

Statement of
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Before the

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“Status of Security and Stability in Afghanistan”

Chairman Hunter, Ranking Member Skelton, distinguished members of the Committee: on behalf of the men and women of Drug Enforcement Administration (DEA), I appreciate your invitation to testify today regarding the DEA counternarcotics efforts in Afghanistan. I appreciate the efforts and support this Committee has shown for the U.S. effort in Afghanistan, and look forward to today’s discussion.

Overview

The large scale production of opium in Afghanistan is not only a significant threat to Afghanistan’s future and the region’s stability, but also has worldwide implications. In response to this threat, the DEA has undertaken an aggressive approach to combat the production of opium in Afghanistan. The DEA has opened and staffed our Kabul Country Office, initiated our Foreign-deployed Advisory and Support Team program, and has begun to establish an aviation presence in Afghanistan and expand our regional presence.

There are many facets of combating narcotics production and trafficking in Afghanistan. In addition to eradication, interdiction, and seizing heroin labs, it is critical to attack the trafficking networks, their infrastructure, and illicit assets. Teams of DEA Special Agents and Intelligence Research Specialists provide guidance to our Afghan partners and conduct bilateral investigations to identify and dismantle drug trafficking and money laundering organizations operating throughout the region.

DEA also has been active in the countries surrounding Afghanistan. Operation Containment was initiated under DEA’s leadership and with special support from Congress. This large-scale regional, multi-national enforcement initiative emphasizes coordination and information sharing among 19 countries from Central and Southwest Asia, the Caucuses, Europe, and Russia. The program implements a joint strategy to: 1) place a security belt around Afghanistan, and 2) to prevent precursor chemicals from entering Afghanistan and drugs from leaving. This strategy deprives drug trafficking organizations easy market access and easy movement of chemicals and

drugs, and helps to deprive international terrorist groups of the financial support they receive from facilitating the illegal trafficking of drugs, precursor chemicals, weapons, ammunition, and currency. Since its inception, Operation Containment has resulted in greater than a 2,800 percent increase in the amount of heroin seized in the region.

DEA also is providing training and assistance to law enforcement personnel in Afghanistan, and, along with the Department of Justice Senior Federal Prosecutors Program, is directly involved in advising U.S. Government and Afghan officials in counternarcotics programs and drug policy issues in Afghanistan. The DEA is confident that our efforts, along with those of our other U.S. and foreign counterparts, will result in the reduction of drugs trafficked from Afghanistan, and ultimately will assist in the stabilization of Afghanistan and the region.

Opium Production in Afghanistan

The Golden Crescent Region of Southwest Asia - Afghanistan, Pakistan, and Iran - has long been known as an illicit opium source area. Years of warfare in Afghanistan, including the Soviet invasion and occupation throughout the 1980s, and the civil strife of the 1990s, decimated the country's economic infrastructure.

In the mid-1980s, Afghanistan emerged as a major source of illicit opium in the region and the opium trade became the largest source of income in Afghanistan. Throughout the 1990s, Afghanistan produced increasing quantities of illicit opium, and by 2000 accounted for over 70 percent of the world's supply. As a result of the Taliban's taxing and controlling poppy cultivation during their rule, culminating in an announced "ban" during 2001, cultivation and production declined to only 63 metric tons, significantly below what it had been in previous- and, unfortunately, future- years.

Exploiting the chaotic situation following the collapse of the Taliban regime and initiation of coalition military action in the fall of 2001, Afghan drug traffickers encouraged farmers to resume opium poppy cultivation. In 2002, despite a renewal of the poppy ban in January and a modestly successful eradication campaign in April of that year, Afghanistan once again resumed its position as the world's leading producer of illicit opium. U.S. Government reporting indicates that opium production in Afghanistan rose from an estimated 1,278 metric tons of potential oven-dried opium produced in 2002 to 2,865 metric tons in 2003, and to 4,950 metric tons in 2004, the highest amounts of opium production ever recorded in Afghanistan. In 2005, although opium production declined to an estimated 4,475 metric tons, Afghanistan remained the source of approximately 92 percent of the global illicit opium supply.

The Production and Smuggling of Heroin and Morphine

Today, laboratories in Afghanistan convert opium into morphine base, white heroin, or one of several grades of brown heroin. Afghanistan produces no essential or precursor chemicals for the conversion of opium into morphine base. Acetic anhydride, which is the most commonly used acetylating agent in heroin processing, is smuggled into Afghanistan from Pakistan, India, the Central Asian States, China, and Europe. The largest processing labs are primarily located in southern Afghanistan, with smaller laboratories located in other areas, including Nangarhar Province. In the past, many opium processing laboratories were located in Pakistan, particularly in the Northwest Frontier Province and Helmand Province. However, during the Taliban period, these laboratories relocated to Afghanistan, to be closer to the source of opium and to take advantage of the safe haven that the Taliban provided. The recent seizure of three clandestine laboratories and

approximately 17 metric tons of morphine base in Baluchistan indicates that coalition efforts may be displacing laboratory activity back to Pakistan.

The majority of the opiate products seized in Europe originated in Afghanistan. Most of the opiates produced in Afghanistan are smuggled to markets in the West, although some is consumed in Afghanistan as both opium and heroin. Afghan heroin is trafficked via many routes, with traffickers adjusting smuggling routes based on law enforcement and political actions. Traffickers in Afghanistan primarily rely on vehicles and overland routes to move drug shipments out of the country. Predominantly, illicit drug convoys transit southern and western Pakistan, while smaller shipments of heroin are sent through the frontier provinces to Karachi for onward shipment to the United States. Our investigations show that most of the Afghan heroin that makes it way to the U.S. originates in Nangarhar Province and transits Pakistan.

Morphine base can also be transported overland through Pakistan and Iran, or directly to Iran from Afghanistan, and then into Turkey, where Turkey-based trafficking groups convert the morphine base to heroin prior to shipment to European and North American markets. Shipments of Afghan-produced morphine base and hashish are also sent by sea from Pakistan's Makran Coast.

In addition, a number of reports have been received indicating that large convoys of well-armed passenger trucks loaded with opiates are being driven across western Afghanistan into Iran. The Crime and Narcotics Center (CNC) reports an increasing amount of opiate smuggling through Iran. The CNC estimates that as much as 40 percent of Afghanistan's opiate production enters Iran, however, DEA has had a difficult time confirming these statistics due to our lack of presence in Iran.

Smuggling routes north through the Central Asian States, then across the Caspian Sea and south into Turkey also are used. Although significant amounts of morphine base continue to be smuggled out of Afghanistan, recent information confirms an increasing amount of morphine base is converted to heroin in Afghanistan prior to export.

Looking at the northern routes, DEA intelligence indicates that heroin shipments moving north from Afghanistan through the Central Asian States to Russia have increased during the past two years. CNC reports that the northward flow has increased from 10 percent of Afghanistan's output to 25 percent. For example, Tajikistan law enforcement agencies report that approximately 80 percent of their drug seizures in Central Asia are opiates. Tajikistan is a primary transshipment country for opiate shipments destined for Russia. Drug traffickers in Afghanistan will use produce laden trucks as a cover for drugs sent north toward Tajikistan, where it is handed off to other criminal organizations. Tajik criminal organizations are the primary movers of this contraband. Approximately half of the heroin that passes through Tajikistan is consumed in Russia. The balance transits Russia to other consumer markets in Western and Eastern Europe. To help combat this trend, DEA will be establishing an office in Dushanbe, Tajikistan in the spring of 2007.

DEA's Presence in Afghanistan

The DEA's Kabul Country Office was fully reopened in January 2004, and it has made significant progress under difficult conditions. DEA also has enhanced staffing levels in Afghanistan to more effectively complete our mission.

Working with the CNP-A and the Department of Defense (DoD), the DEA has established the National Interdiction Unit (NIU), which is comprised of CNP-A officers who have been selected to work on major narcotic enforcement operations with the Kabul Country Office. Through assistance, training, and mentoring, DEA's goal is to make the NIU capable of conducting independent operations. Five classes of the NIU have graduated from a six-week training program that was sponsored by the U.S. Government. All NIU graduates are operationally deployed and work bi-laterally with DEA's FAST teams. Presently, there are approximately 100 NIU officers with a total force of 125 expected this summer.

The Five Pillar Plan

The DEA has joined with coalition partners, the State Department in the U.S. Embassy Kabul Counternarcotics Implementation Plan. This "Five Pillar Plan" provides the DEA opportunities, as never before, to reduce heroin production in Afghanistan and contribute to the stabilization and rebuilding of this war-torn country. Our primary role falls under the "Interdiction Pillar," where DEA is responsible for dismantling drug trafficking organizations. To achieve that goal, the DEA has expanded its presence in Afghanistan by permanently stationing additional Special Agents and Intelligence Analysts to enhance that country's counternarcotics capacity. The DEA also provides drug enforcement training to our counterparts in the Counternarcotics Police-Afghanistan (CNP-A). This effort will build Afghanistan's institutions of justice and strengthen internal counternarcotics capabilities.

To help achieve our goals in Afghanistan, DEA has established specially trained, Foreign-deployed Advisory Support Teams (FAST). FAST is a key tool by which DEA advances its enforcement and training operations. FAST consists of five teams of six specially trained agents and analysts who deploy to Afghanistan for 120 days at a time to assist the Kabul Country Office and CNP-A in the development of their investigations. They advise, mentor and train our Afghan counterpart.

Department of Defense Support

The Department of Defense is funding and constructing a FAST and NIU base camp in Afghanistan which is expected to be completed in the first quarter of FY 2007. This facility will be capable of housing and providing mission support for our deployed FAST teams and their NIU counterparts. FAST personnel currently are being housed at the U.S. Embassy in Kabul and at the Bagram Air Field until this base camp is completed.

The Department of Defense is providing the Afghan Ministry of Interior with eight MI-17 helicopters dedicated to counternarcotics efforts in Afghanistan, which also will provide needed mobility for DEA FAST Team personnel. On June 10, 2006, the first two MI-17 helicopters arrived in Kabul and will be operational by mid July. The remaining six helicopters are scheduled to arrive every six weeks until there are a total of eight helicopters in country. An additional two MI-17s are located at Ft. Bliss to facilitate the training of future Afghan pilots and crews. On June 2, 2006, the first of these crew members graduated from the MI-17 pilot training program at Fort Bliss, Texas.

DOD also is assisting counternarcotics efforts in Afghanistan by funding the construction of the NIU training facility, the purchase of equipment and training for Afghan counternarcotics officers, the construction of hangars for DEA and Afghan aviation assets; and other support. A DOD funded clam shell hanger for the DEA air wing was completed on June 22, 2006. The DEA

King Air and crew departed Addison, Texas enroute to Afghanistan on June 23rd and is scheduled to arrive in Kabul on July 7, 2006.

Foreign-deployed Advisory and Support Teams

In support of the Administration's "Five Pillar Plan," DEA initiated the Foreign-deployed Advisory and Support Teams. The first two FAST teams arrived in Afghanistan in April 2005. The FAST program directly improves the DEA's work force and capabilities in Afghanistan increasing time spent with the NIU to identify, target, investigate, disrupt or dismantle transnational drug trafficking operations in the region. The FAST groups provide guidance to their Afghan counterparts, while conducting bilateral investigations aimed at the region's trafficking organizations. The FAST groups, which are supported and largely funded by the Department of Defense, also help with the destruction of existing opium storage sites, clandestine heroin processing labs, and precursor chemical supplies directly related to our investigations.

The FAST groups, who received specialized training, will be deployed in Afghanistan, two groups at a time, and rotate every 120 days. The non rotating three groups remain at the DEA Training Academy in Quantico, Virginia, where they engage in training and provide operational support for the deployed teams in Afghanistan.

Operation Containment

DEA's participation in the Five Pillar Plan is an expansion of the DEA-led Operation Containment, initiated in 2002. This program was necessary due to the lack of fully developed institutional systems for drug enforcement in Afghanistan, such as courts and law enforcement agencies. Through Operation Containment, in May 2003, the DEA was also able to establish a 25-member Sensitive Investigative Unit (SIU) in neighboring Uzbekistan, a country critical to containing the threat of Afghan opium entering Central Asia for further transit to Russia and Western Europe. On April 19, 2006, the DEA funded Uzbekistan SIU executed a search warrant in Sarosivo District, Surkhandarya Region, Uzbekistan resulting in one arrest and the seizure of approximately 129.5 kilograms of heroin.

This multi-national cooperative program has been responsible for record seizures and cases against high value targets. Prior to the initiation of Operation Containment, in 2002, only 407 kilograms of heroin were seized. In FY 2005, Operation Containment, which includes the seizures in Afghanistan, resulted in 577 arrests, a 16 percent increase over FY 2004 (498), and the following seizures: 248 labs, approximately 23 times the number seized in FY2004; 43.9 metric tons of opium gum, over 7 times the amount seized in 2004; 14.2 metric tons of precursor chemicals—4 times the amount seized in FY 2004; 11.5 metric tons of heroin—a 2,826 percent increase over what was seized before Operation Containment was put in place, and 1.3 metric tons of morphine base. Unfortunately, additional statistics on what else occurred prior to Operation Containment are not available, as there was no uniform collection of statistics for any seizures that were not heroin.

During FY 2005, Operation Containment resulted in the initiation of 146 investigations, and led to the disruption of two Consolidated Priority Organization Targets, including the Haji Bashir Noorzai and Haji Baz Mohammad organizations. Haji Bashir Noorzai's organization was severely disrupted. The Government of Afghanistan, with the assistance of the Department of Justice prosecutors in Kabul, extradited Haji Baz Mohammad to the United States for prosecution. This

was the first ever extradition from Afghanistan to the United States. Both Baz Mohammad and Noorzai are incarcerated and are pending federal prosecution.

Corruption

Corruption is widespread throughout Afghan society. The Kabul Country Office has received numerous reports of corruption at all levels of government to include civil, legislative, and law enforcement components. Other reports indicate that officials are indirectly involved or are willfully blind to the illicit activities of traffickers who operate within their areas of responsibility.

For example, in June of last year the DEA and Afghan Counternarcotics Police raided the offices of the then-governor of Helmand Province, Sher Mohammed Akhundzada. We found over 9 metric tons of opium stashed there—the largest since we returned to Afghanistan in 2002.

Security Situation in Helmand Province

The southern Afghan provinces of Helmand, Kandahar and Nimroz present a number of common challenges that adversely affect DEA's ability to operate there. The key challenge is force protection for our DEA agents and NIU counterparts. For example, in 2005, two NIU investigators were lured to Helmand Province, kidnapped and then murdered by anti-coalition elements. Tribal conflicts, institutionalized drug production, and anti coalition activities have hindered our efforts. The ongoing military operations along the Afghan-Pakistan border and the spike in violence have impeded our ability to work in the south.

Because of the current security situation in the region, DEA currently has no operational infrastructure, assets, or support to conduct operations in the Helmand Province. Travel restrictions and transportation shortages make travel to, from, and through, the south problematic.

Drugs and Terrorism

In the past, terrorist groups derived much of their funding and support from state sponsors of terrorism. With increased international pressure, many of these funding sources have become less reliable and, in some instances, have disappeared altogether. As a result, terrorist groups have turned to alternative sources of financing, including fundraising from sympathizers and non-governmental organizations, and criminal activities, such as arms trafficking, money laundering, kidnap-for-ransom, extortion, racketeering, and/or drug trafficking. This trend is true not only in Afghanistan, but around the world, and increasingly blurs the distinction between terrorist and drug trafficking organizations. Both criminal organizations and terrorist groups continue to develop international networks and establish alliances of convenience. In the new era of globalization, both terror and crime organizations have expanded and diversified their activities, taking advantage of the internationalization of communications and banking systems, as well as the opening of borders to facilitate their activities.

DEA's investigative approach focuses on the utilization of credible, corroborated, confidential sources whose activities are closely directed and monitored by Special Agents to identify, penetrate, disrupt, and hopefully dismantle these organizations. In Pakistan and Afghanistan, DEA has developed a cadre of reliable sources of information and developed many valuable relationships.

Because DEA is concerned with the nexus between terrorist activity and its association with narcotics trafficking, DEA personnel are directed to solicit information of assistance in the global war on terror at all informant debriefings. These relationships have yielded actionable intelligence of ongoing anti-coalition activity, and information gathered through DEA human intelligence sources have thwarted hostile acts against U.S. personnel and interests inside of Afghanistan.

Conclusion

The DEA continues to take an active leadership role in the multi-national efforts to combat the world-wide drug threat posed by heroin production in Afghanistan. To date, DEA has increased staffing levels in the Kabul Country Office, deployed our FAST teams in Afghanistan, mentored and trained the Afghan NIU, targeted high value trafficking organizations and their leaders, achieved the first extradition from Afghanistan and coordinated Afghan based investigations with our law enforcement partners in Operation Containment.

Mr. Chairman, thank you for the opportunity to testify today on this critical topic. I will be happy to answer any questions you may have.