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DRUG CONTROL

**Challenges in
Implementing
Plan Colombia**

Statement of Jess T. Ford, Director
International Affairs and Trade



Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to discuss the work you requested on the counternarcotics efforts of the United States and Colombia. Today we will highlight the preliminary findings from our ongoing review of the U.S. assistance to Colombia. Our draft report is with the responsible agencies for comment; we expect to issue a final report at the end of October. I will discuss three broad issues: (1) how the drug threat has changed in recent years, (2) problems the United States has had in providing its assistance to Colombia in the past, and (3) challenges the United States and Colombian face in reducing the illegal drug activities.

In October 1999, the Colombian government announced a \$7.5 billion plan, known as Plan Colombia, which among other things, proposes reducing the cultivation, processing, and distribution of narcotics by 50 percent over 6 years. Colombia has pledged to provide \$4 billion to support the plan and called on the international community, including the United States, to provide the remaining \$3.5 billion. To assist in this effort, in July 2000, the United States agreed to provide about \$860 million to Colombia for fiscal years 2000-01,¹ in addition to previously approved U.S. assistance of over \$330 million for fiscal years 2000-01. U.S. counternarcotics assistance to Colombia has almost doubled compared to 1999 levels.

Summary

U.S. estimates indicate that the drug threat from Colombia has both expanded and become more complex over the past several years. During fiscal years 1996-2000, the United States provided Colombia more than \$765 million in assistance to help reduce illegal drug activities. Nonetheless, Colombia remains the world's leading producer of cocaine, doubling its production during 1995-99. Over this period, Colombia also became the major source of heroin consumed in the United States. Furthermore, the number and types of organizations, including insurgent groups, involved in illegal drug activities has increased and these groups control more than 40 percent of Colombia's territory. Both these factors make eradication and interdiction operations to reduce illegal drug activities more difficult.

The United States has had long-standing problems in providing counternarcotics assistance to Colombian law enforcement and military

¹The act (Division B of P.L. 106-246) provides \$1.3 billion, but about \$440 million was for other Andean countries and for U.S. agencies involved in drug interdiction and law enforcement.

agencies involved in counternarcotics activities. Although U.S.-provided assistance such as aircraft, boats, and training has enhanced Colombian counternarcotics capabilities, it has sometimes been of limited utility because the United States did not provide spare parts or the funding necessary to operate and maintain them to the extent possible for conducting counternarcotics operations. Moreover, the U.S. Embassy has made little progress implementing a plan to have the Colombian National Police assume more responsibility for the aerial eradication program, which requires the assistance of costly U.S. contractors. U.S. Embassy officials also expressed concern that the National Police has not always provided documentation about its use of some counternarcotics assistance.

The U.S. and Colombian governments face a number of management and financial challenges in implementing Colombia's strategy to reduce the cultivation, processing, and distribution of narcotics by 50 percent in 6 years. Although both governments are taking certain actions to address the challenges, at this point however, the total cost and activities required to meet the plan's goals remain unknown, and significantly reducing drug activities will likely take years.

- U.S. agencies, including the Departments of State and Defense (DOD) and the U.S. Agency for International Development (USAID), are still developing comprehensive implementation plans for eradication and interdiction operations and alternative development projects.² However, negotiating for the manufacture and delivery of major equipment, such as helicopters, is ongoing and staffing new programs in Colombia will take time. As a result, agencies do not expect to have many of the programs to support Plan Colombia in place until late 2001.
- Officials from State and DOD are now determining how the Blackhawk and Huey II helicopters mandated by the Congress for Colombia will be equipped and configured. They do not yet know if the funding planned for fiscal years 2000-01 to support Plan Colombia will be sufficient. In addition, State officials have begun planning for funding in fiscal years 2002 and beyond to continue the Plan Colombia programs initiated in fiscal years 2000-01. While estimates have not been completed, these officials stated that substantial funding would be needed.

²State and DOD manage most of the U.S.-provided counternarcotics assistance; USAID oversees related development assistance programs.

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- Colombia is relying on international donors in addition to the United States to help fund Plan Colombia, but much of that support has yet to materialize. To date, the Colombian government has not shown that it has the detailed plans and funding necessary to achieve stated goals.
 - Colombia faces continuing challenges associated with its political and economic instability fostered by its long-standing insurgency and the need to ensure that the National Police and military comply with human rights standards in order for U.S. assistance to continue.

As evidenced by past U.S. counternarcotics assistance programs, the United States has not always provided the necessary support to operate and maintain the U.S.-provided equipment to the extent possible to help counter the illegal drug activities in Colombia. If these past problems continue, the dramatic increase in

U.S. support for Plan Colombia will not be used in the most effective way. At a minimum, if the United States or Colombia does not follow through on its portion of Plan Colombia, or other international donors do not support Colombia's appeals for additional assistance, Plan Colombia cannot succeed as envisioned.

Background

For more than two decades, the United States has supported Colombia's efforts to reduce drug-trafficking activities and to stem the flow of illegal drugs entering the United States. Table 1 shows the U.S. assistance provided to Colombia during fiscal years 1996-2000.

Table 1: U.S. Counternarcotics Assistance to Colombia (Fiscal years 1996–2000)

(Dollars in millions)

Agency	1996	1997	1998	1999	2000 ^a	Total
State ^b	\$22.6	\$44.4	\$83.1	\$237.7	\$76.3	\$464.1
DOD ^c	14.5	53.2	61.4	80.9	72.5	282.5
USAID	0	0	3.3	6.3	9.0	18.6
Total	\$37.1	\$97.6	\$147.8	\$324.9	\$157.8	\$765.2

^aWe did not include the \$860 million appropriated through the Emergency Supplemental Appropriations Act, FY 2000 (Division B of P.L. 106-246) in fiscal year 2000 figures because the agencies have not yet allocated the funding between fiscal years 2000 and 2001.

^bIncludes \$173.2 million in Colombia-specific counternarcotics assistance provided to State in the Omnibus Consolidated and Emergency Supplemental Appropriations Act, Fiscal Year 1999 (Division B of P.L. 105-277).

^cIncludes amounts delivered through September 1, 2000, from emergency drawdowns of DOD inventories authorized in fiscal years 1996, 1997, 1998, and 1999. For fiscal year 1996, DOD could not provide funding data on its other assistance programs.

The Colombian government’s \$7.5 billion, 6-year Plan Colombia represents a significant change from prior efforts. The government recognizes that the program must address the conditions that foster the growth in illegal drug activities. Central to the program is the Colombian government’s effort to regain control of the drug-producing regions of the country from insurgent and paramilitary groups, increase drug interdiction efforts, provide coca farmers alternative ways to earn a living, and enhance the protection of human rights. All key Colombian ministries, including the Justice and Defense ministries, are assigned roles and specific tasks in the plan.

In July 2000, Congress appropriated over \$860 million in additional funding for fiscal years 2000-01 to directly support activities in Plan Colombia.³ The activities include providing equipment, such as helicopters and fixed-wing aircraft, and training to support counternarcotics operations of the Colombian military and National Police; alternative development projects in drug producing areas; judicial reform and rule of law initiatives;

³\$330 million in counternarcotics assistance for Colombia had already been approved for fiscal years 2000-01.

strengthening Colombian human rights organizations; assisting displaced persons; and supporting the peace process.

The Changing Nature of the Drug Threat in Colombia

Historically, Colombia has been the world's largest producer of cocaine. However, starting in 1997, Colombia surpassed Bolivia and Peru as the world's largest cultivator of coca. Since 1995, the area under coca cultivation in Colombia expanded by over 140 percent to over 300,000 acres in 1999. Most of this increased cultivation took place in the areas of southern Colombia that are controlled by insurgents and paramilitary groups. Moreover, the amount of cocaine produced in Colombia has increased by 126 percent since 1995, from 230 metric tons to 520 metric tons in 1999. Finally, according to the Drug Enforcement Administration (DEA), Colombia has become a major source of the heroin consumed in the United States, producing about 6 metric tons annually.

Despite U.S. and Colombian efforts to disrupt drug-trafficking activities, the U.S. Embassy in Colombia has not reported any net reduction in the processing or export of refined cocaine to the United States. Moreover, according to DEA, while two major groups (the Medellin and Cali cartels) dominated drug-trafficking activities during the late 1980s and early 1990s, hundreds of smaller and more decentralized organizations are now involved in all aspects of the drug trade. According to DEA, several billion dollars flow into Colombia each year from the cocaine trade alone. This vast amount of drug money has made it possible for these organizations to gain unprecedented economic, political, and social power and influence.

To further complicate matters, the two largest insurgent groups—the Revolutionary Armed Forces of Colombia and the National Liberation Army—and paramilitary groups have expanded their involvement in drug-trafficking. The insurgents exercise some degree of control over 40 percent of Colombia's territory east and south of the Andes, an area equal in size to Texas.

According to DOD, two-thirds of the Revolutionary Armed Forces of Colombia's units and one-third of the National Liberation Army units are involved in some form of drug-trafficking activity. U.S. Embassy officials stated that information over the past 2 years indicates that units of the Revolutionary Armed Forces of Colombia have become more heavily involved in growing coca, establishing coca prices, and transporting cocaine in Colombia.

Moreover, in 1998, DEA reported that certain leaders of some paramilitary groups that emerged as self-defense forces in response to the insurgents' violence had become major drug traffickers.

Problems in Managing U.S. Assistance to Colombia

The United States has had long-standing problems in providing counternarcotics assistance to Colombian law enforcement and military agencies involved in counternarcotics activities. In 1998, we reported that planning and management problems hampered U.S. counternarcotics efforts in Colombia.⁴ For example, we reported that limited planning and coordination between U.S. agencies hampered the delivery of some counternarcotics equipment, such as fixed-wing aircraft, helicopters, and boats, to the National Police and the Colombian military. We reported that this equipment required substantial funding to make it operational.

Spare Parts Unavailable for Helicopters

Between October 1998 and August 1999, State provided the National Police with six additional Bell 212 helicopters and six UH-II helicopters. Neither set of helicopters was provided with adequate spare parts or the funds to ensure adequate logistics support because of budget constraints. Recognizing that the National Police could not operate and maintain the helicopters, the Narcotics Affairs Section budgeted \$1.25 million in fiscal year 2000 to replenish the low supply of spare parts. However, according to a U.S. Embassy official, the funding was not available until March 2000 because of delays in submitting State's plan for the funds to the Congress. Further aggravating the situation, the Embassy requested spare parts for some of these helicopters from DOD stocks. While DOD agreed to provide \$3.1 million worth of helicopter spare parts, only \$378,000 worth had been delivered as of September 1, 2000. Although DOD intends to deliver the remaining parts, a DOD official did not know when.

Inadequate Funding for Helicopter Support

Furthermore, in September 1999, State and DOD initiated a plan to provide the Colombian Army with 33 UH-1N helicopters State had purchased from Canada to support Colombia's three counternarcotics battalions. Between November 1999 and February 2000, 18 of the helicopters were delivered to Colombia,⁵ and a U.S. contractor trained 24 pilots and 28 Colombian Army copilots to operate them. The original plan called for using these helicopters beginning in May 2000 to support the first U.S.-trained counternarcotics battalion, which was ready to begin operations on January 1, 2000. The helicopters were to move troops into insurgent-

⁴Drug Control: U.S. Counternarcotics Efforts in Colombia Face Continuing Challenges (GAO/NSIAD-98-60, Feb. 12, 1998).

⁵According to U.S. embassy officials, the remaining 15 helicopters and the training of 25 additional pilots and 22 additional copilots would be provided once State received congressional approval to allocate the funds recently provided as part of the U.S. support for Plan Colombia.

controlled areas so they could secure the areas and enable the National Police to conduct eradication or interdiction missions.

At the time State agreed to purchase the helicopters, it had not included the funds necessary to procure, refurbish, and support them in its fiscal year 1999 and 2000 budgets. As a result, the helicopters could not be used for conducting counternarcotics operations and 17 of the 24 contractor pilots trained to fly the 18 UH-1Ns were laid off beginning in May 2000.

In August 2000, after the U.S. assistance for Plan Colombia was approved, State reprogrammed \$2.2 million from the U.S. counternarcotics program for Mexico to rehire and retrain additional personnel. According to State and U.S. Embassy officials, it will take about 3 months for the counternarcotics battalion to commence operations with the helicopters—nearly a year after the original date to begin operations.

DOD Has Not Provided Some Equipment Requested by the U.S. Embassy

During fiscal years 1996 through 1999, the United States agreed to provide Colombia almost \$148 million worth of equipment and services from DOD inventories to support counternarcotics efforts. As of September 1, 2000, it had provided only about \$58.5 million. According to DOD officials, the difference between the amount of assistance requested and the amount delivered is the result of a combination of factors—from overvaluing the items when the request was initially developed to the unavailability of some items in DOD inventories and the length of time to obtain and the ship articles. For example, in 1996, DOD agreed to provide the Colombian military and National Police with 90 secure radios and supporting communications equipment from its inventories. However, according to DOD records, this equipment was not available.

Colombian National Police Have Not Assumed Control Over Aerial Eradication Operations

Beginning in 1998, U.S. Embassy officials became concerned over the increased U.S. presence in Colombia and associated costs with an aerial eradication program.⁶ At the time, the Embassy began developing a plan to phase out U.S. contractor support of aerial eradication by having the National Police assume increased operational control over this program. This would be accomplished by providing the National Police with training, aircraft, and other support needed to develop an infrastructure to enhance their overall abilities to eradicate coca leaf and opium poppy. According to Embassy personnel, the National Police have not formally

⁶State estimates show that the direct costs of supporting the contractor increased from about \$6.6 million in fiscal year 1996 to \$36.8 million in fiscal year 1999.

approved the plan, and State has not approved the funding needed to begin the phaseout. Now, according to State officials, implementing Plan Colombia is a higher priority, and they do not know when the phaseout program will be approved.

According to U.S. Embassy officials, despite extensive training and other efforts to have the National Police develop a management program that would ensure a more effective aerial eradication program, little progress has been made. For example, the National Police continue to emphasize training high-ranking officers, even though the Narcotics Affairs Section has informed the National Police that training should be given to junior officers in areas such as logistics, operations, flight instructors, maintenance, and administration. Moreover, the July 2000 State Inspector General report stated that the National Police rotate more experienced mechanics into other areas for developmental purposes.⁷ The Police are therefore constantly training new personnel, making it difficult to maintain a skilled workforce that is needed to repair the aerial eradication aircraft. According to the Inspector General report, it will take 3 to 4 years before entry-level mechanics will become productive journeymen.

U.S. Embassy Concerns About Program Oversight Over Some U.S.-Provided Assistance

Department of State policy requires that Narcotics Affairs Sections adequately oversee U.S. counternarcotics assistance to ensure that it is being used as intended and that it can be adequately accounted for. However, U.S. Embassy officials stated that the National Police have not always provided necessary documents, such as budgetary and planning documents, to determine if the National Police are using the resources in accordance with eradication and interdiction plans. In two instances, U.S. Embassy officials said they observed the National Police using U.S.-provided helicopters for purposes other than counternarcotics, but the Police did not cooperate in their attempts to clarify how the helicopters were being used.

Also, until recently, neither the U.S. Embassy nor the Colombian National Police had conducted program reviews, as required in annual bilateral agreements. Recognizing it may have a problem, the Narcotics Affairs Section requested in early 2000 that the State Inspector General audit the major National Police accounts for the first time in 15 years. In May 2000, the State auditors reported to the Narcotics Affairs Section that the National Police could not account for 469,000 of the 2.76 million gallons of

⁷Report of Audit: Review of INL-Administered Programs in Colombia, 00-CI-021 (Washington, D.C.: U.S. Department of State, July 2000).

fuel provided for counternarcotics missions in 1999. The auditors concluded that the fuel may have been misused.

Financial, Management, And Social Challenges Will Complicate Efforts To Meet Goals Of Plan Colombia

The governments of the United States and Colombia face a number of challenges in implementing Colombia's strategy to reduce the cultivation, processing, and distribution of narcotics by 50 percent in 6 years. Although both governments are taking steps to identify funding and complete implementation plans, at this point, the total cost of U.S.-supported activities required to meet the plan's goals remains unknown. In addition, Colombia must deal with the political and economic instability fostered by Colombia's long-standing insurgency and human rights problems.

Additional U.S. Funding Will Be Needed to Support Equipment Provided Under Plan Colombia

As in the past, State and DOD will have to request additional funding to support U.S.-provided equipment. Officials from State and DOD recently testified that they do not know if sufficient funding is available to procure the number of helicopters mandated by the Congress because they have not determined how the helicopters will be equipped and configured.⁸ According to State, the funding proposed by the administration and approved by the Congress was not intended to support the equipment scheduled to be provided through the 6-year life of Plan Colombia. State officials noted that they are still developing cost estimates for fiscal year 2002 and beyond but that funding just to sustain the equipment included in the current assistance for Colombia would be substantial.

During our recent visit to Colombia, government defense and budgeting officials said that with their already tight defense budget they cannot afford to operate and sustain the new U.S. helicopters by themselves. Colombian and U.S. Embassy officials agreed that Colombia will need to establish a new logistical and support system, including maintenance and repair, for the Huey IIs that are not currently in the Colombian's inventory and that this will likely require continuing U.S. support.

U.S. Plans to Implement the Counternarcotics Program Have Not Been Finalized

Most of the assistance provided under Plan Colombia is targeted for the Colombian military, but U.S. Southern Command officials said their original input on Colombia's needs was based on the information they had and intuitive assessments of the Colombian military's basic requirements. At the time the administration was developing its assistance package,

⁸Before the Committee on International Relations, Subcommittee on Western Hemisphere Affairs, House of Representatives, September 21, 2000.

Colombia did not have a military plan on which to base its needs. Moreover, the Southern Command had not expected large increases in the levels of assistance for the military, and the daily management of the current assistance program precluded military officials in the U.S. Embassy from assessing Colombian overall needs.

To better define the Colombian military's requirements, DOD recently undertook two studies. The first specifically targeted the deployment of the helicopters included in the assistance package and addressed issues such as support for mission requirements and the organization, personnel, and logistical support needed. The second addressed how the Colombian military should structure and modernize itself to address the internal threats of narcotics and insurgents. DOD officials said that these two studies provide sufficient information to develop the operational doctrine, structure, and systems necessary to use U.S. assistance and meet counternarcotics goals effectively.

State is also drafting an implementation plan for U.S. assistance that is necessary to better synchronize all U.S. programs and activities involved in supporting Plan Colombia. State officials presented their draft to the Colombian government to help them develop their strategy for the use of U.S. funds. State officials stated that they expect the U.S. implementation plan to be approved by U.S. agencies in October 2000.

It Will Take Time to See Results of U.S. Assistance

State anticipates that it can obligate some funds for Plan Colombia activities by the end of September 2000. However, DOD and the Colombian Army have not finalized specifications for the Blackhawk helicopters and State officials testified in September 2000 that the first Blackhawk may not arrive in Colombia until October 2002. Similarly, State testified that the first Huey IIs may not be delivered until mid-2001. In addition, although State expects to initiate pilot projects such as alternative and economic development and judicial reform in September or October 2000, State and the U.S. Embassy cautioned that it will take years to show measurable results.

U.S. Embassy officials said that the ability to begin implementing and overseeing programs will hinge on obtaining additional staff to manage programs. The Narcotics Affairs Section estimated it might need up to 24 additional staff, and USAID estimated it might need 40 more staff to implement programs envisioned under Plan Colombia. As of September 2000, State and other agencies involved were still determining the number of additional personnel needed and ways to address security and other issues, such as the lack of secure office space in the U.S. Embassy.

Colombia Has Not Determined How It Will Fund Its Share of Plan Colombia

Although the Colombian government has pledged \$4 billion for Plan Colombia, State and Colombian government officials were pessimistic about Colombia's ability to obtain much new money without cutting other government programs. They expect that Colombia will try to raise \$1 billion from bonds and loans. As of August 2000, it had collected \$325 million from domestic bonds and planned to collect an additional \$325 million from bonds by the end of 2001. Colombian government officials indicated that, at best, most of the funds that will be available are already included in the national budget. However, according to an official with the Planning Ministry, it is difficult to document the purposes of funding in Colombian budgets because Colombian ministries' budget preparation and coordination among ministries vary.

The Colombian government is also seeking donations of more than \$2 billion from donors other than the United States to fund the social, economic, and good governance development portions of Plan Colombia. As of July 2000, other donors had pledged about \$621 million, and State officials were optimistic that the remainder could be obtained. They said that many donors responded favorably to Plan Colombia and made plans for meetings in the fall 2000 to revisit the issue.

Colombia Still Developing Plans to Address Plan Colombia Goals

The Colombian government has not yet developed the detailed implementation plans necessary for funding, sequencing, and managing activities included in Plan Colombia. In early 2000, State officials began asking the Colombian government for plans showing, step-by-step, how Colombian agencies would combat illicit crop cultivation in southern Colombia, institute alternative means of making a livelihood, and strengthen the Colombian government's presence in the area. In May 2000, State officials provided Colombia extracts from the U.S. draft implementation plan with the expectation that the Colombian government would develop a similarly detailed plan. However, Colombia's product, provided in June 2000, essentially restated Plan Colombia's broad goals without detailing how Colombia would achieve them. A U.S. interagency task force went to Colombia in July 2000 to help the Colombians prepare the required plan. The Government of Colombia provided their action plan in September 2000 which addressed some of the earlier concerns.

Insurgency and Human Rights Conditions Further Complicate Counternarcotics Efforts

The Colombian government agrees that ending the civil conflict is central to solving Colombia's problems. State reports have noted that a peace agreement would stabilize the nation, speed economic recovery, help ensure the protection of human rights, and restore the authority and control of the Colombian government in the coca-growing regions.

However, unless such an agreement is reached, the continuing violence would limit the government's ability to institute its planned economic, social, and political improvements.

The U.S. Embassy has already reported that initial Plan Colombia activities have been affected because of security concerns. Specifically, the lack of security on the roads in southern Colombia prevented the Justice Ministry from establishing a justice center there. Moreover, indications are that the insurgents have warned farmers in one area not to participate in alternative crop development projects unless they are part of an overall peace plan. The Embassy has reported that these security impediments are probably a small indication of future security problems if peace is not achieved.

Regarding human rights, the Colombian government has stated that it is committed to protecting the human rights of its citizens. State and DOD officials said they will apply the strictest human rights standards before approving assistance under Plan Colombia. For example, State did not approve training for the second counternarcotics battalion until an individual officer suspected of a violation was removed from the unit, even though the Colombian government had cleared the person of wrongdoing. Nevertheless, human rights organizations continue to allege that individuals in the Colombian armed forces have been involved with or condoned human rights violations and that they do so with impunity. As such, Colombia's failure to adhere to U.S. human rights policies could delay or derail planned counternarcotics activities.

Although the Congress required the President to certify that Colombia had met certain human rights standards prior to disbursing assistance for Plan Colombia,⁹ the President waived the certification as permitted by the act.¹⁰ According to State officials, the waiver was issued because it was too soon to determine the extent to which Colombia was complying with the legislation's requirements.

Mr. Chairman and Members of the Subcommittee, this concludes my prepared remarks. I would be happy to respond to any questions you may have.

⁹Section 3201(a)(1) of the Emergency Supplemental Act, FY 2000 (Division B of P.L. 106-246).

¹⁰Section 3201(a)(4) of the Emergency Supplemental Act, FY 2000 (Division B of P.L. 106-246).

**Contact and
Acknowledgments**

For future questions regarding this testimony, please contact Jess T. Ford at (202) 512-4268. Individuals making key contributions to this testimony included Al Fleener, Ron Hughes, Al Huntington, and Joan Slowitsky.

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