

bound Colombian cocaine and Jamaican marijuana. As a major financial center, The Bahamas is vulnerable to money laundering. The Bahamas is a party to the 1988 UN Convention. The Ingraham government has taken a firm stand against drug trafficking, drug abuse and money laundering and worked diligently during 1994 to fulfill the goals and objectives of the UN Convention and U.S.-Bahamian bilateral counternarcotics accords.

During 1994, Bahamian maritime cooperation with the United States was excellent under the terms of several bilateral agreements and arrangements. The Government of the Commonwealth of the Bahamas (GCOB) moved to improve cooperation with the Cuban government when traffickers intensified their exploitation of Cuban territory to avoid OPBAT enforcement efforts. The GCOB generally responds positively to specific U.S. requests under our Mutual Legal Assistance Treaty. In 1994, the GCOB took judicial action against three public officials for drug-related corruption: a prison official, an immigration officer and a customs officer.

The GCOB took several strong steps to improve its drug-trafficking-control tools. The new U.S.-Bahamas extradition treaty entered into force in 1994. The GCOB also adopted legislation, based on U.S. law, making it a crime to engage in a continuing criminal enterprise related to narcotics trafficking. Working closely with the USG, the GCOB placed special emphasis on strengthening its judicial system by increasing its courts budget, implementing a court automation system, and enacting stronger bail and sentencing legislation.

In 1994, the GCOB drafted stronger money laundering legislation, which it expects Parliament to approve in 1995. When enacted, this legislation will criminalize money laundering. The GCOB agreed to an evaluation of its money laundering controls by the Caribbean Financial Action Task Force, also expected to take place during 1995. We urge continued vigilance by The Bahamas on possible money laundering through shell corporations and international business companies, which are proliferating in The Bahamas and elsewhere in the Caribbean. Although Bahamian law renders the assets of a convicted drug offender subject to forfeiture, in practice asset forfeiture has been difficult to implement. No procedures exist for civil asset forfeiture in narcotics cases.

### **Brazil**

Brazil is a major transit country for cocaine from Colombia destined for the United States and Europe. Increased cocaine and precursor chemical trafficking and money laundering contribute to Brazil's escalating narcotics problem; corruption allegations against counternarcotics officials in Brazil persist.

Despite these problems, Brazil endeavors to meet the goals and objectives of the 1988 UN Convention, and has succeeded in some significant interdiction efforts. The government has made progress towards complying with the UN Convention in law enforcement, asset forfeiture, extradition, and anti-corruption. The Brazilian government generally meets the goals of bilateral counternarcotics agreements with the USG on enforcement and demand reduction.

Brazil's increased seizure rate in 1994 of 11 metric tons of cocaine marks both heightened trafficker use of Brazil and improved abilities of the Brazilian Federal Police Counternarcotics Unit (DPF/DRE). Brazilian non-governmental organizations (NGOs) hosted seminars by U.S. police in schools to voice the message against drug abuse. The DPF/DRE has targeted and disrupted major Cali-connected drug trafficking organizations.

However, the Brazilian government has not hired new police or provided increased funding for the DPF/DRE. The Brazilians have not yet enacted legislation first proposed in 1991 to implement effectively the goals and objectives of the 1988 UN Convention, nor has it drafted a national drug control strategy. Brazil has not yet proposed specialized anti-money launder-