

I. Introduction

1. The present report has been prepared by the International Narcotics Control Board (INCB) pursuant to the provisions of the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988.¹ In this report, as in all the reports on precursors issued since 2011, one precursor-related theme is addressed in more depth: in chapter IV below, the Board reviews the merits and potential of public-private partnerships to prevent the diversion of chemicals.

2. Substantive reporting begins in chapter II with information on action taken by Governments and INCB pursuant to article 12 of the 1988 Convention. It includes statistics on adherence to the Convention and reporting to the Board, legislation and control measures, as well as the utilization of the Board's Pre-Export Notification Online (PEN Online) system. Chapter II concludes with an overview of the activities and achievements of the two international initiatives of INCB addressing chemicals used in the illicit manufacture of amphetamine-type stimulants (Project Prism) and cocaine and heroin (Project Cohesion), including the status of utilization of the Precursors Incident Communication System (PICS).

3. Chapter III continues with an overview of information on the legitimate trade in individual precursor chemicals, as well as major trends in their trafficking and illicit use. The analysis includes information on the most relevant cases involving suspicious or stopped shipments of precursor chemicals, diversions or attempted diversions of those chemicals from legitimate trade, and seizures of those chemicals. Specific recommendations and conclusions are highlighted throughout the report to facilitate concrete action to be taken by Governments with the aim of preventing such diversions. Overall conclusions are presented in chapter V, following the thematic chapter on public-private partnerships.

4. As in the past, annexes I-XI to the report provide updated statistics and practical information to assist competent national authorities in carrying out their functions. The annexes are available only in the CD-ROM version of the report and in the version on the INCB website.

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

A. Adherence to the 1988 Convention

5. As at 1 November 2015, the 1988 Convention had been ratified, acceded to or approved by 189 States and formally confirmed by the European Union (extent of competence: article 12). There have been no changes in this regard since the publication of the Board's 2014 report on precursors, leaving nine States — five in Oceania, three in Africa and one in West Asia — that have yet to become parties to the Convention (see annex I).² The geographical proximity of some of the non-parties to illicit drug-manufacturing areas makes those States vulnerable to precursor trafficking. **Therefore, the Board urges those nine States to implement the provisions of article 12 and accede to the 1988 Convention without further delay.**

B. Reporting to the Board pursuant to article 12 of the 1988 Convention

6. Pursuant to article 12, paragraph 12, of the 1988 Convention, it is mandatory for States parties to submit annually to INCB information on: the seized amounts of substances in Tables I and II of the Convention and, when known, their origin; any substance not included in Table I or II which is identified as having been used in illicit manufacture of narcotic drugs or psychotropic substances; and methods of diversion and illicit manufacture. Such information is to be submitted through form D by 30 June of the following year at the latest, although the Board encourages States parties to submit the information by an earlier date (30 April) to facilitate the analysis of and follow-up to the information provided.

7. As at 1 November 2015, a total of 117 States and territories had submitted form D for 2014, a significantly lower submission rate than for the past 10 years (see annex VII for details). About 5 per cent of the submitting States and territories used older versions of form D, thus providing an incomplete set of information.

8. The Sudan and Zambia resumed their submission of form D after having failed to do so for a number of years. Some States parties to the 1988 Convention (Burundi, Gabon and Marshall Islands) have never submitted form D

¹ United Nations, *Treaty Series*, vol. 1582, No. 27627.

² Equatorial Guinea, Kiribati, Palau, Papua New Guinea, Solomon Islands, Somalia, South Sudan, State of Palestine and Tuvalu.

to the Board, while other States parties³ have not done so in the past five years. A total of 79 States parties failed to submit to the Board a report for 2014.⁴ As in previous years, only a small proportion (47, or 24 per cent) of Governments submitted the form before 30 June, while others failed to report altogether, submitted a blank form or provided only partial information. This situation continues to have an impact on the Board's analysis of regional and global precursor patterns and trends. **The Board urges all States parties to comply with their reporting obligations under the 1988 Convention. States are also reminded to use the latest version of form D, which is available on the INCB website in Arabic, Chinese, English, French, Russian and Spanish, and submit it within the requested time frame.**

9. A total of 56 Governments reported on form D for 2014 seizures of substances in Table I or II of the 1988 Convention;⁵ and 33 also reported seizures of substances not in Table I or II. The reporting of information on methods of diversion and illicit manufacture or on stopped shipments continues to be limited, although it is precisely those details that would help to prevent similar incidents from happening elsewhere. Only 21 per cent of all those submitting the form included information on methods of diversion and illicit manufacture. The Board is concerned that significant seizures of precursor chemicals included by some Governments in their national reports or in their official conference presentations are not reported on form D. **The Board once again wishes to remind Governments effecting seizures to provide on form D complete and comprehensive data, including, where known, the**

³ Angola, Antigua and Barbuda, Bahamas, Botswana, Cabo Verde, Central African Republic, Comoros, Congo, Djibouti, Dominica, Grenada, Guinea, Lesotho, Libya, Malawi, Mauritania, Niger, Rwanda, Saint Kitts and Nevis, Sierra Leone, Suriname, Swaziland and Tonga.

⁴ Angola; Antigua and Barbuda; Bahamas; Bahrain; Barbados; Belize; Botswana; Burkina Faso; Burundi; Cabo Verde; Cameroon; Canada; Central African Republic; Chad; Comoros; Congo; Cook Islands; Cuba; Democratic People's Republic of Korea; Djibouti; Dominica; Eritrea; Ethiopia; Fiji; Gabon; Gambia; Grenada; Guinea; Guinea-Bissau; Haiti; Holy See; Honduras; India; Iraq; Kazakhstan; Kenya; Kuwait; Lesotho; Liberia; Libya; Liechtenstein; Madagascar; Malawi; Maldives; Mali; Marshall Islands; Mauritania; Mauritius; Micronesia (Federated States of); Monaco; Mongolia; Morocco; Nauru; New Zealand; Niger; Nigeria; Niue; Norway; Paraguay; Qatar; Rwanda; Saint Kitts and Nevis; Samoa; San Marino; Sao Tome and Principe; Serbia; Seychelles; Sierra Leone; South Africa; Suriname; Swaziland; Syrian Arab Republic; Tajikistan; the former Yugoslav Republic of Macedonia; Togo; Tonga; Ukraine; Vanuatu and Yemen.

⁵ For details on the reported seizures of those substances, by region, see annex VIII.

origin of seized substances and data on the use of non-scheduled chemicals and methods of diversion and illicit manufacture.

C. Legislation and control measures

10. In accordance with the provisions of article 12 of the 1988 Convention and the relevant resolutions of the General Assembly, the Economic and Social Council and the Commission on Narcotic Drugs, Governments are requested to adopt and implement national control measures to effectively monitor the movement of precursor chemicals. In addition, Governments are requested to further strengthen existing precursor control measures should any weaknesses be identified.

11. Following the tightening of controls over ephedra in 2013, Chinese authorities conducted a survey on the management of ephedra cultivation in Chifeng, in the Inner Mongolia Autonomous Region of China. Authorities also proceeded with the establishment of precursor chemical industry associations at the provincial level; inspections of precursor chemical manufacturers and pharmacies in the provinces were conducted.⁶

12. In January 2015, resolution 0001/2015 adopted in Colombia resulted in controls being tightened for a range of precursor chemicals. For example, controls were established throughout the entire country for transactions involving any amount of potassium permanganate (rather than transactions involving more than 5 kg). The same "zero threshold" applies to transactions involving acetic anhydride, hydrochloric acid and sulphuric acid.

13. In February 2015, in response to a Project Prism/Project Cohesion alert, the authorities of the Lao People's Democratic Republic informed INCB about the inclusion of alpha-phenylacetone nitrile (APAAN) in table I of the national legislation governing the list of narcotic drugs, psychotropic substances and precursors. The Board was also informed that the Government had tightened controls over pseudoephedrine in June 2014.

14. On 30 June 2015, European Commission delegated regulation No. 2015/1011 of 24 April 2015 and Commission implementing regulation No. 2015/1013 of 25 June 2015 came into effect, repealing and replacing Commission regulation No. 1277/2005. The main changes relate to the possibility of using simplified procedures for pre-export notifications and for export authorizations for medicinal products containing ephedrine or pseudoephedrine and to conditions for granting registration to operators. In addition, procedures were established for granting licences

⁶ National Narcotics Control Commission of China, *Annual Report on Drug Control in China 2015* (Beijing, 2015).

and registration to professional users. As at 1 July 2015, after an 18-month transitional period, end users of acetic anhydride had to be registered with their competent national authorities.

15. Also on 1 July 2015, an amendment to the Polish drug act came into force, restricting the sale of over-the-counter medical products containing psychoactive substances, including pseudoephedrine. Such medication may now be sold at pharmacies only in quantities of up to one package. Starting in 2017, any medication containing dosages higher than those to be established by regulation of the Minister of Health of Poland will have to be prescribed by a doctor. Any sale that contravenes the established restrictions will carry a fine of up to 500,000 zlotys (equivalent to more than \$125,000).

16. On 1 October 2015, the Mexican Government added four chemicals that could be used in the illicit manufacture of methamphetamine to the list of controlled substances (benzaldehyde, benzyl chloride, nitroethane and nitromethane). A cooperation agreement between the Federal Commission for Protection against Health Risks and the main parts of the chemical industry was signed with a view to defining joint actions to ensure supply of those chemicals for legitimate purposes while preventing diversion into illicit channels. Controls were to be effective after a 90-day transition period following publication in the official gazette.

17. In Australia, an amendment to the Criminal Code Act 1995 is expected to pass into law, removing the requirement of proving that a person who imported or exported a “border controlled precursor”⁷ did so with the intention of using it to manufacture a controlled drug or with the belief that another person intended to use the substance to manufacture a controlled drug.

18. In response to a number of cases involving the smuggling of a pharmaceutical preparation containing pseudoephedrine across Europe (see para. 57 below), Turkish authorities tightened controls over the product in question, making it a prescription medication and requiring import and export authorization.

19. Information about individual national systems of authorization applicable to imports and exports of substances in Table I or II of the 1988 Convention, as well as to additional substances under national control, is available on the secure website of INCB, for use by competent national authorities. The INCB information package on the control of precursors is updated whenever new information is made available to the Board.

⁷ A category of precursors defined in Australian law.

D. Submission of data on licit trade in, uses of and requirements for precursors

20. Information on the licit trade in and use of substances in Tables I and II of the 1988 Convention is submitted, on a voluntary and confidential basis, to INCB on form D, in accordance with Economic and Social Council resolution 1995/20. Those data enable the Board to assist Governments in preventing diversions by identifying unusual trade patterns and suspicious illicit activity.

21. As at 1 November 2015, 108 countries and territories had provided information on licit trade in substances in Tables I and II of the Convention, and 106 had furnished data on licit uses of and/or requirements for one or more of the substances in Tables I and II (see annex IX). The response rates (as percentages of countries and territories submitting form D) are thus similar to the response rates for the preceding year (when about 90 per cent of countries submitting form D for 2013 provided information on licit trade, uses and/or requirements). The Government of Oman submitted data on licit trade in such substances for the first time in five years. **The Board commends those Governments that provided data on licit trade in, uses of and requirements for substances in Tables I and II of the 1988 Convention and wishes to encourage all other Governments to provide such data with a view to strengthening the existing mechanisms to prevent diversion of those substances.**

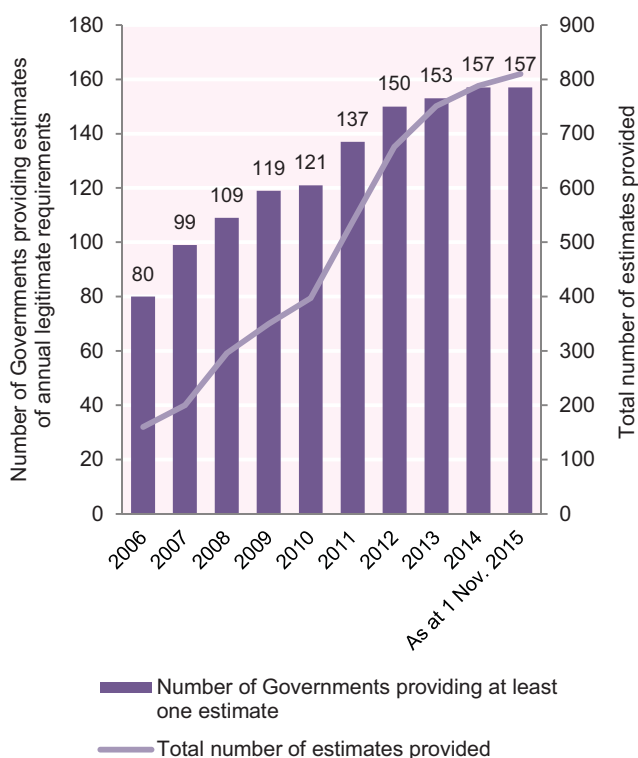
E. Annual legitimate requirements for imports of precursors of amphetamine-type stimulants

22. The Commission on Narcotic Drugs, in its resolution 49/3, requested Member States to provide to the Board annual estimates of their legitimate requirements for four substances frequently used in the illicit manufacture of amphetamine-type stimulants — 3,4-methylenedioxyphenyl-2-propanone (3,4-MDP-2-P), pseudoephedrine, ephedrine and 1-phenyl-2-propanone (P-2-P) — and, to the extent possible, estimated requirements for imports of preparations containing those substances, as a means of providing the competent authorities of exporting countries with at least an indication of the needs of importing countries, thus warning about potential oversupply and preventing diversion attempts. The information is provided each year on form D and can also be updated and provided to the Board at any time during the year.

23. As at 1 November 2015, 157 countries and territories had provided estimates for at least one of the

above-mentioned substances. Although that number has not changed since INCB published its 2014 report on precursors, the total number of estimates provided by individual countries and territories has increased steadily over the past 10 years (see figure I). The latest estimates submitted by countries and territories are provided in annex II; regular updates are published on the Board’s website. The number of competent authorities of exporting countries that have consulted with the Board about the annual legitimate requirements of their trading partners has also steadily increased, thus indicating the value of the estimates and the increased awareness and use of this basic tool. **The Board commends those Governments that make active use of the system of annual legitimate requirements and encourages all other Governments to make better use of this basic tool as both exporters and importers of 3,4-MDP-2-P, pseudoephedrine, ephedrine and P-2-P and preparations containing those substances.**

Figure I. Number of Governments providing estimates of annual legitimate requirements and total number of estimates provided, 2006-2015



24. Improvements in national estimate mechanisms and the increased use of annual legitimate requirements are also reflected in the number of Governments regularly reconfirming or revising established estimates. Since the publication of the Board’s 2014 report on precursors, about 80 Governments have reconfirmed or updated their

estimates for at least one of the substances to reflect changing market conditions, as recommended by the Board. The annual legitimate requirements for the import of pseudoephedrine raw material into the Islamic Republic of Iran have been reduced by almost 70 per cent, from 55 to 17 tons. Other countries that have significantly reduced their annual legitimate requirements for pseudoephedrine raw material include Singapore (from 63 to 35 tons) and Nepal (from 6.5 to 5 tons). The Government of Afghanistan, which reduced its estimates for both ephedrine and pseudoephedrine by 50 per cent in 2014, explained that those requirements should have been for preparations containing those substances and not for raw material.

25. While many countries and territories update their estimates regularly, INCB has noted that some that provided annual legitimate requirements in the past have not done so for more than five years, despite the reminders sent regularly by the Board.⁸ The Board continues to be concerned about the relatively high or significantly increasing annual legitimate requirements for various substances and significant year-on-year fluctuations in the estimates submitted by a number of countries. Since the publication of the Board’s 2014 report on precursors, this has been true for estimates submitted by the authorities of Bosnia and Herzegovina (increased estimates for ephedrine and pseudoephedrine and preparations containing them), Egypt (an increase in estimates for pseudoephedrine raw material, from 50 to 55 tons), Indonesia (an almost eightfold increase in estimates for pseudoephedrine preparations, from 805 to 6,200 kg) and Israel (an increase from 16 to 3,000 kg in estimates for pseudoephedrine raw material). The Government of the Bolivarian Republic of Venezuela provided, for the first time, estimates for ephedrine preparations (1,000 kg) and pseudoephedrine preparations (2,000 kg). Authorities in Zimbabwe, for the second consecutive year, submitted estimates for P-2-P and 3,4-MDP-2-P of 1,000 litres each, as well as unusually high requirements for several other precursors of amphetamine-type stimulants, including APAAN. The estimates are currently being verified with the authorities. In the meantime, **INCB encourages the authorities of all exporting countries to exercise vigilance in relation to any planned export of P-2-P or 3,4-MDP-2-P to Zimbabwe or elsewhere, considering that those substances are traded and used by a relatively small number of countries.**

⁸ Azerbaijan; Belize; Botswana; Cambodia; China, Macao Special Administrative Region; Guinea; Guinea-Bissau; Madagascar; Malawi; Monaco; Mozambique; Papua New Guinea; Portugal; Russian Federation; Sao Tome and Principe; Solomon Islands; Syrian Arab Republic; Tajikistan and Tristan da Cunha.

26. Governments that reduced their legitimate requirements for ephedrine and pseudoephedrine for 2015 and have now significantly increased the estimates for the same substances for 2016 include the Governments of Pakistan and the United Republic of Tanzania. Pakistan had followed the Board's recommendation and reduced its estimates for 2015 for ephedrine from 22 to 3.3 tons and for pseudoephedrine from 48 to 29.5 tons; for 2016, however, the Government revised those figures significantly upwards, to 12 tons of ephedrine and 48 tons of pseudoephedrine. Similarly, the United Republic of Tanzania, which was among the countries with the most significant reductions in its estimates for 2015, has indicated a 15-fold increase in its estimate for ephedrine preparations. **INCB encourages all Governments to increase their efforts to establish realistic annual legitimate requirements, or review existing ones, and inform the Board accordingly. In preparing their annual legitimate requirements, Governments may wish to consider the *Guide on Estimating Requirements for Substances under International Control*, developed by INCB and the World Health Organization, as well as the document entitled "Issues that Governments may consider when determining annual legitimate requirements for ephedrine and pseudoephedrine", available on the Board's website.**

27. As noted in the Board's 2012 report on precursors,⁹ a number of Governments have appeared to build in a "safety margin" of significant proportions when estimating their requirements; that is, they actually import significantly less in a given year than what they have estimated to be their annual legitimate requirements for imports. However, only if the estimates are realistic can they serve as a practical tool for preventing the diversion of precursors. **INCB therefore requests all Governments to regularly review their published import requirements, amend them as necessary utilizing the most recent market data and inform the Board of any changes. Such changes can be communicated to the Board at any time and will be reflected in scheduled updates on its official website, as well as in the PEN Online system.**

F. Pre-export notifications and utilization of the Pre-Export Notification Online system

28. Pre-export notifications enable Governments to rapidly identify suspicious transactions in the international trade in substances in Tables I and II of the 1988 Convention, thus preventing diversion of those

substances from licit trade channels. Specifically, a pre-export notification makes the competent authorities of an importing country aware of a planned shipment of precursors destined for their territory before the shipment leaves the exporting country, thus enabling them to verify the legitimacy of the transaction and suspend or stop it, as required, in a timely manner. Pursuant to article 12, paragraph 10 (a), of the Convention, Governments of importing countries can make it mandatory for exporting countries to inform them of planned exports of precursors prior to shipping. The invoking of article 12, paragraph 10 (a), of the Convention thus is a fundamental tool for preventing the diversion of precursors from international trade.

29. In 2015, the Governments of Bangladesh and the Sudan invoked article 12, paragraph 10 (a), of the 1988 Convention for all substances in Tables I and II, thus bringing to 109 the number of Governments that have formally requested to receive pre-export notifications (see map 1 and annex X). INCB is concerned that, as indicated in its 2013 report on precursors,¹⁰ in some regions, the majority of Governments have not yet invoked their right to be notified of planned exports of precursors destined for their territory. This applies to Africa (72 per cent), and to Central America and the Caribbean, East and South-East Asia and South Asia (50 per cent each). Although the authorities of a majority of exporting countries issue pre-export notifications for all planned shipments of precursor chemicals, regardless of whether or not the importing country has invoked the article, several exporting countries may not issue such notifications, given the absence of a legal requirement to do so, thus making the importing countries concerned vulnerable to traffickers' diversion attempts. **INCB urges the Governments of those countries to take the necessary steps to invoke the provisions of article 12, paragraph 10 (a), without further delay. Forms to be used for formally requesting to be notified of all shipments of substances in Tables I and II of the 1988 Convention are available from INCB. The Board also wishes to remind the Governments of all countries exporting substances in Tables I and II that it is an obligation to provide pre-export notifications to the authorities of importing countries and territories that have requested them.**

30. The Governments of some countries, including major trading countries, because they do not have under domestic control all substances in Tables I and II of the 1988 Convention, may not be in a position to issue pre-export notifications for shipments of such substances. **Those Governments should take all necessary measures**

⁹ E/INCB/2012/4, para. 131.

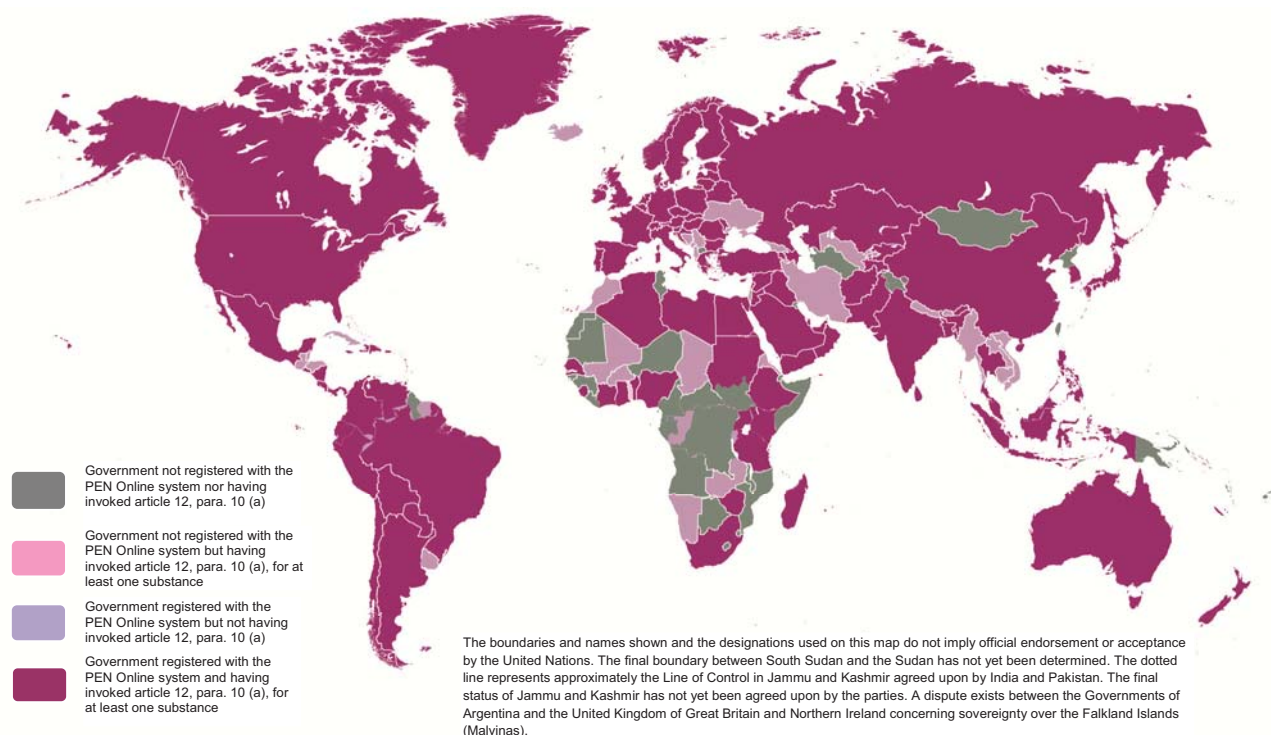
¹⁰ E/INCB/2013/4, table 5.

to comply with their obligations under article 12 of the 1988 Convention with regard to international trade.

31. Pre-export notifications are most efficiently and effectively exchanged via PEN Online, the automated online system for the exchange of pre-export notifications. Since the launch of the PEN Online system in March 2006, the system has become the most effective tool used by

Governments to monitor, and communicate on matters related to, international trade in precursor chemicals worldwide. Since the publication of the Board's 2014 report on precursors, Burundi has been added to the list of countries and territories authorized to have access to the PEN Online system (see map 1), bringing to 151 the total number of countries and territories on that list as at 1 November 2015.

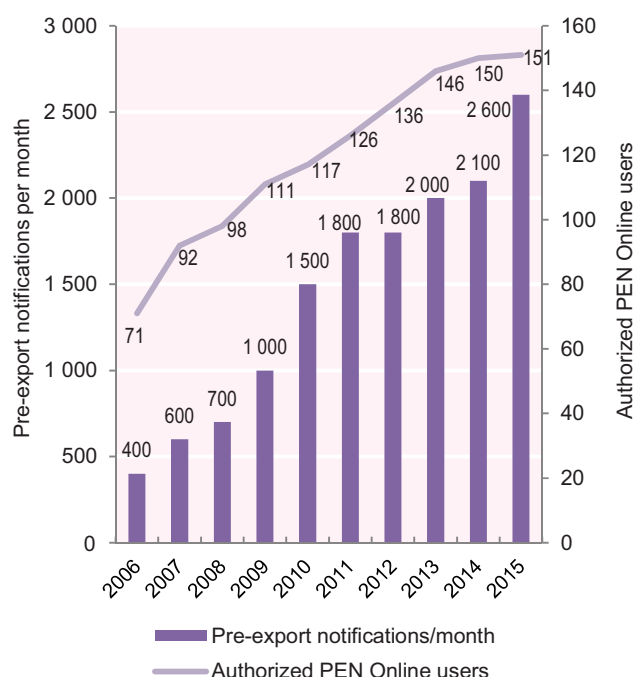
Map 1. Governments that have registered with the Pre-Export Notification Online system and those that have invoked article 12, paragraph 10 (a), of the 1988 Convention, requiring pre-export notification for selected substances (as at 1 November 2015)



32. Since the launch of the PEN Online system over nine years ago, the number of pre-export notifications communicated through the system has increased steadily, averaging more than 2,600 notifications each month in 2015 (see figure II). The increase since January 2014 is related to, among other things, the requirement in States members of the European Union that the export of pharmaceutical preparations containing ephedrine or pseudoephedrine be preceded by an export authorization and a pre-export notification sent to the competent authorities of the country of destination. That became possible as a result of the creation of new specific tariff codes in the combined nomenclature of the European Union, enabling unequivocal identification of pharmaceutical preparations containing

ephedrine, pseudoephedrine and norephedrine and thus allowing for better monitoring of trade in those substances. Specific tariff codes for those products were also created in the Harmonized Commodity Description and Coding System of the World Customs Organization and will be applicable starting on 1 January 2017. **INCB commends all Governments that issue pre-export notifications for pharmaceutical preparations containing ephedrine or pseudoephedrine and encourages other Governments to consider, to the extent possible and in accordance with their national legislation, applying to pharmaceutical preparations containing ephedrine or pseudoephedrine control measures that are similar to those applicable to the bulk (raw) substances.**

Figure II. Number of countries and territories authorized to access the Pre-Export Notification Online system and number of pre-export notifications per month, 2006-2015



33. While the authorities of major trading countries are registered and actively using the PEN Online system, 46 countries¹¹ have still not registered with the system. The Board has observed that the extent of use of PEN Online can vary significantly over time and that the authorities of a number of registered importing countries do not actively use the system, and those countries thus remain vulnerable to the diversion of precursors. The authorities of a number of exporting countries have reported a lack of response on the part of the authorities of importing countries, even in cases in which a response was specifically requested. Likewise, authorities in an exporting country who give only a couple of days for the importing country's authorities to verify the legitimacy of a shipment or who send a pre-export notification after a shipment has been dispatched are not acting in line with established procedures. **INCB urges Governments that have not yet done so to register with the PEN Online system without further delay. INCB also**

¹¹ Angola, Antigua and Barbuda, Botswana, Cameroon, Central African Republic, Comoros, Democratic People's Republic of Korea, Democratic Republic of the Congo, Djibouti, Dominica, Equatorial Guinea, Fiji, Gabon, Gambia, Guinea, Guinea-Bissau, Guyana, Kiribati, Kuwait, Lesotho, Liberia, Malawi, Maldives, Mauritania, Monaco, Mongolia, Mozambique, Nauru, Niger, Palau, Papua New Guinea, Saint Kitts and Nevis, Samoa, San Marino, Sao Tome and Principe, Somalia, South Sudan, Swaziland, the former Yugoslav Republic of Macedonia, Timor-Leste, Togo, Tonga, Tunisia, Turkmenistan, Tuvalu and Vanuatu.

urges all registered users of PEN Online to use the system actively and systematically and to notify the importing country of every planned shipment prior to dispatching it. Receiving authorities are also advised to follow up on the information available in order to ensure that there are no doubts about the legitimacy of the end use of shipments.

34. Some countries have exported significant amounts of precursors without pre-export notifications. For example, analysis of licit trade data provided by importing countries on form D and of data from PEN Online suggests that China and India both exported phenylacetic acid to Pakistan, a country that has invoked article 12, paragraph 10 (a), of the 1988 Convention in relation to that substance, without sending any pre-export notification via the PEN Online system. Similarly, Israel sent shipments of isosafrole without sending any pre-export notifications via the PEN Online system to several countries requiring such notifications. Also, Saudi Arabia continued to export precursor chemicals without sending any pre-export notifications via the PEN Online system. Shipments dispatched without pre-export notifications are at greater risk of being diverted, in particular if they are destined for countries that do not have in place a control system based on individual import permits. **INCB wishes to remind all Governments to use the PEN Online system for the notification of all planned exports of substances in Table I or II of the 1988 Convention, since that system represents the most efficient and effective way for the authorities of exporting and importing countries worldwide to communicate with each other.**

35. INCB also wishes to remind Governments that in order to ensure that they are informed of all planned shipments instantaneously, they must formally invoke the provisions of article 12, paragraph 10 (a), of the 1988 Convention and register with the PEN Online system. Either action alone is insufficient and does not automatically initiate the other. Currently, there are five countries and territories¹² that have invoked article 12, paragraph 10 (a), but are not using PEN Online, and there are 48 countries¹³ that have registered to use PEN Online but have not yet invoked article 12, paragraph 10 (a) (see map 1).

¹² Antigua and Barbuda, Cayman Islands, Maldives, Togo and Tonga.

¹³ Albania, Andorra, Bahamas, Bahrain, Belize, Bhutan, Bosnia and Herzegovina, Brunei Darussalam, Burkina Faso, Burundi, Cabo Verde, Cambodia, Chad, Congo, Cuba, Eritrea, Georgia, Grenada, Guatemala, Honduras, Iceland, Iran (Islamic Republic of), Israel, Lao People's Democratic Republic, Mali, Marshall Islands, Mauritius, Micronesia (Federated States of), Montenegro, Morocco, Myanmar, Namibia, Nepal, New Zealand, Rwanda, Saint Lucia, Senegal, Serbia, Seychelles, Solomon Islands, Suriname, Uganda, Ukraine, Uruguay, Uzbekistan, Viet Nam, Yemen and Zambia.

Box 1

Minimum action for international trade monitoring through the Pre-Export Notification Online system

All countries that import and/or export substances in Tables I and II of the 1988 Convention should register with the PEN Online system by contacting INCB at pen@incb.org. Use of the system is free of charge. INCB should be notified immediately of any changes relating to PEN Online users.

All registered users should make active and systematic use of the PEN Online system for every transaction involving a substance in Table I or II of the Convention, both as sender and recipient of pre-export notifications.

Action by the authorities of importing countries:

- Invoke article 12, paragraph 10 (a), of the 1988 Convention
- Review all incoming pre-export notifications and comply with the deadlines for responses set by the exporting country's authorities, as necessary
- Where the authorities of an exporting country explicitly request a reply before authorizing a shipment, the authorities of importing countries should make every effort to respond to the pre-export notification to avoid delays and implications for legitimate trade
- Where more time is required by the authorities of an importing country to verify the legitimacy of a particular shipment, inform the exporting country's authorities through the PEN Online reply function and request the delivery to be delayed pending the outcome of the verification

Action by the authorities of exporting countries:

- Where the authorities of an importing country have formally requested to be notified of planned shipments of all or some substances in Table I of the 1988 Convention, it is a legal obligation under article 12 of the 1988 Convention to send pre-export notifications. Where an importing Government has requested the extension of the provisions of article 12, paragraph 10 (a), to all or some substances in Table II, it is advisable to provide notifications for shipments of those substances as well
- Authorities of exporting countries should send pre-export notifications in a systematic and comprehensive manner — in other words, notifications should be sent for all planned shipments to all importing countries whose authorities have formally requested to be informed and for all substances for which pre-export notifications have been requested. Pursuant to article 12, paragraph 10 (a), of the 1988 Convention, the pre-export notification should be sent before the shipment leaves for the importing country
- Where the authorities of exporting countries have a concern about the legitimacy of a shipment, they may consider authorizing the shipment only upon receiving an explicit response from the authorities of the importing country.

G. Activities and achievements in international precursor control

1. Project Prism and Project Cohesion

36. Two international initiatives led by INCB, Project Prism and Project Cohesion, continue to provide platforms for international cooperation in matters related to substances used in the illicit manufacture of amphetamine-type stimulants (the focus of Project Prism) and heroin and cocaine (the focus of Project Cohesion). Both projects are steered by the INCB Precursor Task Force and provide platforms for time-bound operations with a view to gathering information on potential gaps or weak links in international precursor control, on new trafficking trends, on *modi operandi*, on the actual use of the target chemicals in the illicit manufacture of drugs and on how those

chemicals enter the clandestine laboratory environment. The projects are thus aimed at assisting Governments in ensuring the necessary level of alertness and developing specific risk profiles to prevent future diversions and — ultimately — to identify the trafficking organizations involved.

37. Communication among participants in the two projects is assisted — on an ongoing basis — by PICS (see paras. 45-47 below). Participants are also notified through special alerts about suspicious shipments and diversions and attempted diversions of precursors, as well as newly emerging precursors. In the reporting period, seven alerts were issued to inform Project Prism and Project Cohesion focal points about a number of non-scheduled chemicals found to have been used as pre-precursors or alternatives to scheduled substances in the illicit manufacture of drugs; the attempted importation of 10 tons of P-2-P into the Syrian

Arab Republic; the seizure of 2.9 tons of “chloro(pseudo)ephedrine”¹⁴ in Germany; the domestic diversion of ephedrine in Nigeria after its importation; the final results of Operation Eagle Eye on the domestic movement and risk profiling of acetic anhydride trafficking; inconsistencies with regard to the availability of illicitly manufactured drugs in consumer markets and the reported levels of incidents involving the corresponding precursor chemicals; and the smuggling of pseudoephedrine tablets across Europe.

38. During the reporting period, the INCB Precursor Task Force conducted a global operation focusing on suspicious orders, shipments and thefts of methylamine (monomethylamine), a non-scheduled substance required in the illicit manufacture of a number of drugs, such as methamphetamine and 3,4-methylenedioxymethamphetamine (MDMA), the precursor ephedrine and several new psychoactive substances, especially those in the group called synthetic cathinones. A preliminary evaluation of the operation, known as Operation MMA, was conducted at the meeting of the Precursor Task Force held in Mexico City in June 2015. While — with few exceptions — no suspicious activities were identified during Operation MMA, the operation resulted in improved knowledge of the number and type of operators involved in the manufacture of, trade in and distribution of methylamine and provided valuable practical information on how to approach non-scheduled chemicals. A total of 39 countries and territories participated in Operation MMA.

39. The INCB Precursor Task Force also discussed the current status of information on precursors that continue

to feed the illicit processing of cocaine and heroin, and noted that there continued to be little or no information about the sources of those precursors, which are listed in Tables I and II of the 1988 Convention, or their substitutes.

40. Participants in the Group of Experts on Chemical Substances and Pharmaceutical Products of the Inter-American Drug Abuse Control Commission (CICAD) were surveyed to help improve knowledge of the suspected sources of potassium permanganate, the *modi operandi* used for its domestic diversion and the adequacy of control measures applied to acids and solvents in Table II of the 1988 Convention. Preliminary results confirm the value of and the need to enhance: (a) measures to prevent diversion of those chemicals from domestic distribution channels; and (b) cooperation with industry. The participants also confirmed the need for consistent and comprehensive implementation of the PEN Online system. The results of the survey will be discussed at the next meeting of the Precursor Task Force, to be held in 2016.

41. In order for the successful continuation of international activities under Project Prism and Project Cohesion, up-to-date contact details of national focal points are critical for ensuring rapid and direct communication between the authorities concerned. **INCB therefore encourages all Governments to review the contact lists available on its secure website and ensure that the details of their Project Prism and Cohesion focal points are up to date. INCB also encourages active participation in operations conducted under Project Prism and Project Cohesion and follow-up on the action identified.**

Box 2

Minimum action for international cooperation under Project Prism and Project Cohesion

The authorities of all countries and territories should endeavour to nominate a focal point (or central national authority or designated authority) for Project Prism and/or Project Cohesion.

Existing contact details of focal points on the secure website of INCB should be reviewed to ensure that all information is correct and up to date; the Board should be notified immediately of any changes.

The focal point should be given the necessary authority to function as the sole entity in the country responsible for communicating with all other countries regarding Project Prism and/or Project Cohesion and should:

- Receive and process (or facilitate the processing of) information about licit precursor transactions and suspicious or illicit incidents involving precursors

- Actively gather and communicate information related to the national precursor situation and trends (using PICS where possible or applicable)
- Respond to requests from other focal points, INCB and other international organizations concerned regarding precursor-related matters and make available relevant data and documentation to support international investigations
- Ensure active participation of his or her country in relevant time-bound operations under Project Prism and Project Cohesion and, to that end, ensure coordination at the national level

¹⁴ The term “chloro(pseudo)ephedrine” is used to reflect the fact that the substance is typically a mixture of the diastereoisomeric forms of what are commonly known as chloroephedrine and chloropseudoephedrine.

2. Other international initiatives focusing on precursor control

42. A regional operation was conducted in October 2014 with the participation of the competent national authorities of Afghanistan, Iran (Islamic Republic of), Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan, Turkmenistan and Uzbekistan to identify and intercept smuggled shipments of acetic anhydride and certain non-scheduled chemicals suspected of being used in illicit heroin processing or of being used as a “cover load” for (i.e. to conceal) acetic anhydride. The results of the operation are currently being analysed and subsequent phases are being planned.

43. China, the Lao People’s Democratic Republic, Myanmar and Thailand continued to formalize their cooperation in the context of “Safe Mekong”, a joint operation aimed at addressing illicit drug production and distribution in the area of the upper Mekong and the Golden Triangle. During the second phase of the operation, in early 2015, more than 30 tons of unspecified chemicals were seized, along with various drugs and cutting agents, and a significant number of drug traffickers were arrested. Consideration is being given to the possibility of including Cambodia and Viet Nam in the operation.

44. INCB, in cooperation with the United Nations Office on Drugs and Crime (UNODC), organized an international conference entitled Precursor Chemicals and New Psychoactive Substances in Bangkok from 21 to 24 April 2015. The conference brought together some 200 participants from 37 countries and regional and international organizations to discuss the latest challenges relating to precursor control and new psychoactive substances, as well as approaches to collectively address those challenges at the global and regional levels. As a contribution to the special session of the General Assembly to be held in 2016, the conference adopted an outcome document on proposed measures against the misuse of scheduled and non-scheduled precursors and new psychoactive substances.

3. Precursors Incident Communication System

45. In March 2012, INCB launched PICS as a communication platform to allow relevant government authorities to share and acquire information, in real time, about individual precursor incidents (including seizures, shipments stopped in transit and illicit laboratories), with a view to alerting each other about emerging trends in precursor trafficking and the *modi operandi* of the

diversion of precursors and facilitating the launching of joint investigations.

46. As at 1 November 2015, the PICS user base had grown to more than 480 users, representing some 200 agencies in 94 countries and territories and 10 regional and international agencies (see map 2). Registration with PICS is cost-free, and PICS is easy for government authorities to access and use. The PICS online tool is now available in four languages: English, French, Russian and Spanish. Utilization of the PICS communication platform remains an essential measure for Governments to take as part of their efforts to ensure comprehensive precursor control. **INCB commends all Governments using PICS and encourages those Governments that have not yet registered as PICS users to nominate focal points for each of their relevant national authorities involved in precursor control, such as regulatory, law enforcement and specialized drug control agencies.**

47. Since the launch of PICS, more than 1,350 incidents, involving 84 different countries and territories, have been communicated. Incidents involving chemicals not under international control, including substances on the limited international special surveillance list of non-scheduled chemicals, as well as other non-scheduled chemicals, account for an increasing proportion of all incidents communicated via PICS and underline the value of PICS in helping to identify emerging trends. **INCB commends the sharing of information about individual precursor incidents, especially if the information is shared early, because it alerts authorities in other countries to relevant trafficking cases, *modi operandi* and emerging developments involving precursors, thus helping them to detect similar incidents in those countries, build up cases and be better prepared to address new trends.**¹⁵

¹⁵ Governments that have not yet registered their PICS focal points may request an account at pics@incb.org.

Box 3

Minimum action for sharing information about precursor incidents through the Precursors Incident Communication System

The authorities of all countries and territories should endeavour to nominate users for PICS. The users should include personnel from the widest possible range of national authorities concerned with precursor issues, who effect seizures, investigate diversions or attempted diversions of precursor chemicals, or who might otherwise be in a position to identify, suspend or stop suspicious shipments entering, transiting or leaving their territory. The users should therefore not be limited to focal points from regulatory authorities or central law enforcement agencies but should include staff from all the law enforcement agencies concerned (police, customs, military etc.) at all levels, such as those that need to communicate precursor incidents with, or receive information on seizures of precursors from, agencies worldwide.

Registered PICS users should communicate incidents in real time to alert other PICS users as early as possible about incidents, *modi operandi* and new trends and enable them to quickly cooperate or follow up at their

end. To the extent possible, users should avoid situations in which seizures are reported on the official website of the seizing authorities and not communicated through PICS at the same time.

Registered users should actively use PICS and communicate actionable information on precursor incidents, including incidents involving non-scheduled chemicals, and, where available, routing information (source, transit, destination), company information and any pictures of labels and relevant documentation.

Registered users from a country named in the incident as either the source country, a transit country or the country of destination should contact the incident owner in the country where the incident occurred to obtain further details on the nature and extent of his or her country's involvement and to exchange documents for the initiation or further pursuit of an investigation.

After the conclusion of an investigation, the information on the PICS incident concerned should be updated.

Map 2. Governments that have registered with and used the Precursors Incident Communication System (as at 1 November 2015)

