

Statement of

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“Afghanistan: Law Enforcement Interdiction Efforts in Transshipment Countries to Stem the Flow of Heroin”

Chairman Souder, Ranking Member Cummings and distinguished members of the Subcommittee, thank you for the invitation to testify today on the important issue of disrupting the market for Afghan heroin.

Overview

Afghan drug production is a priority for the DEA that guides our enforcement strategy in the region. As you know, opium production in Afghanistan has resumed over the last two years, although it is still lower than the highest level reached under the Taliban. While we expect that only a small portion of the resulting opium and heroin will ultimately reach the United States, these drugs are of great concern because they increase worldwide supply and have the potential to fund terrorists and other destabilizing groups. Because the situation inside Afghanistan presents unique challenges to law enforcement, the DEA has successfully acted to control the spread of Afghan opium and heroin in the surrounding nations through Operation Containment.

Two weeks ago, I returned from Kabul where Assistant Secretary of State Robert Charles, other senior officials representing the United States, and I participated in discussions with Afghanistan Transitional Authority President Hamid Karzai, United Nations Office of Drugs and Crime Director Antonio Costa and other representatives from Afghanistan and the European Union on the challenges posed by Afghan drug production. As a result of my visit and discussions with Ambassador Khalilzad, the DEA intends to significantly expand its presence in Afghanistan as well as intelligence collection connected to our broader efforts to control transshipment through the region. I look forward to discussing each of these important issues with the Subcommittee.

Afghanistan Poppy Production and the U.S. Response

Significant Opium Production Resumes

Afghanistan is a major source country for the cultivation, processing and trafficking of opiate products. It has historically produced significant quantities of opium, and accounted for over 70 percent of the world's supply in the year 2000, when the United States government estimated Afghan opium production at 3,656 metric tons. In 2001, the Taliban banned the cultivation of opium poppy. The DEA believes that the ban was likely an attempt by the Taliban to raise the price of opium which had fallen significantly due to the abundant supply produced in years prior to 2001. Regardless of intent, production plummeted to 74 metric tons in 2001.

With the fall of the Taliban, Afghan growers resumed cultivation despite renewal of the ban on poppy growth by the Karzai government. Opium production has returned to its historically substantial amounts, although it is important to emphasize that it has not yet reached the level of poppy recorded in 2000. In 2003, the United States Government officially estimated production of 2,865 metric tons of oven-dried opium from 61,000 hectares of poppy cultivation.

Afghanistan: Estimated Annual Potential Opium Production (Metric Tons)

2003	2002	2001	2000	1999	1998	1997	1996
2,865	1,278	74	3,656	2,861	2,340	2,184	2,099

Heroin Production and Movement

The opium produced in Afghanistan is readily made into narcotics to be sold on the international market, much of which eventually reaches users in Europe. While Europe is the primary destination for Afghan heroin, much of the opium remains in Southwest Asia for local consumption. Laboratories convert the opium into morphine base, white heroin, or one of several grades of brown heroin. Large processing laboratories are primarily located in southern Afghanistan; smaller laboratories are located in other areas of the country, including the Nangarhar Province. In addition, morphine base produced in Afghanistan is shipped to traffickers based in Turkey and converted to heroin.

Transporting converted opium from Afghanistan is no easy task. Larger than the State of Texas, Afghanistan is landlocked, forcing traffickers to rely on challenging overland routes to move drug shipments out of the country. In addition to the traditional smuggling routes through Iran to Turkey, our intelligence reports indicate continued movement of heroin shipments north from Afghanistan through the Central Asian States, notably Tajikistan, to Russia. Some of the heroin is consumed in Russia, while a portion moves on to other markets. Afghan heroin also moves through India enroute to international markets and continues to be trafficked through Pakistan, where heroin is smuggled out through airports and vessels leaving the Pakistan coast.

DEA intelligence suggests that relatively little Afghan heroin is ultimately destined for the United States, although we continue to monitor carefully the market for potential new trends. Through the Heroin Signature Program (HSP), the DEA Special Testing and Research Laboratory analyzes samples from seizures at ports of entry and other randomly selected sources to determine their purity and geographic origin. In 2002, Southwest Asian heroin (which includes Afghan heroin) accounted for ten percent of the weight of all samples analyzed. Preliminary data for 2003 indicate that Southwest Asian heroin was eight percent by weight of the sample, although the 2003 survey is not yet complete. Similarly, the Domestic Monitor Program (DMP), which examines samples bought undercover on American streets to monitor their characteristics, showed that Southwest Asian heroin represented four percent of samples in 2002 and five percent in 2003. Neither HSP nor DMP results should be equated with market share, but rather suggest availability over time.

It is important to remember, however, that the past can be a prologue. In 1984, as much as 50% of the heroin in the American market originated in the Afghanistan/Pakistan border area. We must appreciate history and diligently work to foreclose the return of Afghan heroin to the American market.

The DEA's Response Inside Afghanistan

Opium production in Afghanistan is a significant concern and a priority for the DEA because of its impact on worldwide drug supply and its potential, as I will discuss later, to provide financial support to terrorists and other destabilizing groups. In assessing strategies to control and respond to this production, it is important to understand the significant operational obstacles we face in Afghanistan. Three decades of civil war and unrest have left the criminal justice system in disarray. Outside of Kabul, the country is not uniformly controlled by the central government. The Afghan Counter Narcotics Directorate is in its infancy stage of development, leaving the DEA with no viable national or local drug enforcement counterparts. Afghanistan also lacks many of the most basic elements of its criminal justice institutions.

Due to security constraints, the DEA's presence in Afghanistan has been limited to two agents, whose movement and ability to conduct traditional drug enforcement operations have been severely restricted. Our Kabul Country Office, reopened in February 2003, nonetheless has made superb contributions under these difficult circumstances. DEA agents have continued to gather and disseminate intelligence to U.S. and British law enforcement and intelligence agencies. Because the collection and analysis of drug intelligence within Afghanistan and Central Asia feeds our overall enforcement efforts in the region, we have made it a priority and are also supporting a Department of Defense initiative to open an intelligence "fusion center" in Afghanistan for multinational information sharing. Our country office also continues to collect significant amounts of human intelligence from our confidential sources in Kabul and supports domestic and foreign drug enforcement operations.

After my recent visit to Kabul and discussions with Ambassador Khalilzad, I am pleased to let you know that the DEA will be working to significantly expand its presence in Kabul from existing resources of our Office of International Operations. I have also directed my agents to aggressively focus on identifying heroin processing labs and sharing that information with the Afghan authorities and our coalition partners. Our offices in Kabul and throughout the region will place particular emphasis on working with our partners to identify the major trafficking organizations and their money flow so we can strategically attack them where they are most vulnerable, whether inside Afghanistan or in the region.

The DEA's Regional Initiatives

Operation Containment

The challenges to law enforcement within Afghanistan strongly suggested the need for a simultaneous, concerted effort to control Afghan drugs in neighboring countries before they can spread to broader markets. Operation Containment is a large-scale, multinational law enforcement initiative begun in early 2002 under the leadership of the DEA and with special support from Congress. Emphasizing coordination and information sharing among nineteen countries from Central Asia, the Caucasus, Europe and Russia, the program aims to implement a joint strategy to deprive drug trafficking organizations of their market access and international terrorist groups of financial support from drugs, precursor chemicals, weapons, ammunition and currency. It has been enormously successful, and I would like to thank the Subcommittee for its strong support for this initiative and the opportunity to highlight it today.

The DEA supports Operation Containment worldwide, particularly in Pakistan, Turkey, Russia, and Central Asia. We have expanded existing offices in Europe and Southwest Asia and opened a new office in Uzbekistan. The DEA has assigned Special Agents to its Kabul, Ankara, Istanbul, Tashkent, Moscow and London Offices to support Operation Containment. In addition, one Intelligence Specialist and one support position are assigned in Ankara and one support position is assigned in Tashkent to support Operation Containment. DEA is also seeking approval to assign two Special Agents to Kyrgyzstan and additional agent and intelligence personnel to Uzbekistan and Belgium for Operation Containment.

Another key element is the Sensitive Investigative Unit (SIU), a program that has been highly successful in other regions of the world. An SIU is made up of host nation law enforcement personnel, who are individually screened to protect against corruption and then specially trained and equipped to DEA standards. We have established a new DEA SIU in Uzbekistan, and the DEA SIU in Pakistan has made several significant seizures. These DEA-lead units provide critical and valuable assistance to anti-drug efforts in their countries.

Intelligence sharing is also a priority of Operation Containment, with the initiative supporting regional intelligence sharing centers in Bucharest, Romania and Bishkek,

Kyrgyzstan and a short-term Fusion Center program in Tashkent, Uzbekistan. DEA has temporarily assigned an Intelligence Analyst to the Bucharest intelligence center.

Operation Containment has been a great success. Since March 2002, it has resulted in 23 significant seizures of narcotics and precursor chemicals and led to the dismantlement and disruption of several major distribution/transportation organizations involved in the Southwest Asian drug trade. These include the disruption three months ago in Istanbul of the Galip Kuyucu transportation group, which was one of the most significant heroin traffickers in Turkey and a Justice Department international priority target. The Turkish National Police, working with the DEA and Her Majesty's Customs and Excise, seized 495 kilograms of heroin, and disrupted this organization, which was regularly transporting similarly sized amounts of drugs throughout Western Europe. This investigation also led to the arrest of Urfi Cetinkaya, a major source of heroin supply with direct ties to Afghan drug traffickers.

Another significant success for Operation Containment was the arrest of 15 members of the Attila Ozyildirim heroin trafficking organization and the seizure of 7.4 tons of morphine base in Turkey during March 2002. This is the largest seizure of morphine base ever made. To put the magnitude of this seizure in perspective - the amount seized was more than four times greater than the total worldwide morphine base seizures made in 2000. Morphine base can be converted to heroin at a ratio of 1:1.

Drug Enforcement Training

The DEA is also working to build law enforcement capability and cooperation in Afghanistan and throughout the region. During October 2002, we participated along with officials from Afghanistan's Interior Ministry in a United Nations International Narcotics Control Board conference in Tashkent, Uzbekistan regarding Operation Topaz. Operation Topaz is intended to bring together law enforcement in several nations to detect and seize suspicious and unauthorized shipments of acetic anhydride, the primary precursor chemical used in the production of heroin.

This initiative and other enforcement efforts have led to several significant seizures in Turkey, Russia, Bosnia Herzegovina, Serbia, Bulgaria, and other countries. Two examples particularly demonstrate the mutual benefit of our partnerships and joint efforts. A joint investigation by the DEA, the Turkish National Police, and the Russian MV resulted in the seizure of four tons of acetic anhydride in Turkey during December 2002, which in turn led to seizure of an additional 3,200 kilograms of acetic anhydride in Bryansk, Russia in April 2003. Similarly, the seizure in August 2002 of 17 tons of acetic anhydride at a border crossing in Ipsala, Turkey that had originated in Macedonia led to an additional 5.5 tons of the chemical buried in a Turkish farm.

We have also particularly emphasized training for foreign law enforcement agencies, including a three week seminar conducted last September in the United States for high-level police managers. General Hilaluddin Hilal, Afghanistan's Deputy Interior Minister of Security Affairs, attended the course, which took place at both DEA

Headquarters and the DEA Academy in Quantico, Virginia. I participated in this seminar personally as did members of the DEA's senior management, and we believe that it helped to begin and improve important partnerships with and among DEA and the international agencies involved.

During 2004, the DEA plans to conduct Drug Unit Commander training courses in Turkey and Uzbekistan. These one-week courses are funded through Operation Containment and are geared for supervisors of operational drug units. We anticipate that five to ten participants from throughout Afghanistan will attend each school. In addition, DEA is expanding its training efforts throughout the region during 2004, with training courses scheduled in Turkmenistan, Uzbekistan, Tajikistan, Thailand and India.

Links between Terrorism and the Afghan Drug Trade

Mr. Chairman, I would also like to briefly discuss the potential links between terrorism and trafficking of Afghan opium and heroin, which provide an important rationale for our efforts in the region. Last September, President Bush thanked DEA agents in a speech at Quantico, Virginia. He said "By keeping drug money from financing terror, you're playing an important part of this war." And we will continue doing so not only through drug investigations potentially tied to terrorists and those who fund them, but also through the DEA's renewed emphasis on financial investigations intended to deprive all drug traffickers of their evil profits.

Raw intelligence and uncorroborated confidential sources continue to indicate possible relationships between drug traffic and terrorist groups within Afghanistan. The DEA will continue to assign the highest priority to investigating any information linking drugs to terrorism. We will do so in cooperation with our law enforcement and intelligence partners, and we will aggressively work to gather and document intelligence relating to drug activity that may finance terrorism.

My broader efforts as Administrator to renew the DEA's emphasis on financial investigations will also enhance our ability to reach potential terrorist funding. In addition to creating a new DEA Office of Financial Operations and money laundering groups in each field division, I have directed that illegal drug proceeds financing terrorism should be of the highest priority for those investigations. The Drug/Financial Fusion Center recently created by Congress will also use the Foreign Terrorist Tracking Task Force's architecture to enhance capabilities to uncover links between drug trafficking and terrorism. Investigative links between drug trafficking and money laundering organizations and known terrorist organizations will be shared with the FBI, the Department of Homeland Security, the Treasury Department and the intelligence community. Our intelligence programs continue to work closely with law enforcement and the intelligence community to identify and anticipate emerging threats posed by the links between drug trafficking and terrorism.

Conclusion

Mr. Chairman, control of drugs produced in Afghanistan both within the country and throughout the region is an agencywide priority for the DEA. I very much appreciate the opportunity to testify before the Subcommittee today. I will be happy to answer any questions you may have.