

# Drug Intelligence Brief



**DRUG ENFORCEMENT ADMINISTRATION**  
INTELLIGENCE DIVISION

June 2001

## HONDURAS—COUNTRY PROFILE

### Honduran Top Government Officials

<b>DEA Office Responsible</b>	Tegucigalpa Country Office	<b>President</b>	Carlos Roberto Flores-Facusse
<b>Population</b>	5,924,000 (1995 estimate)	<b>Minister of Defense</b>	Enrique Flores Valeriano
<b>Area</b>	112,492 square kilometers (43,433 square miles)	<b>Minister of Security</b>	Gautama Fonseca
<b>Capital</b>	Tegucigalpa	<b>Minister of Government and Justice</b>	Vera Sofia Rubi
<b>Type of Government</b>	Constitutional Republic	<b>Chief of National Police</b>	Manuel Alvaro Flores Ponce

### Drug Seizures in Honduras 1996 - 2000

	1996	1997	1998	1999	2000
Cocaine (kilograms)	3,324	2,213	1,843	714	1,139
Marijuana (kilograms)	541	788	1,500	1,600	1,138
Marijuana plants eradicated	2,309	337,813	286,364	103,649	589,027
Drug arrests	707	746	922	1,210	943



## HISTORICAL COMMENT

Since becoming independent in 1838, Honduras' political system has experienced frequent coups and military governments. Notwithstanding its previous history, in November 1993, a peaceful transition of political power occurred when the opposition Liberal Party assumed control of the Honduran presidency and congress. (Note: The election went uncontested by the military.) The current President, Carlos Roberto Flores Facusse, was elected in November 1997 as Honduras' second Liberal Party president. Liberal Party Administrations have managed to survive severe political and economic challenges. Honduras' chronic poverty worsened in late 1998, as a result of massive material destruction caused by Hurricane Mitch. Some estimates calculate that this enormous storm affected 80 percent of the Honduran population. Hurricane Mitch destroyed large areas of Tegucigalpa and other major cities, and created extensive unemployment along the Caribbean coast by destroying banana plantations and other agricultural businesses. The resulting unemployment and homelessness caused a marked increase in crime; however, by the end of 2000, the Honduran economy had partially recovered from effects of the storm.

## OVERVIEW

Honduras, located in Central America between Nicaragua to the south and Guatemala and El Salvador to the west, is a transit country for the movement of cocaine from South America to the United States. Maritime trafficking is the primary method of cocaine smuggling for Honduran and Colombian organizations operating along the Honduran north coast. Drug traffickers move cocaine loads overland from Panama or Costa Rica through Honduras to Guatemala and Mexico, for further transshipment to the United States via the Pan-American Highway. These shipments are concealed within modified secret compartments in passenger vehicles and semi tractor-trailers. Two large cocaine seizures in 2000 supported the premise that drug traffickers exploit Honduran airspace.

Honduras has severe underlying problems that have facilitated drug trafficking and presented serious challenges to law enforcement efforts. The country's economy is based on agricultural exports and, more recently, Asian textile factories. Neither of these industries, however, produces the economic resources needed to provide an adequate standard of living for most of the population. Pervasive poverty has hindered infrastructure development, and many parts of the country are still inaccessible by roads. Moreover, damages resulting from Hurricane Mitch further deteriorated Honduras' poor communications network by destroying roads and isolating many sections of the country.

## CULTIVATION AND PRODUCTION

Cannabis is the only illicit crop cultivated in Honduras. Cannabis is grown almost exclusively for domestic consumption, and is of poor quality and low THC content. Small plots of illegally grown cannabis are found throughout Honduras, primarily in isolated fields concealed in rugged mountainous terrain in the Departments of Yoro and Francisco Morazan in Central Honduras; Colon along the Caribbean coast; Olancho in eastern Honduras; and in the western Departments of Copan and Santa Barbara. The mild tropical climate allows year-round cultivation of cannabis. Planting times vary according to localized climatic conditions and elevation. The most productive harvests mature between November and January. The Government of Honduras, with support from the U.S. Government, eradicated 589,027 cannabis plants during 2000, a significant increase over the 103,649 cannabis plants eradicated in 1999. No coca or opium poppy cultivation has been discovered in Honduras.

## CHEMICALS

Honduras is not a chemical producer, but chemicals are imported from the United States and Europe. The Honduran Government is currently reviewing chemical diversion legislation even though no chemical seizures were made in 2000. Honduran police have not detected any cocaine or heroin processing laboratories in the country.



## DRUG TRAFFICKING TRENDS

Honduras is a transit country for South American cocaine destined for the United States. In fact, the majority of all drugs entering Honduras are destined for the United States. The remaining amount is consumed domestically or transported to other Central American and Caribbean countries. Maritime vessels and land vehicles are the primary conveyances used in cocaine movement into, and through, Honduras. Noncommercial aircraft also are used to smuggle cocaine, as demonstrated by a seizure of 630 kilograms of cocaine brought into the country by plane. Honduran authorities believe that the volume of illegal drugs transiting the country has risen, as the local consumption of cocaine and crack is escalating.

Maritime trafficking has traditionally been the primary method used by cocaine smuggling organizations operating in Honduras, because sea transit among the many coastal, island, and cay areas is relatively risk-free. Honduras' Caribbean coast is very sparsely populated, has no roads in many areas, and is poorly policed. Honduran drug trafficking organizations based along the north coast use a vast fleet of small fishing and cargo vessels to assist Colombian drug organizations in the movement of cocaine from San Andres Island to the United States, via the Honduran north coast and the Islas de la Bahia. This support

includes transferring cocaine loads from vessel to vessel, and supplying Colombian drug-laden vessels with fuel or other provisions. Local Miskito Indians also use motorized dugout canoes to move smaller shipments of cocaine along rivers and between Honduras' numerous Caribbean cays and coastal islands. The Honduran seaports of La Ceiba, Puerto Cortes, and Puerto Lempira serve as embarkation points for cocaine destined for the United States or Europe. Traffickers take advantage of the limited law enforcement presence surrounding the many coastal, island, and cay areas. The Honduran navy's lack of counternarcotics training, poorly maintained ships, and limited fuel reserves limit its ability to patrol coastal areas.

During 2000, a total of 1,139 kilograms of cocaine were seized in Honduras, compared with 714 kilograms seized in 1999. Seizures during 2000 indicated that Colombian drug trafficking organizations increasingly are using small airplanes to transport multihundred-kilogram shipments of cocaine into Honduras (instead of using the overland route along the Pan-American Highway from Nicaragua). Drug trafficking organizations often land small planes on isolated roads to avoid having to construct clandestine airstrips. Once cocaine enters Honduras, ground crews offload it onto tractor-trailers for overland transport to Guatemala and Mexico.

The use of combined air/ground transportation, or inter-modal trafficking, was evident from the two largest cocaine seizures made by Honduran police during 2000.

- On June 5th, Honduran authorities seized 283 kilograms of cocaine from a Guatemala-registered truck at Ocotepeque near the Guatemalan border. This seizure was believed to have been part of a larger shipment transported to Honduras from Colombia in a small plane.
- The largest shipment of cocaine intercepted in 2000 was 630 kilograms seized on April 11 from two tractor-trailers that were en route from northern Honduras to the Guatemala border. The shipment had arrived 3 days earlier on two small planes that had been tracked by radar as they approached from Colombia. Although the planes were not intercepted, the Public Ministry's *Direccion de Lucha Contra el Narcotrafico* (DLCN) tracked the cocaine for 3 days leading up to its seizure from the trucks.

A smaller seizure of 142 kilograms of cocaine, seized from a truck near the Nicaraguan border in November 2000, indicated that the Pan-American Highway is still a favored route for overland cocaine shipments. However, seizures in 2000 throughout Honduras and the rest of Central America indicated that drug traffickers using overland vehicles are moving cocaine in shipments that range between 100 kilograms and 200 kilograms, instead of the multiton quantities that passed through the region in tractor-trailers during 1997 and 1998.

Most of the heroin that enters Honduras is destined for the United States. During 2000, Honduran police seized less than 1 kilogram of heroin. Heroin consumption is not considered a major problem in Honduras.

## **INTERNAL TRAFFICKING AND DRUG ABUSE**

No reliable estimates for domestic consumption of illicit drugs in Honduras are available. However, it is widely recognized that drug use is increasing rapidly in Honduras. Among the Honduran population, alcohol and inhalants remain the most commonly abused substances, while fewer persons abuse marijuana and cocaine. Cocaine hydrochloride (HCl) and crack cocaine are found in the urban areas of the country and on the north coast. Crack cocaine use was limited prior to 1999, but increased rapidly during 1999 and 2000, especially in the capital Tegucigalpa and in northern areas such as San Pedro Sula,

Puerto Cortes, La Ceiba, and the Islas de la Bahia. Cocaine HCl is abused by a relatively small group of middle- and upper-class youth, and is most readily available in nightclubs in Honduras' largest cities. Trafficking in cocaine for local consumption is controlled mostly by Honduran traffickers.

## MONEY LAUNDERING

Honduras is not a significant money laundering center, nor a major offshore financial center. The money laundering that does occur in Honduras is related to a variety of criminal activities, including drug trafficking, auto theft, kidnappings, bank fraud, prostitution, and corruption. Money laundering is not limited to the banking sector, but includes currency exchange firms, casinos, and front companies. Known drug traffickers in Honduras have invested in legitimate businesses and real estate, primarily seafood plants, tobacco companies, and resort hotels. These businesses are used to launder drug proceeds, and as fronts for drug smuggling operations.

Drug-related money laundering is a crime in Honduras, but prosecution is difficult. To date, there has not been one successful money laundering prosecution. The law currently applies only to drug-related money laundering; however, an effort in the Honduran legislature is underway to draft legislation to broaden the definition of money laundering to include proceeds from any criminal activity.

The Honduran Government approved money laundering legislation in 1998. This legislation provided the Honduran authorities with a platform to begin money laundering investigations, as well as a mechanism to seize assets associated with this criminal activity.

## PRICES

Low-quality marijuana is sold by cannabis farmers in lots averaging between 25 and 50 pounds at US\$10 per pound. It is then resold by dealers in larger towns and cities to local consumers at approximately US\$50 per pound.

Cocaine is sold in multikilogram loads to middlemen and street dealers, who then resell it in ounces, grams, or "rocks." Importers sell cocaine for between US\$1,500 and US\$5,000 per kilogram to middlemen, who in turn receive US\$7,000 to US\$9,000 per kilogram. Local Honduran distributors sell cocaine by the gram for US\$30, or convert it to crack. A single "rock" of crack costs US\$4.

## COUNTERDRUG ENFORCEMENT

The Honduran National Police (HNP) is the primary agency in Honduras tasked with counternarcotic operations. Prior to 1996, the HNP was part of the Honduran military, but it was civilianized during 1996 and placed under the Public Ministry as part of a wider effort to separate Honduran military and civilian institutions. Organized within the HNP is the Joint Information Coordination Center (JICC). The JICC, also known in Spanish as the *Centro de Informacion Conjunta* (CEINCO), continues to make significant intelligence collection, analysis, and operational planning contributions to counterdrug operations in Honduras. CEINCO has operated since 1993 and employs 45 persons.

On May 28, 1998, the Honduran Congress passed legislation creating a new civilian Ministry of Security, which assumed unified control over the uniformed and investigative police. The Honduran DLCN, created in 1996, and currently the leading Honduran law enforcement agency for drug investigations, remained under the Public Ministry. However, the CEINCO and DLCN were placed under the new Ministry of

Security. The DLCN currently has offices in Tegucigalpa, La Ceiba, and San Pedro Sula.

The DEA Tegucigalpa Country Office continues to provide technical assistance to the HNP and the DLCN to support ongoing drug investigations and promote regional counterdrug cooperation.

U.S.-sponsored training to Honduran counternarcotic agencies began January 1999, and continued during 2000. Training received by Honduran law enforcement personnel included a DEA-hosted dog handlers' training school in Guatemala during February 2000, and canine drug detection training by the U.S. Customs Service at Front Royal, Virginia. The Narcotics Affairs Section of the U.S. Department of State sponsored basic Narcotics Investigator School conducted in Tegucigalpa, Honduras, during May 2000. Honduran police plan to reestablish the current obsolete canine program with the purchase of nine new animals and the training of new dog handlers.

Corruption within the Honduran Government and law enforcement elements continues to present obstacles to counterdrug efforts. During 2000, drug enforcement in Honduras was disrupted due to several drug corruption-related events. The most important events were the firings, arrests, and resignations of several individuals from the Security Ministry and National Police, to include the resignation of the Minister of Security and the firing of the National Police Sub-director, both due to their connections to drug traffickers. In a separate incident, two police commanders were arrested for possession of 2 kilograms of cocaine HCl and for protecting Colombian smuggling pilots in their attempted escape after the landing of a plane carrying an estimated 500 kilograms of cocaine. While these cases demonstrate corruption within the Honduran Government, they also demonstrate that corruption cases are prosecuted in Honduras.

## LEGISLATION, TREATIES, CONVENTIONS

The Government of Honduras is an active member of the Inter-American Drug Abuse Control Commission (CICAD), and has bilateral counternarcotic agreements with the United States, Belize, Colombia, Jamaica, Mexico, Spain, and Venezuela.

Honduran law prohibits the extradition of Honduran citizens, despite the existence of an extradition treaty between the United States and Honduras dating back to 1909. Although the Government of Honduras has responded to extradition requests for foreign nationals, it has been very slow to comply with treaty agreements. During 2000, a single extradition case (of a Haitian national wanted in the United States) was considered by the Honduran Government.

An historic maritime agreement between the Governments of Honduras and the United States was approved by the Honduran Congress in August 2000, and is scheduled for public announcement during early 2001. This agreement will permit Honduran shipriders to be present on U.S. Coast Guard patrol vessels. The first joint maritime patrols took place at the end of January 2001.

In 2000, DEA assisted the Republic of Honduras in drafting chemical diversion legislation. Once approved, this legislation will provide Honduran law enforcement agencies with the authority to monitor the diversion of controlled chemicals and to prosecute businesses not following regulations. Draft legislation on controlled chemicals calling for specific monetary and judicial penalties is now pending before the Honduran Congress.

The U.S. Government and the Honduran Government maintain a Bilateral Counternarcotics Committee. Joint U.S.-Honduran military training exercises have enhanced the ability of the armed forces to support counternarcotics operations. The United States has provided assistance to the National Police, counternarcotics units of the Public Ministry and the Armed Forces, the JICC, the Bay Islands Task Force, and local demand reduction programs.

## CONCLUSIONS/PROJECTIONS

Honduras' infrastructure and economy were severely affected by Hurricane Mitch, which struck Honduras in late October 1998. Hurricane Mitch also set back domestic cannabis cultivation, drug transshipments, and government interdiction efforts alike. However, the long-term impact this severe storm had on law enforcement efforts outlasted the effect it had on drug traffickers, who quickly adapted to the changed conditions. The disruption caused by Hurricane Mitch to Honduras' society increased the country's already high level of lawlessness, and created more favorable conditions for overland drug traffickers once the Honduran transportation infrastructure was repaired. As a testament to their adaptability, only one seizure of cocaine during 2000 totaled more than 500 kilograms. Unlike previous years, there were no significant seizures from go-fast boats or other maritime conveyances during 2000, although small partial seizures along the Caribbean coast indicated that drug traffickers were transporting cocaine through the region.

The Government of Honduras is committed to fighting drug trafficking and drug abuse, and Honduran officials are increasingly aware of the detrimental impact of drug use in Honduras. Honduran officials have proven themselves willing to work with the United States in drug interdiction efforts, despite the difficulties facing Honduran law enforcement due to the country's economic conditions.

This report was prepared by the Mexico/Central America Unit of the Office of International Enforcement Support. Comments and requests for copies are welcome and may be directed to the Intelligence Production Unit, Intelligence Division, DEA Headquarters, at (202) 307-8726.