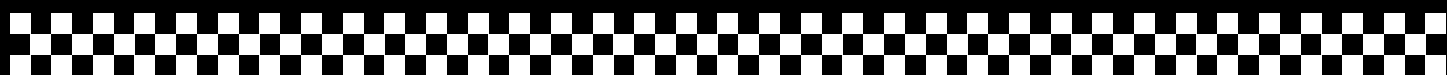


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# AiPOL

Australasian Institute of Policing



Journal of the Australasian Institute of Policing Inc.

Volume 14 Number 1 • 2022



## COCAINE CONSUMPTION CRISIS

AUSTRALIANS TARGETED BY CARTELS

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# Editorial

## DR AMANDA DAVIES

Editor, Assistant Professor Policing and Security at the Rabdan Academy, Abu Dhabi



***The Australian law enforcement agencies are to be commended on their efforts and successes in tackling this area of crime, one which has far reaching impact on the quality of health, safety and security for Australian communities.***

Welcome to 2022 may it bring a more peaceful and resilient future for our communities. The February 2022 edition of AiPol begins a series of editions which will follow the progress of Australia's response to the increase in drug traffic attempts, and the policing of associated criminal activities in Australia.

As indicated in the comprehensive summary by AiPol President, Australia is currently experiencing an unenviable reputation as one of the highest consumers of cocaine per capita in the world. It comes as no surprise that this circumstance brings with it focused efforts by State and Federal agencies to tackle the problem at the root cause. The conundrum is the evidence indicating the international drug trafficking cartels are focusing efforts on the Australian market, a response to demand and supply. Whilst Australian law enforcement have been successful in significant seizures of illegal drugs traffic recently, the findings of the UN World Drug Report 2021 may be a catalyst for redeployment of additional

resources to police drug trafficking and increase the effort to protect Australian borders. Addressing with a mission to mitigate drug importation requires cohesive and sustained endeavours, nationally and internationally as witnessed in the recent AFP led Ironside Operation. The Australian law enforcement agencies are to be commended on their efforts and successes in tackling this area of crime, one which has far reaching impact on the quality of health, safety and security for Australian communities.

The research in this field, whilst exploring different aspects of international drug trafficking, reveal a common theme, unfortunately agreeing it is a complex problem when you have people in low socioeconomic communities harvesting drugs as a means of survival for themselves and families, irrespective of the illegality and harm it brings to others. Herein lies the beginning of the conundrum, without support from the countries of origin to police illegal drug trafficking, countries such as Australia

will continue to require a ever increasing deployment of police resources to address the problem. As discussed in the Cocaine report (page 16) the AFP Forensic Drug Intelligence team operates a forensic drug profiling capability enabling place of origin of seized drugs. The report further suggests Colombia remains the dominant source of cocaine for Australia. The report is an interesting read for the details it provides on Australian cocaine arrests by state/territory, Seizure quantities 2010-11 compared to 2019-20 and the presentation of data indicating origin of drug source.

A value of such research and reports is the tracking of progress across each of the specific domains to understand the impact of policing drug trafficking initiatives.

Discussion of such progress we look forward to presenting to you in future editions, encouraged by the work of our Australian law enforcement agencies, we are optimistic for positive impact for the Australian community.



# Targeting the Cocaine Drug Trade



# President's Foreword

**JON HUNT-SHARMAN**

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President, Committee of Management, Australasian Institute of Policing

Methylamphetamine (meth) has been touted as the number one illicit drug gripping the Australian population. It is truly a despicable damaging drug, particularly impacting on regional Australia and this is why it receives, political, law enforcement and media focus. Despite the headlines and widespread attention that meth receives, the two drugs that are number one and two in terms of common usage are actually cannabis and cocaine.





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The perception is that cocaine is a high-end party drug primarily used by the rich and famous. There are plenty of celebrity anecdotes regarding cocaine use and many a celebrity has been caught by amateur footage.

Even our sports stars are not immune to the lure of the illicit substance, with top players in the Australian Football League, Australian Rugby League and the Australian Rugby Union using and in some cases, distributing the drug.

However the perception that cocaine is only for the rich and famous, allows it to be a silent disease reaching pandemic level of use in Australia. With Australians having a high disposable income, including young adults working in the information technology, trades and building sectors, the use of cocaine is wide-spread, socioeconomically, demographically and geographically.

The cocaine drug trade is estimated to be worth approximately \$2 billion in Australia each year, with cocaine supply increasing along with the negative health and social impact on Australians. One kilogram of cocaine costs about \$2,300 in Columbia and is currently being sold in Australia for around \$450,000. An incredible return on investment for organised crime.

The recent Australian Criminal Intelligence Commission (ACIC) National Wastewater Report of 2021 found that around 5.675 tonnes of cocaine is consumed in Australia each year.

Australia is now reported to have the highest per capita rate of cocaine use in the world, and those who use it, along with their family and friends, are paying the price.

Based on the ACIC wastewater analysis, cocaine use almost doubled in Australia in the last four years to 5.675 tonnes. Despite the cost of purchasing cocaine in Australia being among the highest in the western world, demand and illicit supply continue to increase.

The record high consumption rates identified by the ACIC National Wastewater Drug Monitoring program demonstrate that cocaine is no longer just the illicit drug of choice for people in certain professions or high incomes. The increased availability of the drug, despite the high price, has made it more accessible to people in various employment and at all income levels.

The UNSW National Drug and Alcohol Research Centre (NDARC) 2021 report

has found that cocaine use amongst participants has increased from 68% in 2020 to 80% in 2021, the highest percent observed since national monitoring began in 2003.

It is clear from the data gathered and collated by the ACIC, that cocaine has seen a significant increase in widespread use throughout Australia.

There is now strong evidence that Australians are being targeted by cocaine cartels due to our high consumption rate of cocaine, notwithstanding that the cocaine price on the street is possibly now the the highest price per gram in the world.

The consumption trend is frightening because the high price is not stemming demand with Australians remaining a lucrative target for the cocaine cartels. The cocaine consumption crisis in Australia and across the world is a hidden pandemic that governments are struggling to grapple with.

At a federal law enforcement level, the Australian Criminal Intelligence Commission (ACIC); Australian Federal Police (AFP); Australian Border Force (ABF) and our International and state/territory law enforcement partners are doing an incredible job identifying, disrupting and criminally prosecuting those importing or attempting to import cocaine into Australia, 74.1% of which comes from Columbia.

In 2021, the AFP's drug destruction program has destroyed more than 1.3 tonnes of cocaine. The estimated street value being \$533 million. AFP Eastern Command destroyed 1.1 tonnes of cocaine, AFP Southern Command destroyed 20kg cocaine, AFP Northern Command destroyed 198kg cocaine, and AFP Western Command destroyed 19.17kg of cocaine.

When one considers that in both 2020 and 2021 Australian law enforcement disrupted significant importations of cocaine that subsequently did not reach Australian shores, the quantity destined for Australian consumption is significantly greater.

Some significant Australian law enforcement successes demonstrates the quantity, regularity and mode of importation of known cocaine imports:

- Mar 20 Strike Force Irwin: Seizure 200kgs, NSW;
- Jun 20 Operation Chopin: Seizure 540 kgs secreted inside empty shipping containers Port Brisbane, QLD;

- Jul 20 Operation Weathers: Seizure 549 kgs from small plane that crashed departing PNG to Australia;
- Aug 20 Operation Amiens: Seizure 1,800kgs (1.8 tonnes) from fishing trawler vessel that met foreign unauthorised fishing vessel off Newcastle, NSW;
- Sep 20 Seizure of 11.3kgs inside an alternator in a shipping container, Sydney NSW;
- Oct 20 Operation Tethy: Seizure 144kgs in hydraulic rams in shipping container Port Brisbane, QLD;
- Oct 20 Seizure 870kgs off US Coast destined for Australia;
- Jan 21 Seizure of 3kgs in two air freight parcels Perth, WA;
- Feb 21 Operation Ironside: Seizure 2.1kg Sydney, NSW;
- Mar 21 Strikeforce Irwine: Seizure 420kg Sydney, NSW;
- Mar 21 Operation Poitiers Seizure 200kgs which was transferred from a cargo ship to a small vessel Central Coast, NSW;
- Apr 21 Operation Joffre: Seizure 25kgs concealed in pool pumps in parcels, Sydney, NSW;
- Apr 21 Seizure 900 kgs off coast of Columbia destined for Australia;
- May 21 Seizure of 7kgs concealed in three airfreight parcels, Sydney, NSW;
- May 21 Operation Ironside South Britannic: 160kg concealed in air filters Melbourne, VIC;
- Jun 21 Operation Ironside South Andiamo: 160kg Melbourne, VIC;
- Jun 21 Operation Ironside: 216kg hidden under cargo ship destined for Australia via Belgium;
- Jun 21 Seizure of 3.99 kgs in package Perth, WA;
- Jul 21 Seizure 2kgs concealed in coffee consignment, Brisbane, QLD;
- Aug 21 Seizure of 430kgs in block and liquid form, Sydney, NSW;
- Sep 21 Seizure of 20kgs concealed in welding equipment in air cargo, Sydney, NSW;
- Sep 21 Seizure of 552kgs in banana pulp in refrigerated container Sydney, NSW;
- Sep 21 Seizure of 2,000 kgs (2 tonnes) on yacht off UK coast destined for Australia;
- Nov 21 Taskforce Sentry: Seizure 1.5kgs bound for the Gold Coast, QLD;

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*continued on page 8*



*continued from page 7*

- Nov 21 Seizure 540 kgs secreted inside empty shipping containers Sydney, NSW;
- Dec 21 Operation Ironside Phase 2 – Seizure 3kgs Sydney, NSW;
- Dec 21 Operation Ironside Phase 2 – Seizure 55kgs Sydney, NSW.

These Australian law enforcement successes demonstrates that Covid-19 has not reduced the cocaine importations into Australia. More importantly, it has demonstrated that air cargo, passengers/ crew and international mail, although utilised for illicit purposes, is not the main game. Unauthorised shipping vessels, unauthorised light aircraft, and concealment within legitimate shipping containers needs far greater law enforcement focus and scrutiny.

The UN World Drug Report 2021 has also found that there has been an increased use of maritime routes for trafficking and an increase in the size of cocaine drug shipments seized. It warns that the pandemic has led to the strengthening or led to the development of new criminal networks that can infiltrate the legal cargo shipment system.

What Covid 19 has exposed is that establishing and using transcontinental maritime routes or traditional routes

using concealment within legitimate consignments requires time and well-organised crime networks. It requires having people in positions in the port of origin to conceal large quantities of drugs in consignments and people to bribe customs officers and other officials, if required. At the port of destination, or the final destination of the container, people are needed to receive the container, transport the container, unpack the drugs and prepare them for onward domestic transportation and sale. It is likely that there is trusted insiders to corruptly assist. It raises serious concerns about organised crime groups infiltration of workers at Australian ports and potentially corruption of some officials working at Australian ports.

Use of unauthorised shipping vessels, unauthorised light aircraft, and coastal transfer from cargo ships to small vessels is again extremely problematic for law enforcement to detect without specific criminal intelligence.

Assembling multi ton consignments and organising their transportation requires financial resources upfront, good logistics and sufficient capital reserves and/or sufficient profit margins to be able to absorb losses should cocaine consignments be intercepted.

Because unauthorised shipping vessels, unauthorised light aircraft and concealment within legitimate shipping containers is extremely hard to detect, without specific criminal intelligence, there will have to be a rethink by the Australian government to how to better address the now clearly identified methods of importation of illicit drugs.

We are fortunate that AFP led Operation Ironside has also exposed the methodology of some organised crime groups in Australia and the level of organised crime infiltration of Australian Ports and of some Australian officials. It has also exposed organised criminal groups strong reliance on encryption technology. This in turn demonstrates that there needs to be greater technological focus and funding for law enforcement to enable the breaking of encryptions. It will also require timely and appropriate legislative amendments to enable law enforcement to not just have the technological capability but the lawful unambiguous legal powers to intercept such communications, building on the success of Operation Ironside.

When one considers that Operation Ironside involved the distribution of 18,000 encrypted Anom handsets worldwide, but only 1,650 within Australia and that one of its many competitors was Ciphre,





with an estimated 10,000 plus encrypted phones active in Australia at the same time, the level of organised crime in Australia and its infiltration of Australian Ports is still very much an unknown.

Although there will be pressure to reduce the budget deficit, there is a strong argument to increase the budgets of law enforcement agencies such as the ACIC, AFP, ABF, and to consider greater utilisation of the Australian Defence Force (ADF) for coastal surveillance, in the absence of bolstering up the ABF sea and air surveillance capability.

However, our domestic law enforcement is only able to treat the symptom, not the root cause. To successfully reduce the global illicit cocaine drug trade, it needs international political will, financing and coordination to dismantle and prosecute cocaine cartels. There also needs to be international financial and technical support of rural development away from coca farming to alternative crops and/or livestock.

The UN World Drug Report 2021 warns that Covid 19 may lead to an increase in illicit crop cultivation as a means to overcome economic hardship in rural households and regions. In Latin America it reports that criminal groups are capitalising on the situation and that there are early indications that organised

crime groups may take over State functions in certain areas.

The UN World Drug Report 2021 observes that alternative rural development can provide in terms of food security, social capital, and the creation of a culture of legality, however it largely relies on international donors and risks being underfunded because donor funding is largely being diverted to responding to the Covid 19 pandemic.

Last year, the Global Organized Crime Index, developed by the Global Initiative Against Transnational Organized Crime, assessed the level of criminality and resilience to organized crime for 193 countries along three key pillars – criminal markets, criminal actors and resilience. Colombia was rated a high score on criminal markets and criminal actors and low score on resilience.

In 2015 the Colombian Government suspended aerial eradication of coca, removing a critical tool for reducing coca cultivation.

In 2019 the Colombian Constitutional Court modified and clarified the conditions for restarting the aerial spraying. Although President Duque has stated publicly his intent to incorporate aerial eradication into an integrated drug control strategy that includes manual and aerial eradication, interdiction, alternative

development and operations to dismantle transnational criminal networks, this has yet to take effect.

Corruption remains a major problem. For example, in 2019 an undercover police operation videotaped in a Bogota Hotel lobby identified the Prosecutor for the Special Jurisdiction for Peace (JEP) accepting a \$US 2million dollar bribe in return for agreeing to obstruct the extradition of Seuxis Hernandez Solarte, who had just been elected to the Colombian Congress and who had been recorded negotiating a multi-tonne cocaine deal in 2018. A former Colombian Senator, Luis Alberto Gil was involved in brokering a deal. Solarte was released from custody. Fearing a second arrest Solarte fled to Venezuela. In late 2019 Gil pleaded guilty to bribery, conspiracy and influence peddling in exchange for 4.5 years house arrest. Bermeo also has been charged but his trial has been repeatedly delayed.

In 2019 the Colombian government reported seizing or assisting with the seizure of 487.7 'Metric Tons (MT) of cocaine and cocaine base and 426.7 MT during the first nine months of 2020. In December 2020 President Duque announced that the Colombian

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*continued on page 11*



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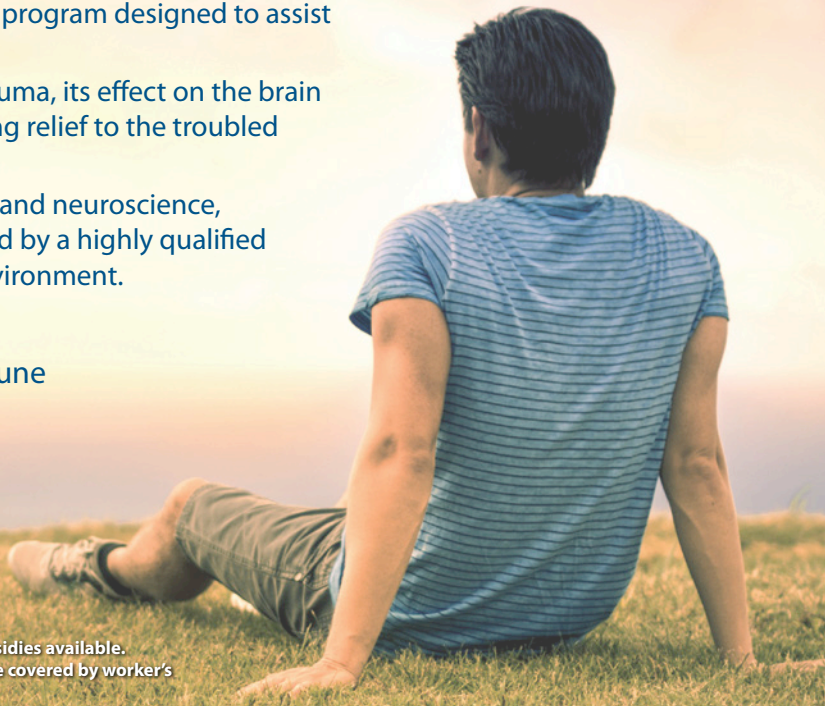
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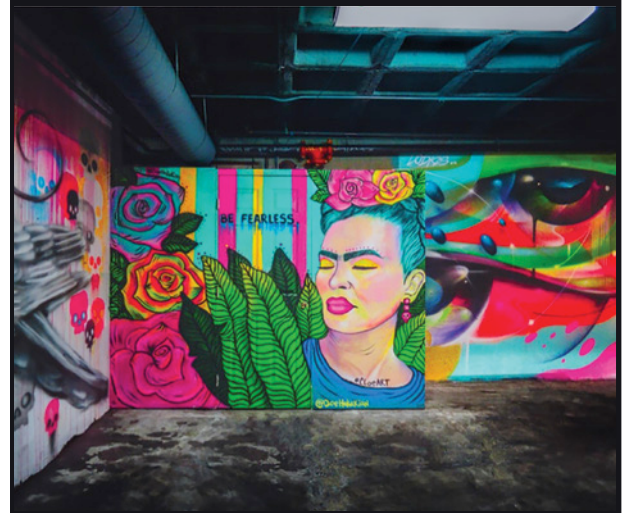


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government had eradicated 130,000 hectares despite the challenges of Covid-19 pandemic.

In 2021 Columbia is the world's top cocaine producer and exporter. The US government estimates that Columbia's coca cultivation and cocaine production increased from 877 metric tons (MT) in 2018 to 936 MT in 2019.

So the obvious question is, even with those seizures and coca plant eradication, why is it that 89% of cocaine samples seized in the USA in 2020 were of Colombian origin, 74.1% of cocaine samples seized in Australia in 2020 were of Colombian origin, and 68% of cocaine samples seized in the EU in 2020 of Colombian origin?

Based on the evidence, Columbia, should be the priority target for a combination of international law enforcement and development support.

Reducing coca cultivation and cocaine production and combating organised crime in Columbia must be a priority of all governments who are signatory to the UN Convention Against Organised Crime and 1988 Drug Convention, Convention Against Corruption, including the Colombian government. That is the only way 70%-90% of the world's cocaine importations are to be successfully disrupted.

Columbian crop substitution and rural development programmes will require ongoing strong commitment and funding if coca reduction are to be sustainable.

Again this will require a concerted effort by all governments who are signatory to the UN conventions that wish to reduce the cocaine importations into their respective countries, where it is sourced from Columbia.

There also needs to be a concerted effort by governments to collectively support sanctions in order to combat the cocaine trade in Columbia. Sanctions should be imposed on persons and organisations that can be identified as having engaged in, or attempted to engage in, activities or transactions that have materially contributed to, or pose a significant risk of materially contributing to, the international proliferation of illicit drugs and to their means of production.

On 15 December 2021 US President Biden signed an Executive Order to use sanctions to combat the global illicit drug trade. As a result of the new sanctions,

all property and interests in property of designated individuals that are in the United States or in the possession or control of US persons must be blocked and reported to the Office of Foreign Assets Control (OFAC)

In addition, any entities that are owned, directly or indirectly, 50 percent or more by one or more designated persons are also blocked. Unless authorised by a general or specific licence issued by the OFAC, regulations generally prohibit all transactions by any person or persons within (or transiting) the US that involve any property or interests in property of designated persons.

The prohibitions include the making of any contribution or provision of funds, goods, or services by, to, or for the benefit of any designated person or the receipt of any contribution or provision of funds, goods, or services from any such person.

If Australia also has sanction authority to combat the global illicit drug trade, it would enable Australia to list on the Australian Autonomous Sanction list, for example,

- the Clan De Golfo (CDG) which is based in Columbia and is a significant international cocaine trafficking organisation;
- the Aussie Cartel, a network of independent operators and syndicates, largely based offshore, who join forces in an ongoing manner to share capabilities and invest in each others criminal activities. Many of the Aussie Cartel members are Australian Outlaw Motorcycle Gangs (OMCGs) and they have significant influence over the OMCGs in Australia. (The ACIC believe that it is likely that the Aussie Cartel has imported more cocaine and meth into Australia than any other organised crime group);
- A number of Australian individuals who were identified through AFP Operation Ironside, that escaped Australian jurisdiction and are currently overseas could be listed on the Australian Autonomous Sanction list if Australia also had sanctions authority to combat the global illicit drug trade. For example alleged drug kingpin Hakan Ayik, identified through AFP Operation Ironside, who is now believed to be living in Turkey to avoid extradition could be listed by Australia.

In conclusion, Covid 19 has accelerated or exposed some important drug trafficking patterns in relation to Cocaine importation into Australia:

- Increased use of sea vessels (cargo ships, unauthorised fishing vessels, yachts etc);
- Increased sophistication in concealment in sea cargo container shipments;
- Larger shipment size;
- Increased use of private aircraft (entering across northern Australia);
- 74.1% of cocaine tested in Australia originates from Columbia.

Aipol recommends:

- Strengthening and expanding international financing and cooperation to dismantle and prosecute cocaine cartels, including international financial and technical support of rural development away from coca farming to alternative crops and/or livestock;
- Based on the evidence Columbia should be the priority target for a combination of international law enforcement and rural development support;
- There needs to be improvement in law enforcement intelligence collaboration across countries, particularly in relation to effective interdiction approaches and time critical exchange of intelligence;
- There needs to be a greater commitment to international law enforcement operations targeting Columbia cocaine cartels and those organised criminal enterprises facilitating the importations into USA, Canada, UK, EU, Australia and New Zealand;
- Development of enforceable international accountability mechanisms for shipping and air cargo companies and strengthening Australian maritime/port security;
- Strengthening of Australia's aerial surveillance capabilities for unauthorised aircraft and sea vessels;
- Strengthening Australia's law enforcement intelligence capability (Greater funding to increase the capability of the AFP International liaison network, AFP electronic/cyber capability and consideration of ACIC's role in this space); and
- That the Minister for Foreign Affairs consider utilising the Australian Autonomous Sanction Regime to combat the global illicit drug trade.





Cocaine use has filtered down through “every level of society, down to tradies”.

# Australia the highest per capita cocaine user in the world

A major investigation has blown the lid on Australia’s cocaine war, with quantities of the drug hitting our shores at unprecedented levels.

June 20, 2021

**NATALIE BROWN**

Reporter, news.com.au

A major investigation has blown the lid on Australia’s cocaine war, revealing that quantities of the drug are hitting our shores at unprecedented levels and the shocking truth at the heart of our nation’s crisis.

A Sky News Australia special, *Australia’s Cocaine Crisis*, has examined the extraordinary lengths that the kingpins of our nation’s cocaine trade go to to smuggle huge quantities of the substance onto our shores — and how the so-called “party drug” has come to impact every level of society.

“It is an absolute tsunami of drugs entering this country and you can’t blame the police — they’re a little force fighting it at the front end, but we are just being

absolutely swamped by drugs, by meth, but mostly by cocaine,” News Corp Australia senior correspondent, Charles Miranda, who has been looking into Australia’s illicit drug market for decades, told host Peter Stefanovic.

While once considered the drug of the wealthy city dweller, statistics reveal cocaine usage has now spread much further — Australia is now the highest per capita user of the drug in the world, with trade estimated to be as high as \$2 billion and five and a half tonnes consumed here each year — figures deemed “staggering” by Miranda.

“What we know from our wastewater data is that cocaine is a serious drug for the country. Australians are a country of

stimulant users — cocaine is a stimulant,” the Australian Criminal Intelligence Commission’s Dr Katie Willis said.

“All of the data that we have is pointing in the direction of expansion in the cocaine market.”

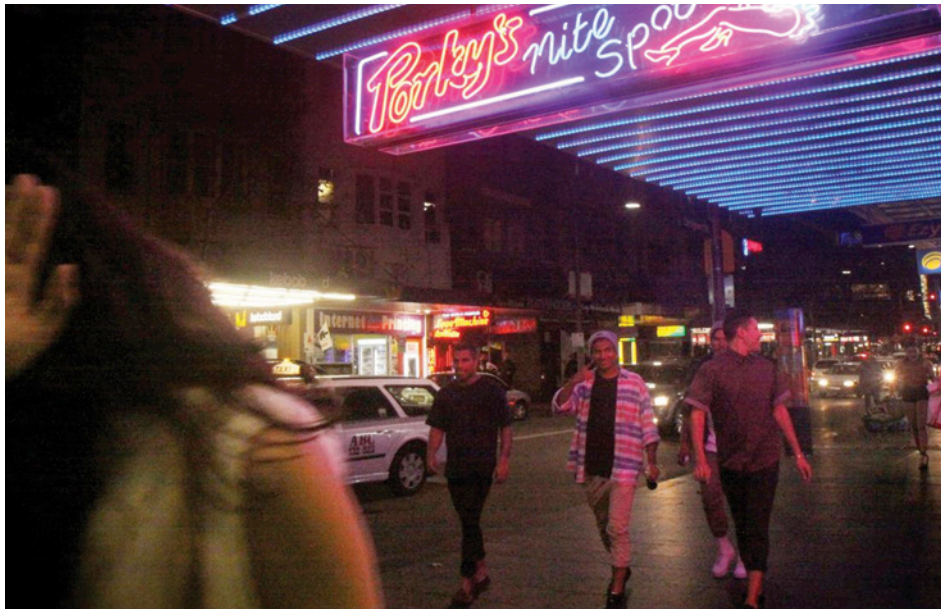
The fact that most people spent the last 12 months locked indoors has done little “to diminish the appetite for cocaine in this country”, explained Miranda.

“It’s just phenomenal. And in some respects, the war is escalated behind the scenes, behind the sort of distraction that is Covid-19,” he said.

“The value of it has gone up, under the perception that it’s harder to get, but it’s not harder to get. We’re getting more ship exports, genuine ship exports, than ever



An importation of 160kg of cocaine, worth an estimated \$40 million, seized in Victoria as part of Operation Ironside.



Sydney remains the “cocaine capital” of Australia. Picture: AAP Image/April Fonti

before because we’re not flying as much airfreight — so we’re shipping it all, and in the guise of ship freights, of legitimate ship freights, are these drugs.”

The highest demand for cocaine is still in Sydney — which for years has demonstrated a remarkable appetite for the drug that only continues to grow, driven by a high level of social acceptance for cocaine and the fact that products are widely available, because the city is a major port of entry for goods coming into the country.

Data from the Australian Criminal Intelligence Commission’s wastewater analysis last year showed that the NSW capital consumed 15 doses of cocaine per 1000 people on average day,

compared to Melbourne’s six doses, Brisbane’s five and Canberra’s 10.

At The Banyans “luxury rehabilitation clinic” in southeast Queensland, about two in five people seeking treatment for cocaine addiction come from Sydney — with CEO Ruth Limkin saying some there have spent as much as \$10,000 or \$20,000 a week on the habit.

“You might remember years ago, it was sort of the mainstay for the media industry even, or the judicial industry, all the lawyers, rich people, high society, business types — cocaine was for the business types,” Miranda said.

“Now it’s every level of society, down to the tradies. Anyone who’s got a few bucks, it’s very easy to get hold of.”

While it may be easy to get a hold of, though, it’ll take more than “a few bucks” to do so — Australians pay a premium price for cocaine, forking out a minimum of \$300 for a gram, which equates to about 10 lines or doses.

“What is known that of course it is worth a lot more, and sold for a much higher price, in Australia than it is in Mexico, here, or Colombia, or the United States,” Andalusia Knoll Soloff, a reporter based in Mexico City, explained.

“Here in Mexico, one gram of cocaine on average costs between \$3 and \$14 — it depends on what part of the city or the country you’re in. Then once it gets to the United States, it’s worth between \$60 and \$80, and then once it gets to Australia it’s worth around \$300.”

A significant segment of the price is driven by the major profit margins enjoyed by local organised crime groups who have facilitated the importation of the drug from international suppliers — often cartels in South America.

According to NSW Police Organised Crime Squad’s Detective Superintendent Martin Fileman, the huge profit margins directly correlate to the size of the risks facilitators are willing to take to bring the drug into Australia.

“When you look at the way where Australia is, and you look at the price you can pay for a kilo of cocaine in America, or even Australia to South America — South America [it’s] \$3000 a kilo, here, \$230,000 a kilo,” he said.

“So the risks that these facilitators or these organised crime syndicates in Australia — they are willing to take [them].”

On June 8, the “sting of the century”, Operation Ironside, nabbed dozens of suspects as part of a global operation to bring down terrorist groups, mafia organisations and outlaw motorcycle gangs.

“We’ve taken their money, we’ve taken their livelihoods, and we’ve arrested, you know, 250 people in Australia and 800 people across the globe,” Australian Federal Police Commander Kirsty Schofield said.

But the sting only hit about five or 10 per cent of the cocaine flushing into Australia — showing we’re a country very much in crisis mode.

“The unfortunate part about it is we have a market over here for cocaine, so as long as we’ve got a market, they’re going to keep importing it,” Supt Fileman said.



# Cocaine

## AUSTRALIAN CRIMINAL INTELLIGENCE COMMISSION ILLICIT DRUG DATA REPORT RELEASED 27 OCTOBER 2021

### KEY POINTS

- Cocaine remains among the most consumed and seized drugs worldwide, with the weight of cocaine seized globally reaching a record level in 2018.
- While the total area under coca bush cultivation remained relatively stable in 2018, the estimated weight of cocaine produced globally increased to a record level.
- Colombia produces the majority of the world's cocaine, with drug profiling indicating that the majority of both border and domestic cocaine seizures in Australia originated in Colombia.
- Indicators of supply and demand point to a continued expansion of the cocaine market in Australia.
  - The number of cocaine detections at the Australian border remained relatively stable in 2019–20, while the weight detected decreased.
  - The weight of cocaine seized nationally decreased in 2019–20, while the number of seizures increased and is the highest on record.
  - There was a record number of national cocaine arrests in 2019–20.
  - According to the National Wastewater Drug Monitoring Program, the population-weighted average consumption of cocaine increased in both capital city and regional sites from August 2019 to August 2020.





## National cocaine market decade trend: comparison between 2010–11 and 2019–20

Border detections		National seizures		National arrests
Number	Weight	Number	Weight	
⬆ 447%	⬆ 9%	⬆ 372%	⬆ 138%	⬆ 543%
486 → 2,660	701kg → 763kg	1,217 → 5,750	662kg → 1,573kg	839 → 5,393

Price <sup>a</sup> (\$)	Annual median purity range	DUMA <sup>b</sup> urinalysis	Use in lifetime	NDSH <sup>c</sup> Recent use
⬆	⬆	⬆	⬆	⬆
\$50.00 → \$80.00	9.5% to 30.2% → 40.5% to 67.0%	1% → 2%	7% → 11%	2% → 4%

a. National median prices for a street deal, equivalent to 0.2 grams of cocaine. National median price used data reported by New South Wales, Queensland and Tasmania only in 2019–20.

b. Drug Use Monitoring in Australia program. Data reflects the proportion of detainees testing positive to cocaine.

c. National Drug Strategy Household Survey. Data is for 2010 and 2019 and reflects the proportion of the Australian population aged 14 years or older who reported having used cocaine.

## MAIN FORMS

Cocaine (benzoylecgonine) is a naturally occurring psychoactive alkaloid and stimulant found in specific varieties of the coca plant, in particular *Erythroxylum coca* (*E. coca*) and *Erythroxylum novogranatense* (*E. novogranatense*).

- *E. coca* and *E. novogranatense* are native to the Andes region of western South America.
  - *E. coca* is cultivated in the Plurinational State of Bolivia (Bolivia) and Peru.
  - *E. novogranatense* is cultivated in Colombia and Central America.
- The two most common forms of cocaine are hydrochloride salt (powdered) and cocaine base.
  - Powdered hydrochloride is the most common form of cocaine available in Australia, which can be snorted, rubbed into the gums or dissolved in water and injected.
  - Cocaine base, often referred to as 'crack', has a rock crystal appearance and is readily converted into vapour with heat, making it suitable for inhalation. Crack cocaine is not commonly encountered in Australia (Baker et al. 2004; US DEA 1993).

decreased from 245,400 hectares in 2017 to 244,200 hectares in 2018. However, there was a 5 per cent increase in the estimated weight of potential cocaine production worldwide, which reached a record 1,723.0 tonnes (at 100 per cent purity) in 2018 (UNODC 2020a).

The three primary cocaine producing countries in 2018 were Colombia (which accounted for 70 per cent of global coca bush cultivation), Peru (20 per cent) and Bolivia (10 per cent). While there was a decrease in the area under coca bush cultivation in Colombia between 2017 and 2019, the estimated quantity of cocaine produced increased during the same period. The area under coca bush cultivation decreased by 1 per cent to 169,000 hectares in 2018, and by 9 per cent to 154,000 hectares in 2019. The estimated quantity of cocaine produced increased by 6 per cent between 2017 and 2018 (reaching 1,120.0 tonnes in 2018), and by 2 per cent in 2019 (reaching 1,137 tonnes). In Bolivia, the area under coca bush cultivation and cocaine production fluctuated between 2017 and 2019. The area under coca bush cultivation decreased by 6 per cent to 23,100 hectares in 2018, and increased by 10 per cent to 25,500 hectares in 2019. The estimated quantity of cocaine produced decreased by 6 per cent between 2017 and 2018 and increased by 11 per cent in 2019. Information relating to the area under cultivation and cocaine production in Peru in 2018 was unavailable at the time of publication (UNODC 2020a; UNODC 2020b; UNDOC 2020c).

Based on UNODC data, cocaine continues to be the second most seized drug worldwide by weight. According to the 2019 World Drug Report, the weight

of cocaine seized globally continued to increase in 2018 to a record 1,311 tonnes. Between 2008 and 2018 the weight of cocaine seized globally increased by 71 per cent. While the weight seized continued to increase, the rate of increase was smaller compared to previous reporting periods, suggesting the market may be stabilising. In 2018, global cocaine seizures remained concentrated in the Americas and Europe. The Americas accounted for the majority (85 per cent) of the weight of cocaine seized globally in 2018, of which Colombia accounted for 35 per cent. The weight of cocaine seized in Colombia decreased 7 per cent, from 489.0 tonnes in 2017 to 457.0 tonnes in 2018 (UNODC 2020a).

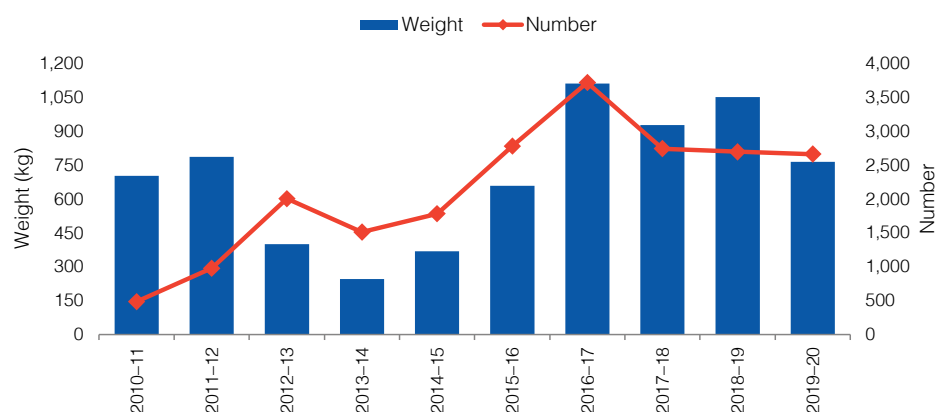
The number of global cocaine border seizures reported by World Customs Organization (WCO) agencies decreased 18 per cent, from 7,280 in 2018 to 6,005 in 2019. While the number of powdered cocaine seizures decreased 21 per cent, from 6,926 in 2018 to 5,464 in 2019, it continued to account for the greatest proportion of the number of global cocaine border seizures in 2019 (91 per cent). This was followed by cocaine base (4 per cent), coca products (3 per cent) and coca leaves (2 per cent). The weight of cocaine seized globally increased 53 per cent, from 189,549.9 kilograms in 2018 to 289,331.3 kilograms in 2019. Powdered cocaine accounted for 96 per cent of the weight seized in 2019, followed by cocaine base (4 per cent). The average size of a powdered cocaine border seizure nearly doubled, increasing from 26.5 kilograms in 2018 to 50.7 kilograms in 2019 (WCO 2020).

## INTERNATIONAL TRENDS

An estimated 19 million people globally reported cocaine use in the previous 12 months in 2018. The total area under coca bush cultivation globally remained relatively stable in 2018, while the weight of cocaine produced increased. The United Nations Office on Drugs and Crime (UNODC) estimates that the total global area under coca bush cultivation



**FIGURE 19: Number and weight of cocaine detections at the Australian border 2010–11 to 2019–20**



(Source: Department of Home Affairs)

## DOMESTIC TRENDS

### AUSTRALIAN BORDER SITUATION

The number of cocaine detections at the Australian border increased 447 per cent over the last decade, from 486 in 2010–11 to 2,660 in 2019–20. Despite some fluctuations, the number of cocaine detected displays an increasing trend over the last decade. The number of cocaine detections decreased 1 per cent this reporting period, from 2,695 in 2018–19.

While fluctuating, the weight of cocaine detected increased 9 per cent over the last decade, from 701.8 kilograms in 2010–11 to 763.6 kilograms in 2019–20. Despite the fluctuations, the weight of cocaine detected also displays an increasing trend over the last decade. The weight of cocaine detected decreased 27 per cent this reporting period, from 1,049.7 kilograms in 2018–19.

In 2019–20, 62 of the 2,660 cocaine detections (2 per cent) weighted 1 kilogram or more. With a combined weight of 683.6 kilograms, these 62 detections account for 90 per cent of the weight of cocaine detected in 2019–20 (Figure 19).

### IMPORTATION METHODS

In 2019–20, detections of cocaine at the Australian border occurred in the air cargo, air passenger/crew, international mail and sea cargo streams. By number, international mail accounted for the greatest proportion of cocaine detections (96 per cent), followed by air cargo (3 per cent), air passenger/crew (<1 per cent) and sea cargo (<1 per cent). By weight,

the sea cargo and air cargo streams accounted for the greatest proportion of cocaine detections (40 per cent each), followed by international mail (18 per cent) and air passenger/crew (2 per cent).

### EMBARKATION POINTS

In 2019–20, 42 countries were identified as embarkation points for cocaine detected at the Australian border, compared to 49 countries in 2018–19. By weight, Mexico was the primary embarkation point for cocaine detected in 2019–20. Other key embarkation points by weight this reporting period include the United States, Germany, Austria, Brazil, the United Kingdom, Belgium, the Netherlands, France and Canada.

### DRUG PROFILING

The Australian Federal Police (AFP) Forensic Drug Intelligence (FDI) team operates a forensic drug profiling capability through the National Measurement Institute (NMI), which is used to identify regions of origin and manufacturing trends for samples of cocaine submitted from seizures made at the Australian border. The capability also allows for comparisons within and between seizures to identify distinct batches of drugs, the origin of drugs, or to demonstrate links between groups involved in illicit drug manufacture or trafficking.

The following data relate to seizures investigated by the AFP between 2011 and June 2020, from which samples were submitted to the NMI for routine analysis and profiling.

- Figures continue to highlight the dominance of Colombian cocaine in the Australian market.
- The trend of cocaine seizures of mixed origin has continued.
- The AFP has not examined any seizures of Bolivian origin since 2015.
- It should be noted that single seizures involving a mixture of Colombian, Peruvian, Bolivian and unknown samples are listed under the “Mixed” category in Table 11. However, when classifying by weight, the bulk weight of these seizures is separated and attributed to the relevant country of origin. As such, the “Mixed” category in Table 12 only includes the weight of samples that could not be attributed to a specific country of origin.

The Enhanced National Intelligence Picture on Illicit Drugs (ENIPID) project extends this profiling to include state and territory seizures involving heroin, methylamphetamine and cocaine. This enables detection of convergences between supply routes into different jurisdictions, links between different criminal groups, as well as comparison of trends between jurisdictions.

- ENIPID profiling data for the first six months of 2020 shows an increase in mixed/unclassified cocaine cases in South Australia and the Northern Territory, where there were approximately double the amount of mixed/unclassified cocaine cases to Colombian cocaine cases.
- Colombia remains the dominant source of cocaine in Australia.
- Cocaine samples of Peruvian origin have decreased and no cocaine samples submitted to the ENIPID project for this reporting period were identified as originating in Bolivia. Samples with a geographic origin classification of Peruvian or Bolivian, or Colombian or Peruvian were attributed to the unclassified/mixed category.

### DOMESTIC MARKET INDICATORS

No single dataset provides a comprehensive picture of illicit drugs or the Australian illicit drug market. Each has benefits and limitations, and it is only through the layering of multiple data that we are able to enhance our understanding of the extent of the supply and demand trends in Australia's illicit drug markets.

*continued on page 18*



The National Drug Strategy Household Survey (NDSHS) collects self-report information on alcohol, tobacco and illicit drug use among the general population and also surveys people's attitudes and perceptions in relation to these. Conducted approximately every three years, the related report presents estimates derived from survey responses weighted to the appropriate Australian population. According to NDSHS data:

- The proportion of the Australian population aged 14 years or older who reported having used cocaine at least once in their lifetime increased over the last decade, from 7 per cent in 2010 to 11 per cent in 2019. In 2016 this proportion was 9 per cent.
- The proportion of the Australian population aged 14 years or older who reported having recently used cocaine increased over the last decade, from 2 per cent in 2010 to 4 per cent in 2019. In 2016 this proportion was 3 per cent (AIHW 2020).

The National Wastewater Drug Monitoring Program (NWDMP) collects wastewater samples every two months in capital city sites and every four months in regional sites. Aimed at acquiring data on the population-scale use of substances causing potential harm, the Program provides a measure of the consumption of 13 illicit and licit drugs. Since the Program began measuring cocaine in August 2016, the population-weighted average consumption increased in both capital city and regional sites. According to data from the NWDMP for August 2019 to August 2020:

- Cocaine consumption was higher per capita in capital city sites than regional sites.
- The population-weighted average consumption of cocaine in both capital city and regional sites increased.
- The ACIC estimates that around 5.6 tonnes of cocaine was consumed annually in Australia, an increase from the estimated 4.6 tonnes of cocaine consumed in the previous year (ACIC 2021).

The below data reflect drug use within sentinel groups. As such, they are not representative of all people who use drugs, or drug use in the general population. However, they provide valuable insight into patterns of drug use and market trends and can assist in the identification of emerging issues that require further monitoring.

**TABLE 11: Geographical origin of coca leaf used to produce cocaine as a proportion of analysed AFP border seizures, 2011–June 2020**

Year	Colombia %	Peru %	Bolivia %	Mixed %	Unclassified %
Jan–Jun 2020	74.1	7.4	–	11.1	7.4
2019	66.7	8.8	–	7.0	17.5
2018	55.2	11.9	–	9.0	23.9
2017	59.6	11.9	–	13.8	14.7
2016	75.9	0.9	–	9.3	13.9
2015	53.6	13.1	2.4	5.9	25.0
2014	47.9	43.8	1.4	6.9	–
2013	64.1	28.2	–	5.1	2.6
2012	55.3	29.1	–	5.9	9.7
2011	55.9	35.3	–	5.9	2.9

(Source: Australian Federal Police, Forensic Drug Intelligence)

**TABLE 12: Geographical origin of coca leaf used to produce cocaine as a proportion of total bulk weight of analysed AFP border seizures, 2011–June 2020**

Year	Colombia %	Peru %	Bolivia %	Mixed %	Unclassified %
Jan–Jun 2020 <sup>a</sup>	92.0	5.7	–	–	2.4
2019	47.0	1.6	–	49.5	1.9
2018	56.0	13.3	–	–	30.7
2017	63.6	3.6	–	<0.1	32.8
2016	84.1	1.8	–	–	14.1
2015	49.9	8.9	0.1	34.7	6.4
2014	67.2	31.8	0.9	0.1	–
2013	9.9	90.0	–	–	0.1
2012	23.7	74.3	–	1.3	0.7
2011	51.3	44.2	–	4.4	0.1

a. Due to a change in the sampling methodology for large illicit drug seizures made by the AFP, seizure weights cannot be accurately attributed for seizures with variations in profiling. The weight has been assigned to the most prevalent chemical profiling determination.

(Source: Australian Federal Police, Forensic Drug Intelligence)

The Illicit Drug Reporting System (IDRS) collects self-report information on drug use and related harms annually from individuals in Australian capital cities who regularly inject drugs. According to IDRS data:

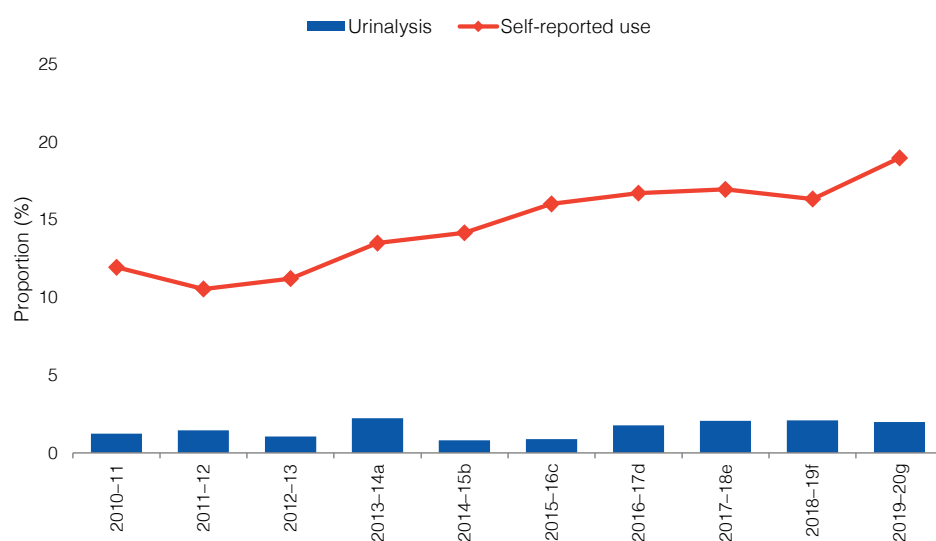
- The proportion of respondents reporting cocaine as their drug of choice remained relatively stable over the last decade, decreasing from 2 per cent in 2011 to 1 per cent in 2020. In 2019 this proportion was 2 per cent.
- Over the last decade the proportion of respondents reporting the recent use of cocaine remained relatively stable, decreasing from 18 per cent in 2010 to 17 per cent in 2020. In 2019 the proportion was 13 per cent.
- Over the last decade the reported median number of days of cocaine use in the six months preceding interview decreased, from 5 days in 2011 to 3 days in 2020. The median number of days remain unchanged from 2019 (Peacock et al. 2021).

The Ecstasy and Related Drugs Reporting System (EDRS) collects self-report information on drug use and related harms annually from individuals in Australian capital cities who regularly use ecstasy and other stimulants. According to EDRS data:

- The proportion of respondents reporting cocaine as their drug of choice decreased over the last decade, from 14 per cent in 2011 to 12 per cent in 2020. In 2019 this proportion was 11 per cent.
- The proportion of respondents reporting the recent use of cocaine increased over the last decade, from 46 per cent in 2011 to 68 per cent in 2020. In 2019 this proportion was 67 per cent.
- The reported median number of days of cocaine use in the six months preceding interview increased over the last decade, from 2 days in 2011 to 4 days in 2020. The median number of days remained unchanged from 2019 (Peacock et al 2020).

The Australian Needle and Syringe Program Survey (ANSPPS) collects self-

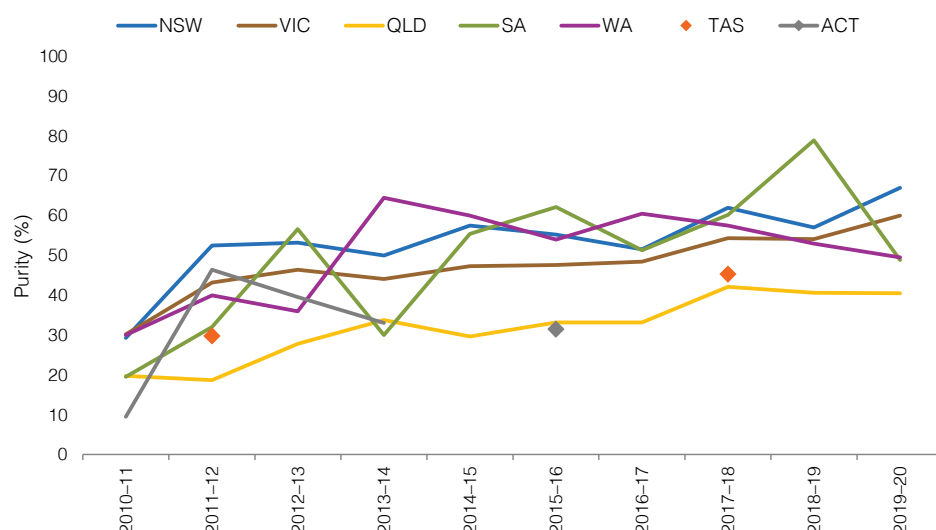
**FIGURE 20: National proportion of detainees testing positive for cocaine compared with self-reported recent use, 2010–11 to 2019–20**



- Urine was collected in the third and fourth quarter of 2013 and the first quarter of 2014.
- Urine was collected in the third quarter of 2014 and the first and second quarter of 2015.
- Urine was collected in the third quarter of 2015 and the first and second quarter of 2016.
- Urine was collected in the third quarter of 2016 and the second quarter of 2017.
- Urine was collected in the third quarter of 2017 in Adelaide, Brisbane and Perth; the fourth quarter of 2017 in Bankstown; and the first quarter of 2018 in Adelaide, Brisbane, Perth and Surry Hills.
- Urine was collected in the third quarter of 2018 in Adelaide, Brisbane and Perth; the fourth quarter of 2018 in Bankstown; and the first quarter of 2019 in Adelaide, Brisbane, Perth and Surry Hills.
- Urine was collected in the third quarter of 2019 in Adelaide, Brisbane and Perth; the fourth quarter of 2019 in Bankstown; and the first quarter of 2020 in Adelaide, Brisbane, Perth and Surry Hills.

(Source: Australian Institute of Criminology)

**FIGURE 21: Annual median purity of cocaine samples, 2010–11 to 2019–20**



report information and capillary blood samples annually to monitor blood borne viral infections and associated risk behaviour among individuals who inject drugs. According to ANSPS data:

- In both 2010 and 2019, 1 per cent of respondents reported cocaine as the drug last injected (Heard et al. 2020).

The Drug Use Monitoring in Australia (DUMA) program collects criminal justice and drug use information on a quarterly basis from police detainees, comprising an interviewer-assisted self-report survey

and the voluntary provision of a urine sample, which is tested to detect licit and illicit drug use. According to DUMA data:

- Over the last decade the proportion of detainees testing positive to cocaine remained relatively stable, while the proportion self-reporting cocaine use increased.
- The proportion of detainees testing positive to cocaine over the last decade ranged from a low of 1 per cent in 2014–15, to a high of 2 per cent in 2018–19 and 2019–20.

- The proportion of detainees self-reporting recent cocaine use increased over the last decade, from 12 per cent in 2010–11 to a record 19 per cent in 2019–20. In 2018–19, this proportion was 16 per cent (see Figure 20).

## PRICE

At the street level, the price of cocaine is generally measured as a 'cap' or in grams. Nationally, the price for 1 cap (0.2 grams) of cocaine increased over the last decade, ranging between \$50 and \$70 in 2010–11 to between \$50 and \$200 in 2019–20. In 2018–19 the reported price ranged from \$40 to \$200. The median price for 1 cap of cocaine increased over the last decade, from a national median of \$50 in 2010–11 to \$80 in 2019–20 (reported in New South Wales, Queensland and Tasmania). The median price was \$50 in 2018–19 (reported in New South Wales, Queensland and Tasmania).

Nationally, the price for 1 gram of cocaine increased over the last decade, ranging between \$250 and \$500 in 2010–11 to between \$300 and \$600 in 2019–20 (noting there is a large overlap in price ranges). The reported price range was between \$200 and \$800 in 2018–19. The national median price for 1 gram of cocaine increased over the last decade, from \$350 in 2010–11 to \$412.50 in 2019–20. The national median price in 2018–19 was \$350.

Nationally, the price for 1 kilogram of cocaine increased over the last decade, ranging between \$190,000 and \$250,000 in 2010–11 (reported in New South Wales and Victoria) to between \$150,000 and \$330,000 in 2019–20 (noting there is a large overlap in price ranges). In 2018–19, the reported price ranged from \$90,000 to \$300,000.

## PURITY

Since 2010–11, the annual median purity of analysed cocaine samples ranged between 10 per cent and 79 per cent. Annual median cocaine purity fluctuated over the last decade, but overall all states reported an increase. In 2019–20, the annual median purity ranged from 41 per cent in Queensland to 67 per cent in New South Wales. In 2019–20, New South Wales and Victoria reported increases in the annual median purity of cocaine, while South Australia and Western Australia reported decreases and Queensland remained relatively stable (see Figure 21).

*continued on page 20*

**TABLE 13: Number, weight and percentage change of national cocaine seizures, 2018–19 and 2019–20**

State/Territory <sup>a</sup>	Number			Weight (grams)		
	2018–19	2019–20	% change	2018–19	2019–20	% change
New South Wales	3,621	3,725	2.9	898,696	1,068,733	18.9
Victoria	378	394	4.2	63,929	69,240	8.3
Queensland	761	877	15.2	644,275	33,742	-94.8
South Australia	20	38	90.0	450	2,158	379.6
Western Australia	415	541	30.4	24,958	397,460	1,492.5
Tasmania	29	30	3.4	332	97	-70.8
Northern Territory	27	27	0.0	134	262	95.5
Australian Capital Territory	127	118	-7.1	5,798	2,161	-62.7
<b>Total</b>	<b>5,378</b>	<b>5,750</b>	<b>6.9</b>	<b>1,638,572</b>	<b>1,573,853</b>	<b>-3.9</b>

a. Includes seizures by state and territory police and Australian Federal Police for which a valid seizure weight was recorded.

*continued from page 19*

## AVAILABILITY

In a 2020 national study of people who regularly use ecstasy and other stimulants, the proportion of respondents reporting cocaine as 'easy' or 'very easy' to obtain remained relatively stable, decreasing from 69 per cent in 2019 to 68 per cent in 2020. This is an increase from the 42 per cent reported in 2011 (Peacock et al. 2020).

## SEIZURES

The number of national cocaine seizures increased 372 per cent over the last decade, from 1,217 in 2010–11 to a record 5,750 in 2019–20, with the number of seizures displaying an increasing trend over the decade. The number of cocaine seizures increased 7 per cent this reporting period from 5,378 in 2018–19 (the second highest number on record).

The weight of cocaine seized nationally increased over the last decade, increasing 138 per cent from 662.0 kilograms in 2010–11 to 1,573.8 kilograms in 2019–20. The weight seized nationally continued to decrease for the third consecutive reporting period following the record high (4,623.3 kilograms) reported in 2016–17. Despite some fluctuations, the overall weight of cocaine seized also displays an increasing trend over the last decade. The weight of cocaine seized nationally decreased 4 per cent this reporting period from 1,638.5 kilograms in 2018–19 (see Figure 22).

South Australia reported the greatest percentage increase in the number of cocaine seizures in 2019–20, while Western Australia reported the greatest percentage increase in the weight of cocaine seized. New South Wales continues to account for

**TABLE 14: Number and percentage change of national cocaine arrests, 2018–19 and 2019–20**

State/Territory <sup>a</sup>	2018–19	2019–20	% change
New South Wales	2,564	2,590	1.0
Victoria	998	1,124	12.6
Queensland	907	1,088	20.0
South Australia	163	166	1.8
Western Australia	284	326	14.8
Tasmania	11	13	18.2
Northern Territory	20	5	-75.0
Australian Capital Territory	69	81	17.4
<b>Total</b>	<b>5,016</b>	<b>5,393</b>	<b>7.5</b>

a. The arrest data for each state and territory include Australian Federal Police data.

the greatest proportion of national cocaine seizures, accounting for 65 per cent of the number and 68 per cent of the weight of cocaine seized nationally in 2019–20 (see Table 13).

## ARRESTS

The number of national cocaine arrests increased 543 per cent over the last decade, from 839 in 2010–11 to a record 5,393 in 2019–20, with the number of arrests showing an increasing trend during the period. The number of national cocaine arrests increased 8 per cent this reporting period from 5,016 in 2018–19. Consumer arrests continue to account for the greatest proportion of arrests, accounting for 75 per cent of national cocaine arrests in 2019–20 (see Figure 23).

Queensland reported the greatest percentage increase in the number of cocaine arrests in 2019–20. New South Wales continues to account for the greatest proportion of national cocaine arrests, accounting for 48 per cent this reporting period (see Table 14).

## NATIONAL IMPACT

Cocaine remains among the most consumed and seized drugs worldwide. While the total area under coca bush cultivation remained relatively stable in 2018, cocaine production increased. Colombia continues to account for the greatest proportion of global coca bush cultivation. In 2018, the weight of cocaine seized globally reached record levels, with the majority of cocaine seized in the Americas and Europe. WCO agencies reported a decrease in the number of global cocaine seizures in 2019, but an increase in the cocaine weight seized.

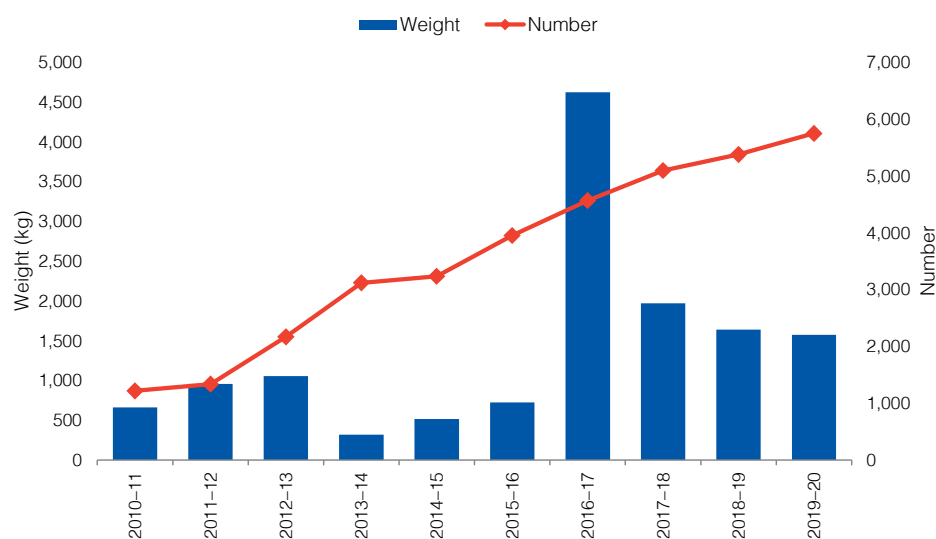
Indicators of supply and demand point to a continued expansion of the Australian cocaine market, with demand indicators pointing to increases in consumption.

Indicators of demand for cocaine include surveys of people who use drugs, police detainees and wastewater analysis.

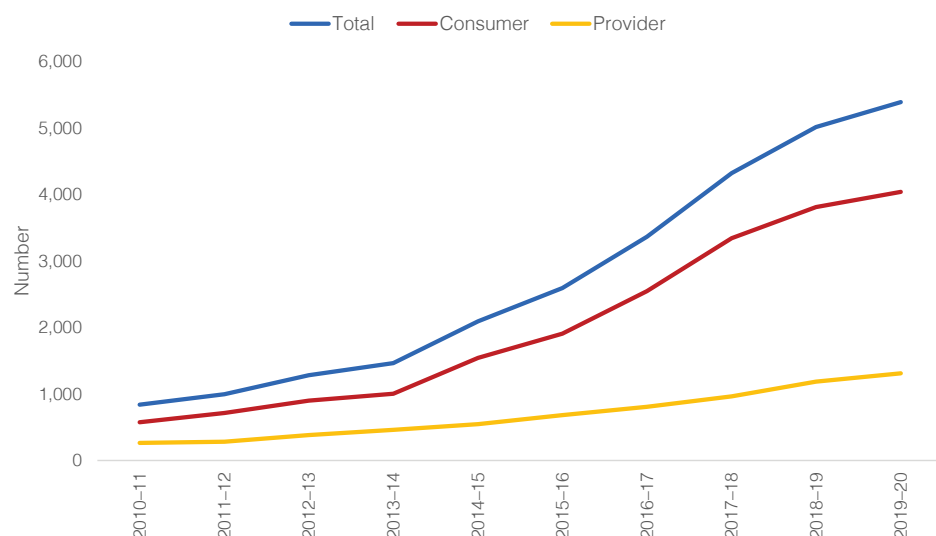
- According to the NDSHS, the reported recent use of cocaine and use in lifetime increased in 2019.



**FIGURE 22: National cocaine seizures, by number and weight, 2010–11 to 2019–20**



**FIGURE 23: Number of national cocaine arrests, 2010–11 to 2019–20**



- According to the ANSPS, the proportion of respondents reporting cocaine as the drug last injected remained stable in 2019.
- According to a national study of people who regularly inject drugs and of people who regularly use ecstasy and other stimulants, the reported recent use of cocaine increased while the median days of cocaine use remained stable in 2020.
- According to a national study of police detainees, the proportion of detainees testing positive to cocaine remained relatively stable in 2019–20, while self-reported cocaine use increased to a record level.
- The NWDMP indicates that average cocaine consumption in capital city sites exceeds regional consumption. When comparing data for August 2019 to August 2020, the population-

weighted average consumption of cocaine increased in both capital city and regional sites.

Indicators of cocaine supply include border detection, forensic profiling, seizure, arrest, price and purity data. Compared to 2018–19, in 2019–20:

- Both the number and weight of cocaine detections at the Australian border decreased.
- Forensic profiling indicates that Colombia remains the predominant source of analysed cocaine in Australia.
- There was a record number of national cocaine seizures, while the weight of cocaine seized nationally decreased.
- There was a record number of national cocaine arrests.
- The national median price for 1 gram of cocaine increased.
- The annual median purity of analysed cocaine samples fluctuated.

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Police said the vessel was subject to ongoing investigation and forensics procedures in Balmain. Picture: AFP via NCA NewsWire

# Despite pandemic and border closures, drug smugglers try to reach Australian shores

COVID-19 has seen drug prices jump even higher, making Australia a lucrative market if smugglers can reach it.

September 4, 2020

**JOSHUA MCDONALD**

Transnational crime syndicates are still attempting to smuggle large amounts of illicit drugs into Australia despite the country's harsh border lockdown amid the pandemic.

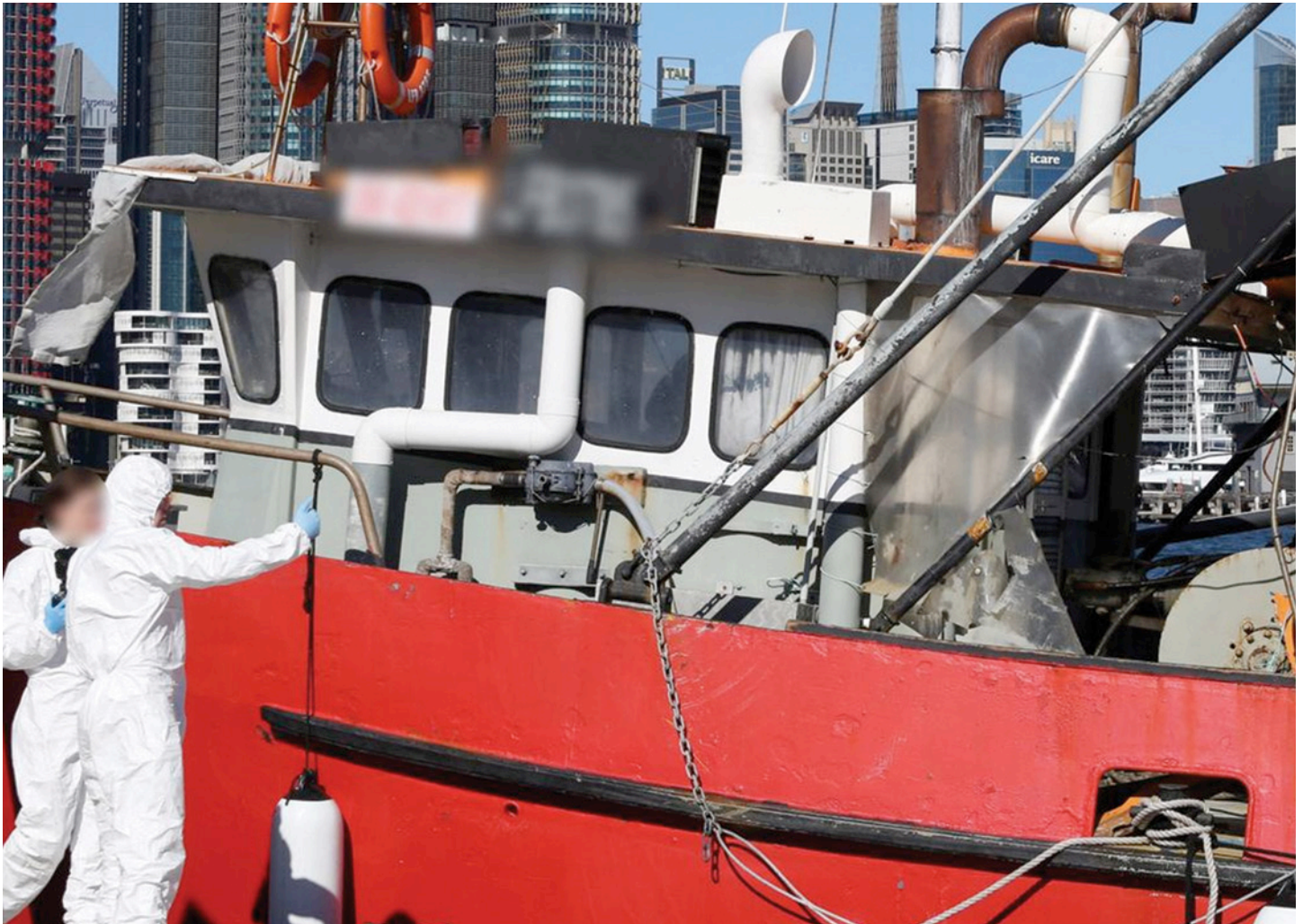
On August 15, a joint operation by the Australia Federal Police (AFP), the New South Wales Police Force (NSWPF) and the Australian Border Force (ABF) seized 1.8 tonnes of cocaine from a boat off the coast of Newcastle, just north of Sydney.

The largest seizure of its kind in Australia to date, the cocaine would have had a potential street value of approximately A\$850 million (US\$618 million). Australian law enforcement was first alerted to the boat's activities by New Zealand intelligence on August 11. According to a statement, the ABF's Maritime Border Command located the suspicious foreign vessel as it entered Australian waters.

"Maritime Border Control, with the support of law enforcement partners, observed an Australian commercial fishing vessel, the Coralynne, approaching the foreign vessel and making an alleged at-sea transfer of illicit drugs bound for Australia," the statement read.

The AFP released video footage of a police boat ramming the Coralynne and officers jumping on board and making arrests. Three crew members — a Chinese





Three men were arrested and refused bail in Central Local Court on Monday. Picture: AFP via NCA NewsWire

man and two Australian males — were arrested and charged. Australian police and intelligence agencies are now probing whether the trio were working as part of a consortium of organized crime syndicates spanning beyond Australia's borders.

This isn't a rare incident. Just two weeks earlier, a Cessna light plane, overloaded with half a tonne of cocaine, crashed while attempting to take off from a remote airstrip just outside of Port Moresby, Papua New Guinea. Local police seized the cocaine and later arrested and charged an Australian man who was piloting the flight. The AFP later confirmed they were aware of the pilot's intention to fly the load back to Australia and had a dozen agents on the tarmac at an airport in Queensland, awaiting his arrival.

As news of the crash broke, the AFP, working with Queensland, New South Wales and Victoria Police searched several locations across the three states and arrested five alleged conspirators, who the AFP allege are working for a Melbourne-based criminal syndicate with links to the Calabrian mafia.

Even before these major busts occurred a senior police source told the *Sydney Morning Herald* that since the pandemic began, NSW police alone had seized more than 420 kilograms of cocaine, a tonne of ice (crystal meth) and more than one tonne of precursors to ice. "That's the stuff that we've got – think about what's come in that we've missed," he said.

Regional security analysts and politicians have long insisted that the Australian border force is among the best in the world but despite this, international crime syndicates continue to attempt to smuggle illicit drugs and other substances into the country. This is largely due to the high returns that smugglers can make if successful: It's well known that Australians and New Zealanders are more willing to pay a higher price for their drugs compared to almost any other buyers in the world and COVID-19 has seen drug prices jump even higher as Australians continue to buy despite the current economic uncertainty.

The U.S. Drug Enforcement Administration's Australian attaché, Kevin Merkel, told the *Courier-Journal* that Australia is the "most sought-after illicit drug market" with a kilo of meth having risen from between A\$128,000 – \$185,000 pre-pandemic to A\$200,000.

On Australian streets, cocaine, previously priced at around A\$325 per gram, now sells for up to A\$450 while similar trends apply to MDMA and ketamine. The percentage of Australians who use illicit drugs is also increasing. A report by the Australian Institute of Health and Welfare published last month found that illicit drug use in the previous 12 months has increased for cannabis, cocaine, ecstasy, inhalants, hallucinogens and ketamine. Cocaine use particularly has skyrocketed with use in the last 12 months having risen from 1 percent to 4.2 percent from 2001 to 2019.

As supply lines and hard border closures elsewhere in the world affect the ability of smugglers to turn a profit it's possible they will see a visit to Australia as a way to recoup their losses.





The men face life behind bars.

# Year's worth of cocaine seized by cops in mammoth drug bust

Detectives have busted an alleged international drug cartel accused of trying to import a year's supply worth of cocaine into Australia.

June 4, 2021

**ERIN LYONS**

An alleged plot to import a staggering three tonnes of cocaine into Australia has come unstuck.

Three men have been charged and face life behind bars, accused of being part of an international drug cartel who were allegedly plotting to bring the mammoth haul to Australian shores.

Detectives last year received a tip-off about an individual gambling a large amount of money at a casino.

Police then began investigating his financial activity and associates.

A strike force was also established to investigate the large-scale supply of prohibited drugs across NSW, particularly cocaine.

"During the course of the investigation, detectives uncovered a significant transnational organised crime syndicate facilitating the importation of illicit drugs operating across Australia and North and South America," police will allege.

Authorities in Australia then started working with US law enforcement before seizing 870kg of cocaine after intercepting a ship in the Pacific Ocean, just off the coast of Columbia in October last year.

US coast guards then seized another 900kg of cocaine after intercepting a second vessel travelling off the coast of Ecuador in April this year.

Police will allege in court that both seizures formed part of a conspiracy to supply 3000kg of cocaine with a potential street value of \$900 million across the state.

NSW Police Assistant Commissioner Stuart Smith told 2GB the alleged shipments had a year's worth of cocaine.

"If combined all the drug usage of cocaine throughout the whole of the population in NSW for a year, this load represents that amount," he said.

In a bid to catch the alleged offenders, police planted fake cocaine that was taken to a storage facility in the Lake Macquarie area.





**An alleged plot to import a record shipment of more than three tonnes of cocaine has come unstuck.**

A 42-year-old man was arrested on Thursday morning after allegedly attempting to access the items.

A second man, aged 37, was arrested in a carpark nearby.

The 42-year-old Mortdale man was charged with two counts of conspiracy to supply a prohibited drug (large commercial), large commercial drug supply and participating in a criminal group to contribute to criminal activity.

The 37-year-old Rockdale man was charged with large commercial drug supply.

The pair have been refused bail to appear at Newcastle Local Court on Friday.

Detectives then searched five homes across Mortdale, Paddington, Regents Park, Rockdale and Sans Souci.

They seized cash, electronic devices, documents, mobile phones and encrypted devices.

A third man, aged 58, was arrested at Sans Souci and later charged with two counts of conspiracy to supply a prohibited drug (large commercial), two counts of large commercial drug supply and participating in a criminal group to contribute to criminal activity.

He was also refused bail to appear at Parramatta Local Court on Friday.



**Three men were arrested.**





# Part of the landscape

Latin America is widely known to be home to some of the most powerful criminal organizations in the world, but the region's criminal ecosystem is dominated by state-embedded actors, many of whom protect and profit from illicit economies.

January 28, 2022

## JOSEFINA SALOMÓN

When former Honduran President Juan Orlando Hernández's name came up in the March 2021 US trial of notorious drug trafficker Geovanny Fuentes, few were surprised. The prosecutor described the Central American country as a 'narco-state', explaining how cartels had infiltrated 'police, military and political power'. Their influence extended to 'mayors, congressmen, military generals and police chiefs, even the current president'.

The same month also saw the sentencing (to life in prison) of Hernández's brother (and former congressman), Antonio 'Tony' Hernández on drug trafficking charges. Hernández was found guilty of aiding the smuggling of 185 tonnes of cocaine from Colombia into the US, sometimes in collaboration with Joaquín 'El Chapo' Guzmán's Sinaloa Cartel.

While the former Honduran president continues to deny any wrongdoing, he now faces the prospect of potential extradition to the US after his party lost the November 2021 general election, stripping Hernández of the immunity from prosecution he enjoyed as president.

The jury is still out as to whether he will ever be extradited, but the fact that a president was linked to drug trafficking in a US court could be a tipping point in the way countries fight state-embedded crime and the lengths they are prepared to go to.

### A story of state and crime

During the Fuentes trial, US prosecutors argued that, in Honduras, the distinction between state institutions and criminal organizations is, at best, hazy and, at worse, non-existent. Analysts

monitoring political and criminal dynamics in the Central American country say the links between crime organizations and political elites run deep, with many high-ranking public servants protecting (and profiting from) illicit economies.

The story of state involvement in criminality is a familiar one in this region. Although Latin America is home to some of the most powerful transnational crime organizations in the world, it is state actors who actually dominate the criminal landscape – a finding highlighted by the Global Initiative Against Transnational Organized Crime (GI-TOC)'s Global Organized Crime Index 2021. State actors facilitate illicit markets not only by protecting them and turning a blind eye, but also by rejecting measures that, if effectively implemented,



could strengthen their country's capacity to fight organized crime. These include robust accountability mechanisms, crime prevention and victim support programmes, and good governance.

Examples of Latin American state actors fuelling or enabling illicit activity are legion, from endemic low-level corruption (such as police officers facilitating drug trafficking in Argentina) to the high-level regional graft uncovered in the Odebrecht scandal. Across the region, the illegal trade in flora and fauna is rising, often aided by corrupt officials. In Brazil, for example, authorities issued fewer fines in 2020, even though deforestation soared to a 12-year high. In Venezuela – ranked among the highest countries for criminality and lowest for resilience in the Organized Crime Index – both low- and high-ranking public officials have been accused of direct involvement in crimes, including contraband, cocaine smuggling, money laundering, illegal exploitation of natural resources, exchange rate manipulation and a catalogue of human rights violations. Like Honduras's Hernández, the Venezuelan president, Nicolás Maduro, has also been accused of aiding drug trafficking.

The scale of corruption and state involvement in crime has led some to label Venezuela a 'mafia state'. Ronna Risquez, an investigative journalist, assessed the current situation as the result of the dismantling of democratic

institutions: 'In Venezuela,' she said, 'it is no longer possible to tell state and government apart.' This, in turn, has created an environment of impunity in which criminal organizations can flourish, with investigations into corruption and crime nearly non-existent.

### **An intractable problem, yet reason for hope**

There is broad agreement that to tackle organized crime effectively, more effort must be made to dismantle the connection between state and crime, but achieving this will require overcoming a number of steep challenges. Firstly, criminal connections with the state are becoming increasingly entrenched and difficult to undo. In the most serious instances, where organized crime actors capture control of the state apparatus, the ability of law enforcement and justice institutions to hold criminals to account is critically undermined (as is the case in Venezuela).

Secondly, but closely linked, the political will to dismantle these connections is still largely lacking in many parts of the region. Indeed, political actors have often been antipathetic to such initiatives, and ground-breaking attempts to tackle impunity and corruption across Central America have been shut down as soon as they became too uncomfortable for those in power. Despite their many achievements, initiatives such as the International Commission against

Impunity in Guatemala and the Mission to Support the Fight against Corruption in Honduras have faced hostility from some government actors and were not given the opportunity to complete their work. This antagonism towards those engaged in fighting corruption and impunity and combating organized crime is most starkly illustrated by the huge numbers of assassinations of civil society actors. Latin America is the most dangerous region in the world for human rights activists, with dozens killed in 2019 and 2020.

There is still some reason for hope, however. Latin America is host to hundreds of thousands of civil society organizations, journalists, lawyers and activists fighting to turn the tables on crime, violence and elite corruption. Their collective efforts have been identified as one of the most important sources of resilience against illicit economies: South America scores higher than the global average of 4.88 in the Organized Crime Index's 'non-state actor' resilience indicator, with a regional score of 5.96. Central American countries such as Mexico, Guatemala, Costa Rica and Panama also rank higher than the global average in the same indicator. These civil society groups need to be supported, protected and encouraged, particularly when no one else is shining a light on the abuse of power by the region's political elites. Their determination and tenacity in the face of extreme danger make such activists the region's brightest hope and best chance of a future less plagued by crime.

But they cannot do it alone. Bringing state actors suspected of involvement in organized crime to justice is a powerful way of sending a strong message to others that these types of crimes will not go unpunished. While the future of the Hernández case is hard to predict, it may well become a game changer.

**This analysis is part of the GI-TOC's series of articles delving into the results of the Global Organized Crime Index 2021. The series explores the Index's findings and their effects on policymaking, anti-organized crime measures and analyses from a thematic or regional perspective.**



**CHILE**

**Santiago**

**Buenos Aires**

**URUGUAY**

**Montevideo**

**ARGENTINA**

### **Abstract**

This article presents the results of an exploratory study aimed to analyze the contexts in which the use of Non-Traditional ports of cocaine departure and counter-intuitive routes is prioritized, based on the experience of Argentina, Chile, and Uruguay. Moreover, we show that criminal organizations prioritize the Ports of Buenos Aires, San Antonio and Montevideo, and the counter-intuitive routes that lead to them, because they are spaces that generate incentives linked to the porosity of borders, the lack of control at the ports, and the possibility of exploiting the country's lack of reputation for drug exportation to re-export cocaine undetected. This study constitutes a precedent for future research on the role of South American Southern Cone ports in cocaine trafficking. We can identify at least four emerging lines of research:

1. Cocaine trafficking from landlocked countries;
2. The role of the waterway Paraná-Paraguay;
3. The link between Non-Traditional ports of cocaine departure and new markets; and
4. Other Non-Traditional Ports of cocaine departure, which are not containerized.





# Cocaine trafficking from non-traditional ports: examining the cases of Argentina, Chile and Uruguay

January 4, 2022

**CAROLINA SAMPÓ & VALESKA TRONCOSO**

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## Introduction

Researchers have long been studying and writing about the routes and methods used by organized crime to smuggle drugs from South America (Bartolomé 2016; Bartolomé 2019; Bartolomé and Ventura 2020; McDermott et al. 2021; Sampó 2019a; Sampó 2019b) and from the Southern Cone (Bartolomé 2016; Bartolomé and Ventura 2020; Ewig 2017; Sampó 2017a; Sampó 2017b; Souto Zabaleta et al. 2019; Troncoso 2017). Nevertheless, an especially important part of this scheme appears to have been neglected: ports and their role in drug trafficking. Even though some scholars have started working on this topic, specifically cocaine ports of entry (Antonelli 2020a; Antonelli 2020b; Roks et al. 2020; Lantsman 2017; Sergi 2020a; Sergi and Storti 2020;) the ports of cocaine departure located in South America have been scarcely studied (Jenss 2020; Zaitch 2001; Zaitch 2002), despite their relevance within the supply chain of illicit goods.

Since South America is the region of the world where the vast majority of coca bush is cultivated and cocaine is produced, and Colombia, Peru and Bolivia, in that order, almost have the monopoly of that production,<sup>1</sup> it is important to understand how criminal organizations manage to supply the

cocaine demand from abroad. Especially now since, as Anguita Olmedo (2020: 179) claims, “Both the range of drugs and the drug markets are expanding and diversifying as never before.”

Since 2014, coca bush cultivation and cocaine production have grown enough to flood South America (Sampó and Ferreira 2020) forcing drug trafficking organizations to depend much more on maritime routes to smuggle as much cocaine as possible, producing a spillover effect beyond the producing countries. According to the UNODC (2020) World Drug Report,<sup>2</sup> in 2014, 869 tons of cocaine at 100% purity were produced from coca bush cultivation in Colombia, Peru, and Bolivia while, in 2018, 1723 tons were produced, representing a more than doubling of growth in only four years. In this regard, the production is still growing while crop eradication has been reduced in the last two years. At the same time, supply as well as the demand from the Global North have grown not only in Europe but also in new markets such as China, Australia, and New Zealand as well as in South America. Moreover, Europe has become a more tempting market not only because of the price of cocaine in that territory but also because it opens the door to the Middle East and Asia (McDermott et al. 2021).

In this context, studying cocaine trafficking from South American ports and maritime routes is becoming increasingly necessary. In this article, we work from the understanding that criminal organizations use certain Non-Traditional ports of cocaine departure and counter-intuitive routes (as we will define below) to reduce risks and maximize profitability (Zaitch 2002). We refer to this strategy of using ports and routes not typically associated with the drug trade to launder and disguise the origin of the drugs as “re-exportation.” This article aims to analyze the contexts in which the use of Non-Traditional ports of cocaine departure and counter-intuitive routes is prioritized, based on the experience of Argentina, Chile, and Uruguay. The latter present diverse manifestations of organized crime but have been inadequately studied (Zaitch 2019). In recent years, these transit countries have gained importance in maritime cocaine trafficking and, because they are not considered critical source countries by the law enforcement institutions and Customs departments of entry ports, criminal organizations take advantage of the weaker control that exists in their ports.

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1. Some small plantations have been discovered in Central America (Panama, Guatemala, Honduras) and Mexico. Nevertheless, considering that, according to UNODC (2020), the cultivation of coca bush in Colombia, Peru, and Bolivia is larger than 240,000 ha, it does not seem relevant to add what appears to be very small productions (seizures in different countries were from around 20 ha).

2. UNODC has published data presented by countries until 2018 only, even when the latest publication was 2020.

We believe that understanding how criminal organizations use Non-Traditional ports and counter-intuitive routes allows us to explore little-known aspects of cocaine trafficking from South America. The ports of Buenos Aires (Argentina), San Antonio (Chile), and Montevideo (Uruguay) are of particular interest as they are considered countries with low organized crime penetration and low levels of public violence, so they seem to be off the authorities' radar. As a result, criminal organizations re-export cocaine from the Southern Cone countries, taking advantage of their reputations regarding drug trafficking, as we will explain below. As McDermott et al. (2021: 7) points out: "Well aware that European authorities are paying special attention to containers arriving directly from cocaine-producing countries – Colombia and Peru – traffickers are using other dispatch points in the region."

The main research question explored in this article is: What facilitating factors and incentives lead criminal organizations to use counter-intuitive routes and Non-Traditional ports such as Buenos Aires, San Antonio, and Montevideo?

Our analysis contributes to the discussion of the drug trafficking phenomenon by incorporating the perspective of the Global South. This article is divided into four parts. First, we outline the research notes. Second, we establish the importance of ports for criminal organizations, and define what we understand as counter-intuitive routes and Non-Traditional ports. Third, we identify the context of Buenos Aires, San Antonio, and Montevideo, analyzing geographical, infrastructure, and socio-political factors. Fourth, we analyze facilitating factors and incentives generated by the ports of Buenos Aires, San Antonio, and Montevideo. Finally, we draw some conclusions.

## Research notes

This article presents some of the findings of a broader and ongoing qualitative research project focused on the evolution of criminal organizations in South America. A review of the specialized literature showed the scarcity of information on organized crime in the ports of the Southern Cone, and therefore, the need for smaller-scale

research that is useful for investigating under-studied issues (Swedberg 2020). Hence, the nature of this study is exploratory.

We focus our analysis on the most important container ports of the Latin American Southern Cone—Buenos Aires, San Antonio, and Montevideo—considering: 1. That they have a more important role in cocaine trafficking to Europe and to the so-called new markets (particularly to Asia and Oceania); 2. Container contamination is the most common method used to transport cocaine particularly to Europe and new markets (CIMCON 2020); and, 3. Their geographic proximity with two of the main cocaine producers, Peru and Bolivia, and the most important transit country, Brazil.

Even though each country presents particularities regarding the management of ports, port security as well as how they manage the national maritime space (understood as the space between the coast and 200 maritime miles), it is important to highlight that the countries we focus on are spaces of transit that share borders with countries that actually cultivate coca bush and produce cocaine, except for Uruguay, which gained importance due to its proximity to Brazil and the existence of the waterway (Hidrovia Paraná-Paraguay), as we will argue. None of them is considered a traditional hub for drugs even though Chile is the third country from which Europe receives the most cocaine through containers (Fiscalía de Chile 2020).

In this research, two techniques were used to gather information: a bibliographic review and in-depth interviews.

The literature review was carried out with a double purpose, methodological and thematic. This implied a permanent review of the literature. Through searches in different databases, we identified and selected books and scientific articles, official reports from international organizations, and official documents produced by the countries studied. The information gathered was systematized in a thematic bibliographic file and consolidated in bibliographic cards. These files were systematically reviewed and supplemented during the research process.

In-depth interviews were conducted with 10 key informants. Among them were academics, officials of Customs,

members of Federal Forces, and officials (or former officials) of Security institutions, selected based on the knowledge and experience they could provide on regional trends and selected ports. Key informants were selected by purposive sampling and the strategy implemented was snowballing. From the first two interviews, a network of contacts was generated that made it possible to contact informants who were difficult to reach.

The data collected was transcribed after each interview and coded thematically. In the first instance, deductive coding was carried out based on the research question. Then inductive or open coding was carried out to establish more specific themes and others that emerged from the interviews.

In relation to ethical issues in the interview process, an effort was made from the first contact with the interviewees to inform them of the nature of the research. To guarantee the confidentiality of the interviews and protect the identity of the informants, a reference was assigned.

The present research has some limits that need to be considered. Because of the Covid-19 pandemic, on-site field work in the selected ports was impossible to carry out. A second limitation was that government authorities have invoked security reasons in order not to share updated relevant information regarding the *modus operandi* of criminal organizations despite our official requests. Finally, a third limitation was pointed out by key informants who agreed that there is a lack of well collected official data in the three countries. These latter limitations have already been addressed in other publications, both for the study of organized crime in general (Hobbs and Antonopoulos 2014; Vander Beken and Drefruytier 2004; von Lampe 2004) and for the study of ports in particular (Sergi 2020a).

As we will argue in the conclusions, this work opens several research lines that will require further work in the future.

## Ports, routes, and criminal organizations

Ports and routes are two central elements of maritime transport that allow the movement of 80% of international trade (Guterres 2020), favoring the sustained development of the supply chain from different latitudes. The global scope is





reflected in the latest UNCTAD report (2020). It is estimated that the total volume of maritime trade in 2019 was 11.08 billion tons and per container ports worldwide handled 811.2 million TEUs.<sup>3</sup>

Ports are fundamental for the economic and commercial growth of countries, as they enable international trade exchange. Due to its border as well as commercial nature (Sergi 2020a, 2020b, 2020c), they are the main spaces for the exchange of goods (Antonelli 2020a), and inevitably act as an interface between illegality and legality (Roks et al. 2020). As a foreign trade specialist explains: “drug trafficking rides on the back of logistics and uses commercial logistics to commit the crime,”

### Ports and criminal organizations

The ports are complex spaces. They are a gateway both for the entry and departure of illicit drugs (Sergi 2020a:2), and criminal organizations operate and expand their business using advantages produced by port vulnerabilities (Lantsman 2017; Madsen 2018; Moiseienko et al. 2020; Sergi et

al. 2020; Sergi and Storti 2020; Antonelli 2020a; Roks et al. 2020; Sergi 2020b). The vulnerabilities of the port itself are not the only important factor; the spatial context in which they are inserted is also key (Madsen 2018). In the case of the ports of Buenos Aires, San Antonio, and Montevideo the geographical space that connects them with the production centers is also relevant.

Criminal activities in the ports can be promoted by an enabling environment (Antonelli 2020b) that provides a privileged context for criminal organizations to obtain economic benefits and exercise power (Madsen 2018). That makes ports more prone to a certain degree of criminal governance (Arias 2006; Arias 2017; Lessing 2020; Sergi and Storti 2020) where the state and non-state actors interacting in these spaces generate a network of social behaviors (Antonelli 2020a; Madsen 2018; Sergi and Storti 2020) through formal and informal links that favor the establishment of organized crime.

Criminal organizations should be considered rational actors, as Zaitch

(2002, p. 240) argues: “as rational actors, their perceptions about particular resources or business environments – in this case the port of Rotterdam – can be regarded to a certain extent as risk assessments”. Hence, Zaitch continues, “cocaine entrepreneurs and employees do calculate chances of success and failure and deploy strategies to minimise risk” (Zaitch 2002, p.240).

Failures in ports control are incentives for cocaine trafficking from South America to consumer markets abroad. Both Police and Customs surveillance and control have failed to be effective, particularly when drugs can be hidden within or alongside legitimate maritime traffic, such as fishing vessels or cargo ships (Bueger and Edmunds 2020). Nevertheless, control does not always guarantee the triumph of state forces. As Sergi (2020c: p.5) and Zaitch (2002) point out: the increase of security measures displaces certain activities but also creates new opportunities for illicit traffic.

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3. TEU is a standard measuring unit, equivalent to a 20-ft container.

Nevertheless, the choice of ports and routes is not random but rather responds to the opportunities that criminal organizations see in them since they are rational actors. According to a Brazilian officer, alternative routes are used to amplify criminal organizations' profits because, in their business model, sending cocaine through traditional routes implies a loss of around 20%. "By using alternative routes, they amplify the profit of the whole business, because in the alternatives the chances of seizure are much lower" claimed the Brazilian Officer. A Colombian officer confirms those estimations, explaining, "the risk factor that they manage of loss, that they take into account that this 2% allows them to have a success, a favorability of 80% or so" (the 2% mentioned refers to the percentage of containers that are checked by authorities).

#### **Defining counter-intuitive routes and non-traditional ports of cocaine departure**

In this article, we argue that the routes used by criminal organizations serve a rational choice where greater criminal mobility (Morselli and Royer 2008) reflects greater selectivity and a high level of thinking and planning, as well as allowing for greater economic returns.

These are counter-intuitive routes from the government perspective, which escape traditional logic and do not respond exclusively to the lowest cost-most profit dynamic. Rather, they benefit from the inconveniences of routes that are not very accessible, whether due to natural, political, or economic factors, which, although they may imply a higher economic cost, provide greater security, avoiding police and customs controls. In other words, these are routes that involve fewer risks, thus improving their positioning compared to more traditional ones. They are not the closest geographically, the shortest in terms of time, nor necessarily the cheapest routes. Such counter-intuitive routes refer to land, air, river, or even sea routes that do not make apparent geographical or economic sense and therefore, allow criminal organizations to re-export drugs while maintaining low risk, as we will see below.

Non-Traditional ports of cocaine departure are understood as those

ports that are not located in coca bush producing countries, as well as those that have been identified as clear transit areas. On the contrary, they are located in countries where the government does not recognize transnational drug trafficking as a real problem. Also, these ports are not being highlighted by the international community as cocaine departure ports so when a ship leaves the departure port, there are no alarms ringing in the ports of arrival, according to a Colombian officer we interviewed. McDermott et al. (2021: 46) support this notion, claiming that "evidence indicates that traffickers are turning to ports with a relatively clean commercial record that are not well-equipped to contain the flow of cocaine, as is the case in Argentina, Uruguay and Chile."

As Sergi points out (2020c, p.10), routes and ports work together but may change: "Indeed, a safer (that is, less patrolled) journey by sea – with a less controlled route – might justify using another port, even one that is far away" and so "A trafficker or an importer might prefer to use a port in another region/ province or even another state and then transport the drugs by car for five days or a week if the door in the other port is safer than any other door" (Sergi 2020c p.10). In sum, risk is the most important variable considered by criminal organizations.

According to the UNODC (2020:32) World Drug Report, "Traffickers appear to be diversifying the routes and departure points used to traffic cocaine from South America to Europe and West Africa." For instance, Venezuela used to be a major departing port but due to political and security instability, criminal organizations seem to have reduced its use widely (UNODC 2020:32). On the contrary, Brazil has gained importance and Uruguay appears to be a new departure space, even though the route seems counter-intuitive at a glance. In short, we need to bear in mind, on the one hand, that criminal organizations use more than one route and departing port and, on the other, that counter-intuitive routes may be an ace up their sleeves especially in times of crisis. Criminal organizations have a portfolio from where to choose, so they use the most convenient route and port for a particular moment, always considering the cost-benefit equation in terms of risk.

In the following section, we will analyze the context in which Buenos Aires, San Antonio, and Montevideo are located and explain why they have become very good options for criminal organizations smuggling cocaine overseas.

#### **The world around the cocaine departure ports: the Argentina, Chile, and Uruguay context**

In recent years, cocaine trafficking in South America has been changing. Colombia has played an important role in this change; according to a Peruvian academic, this is mainly due to the impact that anti-drug policies have had on South American countries. On this situation, the informant points out: "it is impressive how the Colombians have broken records in the eradication of illicit crops and cocaine seizures, but what this has caused is a displacement towards the south, let's say of all drug trafficking." Meanwhile, a Colombian officer explains, "That is the balloon effect. By generating contain in Colombia's ports, criminal organizations seek to expand their criminal framework, they are looking for the easiest way out." This represents, on the one hand, a repositioning of coca bush and cocaine production towards Peru and Bolivia, and on the other hand, the redefinition of routes further south.

As a result, the countries of the Southern Cone appear to be playing a more important role in drug trafficking. According to a Peruvian academic, "the traditional Pacific and Caribbean routes are quite complicated and that also means that the dynamics are moving towards Uruguay, Argentina and Chile." Due to their proximity to Peru and Bolivia, these countries are important because they allow cocaine to be exported to international markets through their ports (CIMCOM 2018).

To understand why the organizations use the ports of Buenos Aires, San Antonio, and Montevideo to re-export cocaine, it is necessary to consider: first, the spatial context and the infrastructure the port has; and second, the socio-political context of the countries in which these ports are located.

#### **Geographic and infrastructure factor**

The geographic space in which these countries are located provides criminal organizations with the conditions for extensive internal and cross-



**Table 1 Port throughput in TEUs by port and port area (South America)**

**From: Cocaine trafficking from non-traditional ports: examining the cases of Argentina, Chile and Uruguay**

Pos	Name of port and port area	Throughput (TEU) 2018
1	Santos port area, Brazil	3,836,487
2	Bay of Cartagena, Colombia	2,862,787
3	El Callao, Peru	2,340,657
4	Guayaquil, Ecuador (Port Area and private terminals)	2,064,281
5	Buenos Aires, Argentina	1,797,955
6	San Antonio, Chile	1,660,832
7	Buenaventura, Colombia	1,369,139
8	Itajaí port area, Brazil	1,045,813
9	Valparaíso, Chile	903,296
10	Montevideo, Uruguay	797,874

Source: Taken and adapted from CEPAL (2019)

border mobility. This favors the use of routes that may appear to be longer and more expensive but ensure a low-risk, high-return scenario. These are counter-intuitive routes that defy the security forces' pre-existing logic of how criminal organizations traditionally transport cocaine.

The three ports we studied are located in different countries and, although they share some characteristics, have some significant differences. Firstly, San Antonio is located in the Pacific Ocean while Buenos Aires and Montevideo face the Atlantic. San Antonio is situated in the region of Valparaíso, close to Santiago de Chile, which is landlocked (surrounded by mountains). On the contrary, Buenos Aires and Montevideo's ports are in the middle of capital cities.

All three ports are the most important door to the sea for their countries and move a considerably large volume of trade, as shown in Table 1.

Buenos Aires concentrates 90% of the containers in Argentina and it is the most important port of the country. According to CEPAL (2019), it is the fifth-ranked port of South America regarding container cargo movements. It moves more than 1,400,000 TEU a year. San Antonio is 6th, moving more than 1,200,000 TEU a year and Montevideo is 10th with 900,000 a year. CEPAL (2020) identifies them as the most important ports according to commercial activities in Argentina, Chile, and Uruguay. Further, the routes and frequencies of the shipments departing Buenos Aires, San Antonio, and Montevideo, according to key informants, show a regular connection between these ports and the container

ports identified as cocaine ports of entry (Antwerp, Rotterdam, Algeciras, Valencia, Barcelona, Le Havre, and Hamburg, according to a Colombian officer).

As a Colombian officer describes:

*It makes it easier for them to use the containers because the freight is practically free. They do not even have to invest in the vessel, because the means of transport is a normal commercial line, the container issue, well they have to pay those who do the contamination, but it is minimal what they pay and coordinate with port coordinators so that they go out and that's it.*

In addition, these departing ports have a consolidated transport infrastructure network. The Global Competitiveness Report 2019 (World Economic Forum 2019) that evaluates connectivity to the global maritime network and efficiency to port services places Chile, Uruguay, and Argentina (in that order) as the most competitive economies in the region with high scores in port infrastructure. Therefore, they are ports of high attraction for criminal organizations. As Zaitch (2002: p.245) claims:

*local cocaine traffickers considered that good communication infrastructure (train connections, good highways, public and mobile telephone facilities, and so on) are central for business performance, especially since the cocaine trade consists of connecting people who live and work far from each other.*

### Socio-political factors

Transborder relations in South America are very common and sometimes, like in the case of Arica (Chile) and Tacna

(Peru), is easier for the people to go from one city to the other even when this involves "crossing a border" than to go to a bigger city in their own country. As one academic interviewed highlights: "Between Peru and Chile they move, well before Covid, I don't know how many millions of people a day, the people who live in Arica go to lunch, to buy their toilet paper there, they go to the dentist there, the Peruvians pass to Arica to do different things." The same dynamic is seen on the Argentina-Bolivia and Uruguay-Brazil borders, making cross-border movement very difficult for authorities to control.

For Idler (2019), this is conducive to a low-risk, high-opportunity environment and these border areas constitute strategic corridors for criminal organizations and drug trafficking. A Uruguayan officer confirms this dynamic also when it comes to criminal organizations:

*In the border cities with Brazil, there is a lot of trouble. They are groups of Brazilian criminals, "bala na cara", "tiro na cara", who dominate the sale of narcotics in these binational cities. They are small, they are people who enter and leave through dry borders that nobody controls. Little is known, but they have the power to control the territory and do whatever they want.*

The statement is confirmed by a Chilean academic: "the passages between Peru and Chile, and Bolivia and Chile are open passages, you can walk from one side to the other." The same is seen between Argentina and Bolivia, and Argentina and Paraguay. According to official information, there are more than 200 irregular passages over each border.

It is important to highlight that corruption is quite normalized in Argentina and seems to penetrate society and government equally. According to Transparency International (2021), Argentina is ranked 78th (from 180 places), while Uruguay and Chile, where corruption exists but is still not generalized, are placed 25th and 21st, respectively. Hence, for these three countries of the region, perception of corruption has always been close to world average. According to an academic and former officer, Chile and Uruguay are starting to see the penetration of corruption at the lowest political levels, while in Argentina it has long existed.

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Regarding Chile, particularly, an academic highlights:

*There must be a significant level of corruption in the institutions that are allowing drugs to enter from Peru, either through the border with Peru, the border with Bolivia or, in some cases, the border with Argentina, which are like the three areas where the borders are very porous and there is no capacity for concentration*

This statement reminds us that limits between corruption and State control capacities are very diffused. The same academic also points out that “recognizing the presence of organized crime is recognizing the presence of corruption,” but since Chile has a tradition regarding low corruption levels, “here you say there has to be corruption and the whole institutional framework is thrown at you because it is indeed a very serious issue.” In fact, the social and political condemnation due to corruption crimes may be considerably strong in Chile and in Uruguay.

In the case of Argentina, as mentioned, corruption is normalized, as we can infer from the words of a foreign trade specialist when talking about Customs, implying that if corruption exists when it comes to a licit business, it should be much more important when analyzing illicit economies. In his words, “Customs is the one that decides whether to open a container or not”; Security Forces cannot do it on their own, they must have a court order to do so. As an Argentinian officer claims, there exists an: “undoubted connivance between customs officers, police officers.”

On the other hand, levels of violence in the three countries have remained low compared to what happens in the rest of the region. Considering the last global homicides report (UNODC 2019), Chile only has 3.5 homicides per 100 thousand inhabitants while Argentina reaches 5.1 and Uruguay has more than 11. According to the same report, violence related to organized crime in Argentina, Chile, and Uruguay is not as widespread as in Mexico. Nevertheless, threats and aggressions have increased and even while homicides remain considerably low, they are concentrated in “hot spots,” especially in suburban areas where micro trafficking continues to grow. However, no higher levels of violence have been identified in the port areas.

### **Counter-intuitive routes and non-traditional ports of cocaine departure from the Southern Cone: Buenos Aires, San Antonio, and Montevideo**

Understanding how the ports of Buenos Aires, San Antonio, and Montevideo have become spaces that generate incentives for criminal organizations is a research exercise that implies a holistic approach, which allows us to explore the different dimensions of the phenomenon.

The ports of Buenos Aires, San Antonio, and Montevideo have been characterized throughout history as key places for the exchange of goods and links between cultures and people. These ports are spaces that have a place in the heterogeneous, multicultural, and multiethnic history of South America. This leads to the issue of the indissoluble relationship between physical space and space-society; that is, understanding space as socially constructed (Massey 2012; Lefebvre 2013).

This idea has a key role in studying cocaine trafficking from these three ports. Sergi points out that “ports are unique environments; they are universes of processes and meanings” (Sergi 2020b, p.17). Hence, the focus cannot be reduced to port facilities alone since they are very different from what Augé (1993) calls “non-places”, such as airports and hotels. Space is not a given condition, it is a factor of transformation, a cultural and ideological instance integrated by diverse actors (Santos 1996). In this sense, the organized crime spaces we study exceed the port/city. This geographic space ranges from production areas to the land, river, air, and even sea routes leading to the ports (Labrousse 2012).

Therefore, if in the economic-commercial logic, time values the space/port, criminal organizations value these Non-Traditional Ports, as they provide them with safety and greater economic returns, even though they make the process take longer. As a result, these are opportunities and facilitating factors (Von Lampe 2015) and not because of the existence of a deep link between criminal organizations and the constructed space, as would be the case for mafia-type organizations.

In the Southern Cone, criminal organizations, unlike their Colombian and Mexican counterparts, are not exclusively dedicated to drug trafficking. On the

contrary, the logistics built around illegal products allow them to develop different activities and transport different goods, as demonstrated by smuggling.

Criminal organizations in Argentina (Sampó and Quirós 2018), Chile, and Uruguay seem to be small organizations, linked by familiar bounds. Nevertheless, according to an Argentinian officer, recently “a scheme of multiple and variable associations” has risen. That is, the market is very atomized; it “is like a universe of actors that are intervening in the different stages of the business.”

### **Counter-intuitive routes from the borderland to the ports: the geographic incentive**

Geographic characteristics can be a facilitator and even an incentive for criminal organizations. Regarding counter-intuitive routes and ports located at the end of the world, as a former US officer claimed, “Since there is no expiration date for cocaine, they can make a trip around the world.”

Chile is currently one of the main countries exporting cocaine to the European and Australian markets (JIFE 2020). Cocaine is smuggled into Chile along the northern border, which links Peru and Bolivia with the Chilean regions of Arica and Parinacota, Tarapacá and Antofagasta. It is a highly complex environment, placed between the Atacama Desert, the driest desert in the world, and the Andean high plateau. However, these geographical difficulties become opportunities for criminal organizations due to the scarce police control and the porosity of the border, which allows access without major difficulties through more than 200 illegal land crossings that are impossible to control (Troncoso 2016, 2017).

Counter-intuitive routes allow cocaine to enter Chile and then be re-exported. Bolivian cocaine enters by land via Santa Cruz de la Sierra and Oruro, to cross the border to Chilean cities. Cocaine from Peru is also transported by land, entering Chile mainly through the city of Arica. In addition, there is evidence of the use of maritime routes from the Peruvian port of El Callao. As a Chilean customs officer describes, the cocaine enters Chile through Arica and Iquique in the North. However, criminal organizations are not only using land crosses; they are also exploiting the sea as an entry





point by using even semi-submergibles. Once in Chilean territory, the cocaine is transported by land along the Pan-American Highway, traveling 2000 km<sup>4</sup> to the port of San Antonio.

Uruguay was for a long time insignificant in terms of international drug trafficking, according to a Uruguayan officer. Nevertheless, recently, it seems to be emerging as a new route for the cocaine that comes specially from Bolivia, sometimes through Paraguay and even Brazil, and Montevideo is becoming a Non-Traditional Port used to export cocaine (UNODC 2020). As a Uruguayan officer pointed out: "Significant quantities of cocaine pass through the port of Montevideo. Montevideo is a distribution center for cocaine destined for Europe, smuggled from the Paraguay and Parana rivers and other land routes." Additionally, some of the shipments can arrive by land, using the long and not very controlled border with Brazil where there are twin cities that share everyday dynamics such as Rivera-Santana do Livramento or Chui-Chui. Further, as an Argentinean

official pointed out, small planes crossing from Paraguay and Brazil were detected taking cocaine to the Uruguayan territory and landing in country areas located in the Salto and Tacuarembó departments (both close to the border with Argentina and Brazil, respectively) (El Observador 2019). According to Carlos Noria, former Commissioner General of the Directorate for the Suppression of Illicit Drug Trafficking of Uruguay, "it is not new that Uruguay is used as a transit country. What is new is the volume" (El País 2020).

Argentina shares borders with Bolivia and Paraguay and on those borders, we can find twin cities such as Villazon-La Quiaca, Yacuiba-Salvador Mazza, Encarnación-Posadas, and Ciudad del Este – Puerto Iguazú – Foz do Iguaçu (The well-known Triborder Area between Argentina, Brazil, and Paraguay). According to key informants, even private properties connecting Bolivia and Argentina are used to take trucks with already contaminated cargo that can enter Argentina illegally. Once in Argentina (entering through

the provinces of Salta, Jujuy, Formosa, Chaco, Misiones, or Corrientes), the cargo is usually moved by land (between 1300 and 1800 kms separate the border area from the port), using different routes and combinations of routes with Rosario or Buenos Aires as the main destinations (Sampó 2017a, 2017b). Another option to move the cocaine to the ports in the South Atlantic Ocean is to use the waterway<sup>5</sup> linking Bolivia, Paraguay, Argentina, and Uruguay. This option is, according to Argentina's Office of the Prosecutor for Narco-Crime (PROCUNAR), more common than authorities would like to accept. Controlling the cargo during that journey is almost impossible and criminal organizations are aware of this. Ships can come from Bolivia or Paraguay with cocaine so the overseas shipment will be made from Montevideo (El País 2020) or Buenos Aires. Finally, small flights have been detected in two modalities: doing a roundtrip or going

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4. This distance is equivalent to the distance between Lisbon and Brussels.

5. A map of the hidrovía Paran – Paraguay can be found at: <https://www.consejoportuario.com.ar/133-HIDROVIA>

down in clandestine landing strips (more than 1500 have been detected recently) in different provinces, not always placed as close to the border as one may think (Santiago del Estero, Santa Fe, and even Buenos Aires are some examples) (Klipphan 2017). As a result of recent operations, Argentina has been added again to the map of cocaine routes as a transit country (UNODC 2020).

According to an Argentinean officer, recently a double dynamic has emerged that seems to show the growing importance of Uruguay—and probably of Argentina, too—in the international drug market: on the one hand, we have seen the entry of small planes and, on the other hand, the role of the waterway that connects two cocaine hot spots (Bolivia and Paraguay), which is the perfect corridor. The waterway starts in Bolivia, passes through Paraguay (both Mediterranean countries have a right to use it to access the sea), and travels for hundreds of kilometers in Argentinean territory until it passes through the Buenos Aires port and ends in Montevideo. In that context, an official claims:

*So, basically, what I see in Argentina at the moment is that, necessarily, it has to be affected by these expanding markets (...) This has a double impact: it has an impact on international cocaine trafficking to Europe, but also on the supply of local consumer markets.*

According to this Argentinean official (with the agreement of a former US and current Colombian official), this route used to have Brazil as its epicenter: “but Brazil has begun to intensify its controls, especially in the port area, and so it must necessarily move south.” Colombian and US officers, as well as Peruvian and Chilean academics, agreed with this diagnosis.

The three ports we studied are located at a great distance from the producing countries, which implies high mobility. Complex geography, porous borders, and state limitations in terms of control and corruption act as incentives and make cocaine trafficking possible through their countries.

### **The ports of Buenos Aires, San Antonio and Montevideo: the lack of control as an incentive for criminal organizations**

The long journey that involves using counter-intuitive routes and Non-Traditional ports of cocaine departure involves higher costs for the criminal organizations but provides greater security for cocaine shipments, due to the high flow of containers and the weaknesses of the port system. We need to understand that, as a former US officer claims, criminal organizations: “run it like a business, they are criminal businesses, and that is why they are using the supply and demand market, price and also choosing where there is less surveillance.” As a Chilean officer points out: “why go south? The returns are so high, and the borders closed by pandemic, drug dependents are willing to pay anything. So, the cost is ultimately borne by the customer.”

Although San Antonio is the largest transfer port of Chile, it has significant vulnerabilities. A Chilean official commented: “the vulnerability is that it has grown too much, and security has not been growing in the same way”, which is influenced by the fact that it is a private port, making it difficult to monitor, but also fundamentally by the lack of recognition of drug trafficking by sea, even though the maritime route is used for global trafficking (Perez 2014). As an academic highlights: “In Chile there is no recognition of the maritime issue as an important issue, everyone kind of refuses to acknowledge that this is a problem and in fact the vast majority of times that these cargoes that have been found, it is said that they were contaminated at sea.”

The lack of coordination between the police (Maritime Police [DIRECTEMAR], Carabineros, Investigative Police) and Customs, which does not carry out drug seizures but decides when to open a container or not, seems to be a major problem. As one Chilean academic explained: “there is no explicit recognition of the problem of customs and ports. I think it is a huge problem and to put it in context because here there is a certain fight between customs and the police.” As a result, Customs finds some incentives to perform seizures but, a Chilean officer points out, they are not interested in

arresting anyone, which is supposed to be a difference from the police.

In addition, controls are deficient. One academic argues: “what is effective is that the level of checkups or concentration of police capacity in the port is very low” and continues “my impression is that there must be a significant level of corruption in the institutions.” All these factors make this port attractive to criminal organizations, mainly those that use it to re-export cocaine; that is, to launder and disguise the origin of the drugs, as we will explain below.

The port of Buenos Aires is located in the capital city. Even though it is still the property of the State, its use was privatized during the 1990s. There are several private terminals inside. In the port, two different State forces co-exist. First, there is Customs, which according to a foreign trade expert has the power inside the port; and, second, there is Prefectura Naval, a Security Force whose role is to impose order in the port and that relies on a court order to act on suspected drug trafficking cases. State control seems to be limited and, according to the foreign trade specialist we interviewed, although “There is technology available for everything, there was no political decision to do so” especially due to competition with Montevideo, which seems to have relaxed controls in favor of greater and faster commercial movement. As a result, an Argentinean officer claimed: “In view of the competition in terms of costs that the port of Montevideo began to represent, they began to relax the controls and requirements in the Argentine ports in order to be able to compete.”

In the case of Buenos Aires, even when most of the seizure containers were contaminated at origin, it is important to highlight the role of the rip-off method. Due to cost and time, most goods undergo Customs clearance where they originated before traveling by land to the port, meaning that the customs process is effectively completed before the export even arrives at the port of departure. Once in the port area, it must wait for the ship in a fiscal deposit controlled by Customs. The seals are placed before the cargo starts moving to the port and, since “God is in Buenos Aires”<sup>6</sup> and ships depart more often from there, many of

6. A traditional saying denoting the dominance of the city of Buenos Aires in the national imagination and reality. It reflects the view that everything happens in Buenos Aires while the interior of the country just has to deal with it or move to the big city.





the producers, even those working close to other ports such as Mar del Plata or even Bahía Blanca, choose to send their cargo to Buenos Aires. The problem is that nobody controls the cargo between the moment the seals are placed and the moment when the container is put into the ship. So, as the foreign trade specialist pointed out, there are a lot of possibilities and probably temptations during the journey of the container. As Perez (2014: 28) confirms: "The introduction of this type of cargo is usually supported or assisted by port personnel, but also involves the participation of customs agents."

Another weakness of the port is related to the existence of treaties that give Paraguay and Bolivia the possibility to be in the port of Buenos Aires in transit, which means that Prefectura cannot intervene. In fact, the last cocaine cargo discovered in Antwerp and Hamburg coming from Buenos Aires (April 2021) had been there in transit from Paraguay. According to a foreign trade specialist, depending on the cargo, when it comes to bulk shipments, they may have to use a transship in Buenos Aires from the barges to the containers.

The same problem arises in Montevideo since Argentina and Uruguay share the waterway and the treaties allowing Bolivia and Paraguay to access the sea. Also, recent seizures in Europe have shown that the transit is affecting both ports equally. As a Colombian Officer claimed: "There was a seizure of 23 tons between the two, which left Paraguay bound for Hamburg and Antwerp, which also says that criminal organizations are now looking for alternative routes that are not so conspicuous and that do not generate alert in the authorities of the ports of destination." A Peruvian academic concluded: "the waterway must have been one of the most important cocaine exit roads for several years" even though only recent seizures prove him correct.

The dynamics of Buenos Aires and Montevideo seem to be remarkably similar. At the end of 2019, the Uruguayan Customs together with the Navy, seized 4.4 tons of cocaine (Armada Nacional de Uruguay 2019) hidden in four containers of soy flour thanks to risk analysis and the use of the port scanner (which sometimes is not operative according to a Uruguayan official). In the port of

Montevideo, as happens in San Antonio and Buenos Aires, Prefectura Naval (that depends on the Uruguayan Navy) is in charge of law enforcement (Ewig 2017: 298) while Customs is responsible for seizures of illegal goods, such as psychoactive substances prohibited in the country. In the case of Uruguay, as Ewig claims (2017: 298), Customs is tasked with reducing demand and controlling the supply of drugs, as well as addressing money laundering. This mission differs from that of customs in Argentina and Chile.

According to an Argentinean officer: *You also must consider that the use of the port of Montevideo has grown a lot, due to a cost issue. Then you have a large space where the cargo, until it is loaded on the overseas vessels, you have a huge space of time to adulterate that cargo, which is also an interesting issue.*

As a result, it seems important to emphasize that the bigger the volume moved in the port, the more difficult it is to control. Besides, if trade is the goal and overseas drug trafficking is not even

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considered as a problem, controls may be seen as a hindrance to commerce. Paradoxically, the volume of container movement reported by the ports studied may generate a more diffuse control by state institutions despite the centrality of these spaces. As a result, the authorities' denial of their role in cocaine trafficking is fueled. As a Uruguayan officer claimed: "To the extent that this does not translate into violence, the Uruguayan did not pursue it." In that sense, the three countries, unfortunately, do not seem to be concerned about what is leaving their territories and lip service is paid to drug trafficking rather than action.

From Montevideo, the containers go to West Africa (e.g., Benin, Togo) and Europe, as seizures showed (Delgado 2020). Once again, the idea of Montevideo replacing some of the shipments that used to depart from Brazil seems perfectly accurate.

One of the main problems identified by key informants is the lack of control at the ports and, in the three cases, the fact that there are overlapping jurisdictions where there is no cooperation or coordination specially between Customs and the Security forces. The port, as Perez (2014: 24) says, "is a mini-city with its own structure, rules and control mechanisms, which has several restricted areas." In that sense, the control is not only weak but also inefficient. As a Chilean academic said: "What is effective is that the level of review or concentration of police capacity in the ports is very low."

In sum, in the three ports we detected important weaknesses regarding the control of cargo and shipments, together with a clear lack of political will regarding drug trafficking to overseas ports. Further, the fact that the three ports are concentrated in commodities exports, makes the contamination easier for criminal actors, whether they are criminal organizations or brokers working independently. As a Colombian officer pointed out: "The issue of some commodities is complex because it cannot be detected. The scanners cannot detect it because they coat it with aluminum or other material that prevents it from being detected."

The three ports seem to share an apparent calmness behind which hides ignorance of the real situation.

As a Colombian officer pointed out: "Many times it is said, nothing is happening here, it is not that it is not happening, it is that the authority does not seize or because it is in another mission or because it has high rates of corruption and is not interested, it is as simple as that." As a Chilean officer contended: "what are the authorized passages in the oceans? if the oceans do not have customs controls, the only controls that are exercised are in the ports. But what happens on our coasts is gigantic."

In short, the porosity of land borders has its correlation in the ports, understood as the last border limit before the sea. In this sense, the weakness and inefficiency of state controls is becoming increasingly clear, opening a world of possibilities for criminal organizations based on maritime trade. This reinforces the idea that the use of counter-intuitive routes and Non-Traditional ports of cocaine departure is a rational choice for criminal organizations that aim to expand their profits.

### Country reputation and re-exportation of cocaine

Another element to consider as part of the context in which ports are being used to smuggle cocaine is that the three countries currently do not have a reputation related to drug trafficking. They are not producers nor are they marked as countries used for transit by the authorities of the countries of cocaine entrance. On the contrary, especially in the case of Chile, key informants have mentioned the country reputation they strive to maintain as an incentive for criminal organizations to use their ports. As a Colombian officer has pointed out: "A ship leaving from Chile, Paraguay, Argentina, or Uruguay generates less of an alert than a ship leaving Colombia, Panama or Costa Rica. And these transitions are known by criminal organizations."

Cocaine re-export is a way to launder the cargo and disguise the origin of the drugs. For that purpose, the country's reputation is used. The "cleaner" the country's reputation in terms of cocaine trafficking, the less risky its use will be for criminal organizations, becoming an additional incentive to those mentioned above. Argentina, Chile, and Uruguay, are countries with clean reputations that do not activate the alarm system in entry countries when a ship departs.

In this sense, Chile's reputation as a country that promotes free trade and its apparent advanced security standards provide an opportunity to make re-export safer for criminal organizations by reducing the possibility of controls at destination ports. A specialist comments: "Well, that cocaine arrives in Chile in transit to captive markets in the U.S. and we have also detected that using routes that pass-through Africa they end up in Russia and obviously Europe, so they are using us, with respect to cocaine." However, one academic noted the incongruence between the seizure figures in Europe and Chile, and warned us about the possible significance of this:

*Chile is the third country where seizures occur, perhaps because it is also a more insignificant actor, so it is easier to deliver in the area where it is seized, as well as here, there it is seized what is delivered, so perhaps it is easier to say "hey my friend" in Mexico please do not touch them and I will deliver a small boat that arrives from Chile.*

It is highly probable that the number of seizures linked to departures from Chilean ports is related to the idea of "distracting" the European authorities from what enters from other, more traditional ports. In this regard, it is necessary to highlight that all the key informants emphasized that the seized shipments resulted from a leakage of information. This leads us to be more suspicious of the accuracy of Chile's position as the third country from which most cocaine seized in Europe originates.

Its location on the Pacific Ocean seems to force the departure of cocaine from Chile since the other options are Colombia, Peru, and Ecuador, all of them marked as countries to be monitored at the ports of entrance. On the contrary, on the Atlantic Ocean, the obvious choice will be Brazil, but Argentina and Uruguay are increasingly being viewed as alternatives for the departures, especially southern Brazil, as an Argentinean officer pointed out.

The use of San Antonio as a Non-Traditional Port of cocaine departure seems to be more important than the use of Buenos Aires and Montevideo. This is likely because, firstly, Chile has a better international reputation due to its role in international commerce but also because



of the perception of low corruption there, as mentioned. Second, as described, it is a door to the Pacific corridor that connects South America with some of the new cocaine markets such as China, Australia, and New Zealand. Finally, Chile shares borders with two producers and Peru's production continues growing, so criminal organizations must find a way to export the drug from the region. On the contrary, the frequency in the use of Buenos Aires and Montevideo seems to be more related to the way control is managed in Brazil. Nevertheless, the incentive for criminal organizations exists and it is being used. As Mcdemott et al. (2021, 31) point out, many South American countries have become or are at jeopardy of becoming major cocaine export platforms, and Argentina, Chile, and Uruguay are mentioned among them.

In sum, country reputations can be used to re-export cocaine in a safer way, reducing the risk to the cargo and increasing profits for criminal organizations. According to a Brazilian officer, Non-Traditional ports and counter-intuitive routes are strategic choices used by criminal organizations to ensure higher profits.

## Conclusion

The research shows that the Global South responds to the illicit drug demand imposed from the Global North. The pressure generated by the consumer markets, especially those located in the United States and Europe, leads to an increase in coca bush cultivation and cocaine production capable of flooding the region. Consequently, non-producing countries have suffered the impact of these changes, with their ports beginning to be used to supply mainly the most profitable markets. In this sense, Europe takes a central role considering that its geography allows the passage to new markets, where cocaine attracts extraordinary values. Simultaneously, increased controls in Colombia, Peru, and Brazil in the last three to five years have led to a shift of drug trafficking routes southward.

The main findings of this research are that the context in which the use of Buenos Aires, San Antonio, and Montevideo is prioritized is marked by the geographical, infrastructure, and socio-political factors that emanate from the countries in which the ports analyzed are located. Argentina, Chile, and Uruguay

present important vulnerabilities that can be transformed into opportunities for criminal organizations. Further, we showed that criminal organizations prioritize the Ports of Buenos Aires, San Antonio, and Montevideo, and the counter-intuitive routes that lead to them, because they are spaces that generate incentives linked mainly to: 1. The porosity of borders; 2. Lack of control at the ports; and 3. The possibility of using the country's reputation to re-export cocaine. In addition, counter-intuitive routes and Non-Traditional Ports of cocaine departure represent the possibility of increasing the profit margin of their business, compared to in the traditional routes where the criminal organizations contemplate a 20% loss.

The research shows that key actors, like Security Forces, have a profound lack of knowledge about what goes on inside the port facilities. The study of the ports of Buenos Aires, San Antonio, and Montevideo reveals that there is no recognition by state authorities of drug trafficking as a problem, beyond the discursive. These ports remain off the

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radar of the authorities at ports of cocaine entry. However, the data collected during the research indicates that these ports are relevant for the re-export of cocaine, as they launder and disguise the origin of the drugs by taking advantage of countries' reputations.

In these ports, it is clear that criminal organizations favor low risk over logistical costs, geographic distance and even the time it takes them to move the cargo. Likewise, the rational calculation that leads criminal organizations to opt for these ports of cocaine departure (low-risk, high return) is evident, as these routes improve their profits significantly.

The maximization of benefits is given not only by the low risk involved in the use of Non-traditional Ports of cocaine departure but also because its use generates a diversion of the attention of the authorities of the traditional ports, from which greater volumes of cocaine can then be moved.

From the work carried out, it is possible to discern the emergence of at least four new lines of research:

1. Cocaine trafficking from landlocked

countries, such as Bolivia and Paraguay; 2. The role of the waterway Paraná-Paraguay; 3. The link between Non-Traditional ports of cocaine departure and new markets such as China, New Zealand, and Australia; and 4. Other Non-Traditional Ports of cocaine departure, which are not containerized. Also, since the lack of control seems to attract more crime and too much control displaces crime (Eski 2016, Sergi and Storti 2020, Sergi 2020c), it is necessary to work on what strategies can be used to prevent drug trafficking effectively.

The trends we described in this article existed before the Covid-19 crises, but they have deepened since the end of 2020. Unfortunately, cocaine trafficking is expected to rise even more due to the growing demand from traditional (The United States and Europe) and new markets (Oceania and Asia). At the same time, criminal organizations may become more sophisticated through access to greater economic resources and a better logistical capacity. Finally, due to the economic crisis caused by the pandemic, flexibility in port regulatory frameworks to enhance the countries' foreign trade may contribute to an increase in the movement of cocaine via the sea.

## Notes

1. Some small plantations have been discovered in Central America (Panamá, Guatemala, Honduras) and Mexico. Nevertheless, considering that, according to UNODC (2020), the cultivation of coca bush in Colombia, Peru, and Bolivia is larger than 240,000 ha, it does not seem relevant to add what appears to be very small productions (seizures in different countries were from around 20 ha).
2. UNODC has published data presented by countries until 2018 only, even when the latest publication was 2020.
3. TEU is a standard measuring unit, equivalent to a 20-ft container.
4. This distance is equivalent to the distance between Lisbon and Brussels.
5. A map of the hidrovía Paraná-Paraguay can be found at: <https://www.consejoportuario.com.ar/133-HIDROVIA>
6. A traditional saying denoting the dominance of the city of Buenos Aires in the national imagination and reality. It reflects the view that everything happens in Buenos Aires while the interior of the country just has to deal with it or move to the big city.



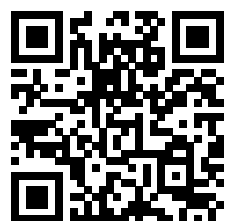


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澳大利亞塔州中國佛教學院

TASMANIAN CHINESE BUDDHIST ACADEMY OF AUSTRALIA



The traditions of Lunar New Year is plentiful and varied. You may be familiar with sharing tangyuan (sweet glutinous rice balls), dragon and lion dances, or ringing the auspicious bell at Buddhist temples to signal the arrival of the Lunar New Year.

A 5 metre-tall Auspicious Bell that weights several tonnes currently sits at the Tasmanian Chinese Cultural Park of Australia in Campania, Tasmania; an event was originally planned for ringing the bell, which will bring Tasmania prosperity, bring Australia and world peace, bring people happiness and blessings.

With public safety in mind due to the current pandemic situation, unfortunately the event has been cancelled and the Academy looks forward to host the event again in the coming Year of the Rabbit.

Wishing all readers a safe and joyous Lunar New Year.

