

02 March 2000

Text: Statement of Explanation for Panama Drug Certification

(White House issues annual report) (380)

Washington -- Following is the text of the March 1 White House Statement of Explanation regarding Panama's drug-certification status:

(begin text)

STATEMENT OF EXPLANATION

PANAMA

The Government of Panama (GOP) continues to demonstrate its willingness to combat transnational drug trafficking. The GOP seized significant amounts of illicit drugs in 1999, despite apparent changes in trafficking routes. The new Mireya Moscoso administration has demonstrated its commitment to combat drug trafficking, money laundering, and other transnational crimes. Immediately after taking office, the new administration set up an anti-corruption unit in the Ministry of Economy and Finance. Panama's law enforcement agencies continue to maintain excellent relations with their U.S. counterparts.

Panama is a major transshipment point for illicit drugs smuggled from Colombia. Cocaine is stockpiled in Panama prior to being repackaged for passage to the United States and Europe. Panama's location, largely unpatrolled coastlines, advanced infrastructure, underdeveloped judicial system, and well-developed financial services sector make it a crossroads for transnational crime, such as drug trafficking, money laundering, illicit arms sales and alien smuggling. According to USG statistics, GOP agencies seized 2,576 kilograms of cocaine, 1,558 kilograms of marijuana, 46 kilograms of heroin, and 600 liters of acetic anhydride; they also made 131 arrests for international drug-related offenses in 1999.

The GOP continued to implement its own national counter-drug plan, the "National Drug Strategy 1996-2001." Panama also made significant progress in implementing its comprehensive chemical control program.

The highest U.S. priorities in the coming year will be signing a full six part bilateral counter-drug maritime agreement, expanding anti-money laundering legislation, increasing efforts to control the Black Market Peso Exchange, and improving prosecutions of money launderers and drug traffickers. Other U.S. priorities in Panama include: supporting the GOP's efforts to build a highly-professional, interagency, counter-drug task force; developing the capabilities to control sea lanes, rivers, island and coastal regions, and the Canal area; and limiting cross-border criminal influence. With the seriousness and commitment of the new Moscoso administration, the USG is hopeful that there will be measurable progress in these areas in 2000.

(end text)

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