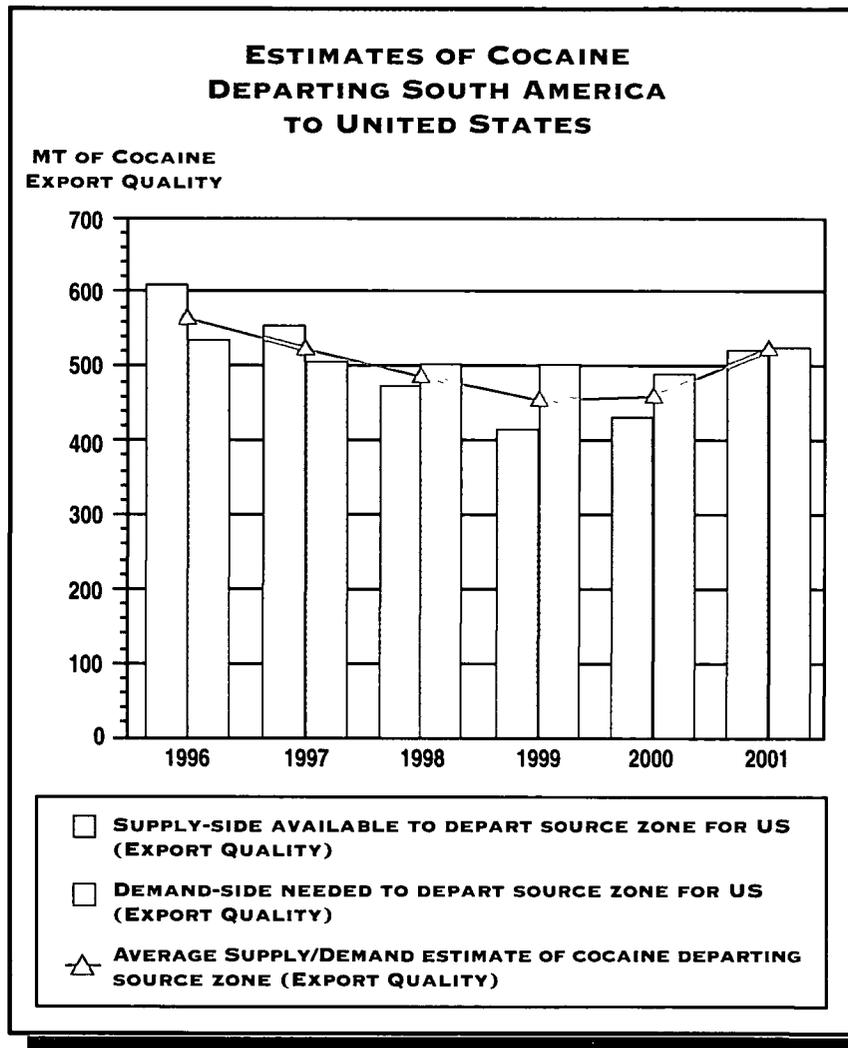


Figure 1. Estimated Amount of Cocaine Departing South America to the United States, 1996-2001. The amount of cocaine leaving the Source Zone for the United States is estimated by averaging independent estimates.

ANNUAL ASSESSMENT OF COCAINE MOVEMENT FOR 2001

The amount of cocaine estimated to depart South America to the United States increased in 2001 despite aggressive efforts to eradicate the Andean coca crop, interdict cocaine shipments, and arrest key traffickers worldwide. Retail prices and purity levels in the United States and Europe suggest that traffickers maintained ample supplies of cocaine to meet world demand.

Significant Developments

Eradication efforts throughout the Andean region were undercut by local security considerations as well as record farm-gate prices for coca — the latter reflecting sustained or increasing demand for cocaine base. As a result, eradication failed to offset increases in cultivation — most notably in Colombia — and the Andean coca crop expanded by nearly 11 percent during 2001.

■ Despite an intensified spray program in Colombia, coca cultivation expanded in new as well as established growing regions. In Peru and Bolivia, eradication and new plantings turned out to be a zero-sum game, leaving the amount under cultivation essentially unchanged. Nevertheless, eradication efforts in Peru and Bolivia reduced the share of mature coca and, in turn, dampened somewhat the overall increase in Andean potential cocaine production last year.

■ The new plantings throughout the Andean region, together with sustained high coca prices, will challenge the ability of governments to contain their coca crops again this year, most likely leading to rising coca harvests and increasing potential cocaine production in 2002.

Worldwide seizures of cocaine rose slightly in 2001, led by sharp increases in the Transit Zone and Non-US Arrival Zone. Despite these interdiction successes, seizures apparently had little impact on overall world supplies of cocaine.

■ Exploiting higher prices in non-US markets and confronted by stagnating or decreasing US demand, traffickers apparently increased their deliveries to other markets. The increase in seizures in the Transit Zone bound for non-US markets and in the Non-US Arrival Zone suggests that the volume of cocaine moving to non-US destinations remained robust in 2001.

■ Although law enforcement elements continued to arrest key leaders of trafficking organizations in 2001, associates of the arrested leaders remained

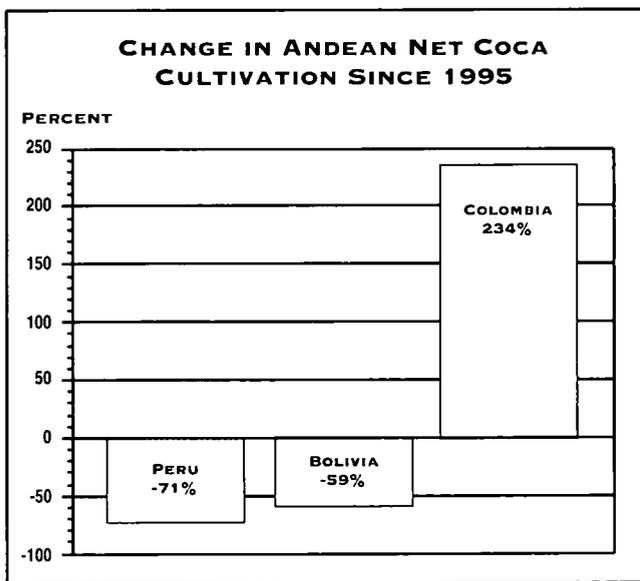


Figure 2. Change in Andean Net Coca Cultivation. Data show percent change in hectares by country since 1995.

SEIZURE OF MEXICAN TUNA SEINER

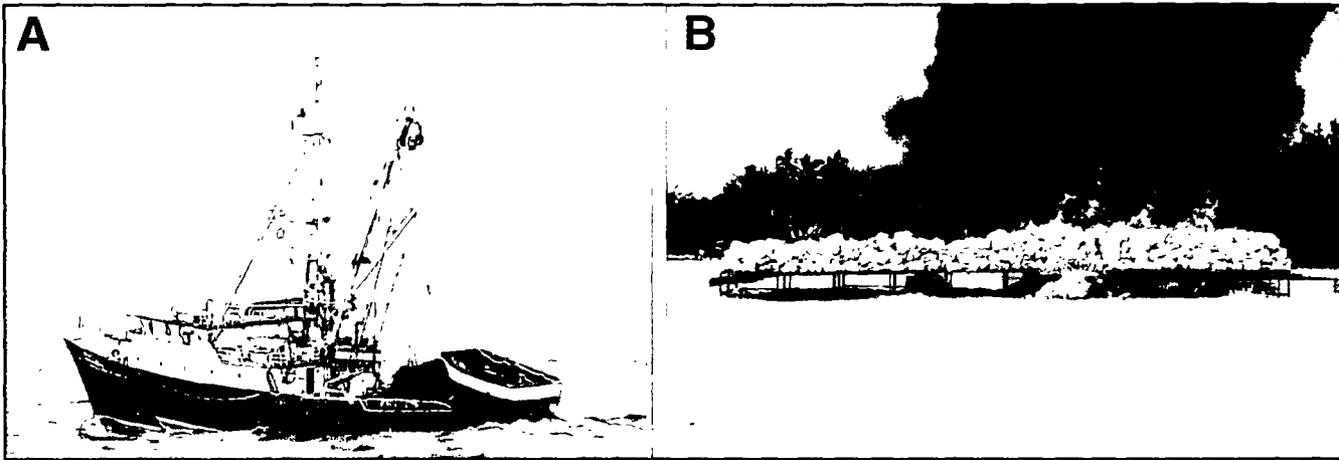


Figure 3. Mexican Tuna Seiner *Macel* (A) Seized 22 December 2001. The cocaine was destroyed in Manzanillo, Mexico, on 29 January 2002 (B).

On 22 December 2001, US interdiction forces intercepted Mexican-flagged fishing boat *Macel* about 750 nautical miles south of Acapulco. After a thorough search, about 9 metric tons of cocaine were discovered in an aft tank. *Macel* was turned over to the Mexican Navy and taken to Manzanillo for further investigation.

This seizure was the first documented use of a Mexican tuna seiner as a pick-up vessel. Tuna seiners have a larger load capacity and a greater range than smaller fishing boats typically used by traffickers, allowing more flexibility in trafficking operations.

2001, associates of the arrested leaders remained active, and competitors stood ready to fill any gap, often with innovative routes or concealment methods.

Colombian traffickers remained the dominant players in the cocaine trade, continuing to adapt and expand their operations to thwart counterdrug efforts.

- Most of the cocaine departing South America left directly from Colombia's north and west coasts, although traffickers continued to use diverse departure points to service global markets.
- Air trafficking patterns in Colombia and Peru apparently did not change after the United States suspended support to air interdiction in April 2001. Traffickers are not expected to notably increase flights in this area as long as they can continue to use other routes and conveyances with success and barring any changes in Colombian demand for cocaine base.

Overall Trends

Of the overall amount of export-quality cocaine estimated leaving South America, about two-thirds (521 metric tons) was bound for the United States, of which one-third (191 metric tons) was seized or consumed en route, resulting in about 330 metric tons of export-quality cocaine available to US markets in 2001.

- The Mexico/Central America Corridor remained the primary route for moving cocaine toward the United States — about 72 percent transited this corridor. Another 26 percent moved through the Caribbean Corridor, and only 2 percent was detected coming directly from South America.
- Despite record seizures in the Eastern Pacific Vector, traffickers continued to rely on this avenue for transporting most of the cocaine through the Mexico/Central America Corridor toward the United States. Slightly more cocaine moved in fishing vessels than go-fast boats.

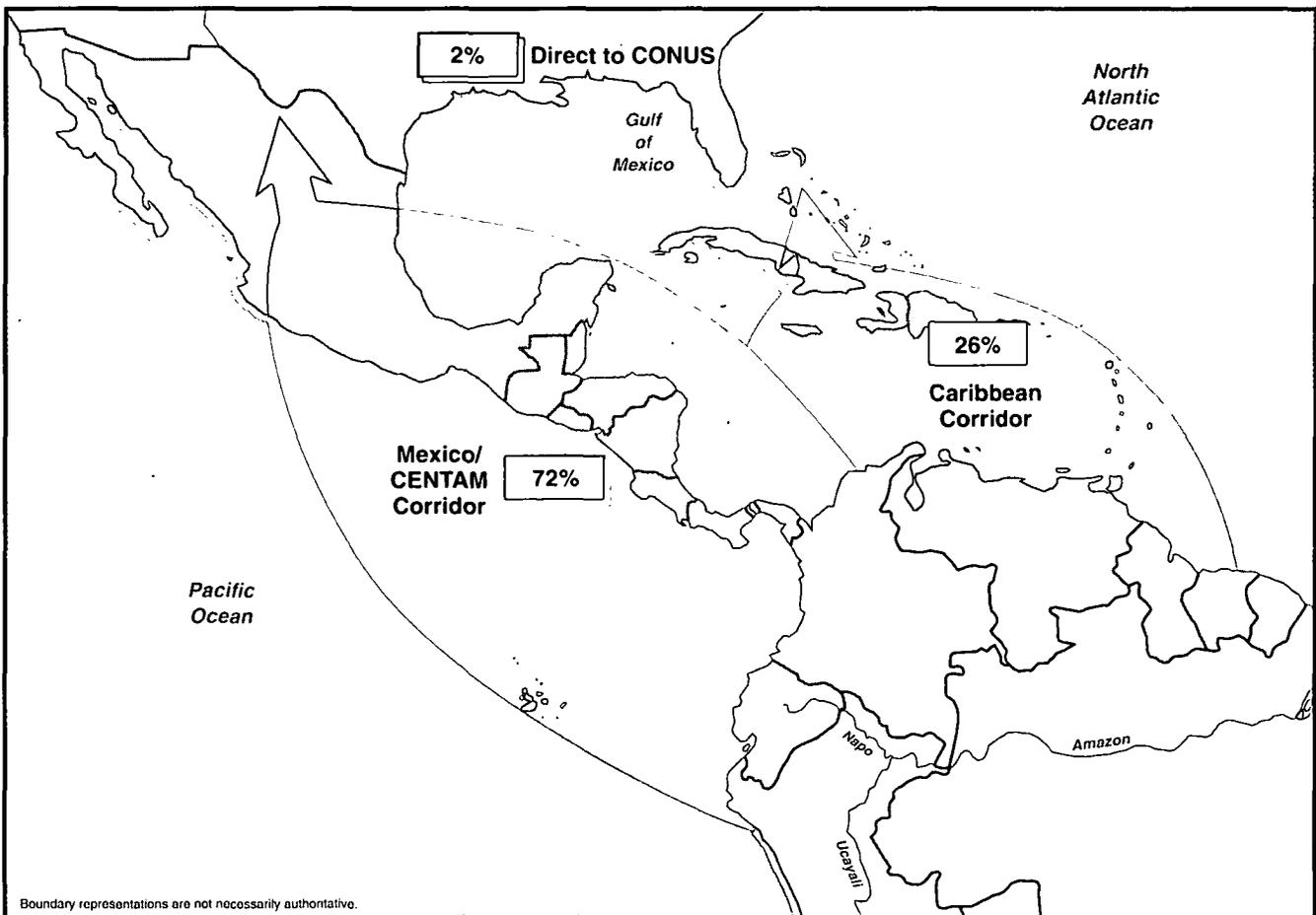


Figure 4. Departure Corridors from South America in 2001.

- In the Caribbean Corridor, Jamaica and Haiti stood out in 2001 as key transit points for cocaine en route to US and other world markets, accounting for two-thirds of the cocaine moving through this corridor. Most of this movement was accomplished with go-fast boats.

Estimates of Non-US Arrival Zone cocaine consumption and seizures suggest that about one-third of the cocaine departing South America (304 metric tons of export quality) was bound for locations in the Non-US Arrival Zone, primarily Europe where cocaine is becoming increasingly popular.

- Most cocaine shipments to non-US destinations occur in commercial maritime operations. Large quantities transit in commercial containers and are extremely difficult to detect.

DESTRUCTION TO AVOID SEIZURES

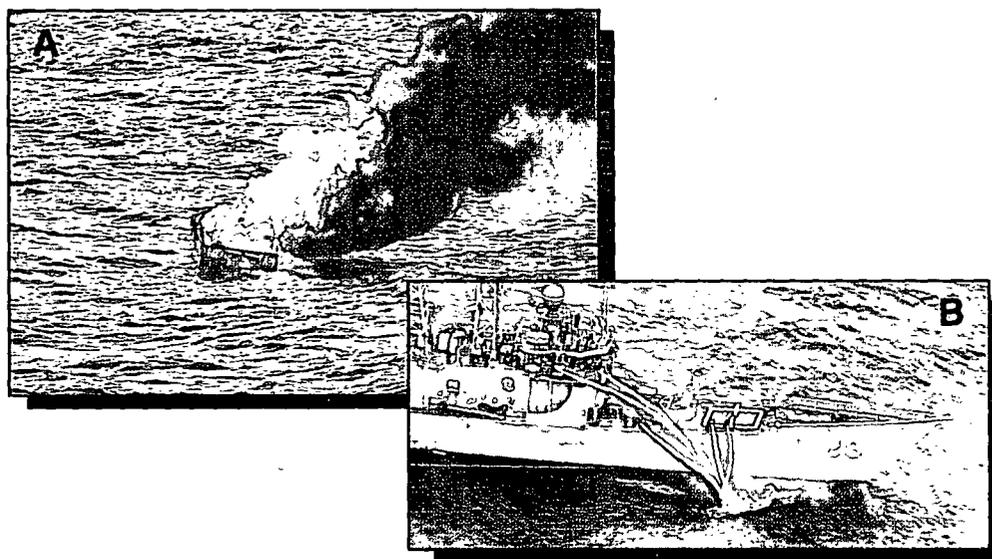


Figure 5. Go-Fast Boat in Flames (A) and US Navy Ship Trying to Douse Fire (B).

Scuttling became more prevalent in the Eastern Pacific during the last two quarters of 2001. In an effort to destroy evidence, traffickers typically toss contraband overboard; more recently, however, they began using scuttling plugs in fishing boats and setting go-fast boats ablaze. Instead of making a seizure, law enforcement personnel found themselves in the middle of a search-and-rescue mission to retrieve survivors. During the last 6 months of 2001, numerous go-fast boats were set ablaze, and one in particular was set ablaze then rammed repeatedly by the refuel ship to speed its destruction. Another recent event involved a 36-meter fishing craft, reportedly carrying a multiton load of cocaine. Traffickers blew up the ship while US law enforcement assets were approaching.

The southwestern border of the United States continued to be the most likely area for cocaine smuggled into the United States during 2001. Most of the cocaine documented as successfully transiting the Mexico/Central America Corridor entered the United States by land conveyances across the southwestern border — notably in the South Texas area. Additional large quantities of cocaine were smuggled into the United States through Puerto Rico and southern Florida.

**POST-11 SEPTEMBER 2001: NO LASTING IMPACT ON COCAINE
FLOW TO THE UNITED STATES**

US counterdrug interdiction assets and operations in the Transit Zone were temporarily reduced after the 11 September terrorist attacks. Seizures in the Transit Zone dropped initially, but totals for the final quarter of 2001 and for the year were on par with previous periods. Counterdrug resources continued to identify suspected drug movements through the Transit Zone and, when assets were available, seizures continued. Nothing indicated that traffickers changed their operations in the Transit Zone in response to the temporary reduction in interdiction assets.

The increased security at US entry points also had no lasting impact on cocaine movement into the US Arrival Zone. For the initial 2 weeks following the attacks, the intensive searches by US law enforcement personnel at ports of entry dissuaded some traffickers from trying to move shipments.

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