

INSERTS

A round-trip, airplane ticket from Bogota, the capitol of Colombia, to its island possession of San Andres lying off the Nicaraguan coast, costs 815 pesos, or approximately 50 dollars. San Andres is a 17-square mile vacationers' island. It is also a free-port. Colombian law requires only a five-day stay in San Andres ~~for personal~~ ^{to enable my tourists} to bring 1500 pesos or 30 kilos of ~~and~~ duty free goods ~~back~~ to Colombia. Any one individual may make three such five-day ~~buying~~ ^{trips} ~~vacation~~ trips a year. ~~though~~ But all duty free goods must be for personal use. ~~lip service to those regulations has made the free port of San Andres~~ one of the more obvious problems facing the Colombian Aduana, or Customs Service, over the years.

~~Because of the 1500 pesos limit, San Andres merchants~~

That the importation of prohibited articles from San Andres into continental Colombia is allowed as accompanied tourist baggage, and that mere lip service is paid the limiting regulations by tourists, ^{and} organized 'travellers' with half-empty suitcases, ^{personnel} ~~and occasionally customs officials~~, has made the free-port of San Andres one of the more obvious problems facing the Colombian Aduana, or Customs Service.

Because of the 1500-pesos limit,

~~in addition~~, San Andres merchants help smuggling from the island to mainland Colombia ~~in maximum legal manner~~ by undervaluing the cost of items as stated on invoices used for customs purposes. This fraud is committed on the stated value of such items as watches, radios, TV's ^{and} ~~though~~ ^{The} ~~actual~~ ^{and} ~~been~~ ^{higher} price may have ~~been~~ ^{been} ~~because~~ ^{sizeable} ~~the items~~. Many of these items are brought in in ~~large~~ ^{large} quantities, often by organized 'travellers', who are merely smugglers, and many of ~~them~~ end up in 'San Andresity', a ^{sort of} ~~in Bogota~~ shopping center, where low prices and prohibited merchandise can be found.

But fraud and ~~organiaed~~ smuggling from San Andres, ^{poorly administered} ~~corrupt~~ or inefficient personnel, and mountainous paper work were only some of the more obvious problems faced by Colombian Customs when, four years ago, they requested ^{the AGENCY for International} ~~a private company~~ ^{contractor} to conduct a survey, pinpoint problem areas, and recommend possible solutions.

(AID)

Development to pursue

~~After the survey~~

A.I.D. discussed the survey and the problems of his office. Last year, representatives of the Alliance for Progress approached the Director General of the Aduana, Captain Felix J. Lievano. Their object was part of the Alliance's overall ~~objectives~~ ^{we} for Progress plan for an improvement in the tax and revenue situation. Captain Lievano's response was favorable. He expressed an interest in ~~receiving~~ getting assistance to carry out the recommendations of the original survey, ~~tax~~ ^{and A.I.D. started looking for qualified advisors} ~~and assistance~~

At about the same time, the B.S. Bureau of Customs had decided to ~~expands its~~ go into an aid program ~~designed~~ ^{for} ~~which~~ ^{and A.I.D.} any country ~~who~~ ^{and} wanted ~~the~~ help in ~~making changes~~ ^{Completed} or improving its customs service. A circular was sent out concerning the formation of an advisory training team. 12 men were picked from applications made by experienced US Customs personnel. A team of ~~five~~ ^{four} came to Colombia in mid-1966, returning to the US after a 3 month internship. Within a month, they were back in Colombia, at the request of Captain Lievano, ^{and A.I.D.} for a two-year assignment as ~~an advisory team~~ Customs Advisory team.

Senior Customs Advisor

The team is ~~under the~~ headed by Dr. Francis X. DiLucia. The other advisors are Eduardo Guajardo, Urban Baca, Francisco Colon, and Jenaro Orlandi. All of them speak fluent Spanish. None have less than ten years experience in customs work. The team is ~~under~~ ^{work coordinated by M.I.C.T.} the USAID office in the US Embassy in Bogota, ~~under contract to~~ ^{Vague} that agency under the Participating Agency Service Agreement between A.I.D. and the U.S. Customs Bureau.

The team began its two-year assignment on December 5th, 1966. Each man was assigned a counterpart, or co-ordinator from the ~~the~~ Colombian Aduana. The team was furnished a headquarters office in Bogota, ~~plus~~ a staff of bilingual secretaries. The building also contains three classrooms and an auditorium, ~~where~~ ~~classes are conducted for various Aduana personnel, in their special fields.~~

~~As in every major country, a Customhouse is found and~~
~~The Aduana maintains Aduanas Interiores at every major airport, Aduanas at~~
~~every seaport, and checkpoints, or retenes, on major roads between the nations of~~
~~various states, or departments. One part of the advisory teams job is to~~
~~make survey trips to these many points Aduana~~
~~Custos~~

locations. From these survey trips came reports of activities, of particular problems, of efficiency or inefficiency. These reports were discussed by the advisors with their counterparts who, in turn, submitted written suggestions to the General Director. Action taken on these suggestions has produced vivid, tangible results in places like the port city of Buenaventura, as well as the not-so tangible, ~~xxxxxx~~ but just as important, results ^{such} as the activation of a self-policing, investigation branch of the ~~Aduana~~ ^{Customs}. The latter has occurred under a revised chart of organization for the entire ~~Aduana~~ ^{Customs} structure. Making for a more effective customs service, the chart trims fat here, adding strength ^{Customs} there in order to improve the ~~Aduana~~ and its ~~xxxxxx~~ work.

In the port city of Buenaventura, mid-way along the nations Pacific shore, the results of concerted efforts are physically evident. Advisory team member Urban Baca

Many problem areas are currently receiving the concerted attention of Customs ~~the Aduana~~ with technical assistance of the Customs Advisory team. In Bogota, one situation exists that only extends the time needed to release imported goods to the importers as well as the processing of confiscated goods. That is the wide dispersion of Customs ~~Aduana~~ buildings wherein the work that should be centralized is scattered. Adding to this cost in time is the lack of personnel in ~~some~~ ^{some} offices, as well as the lack of equipment from typewriters to forklifts. And over it all, from one end of the country to the other, ~~lives~~ ^{lives} the specter of paper work, paper work in quadruplicate, the requirements for inspection and re-inspection of each manifest by many people, the often unnecessary call for as many as nine signatures per manifest, all of them in different offices, many in different buildings. The most important loss is perhaps time. It can take upwards of two months for an importer to receive his goods after they are in Colombia ^{and he can make upward of four trips between} ~~for~~ The Aduana and the Advisory Team are working ~~for~~ to reduce it to five days. Another nation-wide problem ^{is} the keeping and storage of voluminous records

... It can take
they are in
is between various
reduce it to five
voluminous records
widely sep →
the
Adyana
office

is a direct result of the massive paper work ~~now~~ currently required on ~~each~~ and ~~all~~ ~~every~~ importations. Though the goal of current work is to destroy records after ten years, requests still come in to the Aduana offices for information from records dating back past that limit.

If the goods are confiscated, there is additional paper work, ~~storage~~ counting, appraising, storage and finally, public auctions to dispose of the items. Physical results can be seen in this area. Warehouses have been cleaned up, records organized, ~~security~~ increased where there ~~were often~~ ^{had been} mysterious disappearances or outright theft of confiscated goods from the Aduana warehouses.

The seaport of Buenaventura, midway on Colombia's Pacific coast provides physical evidence of what increased efficiency and new approaches have done. On an inspection visit in August of 1966, Advisory team member Urban Baca found ~~nowhere~~ a congested port. With a capacity for ~~about~~ loading or unloading about 6 ships at its docks, Buenaventura's port area contained no less than 26 ships waiting to dock. The congestion reached into old, over-crowded warehouses. Lack of forklifts and other unloading equipment did not help. The confusion, ~~mixing~~ ^{and} crowds of extra workers ^{and} lack of security measures lent an unwitting hand to pilfering.

At a meeting of the ^{Customs guards?} ^{the Port Authority} Aduana Resguardo, National Police, ~~EMPOCUL~~ (Empresas Puertos de Colombia), and Army ^{Naval} representatives, patrol areas were agreed upon to effect increased security. A meeting with representatives of the National Railroad produced 60- some additional boxcars to help decongest the warehouses in exchange for warehouse ~~now~~ storage space during the harvest seasons for perishable coffee and sugar.

Cooperation among the concerned agencies was such that in 42 days after the meetings, some 40-thousand tons of merchandise ^{were} ~~was~~ moved out of off the warehouses; pilfering and theft dropped ^{dramatically} ~~severely~~. Meanwhile, security increased with the construction and erection ^{of} walls and lights on the dock area;

with the building of new warehouses; with the cutback of unauthorized persons on the docks. Though the public is still allowed on the dock area on Sundays, control over their once free movements among and in warehouses has been increased. New docks are also under construction to effectively double the ~~the~~ port's capacity for loading and unloading~~x~~ freighters.

Customs guards
The ~~Aduana~~ ~~Reservados~~ recently moved into the building that had been used for the mens' living quarters. Though ~~this had been~~ forcing the men to live in an older building, the change provided much needed space for the offices~~x~~ and for the endless records that every port and major city must now contend with.

~~The airport is several miles outside Buena~~ One of the major problems facing Colombia's seaports is that of smuggling. The most flagrant violations ~~can~~ occur in ~~the~~ ~~area~~ often uncontrolled traffic of small boats to ships lying at anchor in the bay. Though ostensibly to provide authorized transportation of personnel to and from the ship, it ~~can be~~ ~~is often~~ used as a way to transport prohibited or untaxed goods to the mainland

~~Even~~ The small airport several miles outside Buenaeventura ~~is typical of~~ ~~the~~ illustrates another major problem which the Aduana and the Customs Advisory team is working on: that of the hundreds of small dirt landing strips throughout Colombia. Inadequately or unstaffed completely by ~~Aduana~~ ^{Customs} personnel, they ~~smugglers~~ provide ideal landing places for ~~smuggling~~. This is particularly true in the area of arms and ammunitions for mountain-based rebels.

Colombia depends heavily on trucks to move goods from ports ~~inland~~ to inland towns. These trucks, as well as all other vehicular traffic are checked at Aduana retenes, or checkpoints. These retenes are located outside most cities, as well as near borders of the various states, or departments. ^{or countries.} The main difficulty encountered ~~here~~ at these checkpoints is the ~~lack~~ ^{shortage} of personnel and equipment to conduct thorough checks of each vehicle. ~~The resulting cursory~~ ~~checks~~

The attitude of the men stationed at these posts in 30-days shifts is also of importance. ~~when~~ Lack of efficiency, ~~poor working conditions and a~~ and a poor attitude towards their work can often be explained in terms of low salaries and uninspiring working conditions...both of which are subjects under consideration by the Aduana chiefs and the advisors.

In a smaller port town, Tumaco, which is located in the southwestern tip of Colombia, Mr. Baca found improvements since his last visit, the problems of the ~~Tumaco~~ ^{Customs are} Aduana ~~is~~ compounded by its proximity to the Ecuadorian border. This points up another area of special interest to the ~~Aduana~~ ^{Customs}. Colombia ~~now~~ has ^{9,200} over 92-hundred kilometers of border, the better part of which is shared with five other South American countries. ~~For~~ Illegal border crossings and border smuggling are ~~examples~~ of concern to the Aduana.

The ~~new~~ area southeast of Tumaco is honeycombed by rivers and waterways, and is mostly ~~in~~ uninhabited save for a few family huts. The ~~aduana~~ problem of small boat traffic to and from ships at anchor in the bay compounds the ~~the same as~~ ^{the same as} ~~Buenaventura~~ ^{Buenaventura} ~~problems faced by the Tumaco Aduana office.~~ ^{Customs} Bay and river patrols are conducted on a spot-check basis. The many fishing boats plying the waters off Tumaco makes thorough checking difficult with the men and equipment currently available to Tumaco. Spot checking is currently the most practical method of maintaining some measure of control on the coast and the border waterways. Tumaco is built, like Buenaventura, on an island, and waterfront houses make ideal receiving points for contraband. ~~Next~~ Aduana motor boat patrols can only keep a weary eye on the houses, the boats, and watch for suspicious activity.

Smugglers take to foot trails near the town of Ipiales ⁶¹ near the Ecuadorian border. Customs Advisory team member Eduardo Guajardo viewed one section of the border where the trails are plainly visible in daylight. At night, the occasional lights of foot-borne smugglers carrying upwards of a hundred pounds of merchandise on their back can be seen. An elaborate signal system using

firecrackers is used by the smugglers to warn ~~themselves~~ each other on the approach of Aduana officers. Again, spot checks are the best means currently available to the Colombian customs men as the border is long, arduous, and sometimes nearly inaccessible.

Colombian and Ecuadorian customs houses face each other across the Rio San Juan, one of many that make up the various sections of the border. Here, checks are made primarily for contraband moving both ways. This checkpoint is the main one between Ecuador and Colombia as it is located on the ~~main~~ highway between Quito and Bogota.

~~Mexico~~ Along Colombia's southern border, ~~the most~~ smuggling is in wool, cacao, and some lumber going into Brazil. The direction of travel is predominantly out of Colombia. The illegal traffic in coffee and rice is also outward bound, but more along the north coast. Beef is driven ~~west~~ ^{into} east into Venezuela where the ~~price~~ cattle bring upwards of four times the prices paid in Colombia.

National security is threatened directly by arms smuggling. Weapons and ammunition ^{can} ^{and} come in along the northern coast, from Panama via sea, land, and air. Those brought in by air end up mostly ~~in~~ at one of the multitudinous dirt fields that dot the flatland east of the eastern cordillera, or mountain range, in which Bogota is located.

There have been instances of men attempting to bring arms into the heart of Colombia in ordinary suitcases while travelling on commercial airlines. ~~For~~ Cali, located in the Valle Department along the Pacific coast, is a popular warm climate city, approximately the fourth largest in Colombia. The Calipuerto, or airport, is a busy one as it is one of the bigger Colombian airfields. Traffic comes to Cali from San Andress, Bogota, and surrounding countries.

On February 16, 1967, for example, ^{Customs Guards} ~~Aduana Resguardo (Guardia)~~ Mora Lemus Jaime, acting on suspicion that a suitcase was a bit heavy for its size, opened it and

found an American made submachine gun, three .45-caliber pistols, and a revolver plus ammunition and clips for all of them. The owner of the suitcase was placed under arrest. His flight had originated in Bogota.

Arms and ammunition seized by ^{Customs} Aduana in the course of its searches and investigations are immediately turned over to the Department of Defense through the nearest military post. Here begins the work of tracing the origin of the weapons, investigating to find where they were going.

While Aduana Resquardos act as guards during the unloading of planes at the larger airports, they also conduct occasional spot checks of the planes themselves.

~~Interior~~. More than once, they uncover minor items of prohibited goods, most of which are not part and parcel of any organized, large-scale smuggling attempts but rather the occasional work of individuals. Nevertheless, the goods are seized, brought to the Aduana Interior building, as in Cali, where the

merchandise is counted and locked in a store room to await public auction.

~~the completion of the tremendous amount of paperwork, decision of the Customs judges whether it is~~

~~A number of concrete steps have been made by the Colombian Aduana with the~~

technical assistance of the Customs Advisory team from the HS Bureau of Customs.

~~These in reach from basic reorganization of the Aduana~~

~~improved~~ plans involving working conditions of the bulk of Aduana personnel,

the Resquardo. There are also improvements being made concerning the actual

~~allowing movement of goods through the Aduana.~~

Contraband or not, the appraisals ~~are~~ by "experts" appointed by the custom judges, & the final turn over to the Banco Popular which is authorized to hold the auctions for all abandoned & seized merchandise in the country.

End on Class f lab.

Conf. B/Ventura

CIV #1 Alberto Arrollo
Asst Mngr Empresas
Mertonde Colombia

#2 Oscar Zamorano
Mngr. (Navigation Inst.
I.C. - ship movement,
warehouses, etc.)

—
#3 Don Camillo Falla
Acting Admin for
Port of B/V.

— Urban Baca
Customs Advisers

Dr. Francis X. Di Lucia
Senior C.A.

Bureau of Customs
Wash. D.C.

Contract (employees) to AID

=
PASAP (Participating Agency Service
Agreement)

Di Lucia - March '66
July 66 { Baca - Reg.-Security, Warehousing ^{Outside Div.}
Eduardo Quafardo - Administration
Francisco Gonzalez Colon - ^{Spec} Investigator
Jenaro Vazquez Orlando ^{Security}
Appraiser

~~#~~ (at least 10 yrs experience)
to 3 yrs. did.
for 2 years (perm. eff Dec 5)

preceded by 3 month
internship - to us for
1 mo. - Colon requested
2 year assignment
(at request of Capt. Felix J.
Director General de Aduanas
(- Commissioner of Customs)

Tech. assist in re-org of customs - (advisers)
to ~~respond~~ make surveys,
on-spot ~~make~~ suggestions,
recommendations submitted
to counterpart (assigned
to team members to
assist them in making
surveys & investigations)

written recommendations submitted
to counterpart & Director
- finally on to Capt. J.

or Counterpart & Advisor discuss
problems - Aduana submits
written suggestion

~~Montevideo~~ -
old Banco de Bogotá Bldg
- furnished offices

~~A~~ 3 offices & reception

4 bi-ling secretaries (col.)

~~A~~ 3 classrooms & auditorium

installing lab - for
chemical analysis - soil,
precious stones, etc. (Aduana
does not have one now)

(should have US team perm.)

of 12 trainees - there only native
2 in Panama ^{sp.}

1 here TDY

1 Costa Rica

1-2 El. Salvador
rest in Wash.

A Administrators relieved of duties
as

b Counterpart - relieved

before team - only occasional
investigation - now in
increased amount -

A have been to every major
port or customs point at
least once since teams
arrived. Some trips made
not accompanied by US
Advisors

=

paper work is ~~most the~~
problem as it affects
all aspects of import
& export

~~Customs~~ manifest for an importation takes from 4 to 9 signatures (has to go thru all 9 offices - such as

too cumbersome

4-copies of manifests
+ carbons

receiver can make 2 or 3 - 4 trips to airport or port
on paperwork alone.

Dep on type of merch.
it can ~~take~~ take up to 2 months - could be done in 5 days.

March 1st - Course for
Appraiser -
- Foreign Commerce Class
last year -

EMPOCOL

B/

Time spent by Admin in
reviewing documents

B/Ventura

- Survey - each office checked interior operations
- meeting on port congestion



Reg.

Natl. Pol.

Maritime Div - ~~Imm~~ Imp. -
Army

- agreement on patrol areas
- put into effect

then meeting w/ RR ^{Natl. Pol.} & Imp. managers

- RR agreed to furnish 60 to 70 extra boxcars to be congest in exchange for warehouse storage space

During coffee & sugar season
(perishable)

10-09 so that in 42 days
40,000 tons of merchandise
was moved out. (42 days after
~ Aug 22)

pirferage & theft dropped
severely (comparatively)

lights
& cement block fence was
not there before

during week of Aug 22, 1966
up to 26 ships in
an near port

unloading, cap. for
port is 6 more
docks under construction
to more than double
dock space.

Coordination of sugar agency

unemployed

Current Orgn

to Dept under **A**

Com of Comd

junta general de Aduanas - Adv. to Comm.

Minister of Foreign Commerce

" " Treasury

Commr. customs

All under Ministro de Hacienda

(Treasury)

formerly existed in name only

One of major structure ^{reorganization} changes is being made

in Special Invest. Div.

- is being expanded to

include ~~function~~

and sharper ^{defining} of areas of resp. for 8 sub-div.

coffee, cattle, cars

Invest. dept. has
3 sub div in turn
divided into sub sections

Res guards - maintain themselves
apart from rest of customs
people ~~into~~ by functioning
in a quasi-military
manner (do not get
many of fringe benefits
other ~~than~~ customs
people get - also lower
salaries)

their personnel dept
has been eliminated
(maintain only own
records now)

Beef - 4 times price in
Venezuela

Coffee & rice put along
north coast

Arms - in along north coast
& various airports
east of eastern
cordillera (Bogota)
& from Panama - sea, air, land
Wool / Cacao - in along So.
border

South is mostly smuggling
out

Lumber out of Col into
Brazil

Panama and Hughes

Airports - anything (jewels, watches, etc) that can be flown can be brought in or out to the many small, scattered airports

~~SS~~

San Andres -

"Importations of prohibited articles are permitted from S.A. into continental col as accompanied tourist baggage." 5 days

limit is 1500 pesos ^(maximum) ~~and for~~
30 kilos on importations
of new articles from SA
3 times a year for
each tourist visiting
the island

Merchants - common practice
is to ~~delvele~~ to undervalue
^{item} such as radios, TVs, watches
because on invoice for
customs purposes (fraud)
Adugna does not have to
take ward of invoice

often done as convenience
(for kickback)

San Andreito -
of goods from Andres
goes to ~~to~~ there, + regular
outlet stores.

looks like a shopping
center - built by city of
Bogota

Round trip flight from
Bogota to S.A. resort 815⁰⁰

~~As~~ + "Look of people
bringing in TV sets

Sonyo TV in S. Andreito \$15.00

in Bogota \$

assimilated
in col

has to be
for personal
use.

i. Origin of idea for Customs
Advisory Team -

June 65 - Circular listing
qualifications

Aug - 12 selected out of 50
applications

(prior to 1965)

Private company w/ retired
customs personnel

Customs not happy w/
results so Bureau of
Customs (they could not
answer for any of the
actions of the private
concern)

col. asked for (private co.)
Survey 4 years ago. Nothing
done about it then.

US isn't willing to help those
that want to help themselves

AID mission under
all y. prog interested
in improvement of
Zay situation — Capt.
approached — resp
favorably.

private concern did
survey (under contr.
to AID) — outlining
problem
— these are kind
of adv. necessary.

Capt. said would like
to have help to carry
out recommendations

at this time, Customs
decided to go into
Customs bid on
large saddle (ashed
TDS already)

Playak Kra 10

March 1st
Monkan
classes

(Bogotá - San Andres postage)

(briefly)

1. Customs as it exists - Problem of ~~legalized~~ San Andres and San Andrecito (~~most smuggling~~ flagrant violation) - Airport in Bogotá

↑
some continuous postage on suitcase

DR Myller
8 a.m.

2. Origin of Customs Advisors Team - Mission of Team - Personnel

↓
Intro Team - conference to discuss aim of reorganization
chart.

3. Problem of the Warehouses - ^(Bacca) city-wide dispersion - lack of office and other equipment ^(personnel) - The big problem of paper work, records dating back over 10 years & their storage - storage and handling of confiscated goods in public auction

4. List items primarily smuggled in ^(Mex) ^(Rest) each area
Bacca - cleared to shoot S. Andrecito no later than Monday

(B/Ventura & Tumaco footage)
(purpose of survey trips)

4. The Ocean Ports - Survey trip to Buenaventura, Tumaco w/Baca
- B/V - Part problems ~~stands~~, ^{part} lack of warehouses, lack of security, un-authorized personnel on docks - the small airports - records again the docks & new areas under construction

B/Ventura
jeep patrols

5. The Reten & lower echelon Aduana structure for personnel - Reten operation as should be - heavy truck traffic & other causes for only cursory checks -

(Tumaco)

1e. River patrols along and near border as well as bay patrol to check small boats who often run contraband from ships to shore - large amounts of fishermen-houses (receiving points) along bay front - Tuna & lumber industries - shrimp -

(guayardo) (Spiales)

1. Border problems - the frontier with Ecuador - the highway check point & the foot trails

(Guayaro)

8. Cali - Airport - smuggled arms (handling
of arms confiscated anywhere in country
by Aduana - to Dept of Def.
goods inside plane