for any aspect of opium poppy cultivation trafficking or use, which requires destruction of any poppy found in Peru. The GOP cooperated on most counternarcotics matters contained in its bilateral narcotics agreement with the United States, and took some steps to comply with the goals and objectives of the 1988 UN Convention. However, it made no progress toward the critical goal of reducing mature coca cultivations.

In 1994, there was concrete evidence of refined cocaine HCl processing and shipment from Peru to Mexico by Peruvian trafficking organizations, raising the specter of Peru as a potentially large-scale cocaine refining and shipping center, similar to Colombia. Police and armed forces seized over 9 mt of cocaine base through November 1994, exceeding the 1993 total. Nearly 6 mt were seized by the armed forces, using police intelligence. In January 1994, at GOP request, Colombia arrested major Peruvian trafficker Demetrio Limonier Chavez-Penaherrera ("Vaticano"). He was tried in Peru and is serving a 30-year sentence. There were similar successes against other major Peruvian trafficking organizations. The Peruvian Air Force (FAP) continued to implement an air intercept program with A–37s and Tucano aircraft, despite the USG shutdown of intelligence sharing in May (which has now resumed pursuant to a U.S. Presidential Determination).

The GOP has cooperated with UN Drug Control Program alternative development projects in parts of the Huallaga, Aguaytia, Pachitea and Urubamba valleys. Resumption of international financial institution lending was followed by World Bank and Inter-American Development Bank projects to rehabilitate over 1500 kilometers of roads, and improved electrical power facilities in areas affected by the coca economy. Such improvements in infrastructure facilitate the production and transport of alternative licit crops. Coca seedbed eradication was resumed in July, and has had a measurable impact on efforts to reduce the cultivation of coca in specific areas.

Alternative development programs in or near coca-producing regions will set the stage for future coca crop reduction. The GOP must integrate alternative development efforts with actual net reduction of coca cultivation and prevent the expansion of new coca cultivation areas in order to comply with 1988 UN Convention goals and U.S. and Peruvian drug plans.

A decrease in narcotics cooperation with the GOP would result in more cocaine entering the United States. The risks associated with denying certification to Peru are greater than the risks associated with Peru's failure in the past year to cooperate fully with the United States, or take adequate steps on its own to reduce coca cultivations.

STATEMENT OF EXPLANATION

Afghanistan

In 1994, opium poppy cultivation in Afghanistan increased dramatically amid ongoing civil war, widespread lawlessness, and poor economic opportunities. According to USG estimates, opium production in Afghanistan rose 38 percent to approximately 950 metric tons of opium in 1994. Cultivated hectarage rose 39 percent to 29,180 hectares. USG analysis indicates Afghanistan remains the second largest opium producer in the world.

The nominal Government of Afghanistan was unable to eradicate systematically poppy plants, investigate or prosecute traffickers, or impede the transportation of opium, morphine base, or other narcotics. Few provincial leaders apart from Haji Qadir, Governor of poppy-rich Nangarhar, attempted to disrupt the cultivation or trafficking through the areas under their control. Haji Qadir in late 1994 began a campaign of plowing under Nangarhar's newly-planted poppy fields. Despite a demonstration of poppy-plowing for the benefit of U.S. and other international officials, we are unable to judge the extent or efficacy of Qadir's campaign.