

## I. Introduction

1. The United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances<sup>1</sup> of 1988 provides for measures to prevent the diversion of precursor and essential chemicals into the illicit manufacture of drugs. The International Narcotics Control Board monitors the control of Governments over precursors and essential chemicals and assists them in preventing the diversion of those chemicals into illicit traffic.

2. The present report, which is the twentieth annual report on precursors published by the Board, has been restructured and now includes a thematic chapter. Following the executive summary and the introduction, substantive reporting begins in chapter II, which provides statistics and information on actions taken by Governments and the Board under the provisions of article 12 of the 1988 Convention. This includes the utilization of the Pre-Export Notification (PEN) Online system and the results of task force operational support under Project Prism and Project Cohesion. Chapter III details the extent of legitimate trade in precursors and the latest major trends in the trafficking and illicit use of chemicals, highlighting the most relevant cases of suspicious and stopped shipments in and diversions or attempted diversions from international trade, as well as seizures of those substances.

3. Chapter IV provides a thematic examination of 20 years of precursor control. It assesses the implementation of article 12 of the 1988 Convention, reviews the results in precursor control to date and, based on collective knowledge, looks to the future. Chapter V provides recommendations to Governments on the way forward for effective international and domestic precursor control.

4. Annexes I to XI provide updated, practical information that is intended to assist competent national authorities in carrying out their functions, including information on estimated annual legitimate requirements for the import of selected substances that are frequently used in the illicit manufacture of amphetamine-type stimulants, a list of Governments that require pre-export notifications, information on the use of scheduled substances in illicit drug manufacture and a summary of applicable treaty provisions. Annexes I-VI can be found in the printed copy, while all annexes are available in the CD-ROM version of the report and online from the Board's website ([www.incb.org](http://www.incb.org)).

<sup>1</sup> United Nations, *Treaty Series*, vol. 1582, No. 27627.

## II. Action taken by Governments and by the International Narcotics Control Board

### A. Scope of control

5. The transfer of phenylacetic acid from Table II to Table I of the 1988 Convention became effective on 17 January 2011.

6. In 2011 the Board, pursuant to Economic and Social Council resolution 1992/29 on measures to prevent the diversion of precursor and essential chemicals to the illicit manufacture of narcotic drugs and psychotropic substances, undertook with the World Customs Organization the establishment of a discrete tariff code for preparations containing ephedrine and pseudoephedrine to facilitate the monitoring of international trade in those substances and the identification of diversion attempts.

7. Trade in precursors, like trade in every other commodity, is monitored by customs authorities worldwide using an internationally standardized classification system of names and numbers referred to as the Harmonized Commodity Description and Coding System. While all internationally controlled precursors, including ephedrine and pseudoephedrine in bulk form, have a discrete code, pharmaceutical preparations containing ephedrine and pseudoephedrine do not. Thus, competent national authorities are presently unable to identify specifically imports or exports of those preparations from a broader grouping of pharmaceutical preparations. That weakness has often been misused by traffickers in their attempts to disguise the nature of large shipments of such preparations across borders.

8. The use of discrete Harmonized Commodity Description and Coding System codes for pharmaceutical preparations containing ephedrine and pseudoephedrine would also result in more accurate reporting of licit trade in such preparations on form D and ease the identification of shipments that exceed the annual legitimate requirements of importing countries for such substances.

### B. Adherence to the 1988 Convention

9. As at 31 October 2011, the 1988 Convention had been ratified, acceded to or approved by 184 States and formally confirmed by the European Union (extent of competence: article 12). Following the issuance of the 2010 report of the Board on the implementation of article 12, the Marshall Islands became a party to the Convention.<sup>2</sup>

<sup>2</sup> The Marshall Islands became a party to the Convention on 5 November 2010.