



INTERNATIONAL NARCOTICS CONTROL BOARD

2008

Report of the
**International Narcotics
Control Board**
on Follow-up to the
Twentieth Special Session
of the General Assembly



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Narcotic Drugs: Estimated World Requirements for 2009; Statistics for 2007 (E/INCB/2008/2)

Psychotropic Substances: Statistics for 2007; Assessments of Annual Medical and Scientific Requirements for Substances in Schedules II, III and IV of the Convention on Psychotropic Substances of 1971 (E/INCB/2008/3)

Precursors and Chemicals Frequently Used in the Illicit Manufacture of Narcotic Drugs and Psychotropic Substances: Report of the International Narcotics Control Board for 2008 on the Implementation of Article 12 of the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988 (E/INCB/2008/4)

The updated lists of substances under international control, comprising narcotic drugs, psychotropic substances and substances frequently used in the illicit manufacture of narcotic drugs and psychotropic substances, are contained in the latest editions of the annexes to the statistical forms (“Yellow List”, “Green List” and “Red List”), which are also issued by the Board.

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The text of the present report is also available on the website of the Board (www.incba.org).



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Foreword

The present report contains an outline of the actions that the International Narcotics Control Board has undertaken pursuant to the resolutions adopted by the General Assembly at its twentieth special session, in 1998.

Over the past 10 years, the commitment of individual Governments and the international community as a whole to addressing the world drug problem has increased significantly, as witnessed by the growing number of countries taking concrete steps to strengthen their national drug control capacity, including by acceding to and implementing the international drug control treaties. The international drug control system continues to develop and function effectively, contributing to the prevention of drug abuse. The effective implementation of the international drug control treaties and the relevant resolutions of the Economic and Social Council and the General Assembly have contributed to stopping, almost completely, the diversion of licitly manufactured drugs into the illicit market.

However, some challenges remain. Psychotropic substances, including amphetamine-type stimulants, could be controlled better. While hardly any such substances are currently being diverted from international trade, problems remain, as psychotropic substances continue to be diverted from domestic distribution channels. The abuse of prescription drugs also continues to be a problem, and the sale of such substances through the Internet still requires adequate responses from Governments worldwide.

With respect to precursor chemicals, progress has been made by Governments as a result of several international initiatives to prevent the diversion of precursor chemicals for use in the illicit manufacture of drugs. In particular, the system of pre-export notifications has greatly facilitated the detection of numerous diversion attempts. The implementation of that automated notification system, initiated by the Board in 2006, has further promoted the exchange of information on international trade in precursors. An approach towards more universal international cooperation in precursor control has been widely endorsed by individual Governments and the international community as a whole.

As shown in this report, the goals that the General Assembly set in 1998 continue to be equally relevant and important in 2008 as they were then. In addition, new challenges to international drug control have surfaced, meaning more must be done to meet those goals. The Board makes a number of recommendations designed to strengthen coordination and cooperation at the national and international levels. Governments and the international community are called upon to continue, in the years to come, their efforts to achieve the goals set by the General Assembly at its twentieth special session.

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Explanatory notes

The following abbreviations have been used in this report:

ATS	Amphetamine-type stimulants
INTERPOL	International Criminal Police Organization
3,4-MDP-2-P	3,4-methylenedioxyphenyl-2-propanone
P-2-P	1-phenyl-2-propanone
PEN Online	Pre-Export Notification Online
UNODC	United Nations Office on Drugs and Crime
WHO	World Health Organization

I. Introduction

1. The General Assembly at its twentieth special session, in 1998, adopted resolutions aimed at significantly reducing the world drug problem by 2008. The resolutions on the Action Plan against Illicit Manufacture, Trafficking and Abuse of Amphetamine-type Stimulants and Their Precursors (Assembly resolution S-20/4 A) and on the measures to control precursors (Assembly resolution S-20/4 B) contain references to the International Narcotics Control Board, which has responsibilities under the international drug control treaties: the Single Convention on Narcotic Drugs of 1961 as amended by the 1972 Protocol,¹ the Convention on Psychotropic Substances of 1971² and the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988.³

2. Pursuant to the Action Plan, international and regional bodies should continue to advocate implementation of the extensive framework of the international drug control treaties, as well as resolutions or decisions addressing various aspects of the problem of amphetamine-type stimulants (ATS) adopted by the Economic and Social Council, the Commission on Narcotic Drugs and the Board. International bodies such as the United Nations International Drug Control Programme (now called the United Nations Office on Drugs and Crime (UNODC)), the Board and the World Health Organization (WHO) should strengthen their work on the technical and scientific dimensions of the problem of ATS and disseminate the results in regular publications for States and the general public.

3. Pursuant to the measures to control precursors (General Assembly resolution S-20/B), States should review regularly and take appropriate steps to strengthen existing precursor controls should any weaknesses be identified, giving full consideration to the related recommendations of the Board as contained in the annual reports of the Board on the implementation of article 12 of the 1988 Convention. Further, States should submit timely reports to the Board on national regulations adopted to control the export, import and transit of precursors; States should improve their mechanisms and procedures for monitoring trade in precursors, including through the exchange of information between exporting, importing and transit States and, with the Board, on suspicious transactions involving precursors; and States should cooperate with the Board in the preparation of a limited international special surveillance list of substances currently not in Table I and Table II of the 1988 Convention.

4. In its resolution 62/176 of 18 December 2007, the General Assembly encouraged the Board to continue its useful work on the control of precursors and other chemicals used in the illicit manufacture of narcotic drugs and psychotropic substances.

5. In the decade following the twentieth special session of the General Assembly, Governments have increased their efforts to deal more effectively with the world drug problem. The Board, an independent and quasi-judicial body that monitors the implementation of the international drug control treaties, has played an important role in assisting Governments in that endeavour.

¹ United Nations, *Treaty Series*, vol. 976, No. 14152.

² *Ibid.*, vol. 1019, No. 14956.

³ *Ibid.*, vol. 1582, No. 27627.

6. The present report has been prepared by the Board in response to the resolutions adopted by the General Assembly at its twentieth special session. It contains the major findings of the Board with respect to the implementation of the tasks assigned to it in the Action Plan and issues that were dealt with by the Assembly but not addressed to the Board. In its assessment of the progress made in those areas, the Board has emphasized the implementation by Governments of the international drug control treaties and the relevant resolutions of the Assembly, the Economic and Social Council and the Commission on Narcotic Drugs, as well as the implementation of the recommendations of the Board on issues related to the control of ATS and precursors.

II. Responses of the International Narcotics Control Board to resolutions adopted by the General Assembly at its twentieth special session

7. In response to the resolutions adopted by the General Assembly at its twentieth special session, the Board has taken a series of actions to counter the illicit manufacture of, trafficking in and abuse of ATS and to strengthen the control of precursors. Such actions have been based on its regular evaluation of the progress made by Governments in the implementation of the provisions of the international drug control treaties, in particular the provisions contained in the 1971 Convention and article 12 of the 1988 Convention.

8. The Board has continued to monitor closely the consumption of stimulants, including ATS, in various countries, in order to identify trends that may lead to the abuse of those substances and has maintained an ongoing dialogue with the Governments concerned. The Board has also made a number of general and specific recommendations on how to strengthen precursor control that have been published in its annual reports and in its reports on the implementation of article 12 of the 1988 Convention.

9. In 2004, following a midterm review of the progress made on the implementation of the Action Plan, the Board established a working group with a specific mandate to follow up on the outcome of the twentieth special session of the General Assembly. Based on its ongoing evaluation, the working group identified areas requiring further progress, on the basis of which the Board made specific recommendations with regard to Government accession to and implementation of the international drug control treaties.

10. In 2007, the Board carried out a survey to review the worldwide implementation of the international drug control treaties, inviting all States and territories to complete a questionnaire designed by the Board for that purpose. The survey was aimed at evaluating the efforts made by Governments to implement the provisions of the international drug control treaties, identifying weaknesses and loopholes in drug control at the national and international levels and providing recommendations on national and international drug control regimes.

11. Further, pursuant to Commission on Narcotic Drugs resolution 51/4, the Board has been actively involved in the preparations for the high-level segment of the fifty-second session of the Commission relating to the follow-up to the twentieth

special session of the General Assembly. The Board has participated in and contributed substantively to the meetings of five open-ended intergovernmental expert working groups. In particular, the Board has provided those working groups with discussion notes on the following five topics: (a) supply reduction (see annex I); (b) countering money-laundering and promoting judicial cooperation (see annex II); (c) international cooperation on the eradication of illicit drug crops and on alternative development (see annex III); (d) drug demand reduction (see annex IV); and (e) control of precursors and amphetamine-type stimulants (see annex V). Those discussion notes summarize the Board's positions on the respective issues.

III. Achievements

12. In its resolution S-20/4 B, the General Assembly identified action to be taken by Governments in various areas, including with regard to measures to prevent the trafficking in and the illicit manufacture, distribution, diversion and abuse of ATS and their precursors; international cooperation in precursor control; and the control of substitute chemicals. The Board, bearing in mind its mandate under the international drug control treaties, has worked closely with Governments to prevent the diversion of licitly manufactured psychotropic substances, including ATS, and their precursors into illicit channels and has further strengthened international cooperation in precursor control. The achievements presented in this section truly reflect Governments' efforts and progress made in the implementation of the resolutions adopted by the Assembly at its twentieth special session.

A. Addressing the problem of amphetamine-type stimulants

13. The abuse of ATS, which was a relatively new phenomenon in many countries in 1998, was one of the main topics addressed by the General Assembly at its twentieth special session, as it was deemed to be a problem requiring concerted and urgent action by individual Governments and the international community as a whole. In the Action Plan against Illicit Manufacture, Trafficking and Abuse of Amphetamine-type Stimulants and Their Precursors, the following actions were identified as important: raising awareness, reducing demand, providing accurate information, limiting supply and strengthening the control system.

14. In response to the request made by the General Assembly for work on ATS to continue, the Board has collected and analysed information on the abuse of ATS, disseminated such information through its annual reports and approached Governments when remedial action has been necessary.

1. Preventing the diversion of amphetamine-type stimulants from international trade

15. ATS are controlled under the 1971 Convention. Schedules I and II of the 1971 Convention contain the psychotropic substances that are most likely to be abused. Stringent control measures are applied to those substances, including a mandatory import and export authorization system for international trade in those substances. The control measures for substances in Schedules I and II have

effectively prevented the diversion of those substances. However, as similar control systems were not put in place for substances in Schedules III and IV, those substances continued to be diverted from licit international trade in the 1980s, even after the adoption of the 1971 Convention.

16. In order to prevent substances in Schedules III and IV of the 1971 Convention, including ATS, from being diverted, the Board has continued to encourage Governments to implement additional control measures, such as an import and export authorization system and a system for assessing annual requirements throughout the decade following the twentieth special session of the General Assembly.

17. Pursuant to the recommendations of the Board and the relevant resolutions of the Economic and Social Council, most Governments have voluntarily extended the scope of the system of import and export authorizations to include substances in Schedules III and IV of the 1971 Convention. Since 1998, 25 additional Governments have established an import and export authorization system for all substances in Schedules III and IV. As at 1 November 2007, some 160 countries had legislation requiring import and export authorizations for all substances in Schedules III and IV. The Board urges all Governments to apply the system of import and export authorizations to all psychotropic substances in Schedules III and IV, in accordance with the relevant resolutions of the Council.

18. Progress has also been made in the implementation of a system for assessing psychotropic substances. Since 1998, 23 Governments have, for the first time, established assessments for psychotropic substances. In addition, nine Governments which had previously provided assessments for a limited number of psychotropic substances have established assessments for all scheduled psychotropic substances. Since 1 November 2008, assessments of the legitimate requirements of all countries and territories for psychotropic substances in Schedules III and IV of the 1971 Convention have been made available.

19. The establishment of both a system of import and export authorization and a system of assessments has enabled Governments to increasingly prevent the diversion of ATS from licit international trade. Almost all attempted diversions of ATS from international trade have been discovered, and the few diversion attempts that have been successful have involved only minor quantities of ATS.

2. Measures to prevent the diversion of amphetamine-type stimulants from domestic distribution channels

20. The Board has also taken action to assist Governments in preventing the diversion of licitly manufactured drugs from domestic distribution channels. In that context, the Board has closely monitored global consumption of ATS with a view to identifying unusually high levels of such consumption. In its annual report for 2000,⁴ the Board underlined that overmedication and abuse might be behind the high consumption levels of psychotropic substances in Europe and the Americas. The Board raised the issue with the Governments concerned; the measures taken by

⁴ *Report of the International Narcotics Control Board for 2000* (United Nations publication, Sales No. E.01.XI.1), chap. I.

some of the most affected countries, including educational campaigns for the medical and pharmaceutical professions, have yielded positive results.

21. Furthermore, in accordance with article 10 of the 1971 Convention, which requires parties to prohibit the advertising of psychotropic substances to the general public, the Board raised the issue of manufacturers of ATS publicly promoting the use of their products. In 2005, the Board welcomed the decision by one Government to ban the direct-to-consumer advertising of prescription drugs, including medicines containing controlled substances. That decision, which was based on the advice of health-care professionals and consumer groups, showed that progress could be made in that area, constitutional constraints notwithstanding. The Board urges Governments concerned to take necessary steps to ensure that article 10 of the 1971 Convention is adequately implemented.

22. Based on the responses to the 2007 survey of the Board on the implementation of the international drug control treaties (see paragraph 10 above), most countries have strengthened national legislation on the control of ATS and their precursor chemicals. Some countries have also adopted comprehensive measures to deal with ATS abuse through demand reduction programmes.

23. Despite the progress that has been made, significant challenges remain in ensuring the adequate control of ATS. Reports on seizures and abuse of psychotropic substances, submitted by various countries since 1998, have indicated that the diversion of pharmaceutical preparations containing controlled substances, including ATS, from licit domestic distribution channels is becoming an increasingly significant source for illicit drug suppliers. Some national authorities and large segments of the population continue to be unaware of the dangers of ATS abuse, including pharmaceutical preparations. Inappropriate promotion and prescription continue, facilitating the excessive availability of ATS on licit markets, which may lead to diversion and abuse. In some countries, law enforcement authorities or the judiciary are not able to sanction illicit activities involving ATS. In particular, the sale of preparations containing controlled substances, including ATS, through the Internet poses new threats that must be dealt with by concerted measures at the national and international levels.

24. In addition, new substances that are currently not under international or national control and that can therefore be easily obtained from licit distribution channels or trafficked without fear of sanctions are emerging as substances of abuse. Examples of such substances include piperazine-derived compounds and designer drugs created by slightly changing the molecular structure of ATS under international control. The Internet is being used for sharing information on those substances and for trafficking in those substances.

3. Internet

25. In the Action Plan against Illicit Manufacture, Trafficking and Abuse of Amphetamine-type Stimulants and Their Precursors, the General Assembly recognized that the use of the Internet presented new opportunities and challenges in addressing drug abuse. The Board has placed the issue of the illicit drug trade through the Internet high on its agenda and has presented an in-depth analysis of the

issue in the *Report of the International Narcotics Control Board for 2001*,⁵ as well as in its reports for 2004,⁶ 2005⁷ and 2006.⁸ The Board organized two expert group meetings on the illicit sale of controlled drugs through the Internet and the smuggling of such drugs by mail. As a direct result of those meetings, in July 2005, the Board requested all Governments to identify focal points for activities on illegally operating Internet pharmacies. The Board also collected data from Governments on national legislation related to Internet services and websites, national cooperation mechanisms and practical experience in the control and investigation of illegal Internet pharmacies. That information showed that only a limited number of States had adopted specific legal measures to prevent such misuse of the Internet. The Board calls on Governments to take steps to adopt new legislation to counteract this form of illicit trade. Governments are invited to fully cooperate with other Governments in investigations and to increase the awareness of law enforcement, regulatory and drug control authorities regarding the need to take action against illegally operating Internet pharmacies.

26. In order to assist national authorities in formulating national legislation and policies in that area, the Board decided to develop guidelines on matters related to Internet pharmacies. The *Guidelines for Governments on Preventing the Illegal Sale of Internationally Controlled Substances through the Internet*⁹ include recommendations for actions to be taken at the national and international levels, addressing legislative and regulatory provisions, general measures and national and international cooperation. The guidelines reflect the experience accumulated by the Board over the past five years and information provided by experts and gathered through communications with Governments and international organizations knowledgeable in the field.

B. Control of precursors

1. Measures to prevent the illicit manufacture, import, export, trafficking and distribution of precursors used in the illicit manufacture of narcotic drugs and psychotropic substances

(a) Legislation and national control systems

27. In the Political Declaration adopted by the General Assembly at its twentieth special session (resolution S-20/2, annex), the Assembly urged Governments to adopt and implement the national laws and regulations necessary for complying with article 12 of the 1988 Convention. An increased number of States and territories have adopted legislation on precursor control, bringing the total to 80 on 1 November 2008. However, some of those Governments have still not implemented measures to criminalize the unlawful conduct of individuals and companies in

⁵ United Nations publication, Sales No. E.02.XI.1.

⁶ *Report of the International Narcotics Control Board for 2004* (United Nations publication, Sales No. E.05.XI.1).

⁷ *Report of the International Narcotics Control Board for 2005* (United Nations publication, Sales No. E.06.XI.2).

⁸ *Report of the International Narcotics Control Board for 2006* (United Nations publication, Sales No. E.07.XI.11).

⁹ To be subsequently issued as a United Nations publication.

connection with the diversion of precursors. The Board urges all Governments, in accordance with the Political Declaration, to report to the Board, in a regular and timely manner, on the adoption of, or changes to, national regulations to control precursors.

(b) Information exchange

28. Acting on recommendations of the Board contained in its yearly reports on the implementation of article 12 of the 1988 Convention, Governments have achieved considerable results in establishing and improving mechanisms and procedures for monitoring trade in precursors, thus fulfilling one of the important aims of the Political Declaration. For example, the Governments of 74 countries have requested pre-export notifications in accordance with article 12 of the 1988 Convention.

Pre-export notifications

29. Pre-export notifications remain the most effective means of rapidly verifying the legitimacy of individual transactions. Both the number of Governments that regularly send pre-export notifications and the number of Governments that have formally requested to receive pre-export notices pursuant to article 12, paragraph 10 (a), of the 1988 Convention have increased. As at 1 November 2008, 45 countries and two territories had invoked that provision, thus making the sending of such pre-export notifications mandatory. Combined with the 27 States members of the European Union, a total of 74 Governments have made use of that provision (compared with 7 Governments in 1998). As a result, it has been possible to verify the legitimacy of individual transactions on a real-time basis and to identify and stop numerous suspicious shipments, thus preventing the diversion of controlled chemicals into illicit channels.

30. In March 2006, the Board launched Pre-Export Notification Online (PEN Online), an automated online system for the exchange of pre-export notifications. As at 1 November 2008, 96 States and territories, including most major exporting countries, had access to PEN Online. Since the introduction of the system, over 16,000 pre-export notifications have been sent to a total of 169 States and territories using PEN Online. PEN Online has served as the main channel of communication for the quick exchange of information on shipments, helping to prevent diversion or attempted diversion of precursor chemicals and leading to stopped or suspended shipments in international trade.

31. In addition, the PEN Online system has reduced unnecessary delays in legitimate trade, because importing countries can use it to provide timely responses to exporting authorities on the legitimacy of the transaction. Because the system represents a major development in the exchange of information through pre-export notifications, the Board urges the Governments of all importing and exporting countries that have not yet done so to register with and utilize PEN Online.

Annual legitimate requirements for substances frequently used in the manufacture of amphetamine-type stimulants

32. An important element of the Political Declaration was the implementation, by national authorities, of mechanisms to verify the legitimacy of transactions before they take place, including the exchange of information on the legitimate domestic

need for the chemical. The Board is pleased to note the significant progress made in that regard. In its resolution 49/3, entitled “Strengthening systems for the control of precursor chemicals used in the manufacture of synthetic drugs”, the Commission on Narcotic Drugs requested Member States to provide to the Board with annual estimates of their legitimate requirements for 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 that could be easily used or recovered by readily applicable means. Accordingly, a total of 80 States and territories submitted such estimates, for the first time, in 2006. And in 2008, a total of 110 States and territories submitted estimates. The information received from Governments on the legitimate requirements for precursor chemicals is published annually by the Board in its technical report on the implementation of article 12 of the 1988 Convention, and updated information is posted regularly on its website (<http://www.incb.org>).

33. The precursor estimates are a useful and practical tool in the overall framework for precursor control. The estimates provide the competent authorities of exporting countries with basic information regarding the legitimate requirements of importing countries, thus preventing diversion attempts. The Board encourages all Governments to submit the requested information on their estimated annual legitimate requirements, to regularly review their requirements and to inform the Board of any amendments.

(c) Data collection

34. In accordance with the resolutions adopted by the General Assembly at its twentieth special session, the Board has established mechanisms for obtaining and sharing data on the licit movement and uses of scheduled precursor chemicals. The provision of such data is voluntary and is intended to assist Governments in identifying suspicious transactions. The availability of information on licit uses also facilitates licit trade, because it expedites the issuance of import and export authorizations.

35. A total of 96 Governments submitted data for 2007 on the licit movement of precursors, and 81 Governments furnished information on the licit uses of and legitimate requirements for such substances. The majority of States and territories submitting reports to the Board are currently able to provide data on the licit movement of at least some precursor chemicals.

2. Towards more universal cooperation in precursor control

36. Pursuant to General Assembly resolution S-20/4 B, States should institutionalize procedures to facilitate the exchange of information on suspicious transactions, promote multilateral arrangements for the exchange of essential information for the monitoring of international trade in precursors and disseminate more systematic information on the ways and means used by criminal organizations for trafficking in and diverting precursors. Over the past 10 years, the initiatives of the Board in that regard have led to significant results, as described below.

(a) **International initiatives for precursor control**

37. The Board has assisted in launching several international initiatives against the diversion of chemicals: Operation Purple (1999-2005), Operation Topaz (2001-2005), Project Prism (since 2002) and Project Cohesion (since 2005). Those initiatives have led to a significant increase in the number of cases in which attempts to divert precursors from international trade into illicit channels were identified and prevented.

Operation Purple and Operation Topaz

38. Operation Purple, which started in 1999, utilized an intensive international programme for tracking individual shipments in international trade in order to prevent diversions of potassium permanganate, an important chemical used in the illicit manufacture of cocaine. Operation Topaz, launched in 2001, targeted acetic anhydride, a key chemical in illicit heroin manufacture, focusing not only on the international tracking of licit shipments, but also on backtracking investigations carried out by law enforcement authorities starting at the point of seizure or some other point of interception of the smuggled substance.

39. Through the activities carried out under those international initiatives, information has been made available on the patterns, diversity and extent of licit international trade in those precursor chemicals that otherwise would not have been known. Through the information exchange networks that have been established, attempts to divert those substances into illicit channels are being uncovered and diversions are being prevented. Through backtracking investigations, which start with seizures or other interceptions, it is becoming possible to locate and uncover the missing links between the diversion of precursor chemicals from international and domestic licit channels and the smuggling of those substances to areas of illicit drug manufacture.

40. In 2000, global seizures of acetic anhydride totalled 87 tons. In 2001, the first year of Operation Topaz, global seizures of the substance almost doubled, amounting to 169 tons. Those seizures then gradually declined, reaching 21 tons in 2005. The low number of suspicious shipments identified in international trade is an indication that controls over the international movement of the substance have been effective and that traffickers have found ways to divert the substance at the domestic level. It is believed, for example, that acetic anhydride is mainly diverted from domestic distribution channels. The Board therefore urges Governments to strengthen controls over the movement of chemicals within their territory.

41. In 2006, the Board conducted an evaluation of the achievements of those international initiatives and concluded that successes had been achieved. At the combined meeting of the steering committees of Operation Purple and Operation Topaz, it was decided to launch a new phase of the combined operations, called Project Cohesion.

Project Cohesion

42. Project Cohesion is a global initiative aimed at assisting countries in addressing the diversion of acetic anhydride and potassium permanganate by providing a platform for launching time-bound regional operations. The project focuses on time-limited regional activities and provides for the exchange of

real-time information, backtracking investigations and regular evaluation of activities. Thus, investigations into seizures and stopped shipments can be coordinated and licit trade can be monitored. The Project Cohesion Task Force directs the project, in which authorities from 82 countries and areas are currently participating. Since 2007, concerted efforts by Governments have brought about results in preventing the diversion of and trafficking in acetic anhydride and other substances used in the illicit manufacture of heroin.

43. The Board will continue to urge members of the Project Cohesion Task Force to consider launching necessary activities in other regions. In particular, given the large seizures of potassium permanganate currently being reported, the Board encourages authorities in the Americas to devise strategies to address the trafficking in that substance. The Board stands ready to assist such activities within the scope of its treaty mandates.

44. With the success achieved in the monitoring of international trade in scheduled chemicals, diversion from domestic distribution channels and smuggling across borders have become common methods of obtaining precursor chemicals for use in clandestine laboratories. Therefore, the Board urges Governments to adequately monitor the licit manufacture and distribution of chemicals used in the illicit manufacture of drugs, in accordance with article 12, paragraph 8, of the 1988 Convention.

Project Prism

45. Project Prism focuses on the five main precursors used in the illicit manufacture of ATS. The members of the Project Prism Task Force represent the major geographical regions (Australia, China, the Netherlands, South Africa and the United States of America) and competent international bodies (the European Commission, the International Criminal Police Organization (INTERPOL) and the World Customs Organization). Under the project, a total of 126 countries have established authorities responsible for the collection and dissemination of information related to the diversion of precursors and suspicious shipments at the national and international levels and for the coordination of activities carried out as part of the project. The Board, through its secretariat, serves as focal point for the exchange of information, such as alerts on trends in diversion. The activities of Project Prism have assisted Governments and the Board in identifying and addressing new trends, such as the diversion of precursors from Africa, Central America, South Asia and West Asia, shipments of ephedra from East Asia to the Americas and Europe and the smuggling of pharmaceutical preparations into and within Africa, Central America, South America and West Asia.

46. In 2007, the Project Prism Task Force launched Operation Crystal Flow, which targeted the licit trade in ephedrine, pseudoephedrine and ephedra shipments destined for Africa, the Americas and West Asia. The operation took place from 1 January to 30 June 2007, was supported by 65 countries and made use of pre-export notifications for ephedrine, pseudoephedrine and ephedra, as well as pharmaceutical preparations containing those substances, sent through PEN Online.

47. Importing and exporting countries participating in Operation Crystal Flow brought to the attention of the Board shipments totalling over 120 tons (17,800 kg of ephedrine and 103,595 kg of pseudoephedrine) suspected of being destined for

the illicit manufacture of methamphetamine. During the operation, participating countries verified the legitimacy of importers and end-users and identified suspicious transactions. When evidence of such suspicious transactions was found, data were provided to the Task Force members in the region concerned with the aim of launching backtracking investigations into seizures and stopped shipments. Wherever possible, controlled deliveries were organized. The secretariat of the Board served as the global focal point for the exchange of information. The monitoring of 1,400 individual shipments of ephedrine and pseudoephedrine led to the identification of 35 suspicious transactions and prevented the diversion of a total of 52 tons of those substances, a quantity sufficient to manufacture 48 tons of methamphetamine (9.6 billion doses).

48. Activities carried out as part of Project Prism provided evidence that traffickers are attempting to obtain large amounts of pharmaceutical preparations containing ephedrine and pseudoephedrine. The Board reiterates its recommendation to all Governments to control pharmaceutical preparations containing scheduled substances in the same way as they control scheduled substances.

3. Substitute chemicals

49. As underlined in the resolutions adopted by the General Assembly at its twentieth special session, information on non-scheduled chemicals is crucial because it enables Governments and the Board to identify new trends in illicit drug manufacture and trafficking in precursors. Because the monitoring of precursors has been strengthened, trafficking organizations are seeking out non-scheduled substances, including derivatives specially designed to circumvent existing controls. The Board invites Governments to use the updated limited international special surveillance list of non-scheduled substances, which was provided to all competent authorities in June 2007. It also invites Governments to put in place mechanisms for alerting them to suspicious transactions involving such substances and to provide the Board with detailed information on any seizures of non-scheduled precursors.

50. In response to emerging trends in illicit trafficking and pursuant to the proposals of the Board, the Commission on Narcotic Drugs assessed and scheduled phenylpropanolamine, which is used in the illicit manufacture of ATS; and transferred from Table II to Table I of the 1988 Convention acetic anhydride and potassium permanganate, two key chemicals used in the manufacture of heroin and cocaine, respectively. The Board is currently conducting an assessment of phenylacetic acid with a view to possibly recommending the transfer of the substance from Table II to Table I.

IV. Other specific tasks related to the twentieth special session of the General Assembly undertaken by the Board

51. The mandate of the International Narcotics Control Board under the international drug control treaties, and the very essence of its work, is to evaluate treaty implementation based on the examination and analysis of information available to it and based on its own continuous evaluation of efforts by Governments.

52. In furthering the aims of the international drug control treaties, the Board has also undertaken tasks that are not directly addressed to the Board by the resolutions adopted by the General Assembly at its twentieth special session, but are important to ensure full implementation of those treaties. Those tasks relate to, among other things, accession to the international drug control treaties, measures for demand reduction and measures against drug trafficking through the Internet and mail services.

A. Universal accession to the international drug control treaties

53. In advocating implementation of the three international drug control treaties, the Board has maintained an ongoing dialogue with the Governments concerned, calling upon States that have not yet done so to become parties to and fully implement the treaties. Such efforts have been further strengthened since 1998 by means of various methods, the issue of accession by States being placed high on the agenda of the Board.

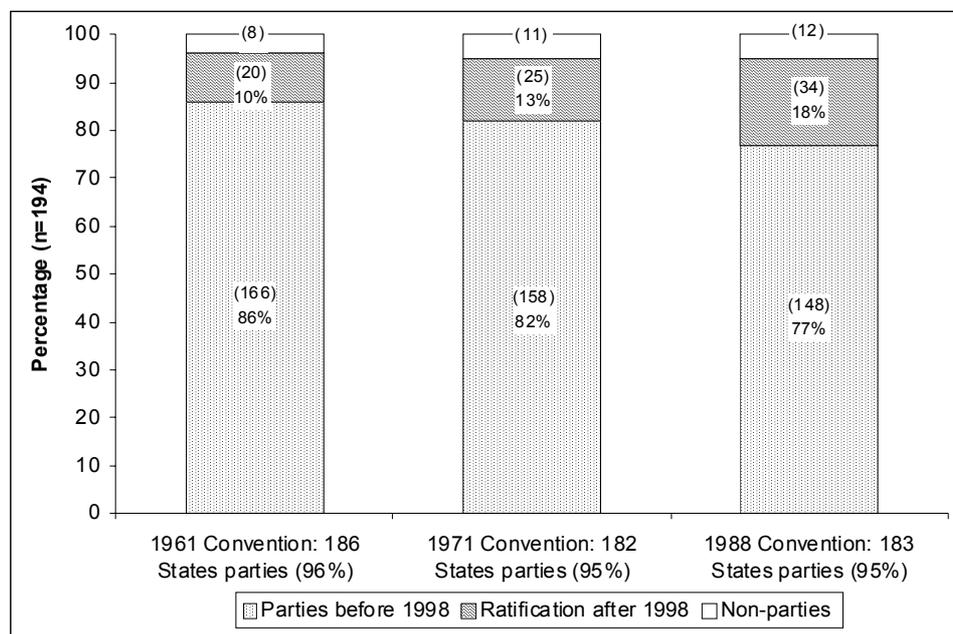
54. Following the decision taken at its sixty-sixth session, in May 1999, the Board developed a strategy aimed at promoting accession by Governments to the international drug control treaties. As a first step, 10 States were approached in view of the fact that they were not yet parties to one or more of the treaties but had an important role to play in drug control. The strategy listed a series of tools to be used, including sending people on missions to countries, addressing the issue in meetings with Government officials and sending letters to national authorities enquiring about the reasons for the delay of accession. Subsequently, all 10 States became parties to all three of the treaties.

55. In June 2005, the President of the Board sent a letter to all States that had yet to accede to one or more of the international drug control treaties, urging them to take substantive steps to ensure their accession to the treaties at the earliest opportunity. In addition, during the substantive session of the Economic and Social Council, held in New York from 29 June to 27 July 2005, the President of the Board met with the permanent representatives of the States concerned with a view to promoting the adherence of those States to the treaties. Furthermore, the Board, while planning its country missions, has placed high on its agenda the issue of treaty adherence. The Board has also recommended that UNODC provide legal assistance to States, upon request.

56. The efforts of the Board have contributed to considerable progress towards universal accession to the international drug control treaties. As shown in figure I, since 1998, an additional 20 States have acceded to the Single Convention on Narcotic Drugs of 1961¹⁰ (or that Convention as amended by the 1972 Protocol), an additional 25 States have acceded to the 1971 Convention and an additional 34 States have acceded to the 1988 Convention. As at 1 November 2008, the number of States parties to the 1961 Convention or to that Convention as amended had reached 186 (in other words, 96 per cent of all States). As at 1 November 2008, there were 183 States parties to the 1971 Convention (95 per cent of all States) and 182 States parties to the 1988 Convention (95 per cent of all States).

¹⁰ United Nations, *Treaty Series*, vol. 520, No. 7515.

Figure I
Status of ratification by States of the international drug control treaties



Note: The absolute number of States and territories (194) is displayed in parentheses; percentages have been rounded off.

57. That almost universal accession to the international drug control treaties demonstrates the commitment by Governments to complying with the treaties and to addressing the world drug problem in a concerted manner. The Board notes, however, that 50 per cent of the States not parties to the conventions are in Oceania, despite the efforts of the Board in that region over the past 10 years.

B. Increasing national capacity for drug control

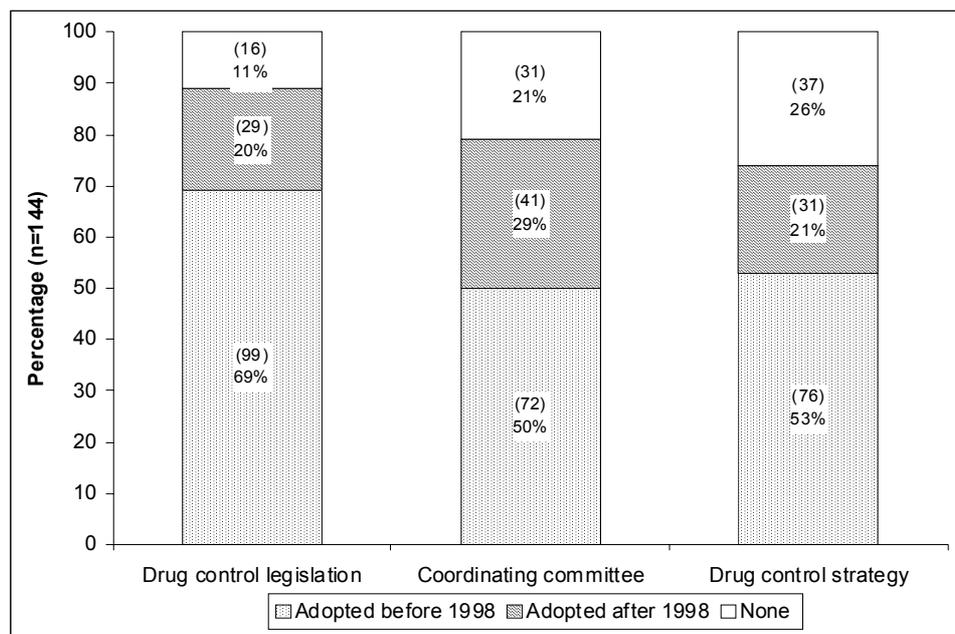
58. The prerequisites for effective practical measures and international assistance in the field of drug control are adequate drug control legislation, a functioning national drug control body and an up-to-date and balanced drug control strategy. A country cannot effectively participate in concerted, worldwide drug control activities if it lacks those elements.

59. As noted above, as part of the evaluation of progress made in drug control since the twentieth special session of the General Assembly, the Board conducted in 2007 a review of overall treaty compliance by all States and territories. A total of 144 States and territories (67 per cent) responded to the questionnaire.

60. The findings of the review indicated that an increased number of States and territories have taken concrete steps towards building capacity for the implementation of the international drug control treaties. Since 1998, an additional 29 States and territories have adopted comprehensive drug control legislation, 41 have established a coordinating committee and 31 have developed a drug control

strategy (figure II). A total of 128 States and territories (89 per cent of those responding) have comprehensive drug control legislation in place, 113 States and territories (78 per cent of those responding) have set up a coordinating committee on drug control and 107 States and territories (74 per cent of those responding) have developed and implemented drug control strategies. A better understanding of drug-related problems has reinforced coordination at the national level and cooperation between different professional and national authorities.

Figure II
Capacity-building in national drug control



Note: The number of States and territories (144) is displayed in parentheses; percentages have been rounded off.

C. Promoting availability of opiates for medical needs

61. Pursuant to the aims of the international drug control treaties, the Board has made continuous efforts to ensure that narcotic drugs, opiates in particular, are available for medical and scientific purposes. In 1996, the Board, in cooperation with WHO, issued a special report entitled *Availability of Opiates for Medical Needs*.¹¹ The report contained various recommendations for consideration by Governments, the United Nations International Drug Control Programme (now UNODC), the Commission on Narcotic Drugs, WHO, international and regional drug control, health and humanitarian organizations, educational institutions and non-governmental health-care organizations and other health-care representatives, all of whom were encouraged to promote the adequate availability of opiates for the treatment of pain, particularly that related to cancer.

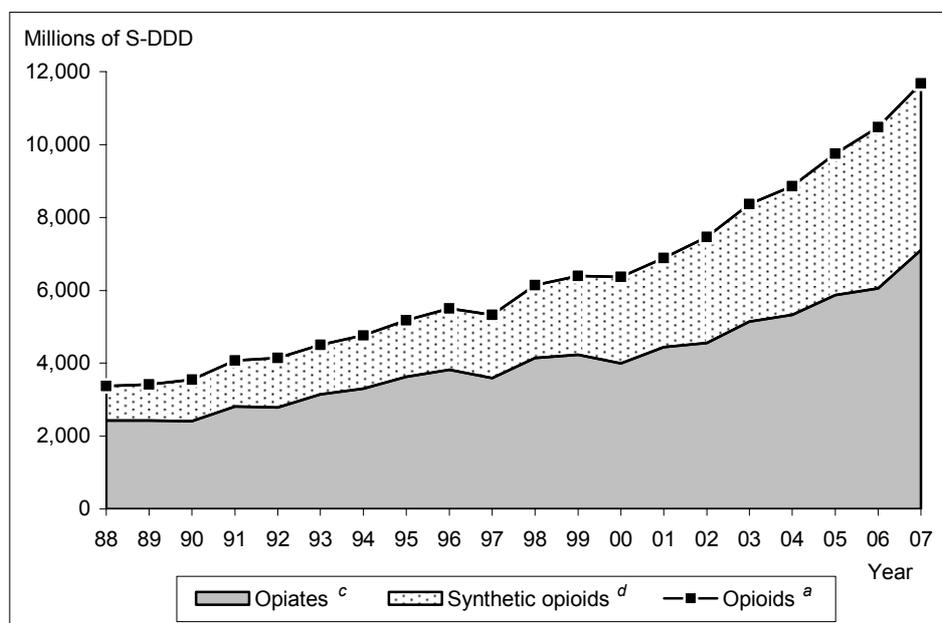
¹¹ United Nations publication, Sales No. E.96.XI.6.

62. In its annual report, the Board has consistently addressed the issue of making opiates available for medical needs, urging Governments to critically examine their methods of assessing domestic medical needs for opiates and to take the steps necessary to remove impediments to the adequate availability of those drugs for medical and scientific purposes. As a result, global consumption of opioid analgesics for the treatment of moderate to severe pain, expressed in defined daily doses for statistical purposes, increased by more than 2.5 times during the past decade. This is largely the result of efforts by Governments, WHO and health professionals to improve the relief of pain due to cancer.

63. A review of trends in global consumption of opiates and synthetic opioids for the 20-year period 1988-2007 (see figure III) indicates that the consumption of opiates increased steadily, almost tripling after 1987. The consumption of synthetic opioids almost quadrupled during that same period. The increase occurred mainly in countries in Europe and North America, which together accounted for about 89 per cent of global morphine consumption in 2007, for example.

Figure III

Global consumption of opioids,^a in millions of defined daily doses for statistical purposes,^b 1988-2007



^a Opioids: opiates and synthetic opioids.

^b The statistical defined daily doses for statistical purposes (S-DDD) are technical units of measurement for the purpose of statistical analysis and are not recommended prescription doses.

^c Including buprenorphine, an opiate under the control of the Convention on Psychotropic Substances of 1971.

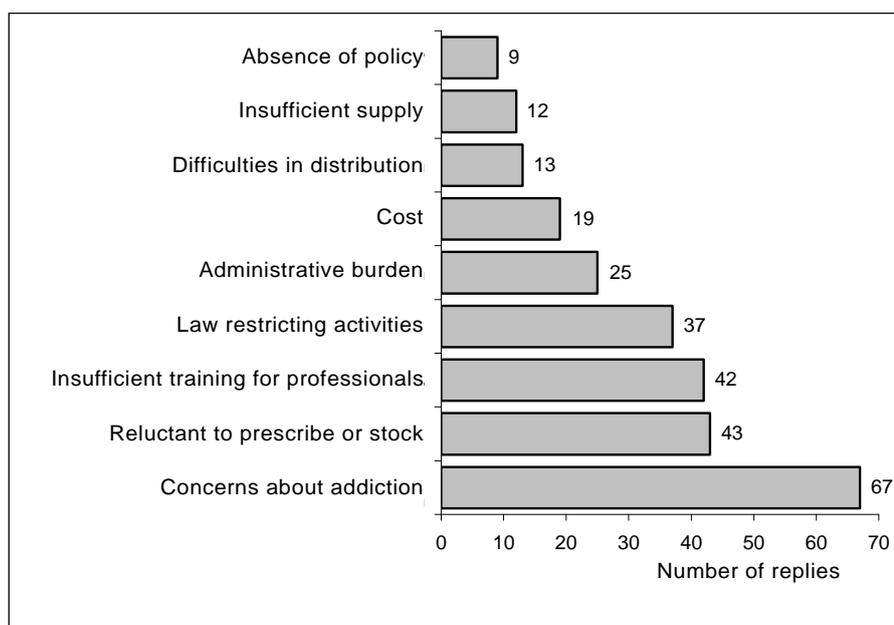
^d Including pentazocine, a synthetic opioid under the control of the Convention on Psychotropic Substances of 1971.

64. The results of the 2007 survey reveal that concern about addiction is the factor that has the greatest impact on the availability of opioids for medical needs (see figure IV). Other factors, such as reluctance to prescribe or stock opioids,

insufficient training of health-care professionals and the existence of restrictive laws, also play an important role. While concern about addiction is the most influential factor in all regions, the existence of restrictive laws and regulations appear to play a significant role in Asia, and in countries in the Americas reluctance to prescribe or stock those medications is seen as having a greater impact on the availability of opioids than other factors.

Figure IV

Main factors affecting the availability of opioids for medical needs



Note: The results shown in the figure are based on replies submitted by countries and territories (n=144) responding to a specific multiple-choice question. The countries and territories could choose one or more factors contained in that question.

D. Strengthening efforts in reducing demand for illicit drugs

65. Demand reduction is a core component of the international drug control treaties. Pursuant to article 38 of the 1961 Convention as amended by the 1972 Protocol and article 20 of the 1971 Convention, parties are required to take all practicable measures for the prevention of abuse of narcotic drugs and psychotropic substances and for the early identification, treatment, education, aftercare, rehabilitation and social reintegration of the persons involved. According to article 14, paragraph 4, of the 1988 Convention, parties are required to adopt appropriate measures aimed at eliminating or reducing illicit demand for narcotic drugs and psychotropic substances, with a view to reducing human suffering and eliminating financial incentives for illicit traffic.

66. The objectives of demand reduction programmes are to prevent and reduce the abuse of drugs, treat the addicted and reduce the adverse consequences of drug abuse. Demand reduction programmes provide for and encourage the active participation of the general public and target those at particular risk, regardless of

the location or economic conditions. Community-, school- and family-based prevention programmes promote proper attitudes about the availability and abuse of drugs and the perception of their risks. They may also increase awareness of vulnerability, risk and factors that are closely associated with a disposition to abuse drugs.

67. The Board first brought the issue of drug demand reduction to the attention of the international community in its report for 1993,¹² in which the Board referred to the crucial importance of drug demand reduction programmes. The Board has also expressed its appreciation for the initiative taken by the General Assembly in adopting, at its twentieth special session, the Declaration on the Guiding Principles of Drug Demand Reduction (Assembly resolution S-20/3, annex), further raising awareness of the importance of that issue.

68. In the Declaration, Member States pledged to invest in demand reduction programmes. A series of actions were called for, including: regularly assessing the nature and magnitude of drug abuse; ensuring that demand reduction programmes covered all areas of prevention, from discouraging initial use to reducing the negative consequences of drug abuse; forging partnerships among national and community-based stakeholders; tailoring approaches to address the needs of the population in general, as well as those of specific groups, in particular youth; and ensuring that disseminated information was accurate and reliable.

69. The survey conducted by the Board in 2007 on the implementation of the international drug control treaties (see para. 10 above) indicated that there had been positive developments in the area of demand reduction since 1998: 103 States and territories (72 per cent of respondents) indicated that they had developed and implemented both demand reduction and supply reduction policies since 1998. Most of the responding States and territories reported having put in place policies for demand reduction (108 States and territories, or 75 per cent of respondents). Such policies focused on three areas: reduction of harm associated with drug abuse, prevention of drug abuse and treatment of drug addiction. Of those States and territories that had not yet adopted policies on demand reduction (35 States and territories, or 24 per cent of respondents), some reported having in place measures on demand reduction, particularly in the areas of preventing drug abuse and treating drug addiction.

70. While welcoming those positive developments, the Board emphasizes that demand reduction programmes need to be implemented continuously and be based on thorough assessments of drug abuse at the local level. In addition, such programmes should be comprehensive, focusing on all the areas mentioned in the Declaration, including prevention and treatment.

E. Countering money-laundering and promoting judicial cooperation

71. Chapter I of the report of the Board for 1995¹³ was devoted to the issue of money-laundering. In that chapter, fighting money-laundering was identified as being vital to any approach to countering drug trafficking. International trafficking

¹² United Nations publication, Sales No. E.94.XI.2.

¹³ United Nations publication, Sales No. E.96.XI.1.

in narcotic drugs and psychotropic substances generates huge amounts of capital for its initiators and organizers. Drug cartels and trafficking groups are organized and structured to function efficiently within national economies, as well as at the international level. The profits derived from their illicit activities are either integrated into the licit economy or are used in corrupt and criminal ways to enhance such activities. In response, Governments decided to introduce measures to detect and punish money-laundering activities through the 1988 Convention. In article 5 of the Convention, parties undertook to adopt such measures as might be necessary to enable the confiscation of the proceeds of drug trafficking. The Board has recommended that Governments implement the provisions of that article, including through constitutional amendments.

72. At its twentieth special session, the General Assembly also adopted measures on combating money-laundering, urging all States to implement the relevant provisions contained in the 1988 Convention by, *inter alia*, establishing a legislative, financial and regulatory framework. The Board urges all Governments to abide by that recommendation and to cooperate fully with relevant international institutions, in particular the Financial Action Task Force on Money Laundering, an intergovernmental body developing and promoting policies to combat money-laundering. In February 2000, the Financial Action Task Force published a report on non-cooperative countries and territories, in which a total of 23 States and territories were identified as not cooperating in international efforts to counter money-laundering or showing critical deficiencies. That number decreased rapidly as Governments introduced stronger measures against money-laundering. In October 2006, the Financial Action Task Force removed the last jurisdiction from the list.

73. Cooperation in judicial matters such as extradition is essential to addressing drug trafficking and fulfilling the aims of the international drug control treaties. The Board discussed extradition in chapter I of its report for 1996.¹⁴ In that report, the Board suggested that the twentieth special session of the General Assembly should be used to seek to determine principles for the good management of criminal justice systems. Subsequently, the Assembly adopted measures on judicial cooperation and encouraged States to facilitate the extradition of nationals for serious drug-related offences, based on the 1988 Convention. Article 6 of the Convention states that parties undertake to include the drug-related offences stipulated in the Convention as extraditable offences in any extradition treaty existing between them and that parties may consider using the Convention as the legal basis for extradition, in the absence of a bilateral or multilateral treaty to that effect.

74. In the survey carried out by the Board in 2007 to review efforts made by Governments to implement the international drug control treaties (see para. 10 above), a question was asked as to whether national legislation explicitly allowed for extradition based on the 1988 Convention. Of the 109 States that responded, 47 per cent indicated that drug-related offenders were extradited on the basis of the 1988 Convention. The rest still required a bilateral agreement for extradition; the largest share of those States were in Asia (21 per cent), followed by Africa (12 per cent) and the Americas (12 per cent). Although those statistics indicate progress, the Board encourages Governments that have not yet done so to

¹⁴ United Nations publication, Sales No. E.97.XI.3.

use the provisions of the 1988 Convention to facilitate extradition for serious drug-related offences.

75. Pursuant to article 7 of the 1988 Convention, States parties are required to afford each other the widest measure of mutual legal assistance in investigations, prosecutions and judicial proceedings, in order to counter drug trafficking. Article 18 of the United Nations Convention against Transnational Organized Crime¹⁵ contains similar provisions.

F. Providing legitimate alternative livelihoods

76. Alternative development, in the context of drug control, is a strategy aimed at reducing or eliminating the illicit supply of drugs derived from illicitly cultivated plants. It has been applied in rural areas of developing countries where such plants, mainly opium poppy and coca bush, are grown. The most successful approach to getting growers of illicit drug crops to discontinue that activity involves a combination of disincentives and incentives. Thus, law enforcement and the threat of penalties and eradication, combined with the prospect of a legitimate alternative livelihood and broad sustainable economic assistance, including in the areas of education, health care and the development of infrastructure, may be the solution. In the Action Plan on International Cooperation on the Eradication of Illicit Drug Crops and on Alternative Development, the General Assembly reaffirmed the need for a comprehensive approach to eliminating narcotic drugs, stressing the special importance of cooperation in alternative development.

77. In its report for 2002, the Board underlined that, far from being a stable and sustainable source of income, illicit drug production, by nature a criminal activity, could be a destabilizing factor and an impediment to development.¹⁶ Subsequently, the Board dedicated the first chapter of its report for 2005 to alternative development; in that chapter, the Board noted that a truly comprehensive concept of alternative development would include not only the cultivation of alternative crops, but also the development of infrastructure, the provision of a viable means of transporting legal products to markets and the provision of assistance in the areas of education and health care.¹⁷

78. Despite efforts by the international community, the illicit cultivation of opium poppy and coca bush continues, and there has been only limited success in developing alternative livelihoods. The Board has pointed out that alternative development programmes are possible only where adequate security and stability can be ensured. Unless Governments are able to establish their authority and provide a safe environment, alternative development efforts cannot be effective. The Board has urged the international community to provide assistance to Governments in their efforts to maintain security in areas where alternative development is to be introduced. The Board has recommended that Governments, as well as relevant international organizations, integrate alternative development into their broader development programmes.

¹⁵ United Nations, *Treaty Series*, vol. 2225, No. 39574.

¹⁶ *Report of the International Narcotics Control Board for 2002* (United Nations publication, Sales No. E.03.XI.1), chap. I.

¹⁷ *Report of the International Narcotics Control Board for 2005 ...*, para. 9.

79. In its report for 2005, the Board recommended that the current “project-by-project” approach to alternative development should be changed, with commitment being made towards long-term strategies for the provision of legitimate alternative livelihoods. The predominance of “project-by-project” implementation has not provided adequate opportunities for alternative development to have an impact on drug control on a larger scale. The vast majority of illicit crop growers have unfortunately not received direct alternative development assistance.¹⁸ In addition, Governments often neglect to provide for adequate infrastructure for the transport of alternative crops, which means that the crops have no easy access to markets. Lack of general education or literacy programmes may result in legitimate livelihoods being unsustainable in the long run. The provision of health care is often inadequate, in particular taking into consideration the fact that illicit drug crop cultivation is often followed by increasing drug abuse in the farming communities.

G. Cooperation with other international organizations

80. Governments cooperate with each other through the activities of organizations involved in drug control. In addition to UNODC, WHO, INTERPOL and the World Customs Organization are involved in various areas of drug control. In addition, many regional organizations have established specialized structures to assist States in dealing with issues related to drug control and have played an important role in strengthening regional cooperation in combating illicit drug abuse and trafficking.

81. Joint projects of such regional and international organizations exist. However, the Board has observed that the joint efforts that take place at the regional and international levels tend to be in the areas of supply reduction and law enforcement. Although groundbreaking work has been done by individual organizations in the area of demand reduction, such efforts are too often carried out in isolation from one another. Arguably, demand reduction efforts are by nature more specific to the given country and context. Nevertheless, much knowledge and expertise could be shared in the area of demand reduction and the Board urges further development of cooperation in that area.

V. Challenges

82. The Board underlines that the goals for 2008 set by the General Assembly at its twentieth special session continue to be as relevant and as important as they were in 1998 and that new challenges to international drug control have surfaced. Some of the many challenges Governments are facing in that area are highlighted below.

83. Demand for illicit drugs continues to be high throughout the world. Measures in demand reduction must be further strengthened at the national and international levels. In particular, many Governments have not yet given priority to this issue, owing to a lack of capacity and resources, especially in the area of treating drug addiction.

84. Significant challenges remain in ensuring adequate control of ATS at the national and international levels. The diversion of pharmaceutical preparations

¹⁸ Ibid., paras. 30 and 49 (b).

containing controlled substances, including ATS, from licit domestic distribution channels is increasingly being used as a source for illicit drug suppliers.

85. The abuse of and trafficking in ATS continue to be problems. Measures taken at the national and international levels to reduce drug abuse and trafficking have not yet yielded noticeable results everywhere. In particular, the illegal sale of pharmaceutical preparations containing internationally controlled substances through the Internet and the misuse of postal and courier services for such smuggling pose new challenges in addressing drug abuse. In many countries, the abuse of such preparations is second to the abuse of cannabis. The international community must take concerted action, and a mechanism for ensuring the sharing of experiences and the rapid exchange of information among Governments on specific cases has not yet been established.

86. A core objective of the international drug control system is to ensure the availability of internationally controlled substances for medical purposes and to promote the rational use of such substances. The consumption levels of psychotropic substances continue to differ widely by country and region. While such differences can sometimes be explained by cultural factors in medical practice and variations in prescription patterns, the issue of excessively high or low levels of drug consumption merits special attention.

87. Inadequate precursor control legislation, weak monitoring and control mechanisms and the lack of response to pre-export notifications and enquiries about the legitimacy of shipments of precursors in a timely manner continue to impede effective control of precursors in a number of countries. In most parts of the world, traffickers are increasingly trying to obtain large amounts of pharmaceutical preparations containing ephedrine and pseudoephedrine from licit national or international trade.

88. The illicit cultivation of opium poppy and trafficking in drugs continue to pose a serious threat to the political, economic and social stability of Afghanistan and other countries throughout the world. Corruption is seriously hindering drug control efforts in that country and should be addressed adequately if progress is to be made. Control of precursors, in particular acetic anhydride, remains a serious challenge in preventing that substance from being diverted to Afghanistan for the illicit manufacture of heroin.

89. The illicit cultivation of coca bush and cannabis plant continues to take place and must be addressed adequately at the national and international levels.

90. There continue to be countries that fail to comply with their reporting obligations under the international drug control treaties or to cooperate with the Board on drug control issues, because of the low priority given to such issues or because of lack of capacity in drug control.

91. Furthermore, the process of translating legal obligations from the international to the national sphere may introduce discrepancies between national legal concepts and international norms and may also be coloured by political considerations. The Board is concerned that differing interpretations of international obligations are weakening the overall efficacy of the control system.

92. The Board considers that certain harm reduction measures, such as the establishment of so-called “coffee shops” and “drug consumption rooms” or “drug

injection rooms”, are not in conformity with the international drug control treaties. The Board considers the existence of establishments where the illicit possession and consumption of drugs that have not been medically prescribed are legally condoned by Government or local authorities is in violation of the 1961 Convention and the 1988 Convention.

93. A legal impasse has also emerged between international and national law in a few countries with regard to the implementation of the treaty provisions concerning coca leaf. At the time when the 1961 Convention was drawn up, the phasing out of coca bush cultivation was seen as beneficial for the people of the Andean subregion, as well as a means to eliminate or reduce the illicit manufacture of and trafficking in cocaine at the global level. However, a few Governments have continued not only to permit such practices but even to encourage them.

VI. Recommendations

94. While recognizing the achievements made, the Board notes that the drug problem continues to constitute a serious threat, undermining socio-economic and political stability and sustainable development. The Board calls upon individual Governments and the international community as a whole to continue their efforts, in the years to come, to achieve further progress in addressing the world drug problem. The Board wishes to put forward the recommendations below for consideration and implementation by Governments and relevant international organizations. Additional recommendations are contained in annexes I-V.

A. Preventing the diversion of controlled substances including amphetamine-type stimulants

95. The Board recommends that all Governments introduce mandatory import and export authorizations for all psychotropic substances in Schedules III and IV of the 1971 Convention, in accordance with Economic and Social Council resolutions 1985/15 of 28 May 1985, 1987/30 of 26 May 1987, 1991/44 of 21 June 1991, 1993/38 of 27 July 1993 and 1996/30 of 24 July 1996, as that measure, combined with the system of assessments, has proved particularly effective in the identification of diversion attempts.

96. The diversion from domestic distribution channels and the abuse of pharmaceutical preparations containing controlled substances pose problems in many countries. The Board recommends that the Governments concerned establish a mechanism for the systematic collection of data on the diversion and abuse of such preparations and use the data as the basis for taking appropriate countermeasures.

97. The Board urges the Governments of countries in which companies undertake direct-to-consumer advertising for drugs containing internationally controlled substances to adopt and implement regulations to ban such advertisements, in compliance with article 10 of the 1971 Convention. Governments should also consider invoking article 13 of the 1971 Convention to prevent substances that are not used for medical and scientific purposes from entering their territory.

98. The use of mail systems and the Internet has become an important means of obtaining internationally controlled substances to supply illicit markets. The Board recommends that Governments take adequate measures and, in particular, establish a mechanism for ensuring cooperation in the detection and investigation of diversion cases involving the mail and the Internet and to ensure that legislative and regulatory provisions are in force in their territory to counteract such illegal activities.

B. Control of precursor chemicals

99. Diversion from domestic channels and smuggling across borders are now the methods most commonly used by traffickers to obtain precursor chemicals. Therefore, the Board urges Governments to adequately monitor the licit manufacture and distribution of precursors used in the illicit manufacture of drugs, in addition to controlling international trade, in accordance with article 12, paragraph 8, of the 1988 Convention.

100. The Board recommends that all competent authorities provide information on annual legitimate requirements of ATS precursors, in accordance with Commission on Narcotic Drugs resolution 49/3. The Board invites national competent authorities to inform it of any methodologies that they have found useful in estimating their national requirements for those precursors. The Board encourages all Governments to regularly review their needs and to inform the Board of any necessary amendments.

101. The Board recommends that all Governments control pharmaceutical preparations containing substances scheduled under the 1988 Convention in the same way that they control the scheduled substances contained in those preparations. Because of the simple manufacturing process and the availability of those preparations, such preparations are increasingly being used for the illicit manufacture of ATS throughout the world. This recommendation applies, in particular, to preparations containing ephedrine and pseudoephedrine.

102. A concerted effort by all Governments is necessary to stop the smuggling of acetic anhydride and other substances used in the illicit manufacture of heroin. The Board urges Governments to strengthen controls over the movement of such chemicals within their territory. Given the large seizures of potassium permanganate currently being reported, the Board encourages the authorities in countries in the Americas to devise strategies to address trafficking in that substance. The Board stands ready to assist such activities within the scope of its treaty mandate.

103. As the PEN Online system represents an important development in the exchange of information through pre-export notifications, the Board urges the Governments of all importing and exporting countries that have not yet done so to register and utilize the system.

104. Because of strengthened precursor monitoring, trafficking organizations are seeking out non-scheduled substances, including derivatives specially designed to circumvent existing controls. The Board invites Governments to use the updated limited international special surveillance list of non-scheduled substances that was released to all competent authorities in June 2007. It also invites Governments to

put in place mechanisms for alerting them to suspicious transactions involving such substances and to provide the Board with detailed information of any seizures of non-scheduled precursors.

C. Achieving universal accession to the international drug control treaties

105. The Board notes with concern that although a number of countries in Oceania have achieved a great deal in terms of drug control, little progress has been made over the past 10 years in acceding to the international drug control treaties in that region. Of the 20 States that have acceded to at most two of the treaties, 10 are in Oceania. Three of the five States that are not parties to any of the treaties are also in that region. The Board urges the Governments concerned to take concrete steps to accelerate their accession to the treaties. The Board also encourages the international community, in particular regional organizations in Oceania such as the Pacific Islands Forum, to put this issue on their agenda with a view to promoting the accession to those treaties by States in the region.

D. Promoting full compliance with the international drug control treaties

106. An increased number of countries and territories have adopted or updated national legislation, policies and strategies in response to the resolutions adopted by the General Assembly at its twentieth special session, most countries and territories having established or updated their drug control strategies since 1998.

107. The Board notes, however, that there are a number of areas where appropriate action is required in order to ensure adequate compliance with the international drug control treaties. The Board brings to the attention of Governments the following issues in particular and urges the Governments concerned to take concrete steps to ensure that progress is made towards remedying the situation in those areas:

(a) Although most internationally controlled drugs and substances have been listed under national legislation in most countries and territories, certain substances, particularly precursor chemicals, have yet to be scheduled under national legislation in some countries; many States also lack specific measures for the control of those unscheduled substances without such legislation;

(b) A considerable number of countries need more than 180 days, as required by the treaties, in order to implement the decisions of the Commission on Narcotic Drugs with regard to the inclusion of new psychotropic substances under national control;

(c) Some countries continue to have no coordinating mechanisms at the national level to address drug-related issues;

(d) Many countries do not have a system in place to ensure a regular evaluation of the implementation of national drug control strategies, which is essential to achieving the goals set out in those strategies.

108. The low level of consumption of opioid analgesics for the treatment of pain in many countries, particularly developing countries, continues to be a matter of concern to the Board. The Board stresses that the medical use of narcotic drugs continues to be indispensable for the relief of pain and suffering and that it is the responsibility of Governments to ensure their adequate availability. The Board urges Governments to develop plans of action to facilitate the supply and availability of opiates for all appropriate indications, taking into consideration the Access to Controlled Medications Programme, which was prepared by WHO in consultation with the Board.

109. Although diversion of controlled substances from international trade is now rare, diversion from domestic distribution channels remains a problem, in particular with regard to pharmaceutical preparations containing internationally controlled substances. In some countries, controlled substances are often sold by unauthorized individuals or entities without following proper procedures. Efforts should be made to enhance legislation on the domestic distribution of such substances, which should include provisions targeting drug-related crimes in an electronic environment, as well as the manufacture of and trafficking in counterfeit drugs.

110. The Board notes with concern that “drug consumption rooms” and “drug injection rooms” continue to operate in a small number of countries, mainly in Europe. The Board urges the Governments of countries where such facilities are operated for the purpose of administering illicitly obtained drugs to put an end to such practice and provide appropriate evidence-based medical services and facilities for the treatment of drug abusers.

111. The practice of chewing coca leaves continues in the Andean subregion. The countries in that subregion and throughout the world are suffering from the illicit manufacture of and trafficking in cocaine. The Board calls upon the Governments concerned to take immediate action towards eliminating practices involving the uses of coca leaf that are contrary to the 1961 Convention, including the chewing of coca leaves. Furthermore, Governments should strengthen their efforts to counter the illicit manufacture of and trafficking in cocaine.

E. Measures to reduce the demand for illicit drugs

112. Although many Governments have adopted measures against drug abuse, more can be done in terms of demand reduction, including in the areas of drug abuse monitoring, prevention, treatment and rehabilitation. The Board notes that over 37 per cent of States and territories responding to the 2007 survey have yet to establish a monitoring system. Many Governments reported having been hindered in areas such as prevention because of lack of adequate assessment and understanding of the drug problem. The Board urges the States and territories where measures to address prevention, treatment and rehabilitation have not yet been adopted to take concrete steps towards ensuring the availability of services in those areas. Information gathered by such a system should be shared among national authorities in order to develop an updated and applicable strategy and to make concerted efforts in addressing all aspects of demand reduction.

113. The Board reminds Governments of their obligations under the drug control treaties, as well as commitments contained in the Declaration on the Guiding

Principles of Drug Demand Reduction. Governments should make it a priority to increase their demand reduction interventions in a comprehensive manner, on the basis of reliable information on drug abuse and paying due attention to the requirements of specific age and gender groups. In particular, Governments should take all practical measures to ensure the prevention of drug abuse and the early identification, treatment, education, aftercare, rehabilitation and social reintegration of the persons involved, in keeping with relevant provisions of the treaties. Measures to reduce the abuse of ATS, including in the form of pharmaceutical preparations, should be an integral part of demand reduction activities.

114. Many Governments continue to give higher priority and more resources to supply reduction than to demand reduction, even though supply reduction activities have been shown not to produce sustainable results if not coordinated with demand reduction interventions. The Board calls on Governments and relevant agencies to coordinate supply reduction and demand reduction strategies. Efforts among Government ministries and agencies responsible for law enforcement, health, education, social issues and economic development activities should all be involved in developing and implementing a comprehensive strategy. A central national authority, with a balanced representation of agencies on supply and demand reduction, should coordinate efforts and prioritize the distribution of financial and other resources.

F. International cooperation

115. A considerable number of countries have reported that cooperation with neighbouring countries in addressing drug trafficking must be improved. The Board urges Governments to explore further ways of ensuring effective and sustained international and regional cooperation in addressing drug trafficking issues, either through multilateral forums or on a bilateral basis. Where multilateral forums do not exist, the Board recommends that Governments consider the possibility of establishing them.

116. The efforts of the various international and regional organizations involved in drug control are often carried out in isolation from one another, resulting in unnecessary duplication and, at times, ineffective efforts. That is particularly true in the area of demand reduction. Although demand reduction is often considered to be a more context-specific area than law enforcement, international and regional organizations could make good progress by sharing knowledge and expertise in demand reduction as well. The Board urges international and regional organizations involved in drug control to cooperate and engage in joint efforts to the fullest extent possible in the area of supply and demand reduction.

117. The Board urges all Governments to implement the relevant provisions of the 1988 Convention and to establish an effective legislative and regulatory framework for countering money-laundering and to cooperate fully with relevant international institutions, in particular the Financial Action Task Force on Money Laundering.

118. Provisions of the 1988 Convention encourage States parties to use the Convention as the legal basis for the extradition of drug-related offenders, in order to facilitate extradition as a tool against drug trafficking. Nevertheless, a significant number of States, in particular in Asia, Africa and the Americas, have not

implemented those provisions and still require bilateral agreements for extradition. The Board recommends that all Governments that have not yet done so should adopt legislation and policies allowing the 1988 Convention to be used as the legal basis for extradition. The Board also recommends that Governments that choose not to extradite a particular person for drug-related offences should submit the case for prosecution domestically.

119. The record of the international community with regard to alternative development remains mixed. The Board urges the international community to adopt a long-term commitment towards sustainable development with regard to the eradication of illicit drug crop cultivation and to ensure a concerted approach that includes favourable terms of trade for alternative development crops and products.

120. The Board calls upon relevant international bodies, such as UNODC, WHO, INTERPOL and the World Customs Organization, as well as regional bodies involved in drug control, to continue strengthening their coordination and cooperation and to provide assistance to Governments in their efforts to address illicit drug abuse and trafficking.

Annex I

Open-ended intergovernmental expert working group on supply reduction

Discussion note by the International Narcotics Control Board

I. Introduction

1. States are obliged to address the illicit supply of drugs under the international drug control conventions: the Single Convention on Narcotic Drugs of 1961 as amended by the 1972 Protocol,^a the Convention on Psychotropic Substances of 1971^b and the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988.^c Pursuant to article 35 of the Single Convention on Narcotic Drugs of 1961^d and article 21 of the 1971 Convention, parties should, inter alia, make arrangements at the national level for coordination of preventive and repressive action against the illicit traffic, to which end they may usefully designate an appropriate agency responsible for such coordination.

2. In the 1988 Convention the illicit supply of controlled substances was targeted in a comprehensive manner and the international community was provided with tools to combat drug trafficking, including in areas such as the control of precursor chemicals, mutual legal assistance in the investigation and prosecution of drug-related crime and in countering the laundering of money derived from drug trafficking.

II. Achievements

3. Most States consider supply reduction a high priority, which is why they include it as a component of their drug control policy. In response to a survey carried out by the International Narcotics Control Board on the implementation of the international drug control conventions, 72 per cent of responding Governments indicated having developed and implemented a national supply reduction policy. About 9 per cent indicated that supply reduction was addressed through other policies and another 9 per cent was in the process of establishing a supply reduction policy.

4. There is increased awareness among Governments regarding the interdependence of supply reduction and demand reduction, and some States have started coordinating both kinds of interventions. Successful examples of such coordination have shown that reducing the availability of illicit drugs while also implementing programmes for the prevention and treatment of drug abuse leads to a sustained reduction in overall drug abuse.

^a United Nations, *Treaty Series*, vol. 976, No. 14152.

^b *Ibid.*, vol. 1019, No. 14956.

^c *Ibid.*, vol. 1582, No. 27627.

^d *Ibid.*, vol. 520, No. 7515.

5. Governments have become increasingly aware of the importance of addressing cybercrime in their efforts to reduce the supply of illicit drugs. Initiatives have been taken at the national and international levels. For example, the national police forces of several States have established units dedicated to combating cybercrime. The Convention on Cybercrime^e of the Council of Europe represents an example of advanced international collaboration in the area of high-technology crime.

6. The implementation of the international drug control system has continued to effectively prevent the diversion of narcotic drugs and psychotropic substances from international trade to illicit channels, thus contributing successfully to reducing the supply of illicit drugs. In recent years, few cases of diverted narcotic drugs have been reported and almost all attempts at such diversion have been successfully identified. The very small number of successful diversions involve only small quantities of drugs.

7. Controlling precursor chemicals has also contributed to reducing the supply of drugs on the illicit market. For example, international initiatives such as Project Cohesion and Project Prism have contributed to preventing the diversion of large amounts of acetic anhydride, potassium permanganate and ATS precursors that could have been used in the illicit manufacture of substances of abuse.

III. Challenges

8. In response to the Board's survey (see para. 3 above), a considerable number of States indicated that continued lack of resources and inadequate training are the main challenges faced in implementing supply reduction strategies. Cooperation at the regional and international levels also needs to be improved in order to strengthen supply reduction programmes.

9. Supply reduction efforts can be severely limited by differences in the laws of States with regard to the way in which offenders are prosecuted, court decisions involving defendants who reside abroad are enforced and protocols governing cross-border investigations are implemented. The admissibility in court of evidence involving crime perpetrated electronically is a particularly difficult issue. Many authorities lack the capacity to intercept and understand encrypted communications, thus compromising the prevention and detection of drug-related crime and the prosecution of individuals involved in such crime.

10. Many Governments continue to give higher priority to and more resources for supply reduction measures than demand reduction measures, despite the fact that supply reduction activities have been shown not to produce sustainable results if they are not coordinated with demand reduction interventions. Consequently, the effectiveness of a combined supply and demand reduction strategy is compromised in many countries.

11. Over the past decade, the Internet and other information and communication technologies have posed complex challenges to the supply reduction efforts of Governments. The increasing sale over the Internet of prescription drugs without proper certification represents a serious challenge to regulatory bodies and law

^e Council of Europe, *European Treaty Series*, No. 185.

enforcement agencies. As illicit trade over the Internet is often dependent on postal services to deliver drugs, it has become necessary to devise ways of scanning, identifying and intercepting parcels containing illicit drugs. In that regard, the absence of drug-related legal provisions against cybercrime in many countries is a matter of particular concern.

12. Although the diversion of licitly manufactured controlled substances from international trade rarely occurs, diversion from domestic distribution channels, of such substances, in particular psychotropic substances, remains a problem. Pharmaceutical preparations containing internationally controlled substances are often sold by unauthorized individuals or entities without following the proper procedures or with forged prescriptions. For example, benzodiazepines and amphetamines can be easily obtained without a prescription in some developing countries. In developed countries, there are increasing reports that controlled drugs diverted from domestic distribution channels are being abused or misused.

13. The increased availability of counterfeit pharmaceutical preparations, which may also contain internationally controlled substances, poses an additional challenge to reducing the supply of illicit drugs in both developing and developed countries. According to estimates of the World Health Organization, at least 10 per cent of the world's drugs are counterfeit. In developing countries, 25-50 per cent of the medicines consumed are believed to be counterfeit.

14. Inadequate control legislation and weak mechanisms for monitoring and controlling precursor chemicals in a number of countries hamper supply reduction efforts. In many parts of the world, traffickers are trying to obtain pharmaceutical preparations containing ephedrine and pseudoephedrine from licit national and international trade, to be used in the illicit manufacture of methamphetamine.

IV. Recommendations

15. Governments without a supply reduction policy should adopt one and ensure that an appropriate agency is designated or established to coordinate efforts in that area. Governments should make efforts to improve cooperation between agencies involved in drug control, both at the national and international levels. States should consider exploring ways of ensuring effective and sustained regional and international cooperation in addressing drug trafficking issues, either through multilateral forums or on a bilateral basis.

16. Governments should ensure that appropriate procedural and substantive laws are introduced at the national level to deal with crimes committed in an electronic environment. The unauthorized offering for sale of narcotic drugs, psychotropic substances and precursor chemicals should be a prosecutable offence in the jurisdiction of any State that is a party to the international drug control treaties.

17. Governments should require online pharmacies to be licensed wherever they operate or deliver prescription drugs, and set up a system of oversight for such activities. Governments should consider taking into account the *Guidelines for Governments on Preventing the Illegal Sale of Internationally Controlled Substances through the Internet*, prepared by the Board.

18. Governments should consider developing programmes of action at the national, regional and international levels aimed at preventing drug-related high-technology crime. Drug law enforcement agencies are encouraged to participate in existing networks at the regional and global level. Assistance should be provided to developing countries considered at risk of being exploited through the use of high-technology crime.

19. Consideration might be given to the development of a United Nations convention against cybercrime. Such a convention would provide a global classification and definitions of high-technology and computer-related crime, as well as a framework for legislative harmonization and international cooperation in the investigation and prosecution of cross-border crime committed or facilitated by electronic means. It could also include a section on drug-related crime, with a reminder to Governments of the provisions contained in the international drug control treaties regarding the advertisement of narcotic drugs and psychotropic substances. Such a cybercrime convention would have to balance the need for security and protection from crime with concerns for preserving civil liberties, dignity and privacy.

20. Governments should make efforts to coordinate supply reduction and demand reduction strategies. Interventions by Government ministries and agencies responsible for law enforcement, health, education, social issues and economic development activities should be integrated into a complementary strategy. A central national authority, composed of a balanced representation of agencies focused on drug supply and demand reduction, should coordinate efforts and prioritize the distribution of financial and other resources.

21. Governments should ensure that the diversion of controlled substances from domestic distribution channels to illicit markets is prevented. Where necessary, efforts should be made to enhance legislation on the domestic distribution of controlled substances.

22. Governments are encouraged to adequately monitor the licit manufacture and distribution of precursor chemicals used in the illicit manufacture of drugs, such as acetic anhydride and potassium permanganate, in addition to strengthening their controls over international trade in accordance with article 12, paragraph 8, of the 1988 Convention. Where appropriate, States should aim to control pharmaceutical preparations containing scheduled substances under the 1988 Convention in the same way that they control the scheduled substances contained in those preparations.

Annex II

Open-ended intergovernmental expert working group on countering money-laundering and promoting judicial cooperation

Discussion note by the International Narcotics Control Board

I. Money-laundering

A. Introduction

1. The adoption of the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988^a marked the first decisive step in mobilizing the international community against money-laundering. In article 3 of the 1988 Convention, money-laundering offences are defined and it is stated that parties to the Convention should establish them as criminal offences to be punished in conformity with the law. In article 6, it is stated that such offences should be subject to extradition. Since money-laundering often includes international financial transactions, combating money-laundering almost by definition requires effective international cooperation. In the 1988 Convention, the kind of cooperation that States parties should afford each other in conducting joint operations against money-laundering is outlined.

B. Achievements

2. The international community agrees that money-laundering is a priority issue, as evidenced by the high rate of ratification of the 1988 Convention (182 States parties as at 1 November 2008) and the implementation of a number of other initiatives against money-laundering.

3. Also significant was the adoption, in 2001, of the United Nations Convention against Transnational Organized Crime,^b which contains, in its articles 6 and 7, detailed provisions stipulating the measures that States parties should take against money-laundering. Pursuant to article 34 of that Convention, money-laundering should be established as a crime independently of the transnational nature or the involvement of an organized criminal group.

4. The Financial Action Task Force on Money Laundering, which was first established by the Group of Seven^c in 1989 and currently has 34 member States, has taken the lead in efforts to combat money-laundering, in particular through monitoring implementation of its 40 recommendations (available

^a United Nations, *Treaty Series*, vol. 1582, No. 27627.

^b *Ibid.*, vol. 2225, No. 39574.

^c The Group of Seven is comprised of the following countries: Canada, France, Germany, Italy, Japan, the United Kingdom of Great Britain and Northern Ireland and the United States of America.

at <http://www.fatf-gafi.org>). Those recommendations have been revised several times to reflect developments in money-laundering techniques.

5. Many States have strengthened their efforts against money-laundering in line with the Financial Action Task Force on Money Laundering and while a significant number of countries and territories did not cooperate with the Financial Action Task Force on Money Laundering at the outset, the number of countries and territories designated as “non-cooperative” has steadily decreased.

C. Challenges

6. Thirteen Governments still have not become parties to the 1988 Convention: eight are in Oceania (Kiribati, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Solomon Islands and Tuvalu), three are in Africa (Equatorial Guinea, Namibia and Somalia), one is in Asia (Timor-Leste) and one is in Europe (Holy See). Significant money-laundering problems have been reported in some of the States that have not yet become parties to the 1988 Convention.

7. There are currently 147 States parties to the Organized Crime Convention, which means that a significant proportion of States are not yet parties to that important international legal instrument.

8. Although the Financial Action Task Force on Money Laundering is widely recognized as the authoritative international body in the field of money-laundering, the organization has only 34 member States, a fact that might lead to difficulties as international efforts against money-laundering continue to develop.

9. The techniques used in money-laundering evolve rapidly, often more quickly than the capacity of law enforcement officials to react to them, in particular in countries where authorities have relatively little experience in combating such activity.

D. Recommendations

10. States that have not yet done so are encouraged to accede to and implement the 1988 Convention and the Organized Crime Convention at the earliest opportunity.

11. The international community should consider establishing a comprehensive worldwide framework to more effectively coordinate action against money-laundering. Such a framework would include procedures to evaluate and recommend improvements in Governments’ efforts.

12. Governments should consider fully implementing the 40 recommendations formulated by the Financial Action Task Force on Money Laundering (see paragraph 4 above) and introduce and effectively apply laws to counter money-laundering, including laws on the confiscation of the property of drug traffickers. Governments should continue to ensure that measures against money-laundering are revised regularly to take into account new developments in both money-laundering techniques and information technology.

13. Governments are encouraged to institutionalize procedures that oblige financial institutions to report suspicious transactions to the authorities.

Governments should also consider extending similar reporting obligations to professionals engaged in financial activities.

14. Governments are encouraged to strengthen regulations governing companies so as to make ownership and control more transparent and to facilitate cooperation between companies and law enforcement agencies that combat money-laundering.

15. Governments should, pursuant to article 5, paragraph 7, of the 1988 Convention, consider ensuring that the onus of proof is reversed regarding the lawful origin of alleged proceeds or other property liable to confiscation even if doing so involves making constitutional or legislative changes.

16. Governments should establish specialized bodies to investigate money-laundering and provide those bodies with adequate financial, human and material resources.

17. Governments should consider strengthening international cooperation against money-laundering. In particular, more experienced Governments should, for example, provide technical assistance in combating money-laundering, including training for law enforcement officials, to ensure that less experienced Governments are not exploited by criminal organizations.

18. Governments should consider allocating part of the value of confiscated proceeds and property to bodies specializing in the fight against drug trafficking and abuse.

II. Judicial cooperation

A. Introduction

19. The 1988 Convention includes provisions on mutual legal assistance. Pursuant to article 7 of that Convention, States parties should afford one another the widest measure of mutual legal assistance in investigations, prosecutions and judicial proceedings in relation to drug trafficking. Article 18 of the Organized Crime Convention contains language reiterating that mutual legal assistance should be afforded to the fullest extent possible.

20. With regard to the extradition of individuals involved in drug-related offences, States parties may, pursuant to article 6 of the 1988 Convention, consider that Convention as the legal basis for extradition. States parties that decline to extradite a person are, in most cases, required to consider prosecution domestically.

21. Controlled delivery (an investigative technique allowing illegal or suspicious consignments of, for example, illicit drugs, to pass out of, through or into one or more countries with the knowledge or under the supervision of their competent authorities with a view to identifying those involved in the commission of serious offences) is another important tool used in countering drug trafficking. Pursuant to article 11 of the 1988 Convention, States parties should take the necessary measures to allow for the appropriate use of controlled delivery at the international level.

B. Achievements

22. Information collected by the International Narcotics Control Board through its survey on progress achieved since the holding of the twentieth special session of the General Assembly, in 1998, shows that many countries participate in joint operations and extend mutual assistance against drug trafficking as members of regional and international organizations, such as the United Nations Office on Drugs and Crime, the International Criminal Police Organization (INTERPOL), the European Police Office (Europol), and regional and subregional task forces against drug trafficking. Cooperation in law enforcement has increased in all regions, as has use of the technique of controlled delivery.

23. Over 90 per cent of the Governments that provided information on this issue to the Board indicated that law enforcement or border control officials meet regularly with their counterparts in neighbouring countries or territories to discuss drug trafficking matters.

C. Challenges

24. When asked whether they perceived the quality of cooperation with neighbouring countries and territories to be sufficient, nearly 30 per cent of States informed the Board that improvements were needed. Most of those States were either in Africa or the Americas.

25. Most discussions between neighbouring countries on drug trafficking issues appear to be only taking place at the working level, while meetings at a more senior, policymaking level (for example, at the vice-ministerial or ministerial level) were far less common.

26. Despite the fact that the 1988 Convention contains provisions on extradition, there continues to be a significant number of States (at least half of those that provided information to the Board on the issue) requiring a bilateral agreement for the extradition of individuals involved in drug-trafficking offences. The majority of those States are in Asia.

D. Recommendations

27. Governments that have not yet done so should accede to and implement the 1988 Convention and the Organized Crime Convention at the earliest opportunity.

28. Governments should consider strengthening mechanisms for international cooperation in the fields of mutual legal assistance and law enforcement assistance, at both the working and policymaking levels.

29. Governments are encouraged to allow the 1988 Convention to be sufficient legal basis for extradition of individuals involved in drug-related offences.

Annex III

Open-ended intergovernmental expert working group on international cooperation on the eradication of illicit drug crops and on alternative development

Discussion note by the International Narcotics Control Board

I. Introduction

1. States parties should make efforts to eradicate illicitly cultivated drug crops in their territories, as laid out in the Single Convention on Narcotic Drugs of 1961 as amended by the 1972 Protocol^a and the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988.^b In addition, pursuant to article 14 of the 1988 Convention, States parties may cooperate to increase the effectiveness of eradication efforts, including by providing support, when appropriate, for integrated rural development leading to economically viable alternatives to illicit cultivation.

2. States must therefore make efforts in eradication and law enforcement, on the one hand, and alternative development, on the other, in order to achieve real progress. Simple eradication of illicit crop cultivation without the provision of legitimate sustainable livelihoods could lead to a deterioration of the social and economic situation of the farming communities concerned and, ultimately, would not be sustainable. Likewise, alternative development without adequate law enforcement would not achieve the desired goals.

3. Efforts to provide legitimate, sustainable alternative livelihoods should be made not only in rural areas where drug crops are illicitly cultivated, but also in areas, both rural and urban, where illicit drugs are abused. Areas seriously affected by drug-related problems and States that have become dominated by the illicit drug economy need overall development approaches that take such problems fully into account, fully integrating them into the mainstream of the principles and practices of alternative development.

II. Achievements

4. Governments continue to make efforts in eradication, and visible results have been achieved in some countries, mainly in those where a consistent, development-oriented approach has been adopted towards the provision of legitimate, sustainable livelihoods to farming communities.

5. Advanced technologies, including satellite imagery, is increasingly being utilized in eradication efforts to detect the location and scale of illicit drug crops.

^a United Nations, *Treaty Series*, vol. 976, No. 14152.

^b *Ibid.*, vol. 1582, No. 27627.

III. Challenges

6. Inadequate levels of security and stability have hampered eradication efforts in some countries. In addition, Governments have sometimes lacked the capacity to detect and eradicate illicit drug crops in remote and difficult-to-reach areas. Corruption within Governments has also hampered eradication efforts.

7. Although alternative development programmes provide initial assistance to crop growers, the problem of the long-term sustainability and security of alternative livelihoods often remains. Despite repeated calls by the international community, including by the General Assembly at its twentieth special session, for improved market access and the setting of fair prices for the products of alternative development programmes, it continues to be difficult to strengthen the licit economy via legitimate marketing channels.

8. It is often not possible, in the framework of alternative development programmes, to provide financial services such as microcredit to farmers wishing to switch from illicit drug crops to alternative crops. Growers who have given up illicitly cultivating drug crops but whose livelihood is not secure are more likely to return to illicitly cultivating such crops.

9. A balance is needed between development efforts and law enforcement measures in illicit crop cultivation areas. Law enforcement officers in alternative development areas need to become positively involved with the communities they work in so that they are not seen to be acting against their well-being, but, rather, to be providing the security necessary for community members to pursue legitimate livelihoods.

10. To date, alternative development programmes have been implemented largely in the context of individual rural development projects in isolated areas. This tendency to implement alternative development programmes on a project-by-project basis does not result in the kind of impact that will reduce illicit crop cultivation on a large scale. The vast majority of illicit crop growers have unfortunately not received direct alternative development assistance. In addition, Governments often neglect to provide for adequate infrastructure for the transport of alternative crops, which means that the crops have no easy access to markets. The lack of general education and literacy programmes might also contribute to making legitimate livelihoods unsustainable in the long term. The provision of health care is also often inadequate, in particular taking into consideration the fact that illicit drug crop cultivation is often followed by increasing rates of drug abuse among the farming population.

11. In general, alternative development programmes have not adequately taken into account the situation of marginalized populations. In order for alternative development programmes to be sustainable in the long term, more attention needs to be paid to such communities, both in rural and urban areas.

12. Abusers of illicit drugs are often marginalized and live in difficult circumstances (such as in the slums of large cities); some members of marginalized communities in urban areas may also be forced by violent gangs to deal drugs at the street level. Street-level dealers are often addicts who require access to prevention, educational and treatment programmes and who often have almost no opportunities

for earning legitimate income. Well-defined policies that include input from those affected are needed to help reduce drug-related problems, including drug-related crime.

13. The Commission on Narcotic Drugs of the United Nations Office on Drugs and Crime (UNODC) has expressed its support for alternative development programmes several times. Nonetheless, and despite the fact that high levels of poverty are often accompanied by high levels of risk of illicit drug activities, few States have implemented such programmes.

14. Much has been achieved in terms of eliminating the illicit cultivation of opium poppy in South-East Asia. However, the situation with regard to illicit opium poppy cultivation in Afghanistan remains serious. Although in some parts of Afghanistan the area under illicit opium poppy cultivation has been reduced, the efforts of the Government of Afghanistan and the international community continue to be hampered by the high levels of insecurity and corruption. As a result, much remains to be done in order to achieve real progress. The Board is concerned about the fact that illicit opium poppy cultivation in Myanmar is once again increasing.

15. One major concern, especially in areas under coca bush cultivation, is that of the effects of such cultivation on the environment. It is estimated that more than 88,000 hectares were given over to the cultivation of coca bush in the Amazon basin in 2004, affecting important rainforest and natural ecosystems and having serious implications for the global environment. In addition, the initial processes of cocaine manufacture, which often result in the unsafe disposal of dangerous chemical waste, may be taking place close to where coca leaves are harvested.

16. Morocco is the only country in which there has been an alternative development programme targeting the illicit cultivation of cannabis plants. The situation in Africa is of particular concern, as cannabis production and drug abuse often do not receive sufficient attention in poverty reduction strategies prepared by States in the region and their development partners. As early as 2003, the Board noted the increasing shift from cultivation of food crops to cannabis in some areas, resulting in food shortages.^c Cannabis cultivation is also becoming a major issue in Afghanistan and Paraguay.

IV. Recommendations

17. The international community should, in Afghanistan and elsewhere if necessary, provide adequate assistance to ensure a secure and stable environment so that eradication and alternative development programmes can be implemented. Governments, in particular the Government of Afghanistan, should consider strengthening efforts against corruption.

18. The international community is encouraged, through UNODC and other relevant organizations, to continue expanding the use of advanced technology, including satellite imagery, to monitor the scale and location of illicit drug crops

^c *Report of the International Narcotics Control Board for 2003* (United Nations publication, Sales No. E.04.XI.1), para. 238.

and assist with efforts in eradication and alternative development, taking into consideration the environment.

19. Governments should consider carrying out a comprehensive analysis of the dynamics of the illicit drug economy in order to understand the interactions it has with different aspects of the local economy and ensure that legitimate alternative livelihood strategies are suited to the area concerned.

20. Governments and relevant international and regional organizations are encouraged to integrate alternative development into their broader development programmes. The current project-by-project approach to alternative development should be changed, with commitment being made towards long-term strategies for the provision of legitimate alternative livelihoods. Such commitment should be demonstrated through, inter alia, the provision of infrastructure, education, literacy and other supportive programmes with a focus towards ensuring the sustainable development of the farming communities concerned. Programmes for adequate health care, including for the prevention and treatment of drug abuse, should also be provided.

21. The Board recommends that Governments broaden the focus of alternative development programmes, paying greater attention to the needs of marginalized and neglected populations in both rural and urban areas.

22. Governments should pay greater attention to the growing problem of illicit cannabis plant cultivation, in particular in poor areas, and implement strategies against the phenomenon that include eradication and alternative development programmes, with the support of the international community, when required.

23. Governments should consider formulating their domestic and international trade policies, in particular policies regarding access to markets for products and services from alternative development areas. International trade agreements should also take this into account and should be drafted and implemented so as to support efforts towards eliminating the illicit drug economy wherever it exists.

24. Governments should make efforts to ensure that law enforcement activities in areas under illicit crop cultivation contribute to building trust between local communities and the authorities and should promote the greater involvement of communities in the formulation of policies to deal with various aspects of the drug problem. In order to be effective, law enforcement should be considered a supportive factor in the context of overall socio-economic development. Governments should also ensure that law enforcement officers are able to protect farming communities from criminal organizations that attempt to force them to produce illicit drug crops.

25. Governments are encouraged to ensure that alternative development programmes include measures to ensure the provision of adequate loans and other relevant support to farming communities in the process of switching to alternative, legitimate crops.

26. Governments should consider, with a view towards taking measures in the area of preventative alternative development, as recommended by the Commission on Narcotic Drugs, identifying population groups that may become involved in the cultivation of illicit drug crops and work to ensure legitimate and sustainable livelihoods for those communities.

27. Governments and other relevant institutions, including intergovernmental organizations, are encouraged to share and disseminate the experiences they have gained with alternative development programmes, ensuring the involvement of local communities and academic and research institutions in that process, with a view to expanding the knowledge base of alternative development programmes.

Annex IV

Open-ended intergovernmental expert working group on drug demand reduction

Discussion note by the International Narcotics Control Board

I. Introduction

1. Demand reduction is a core component of the international drug control conventions. Pursuant to article 38 of the Single Convention on Narcotic Drugs of 1961 as amended by the 1972 Protocol^a and article 20 of the Convention on Psychotropic Substances of 1971,^b Governments should take all practicable measures for the prevention of abuse of narcotic drugs and psychotropic substances and for the early identification, treatment, education, aftercare, rehabilitation and social reintegration of the persons involved. Pursuant to article 14, paragraph 4, of the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988,^c States parties should adopt appropriate measures aimed at eliminating or reducing illicit demand for narcotic drugs and psychotropic substances, with a view to reducing human suffering and eliminating financial incentives for illicit traffic.

2. Taking into account those provisions in the international drug control conventions, the General Assembly at its twentieth special session, held in 1998, recognized that supply reduction and demand reduction are two sides of the same coin and that only when the two are implemented together can truly tangible results be achieved in reducing drug abuse and trafficking. Since illicit drug supply and demand are inseparable parts of a single problem, the success of efforts to reduce the one is related to a commitment to simultaneously reduce the other.

3. The objectives of demand reduction programmes are to prevent and reduce the abuse of drugs, treat those addicted and reduce the adverse consequences of drug abuse. Demand reduction programmes provide for and encourage the active participation of the general public and target those at particular risk, regardless of their location or economic condition. Community-, school- and family-based prevention programmes promote proper attitudes about the availability and abuse of drugs and the perception of their risks. They may also increase awareness of vulnerability, risk and factors that are closely associated with a disposition to abuse drugs.

II. Achievements

4. During the decade that has elapsed since the holding of the twentieth special session of the General Assembly, in 1998, Governments have given more priority to drug demand reduction. The simple distinction between supplier and consumer

^a United Nations, *Treaty Series*, vol. 520, No. 7515.

^b *Ibid.*, vol. 1019, No. 14956.

^c *Ibid.*, vol. 1582, No. 27627.

countries is no longer accepted, and it is now widely understood that transit countries are vulnerable to becoming consumer and even supplier countries. Similarly, it is no longer assumed that suppressing drug supply in some countries will reduce the demand in other countries.

5. In 2007, the International Narcotics Control Board carried out a survey^d on progress made since the twentieth special session. The results of the survey show that most States recognize the importance of demand reduction. In fact, 75 per cent of responding Governments indicated that a national policy specifically aimed at reducing drug demand had been established, 13 per cent had incorporated demand reduction into other policies and 6 per cent were developing such a policy; 6 per cent of responding States had no policy. Those countries were evenly spread across all the regions of the world.

6. From the outset, the international drug control system has made an essential contribution to reducing the demand for drugs worldwide. The amount of opiates abused in China alone at the beginning of the twentieth century is estimated to have totalled more than 3,000 tons in morphine equivalent. In comparison, the amount of opiates illicitly used worldwide is currently estimated to total about 400 tons in morphine equivalent annually. This demonstrates that the situation with regard to opiate addiction is far better today than it was before the international drug control system was established. More recently, successes have been achieved, for example, in reducing the abuse of heroin in a number of countries.

7. Governments increasingly appreciate the interdependence of supply and demand reduction and some Governments have moved to an integrated approach between supply and demand reduction strategies. Successful examples show that reducing the availability of illicit drugs combined with treatment for drug abusers has led to a sustained reduction of overall drug abuse.

8. Several Governments have developed national treatment regimes that take into account local conditions and that include a variety of measures in addition to or instead of imprisonment. Such measures can range from offering the offender the possibility of undergoing supervised treatment and imprisonment to including treatment as part of the prison sentence.

III. Challenges

A. Policies

9. The results of the survey carried out by the Board show that demand reduction policies are still lacking in some of the responding States, mainly in the Caribbean and in Central Asia. Not all Governments recognize or implement mutually reinforcing supply and demand reduction strategies. Some Governments indicated that priority and more resources were being given to supply reduction interventions.

^d In 2007, the Board sent a questionnaire to all Governments to evaluate the implementation of the drug control conventions and establish progress made during the UNGASS decade. Questions were asked on a variety of issues including drug control legislation and policies, as well as perceived challenges. Out of the 216 questionnaires sent to all countries and territories, 145 (67 per cent) were returned to the Board.

10. The Governments of several countries were increasingly focusing attention and resources on measures aimed at reducing the adverse health and social consequences of drug abuse. In those countries, other, more essential, demand reduction measures, such as prevention and treatment, appeared to have been neglected.

11. Many Governments, even some with significant financial and human resources, lacked the infrastructure needed to systematically monitor drug abuse trends. The Governments tended to suffer from a lack of coordination between relevant agencies, insufficient expertise or limited resources for drug control; they also tended to show a general lack of political will to deal with such issues.

12. New drugs of abuse, for example so-called “party drugs”, have emerged in some countries, often taking the place of drugs whose abuse had been reduced, showing that drug abuse is a shifting phenomenon. Often, the elimination of a given drug from the market does not mean the elimination of the drug problem, but only a shift towards the abuse of other drugs or substances.

B. Licit control

13. The international drug control system has been successful in preventing the diversion of controlled substances from international trade to the illicit market. Nevertheless, the abuse of pharmaceutical preparations containing controlled substances diverted from domestic distribution channels remains a serious problem in many countries. In some countries, the abuse of pharmaceutical preparations containing controlled substances is second only to the abuse of cannabis. Data collected by Governments on the patterns of abuse of pharmaceutical preparations suggest that those patterns are related to the overall availability of the preparations: the higher the availability, the higher the abuse.

14. Despite increasing abuse of pharmaceutical preparations, most national drug abuse monitoring systems are not sensitive to the phenomenon of abuse of prescription drugs. Prescribed opioids, benzodiazepines and stimulants are rarely included in drug abuse surveys and in trafficking data collected by law enforcement authorities. That is one of the reasons why the dimensions of the problem are unknown and inadequately assessed.

15. The international drug control conventions require Governments to establish data collection systems to assess the legitimate demand for and supply of controlled substances for medical and scientific purposes. However, unbalanced controls may adversely affect the adequate accessibility of medicines.

C. Drug-related crime and the justice system

16. Illicit drugs, crime and violence continue to be highly damaging to local communities in many countries, as members of those communities have to live in the midst of illicit drug markets, where crime and violence (and the threat of crime and violence) are ever present. The cost of drug abuse and related criminal activity also has short-term and long-term implications for individuals in terms of physical and mental health, as well as social and economic well-being.

17. Opportunities for effective treatment remain unexploited in countries where the criminal justice system does not or cannot employ treatment as an instrument to encourage drug abusers to stop abusing drugs. In some countries, the criminal justice system focuses on incarceration and does not provide adequate treatment instead of, or linked to, imprisonment.

D. The Internet, popular culture and incitement

18. The continuing rise in Internet sales of pharmaceutical preparations containing internationally controlled substances without valid prescriptions is posing a very significant challenge to international drug control. According to information from countries in which activities of illegal Internet pharmacies are closely investigated, the very high volume of transactions carried out by individual Internet pharmacies is a matter of serious concern.

19. The promotion, or at least the tolerance, of drug abuse in some areas of popular culture can be a contributing factor to creating an environment that is conducive to people abusing drugs. Young people in particular are vulnerable to a popular culture that portrays drug abuse as a normal and acceptable part of a person's lifestyle. The Internet also makes easily available to everyone information on how to manufacture or traffic illicit drugs.

20. Some Governments have not yet implemented, or do not fully enforce the provision in article 3, paragraph 1, of the 1988 Convention that requires States parties to make public incitement or inducement to take drugs a criminal offence, subject to their constitutional principles and the basic concepts of their legal systems. This seriously compromises those Governments' demand reduction efforts and can lead to an increase in drug abuse.

IV. Recommendations

A. Policies

21. All Governments should recognize the value of adopting mutually reinforcing strategies for supply and demand reduction. A central national body, with a balanced representation of agencies focused on reducing both drug supply and demand, should coordinate Government efforts. Governments are encouraged to ensure that measures aimed at reducing the adverse health and social consequences of drug abuse do not take precedence over prevention and treatment. An adequate balance between demand reduction measures should be ensured.

22. Governments that have not yet done so are strongly encouraged to establish an information system to assess trends in drug abuse, so as to gather information on the current situation in a systematic and regular manner. Demand reduction programmes also require constant monitoring and a built-in evaluation process. Relevant international organizations and Governments that have developed information and monitoring systems should consider providing assistance to States that require more expertise and financial and human resources to implement such systems. Governments should conduct medical research into cases of deaths related to the abuse of new drugs.

23. Governments with relevant experiences in demand reduction interventions should consider making those experiences accessible to drug control authorities in other countries or regions. The sharing of information and experiences can contribute to improving demand reduction strategies in countries that do not have established monitoring and evaluation systems.

24. Governments should continue to improve access to treatment and offer greater opportunities for rehabilitation and social integration. Street-level law enforcement activities should be integrated with programmes aimed at reducing demand, such as targeted education programmes. The convergence of criminal justice pressure and public health services that can encourage drug abusers and hard-to-reach addicts to obtain the necessary treatment has been effective in some areas.

25. Governments should provide adequate treatment for drug abusers who are in prison and act to curtail access to illicit drugs in prison. Governments should also provide for alternative sentencing options.

26. Governments should always take adequate prevention measures, even when drug abuse appears to have decreased. In implementing prevention programmes, Governments should take into account the importance of: (a) addressing the values, perceptions, expectations and beliefs that the community associates with drugs and drug abuse; (b) developing the personal and social skills of people, especially children and young persons, to increase their capacity to make informed and healthy decisions; and (c) creating an environment where people have the possibility to develop and lead healthy lifestyles.

B. Licit control

27. Governments need to assess their requirements of narcotic drugs and psychotropic substances on a systematic basis to ensure that supplies are sufficient to meet legitimate demand. Records of operations involving manufacture, import, export and distribution must be verified and any discrepancies accounted for. Member States should further promote the rational use of narcotic drugs and psychotropic substances and adopt prescription procedures that promote the rational use of drugs.

28. Governments that do not do so should examine the issue of the diversion and abuse of pharmaceutical preparations containing narcotic drugs and psychotropic substances and adopt adequate countermeasures, as appropriate.

29. Governments are encouraged to ensure adequate coordination among health and regulatory agencies, the medical community and the pharmaceutical industry in order to ensure that controlled substances are available to meet legitimate needs while at the same time preventing their oversupply.

C. Drug-related crime and the justice system

30. The Board calls on Governments to ensure that local law enforcement authorities, in partnership with community organizations, respond adequately to the problems of microlevel violent crime and drug abuse. Community-based monitoring is essential to deterrence, which is, in turn, essential to reducing demand for drugs.

Early alerts about the emergence of a drug-related problem are critical. Interventions targeting communities and groups at greatest risk of becoming involved in drug abuse and trafficking and in violence associated with such activities can deter and prevent offending and drug abuse. Those elements should be applied alongside demand reduction efforts, including efforts involving the treatment and rehabilitation of drug abusers. Governments are also encouraged to take measures against crime committed under the influence of drugs.

31. Governments should consider establishing “drug treatment courts” (courts specialized in dealing with individuals involved in drug-related offences). Such courts apply restorative justice principles and procedures in diverting appropriate drug-abusing offenders from the traditional criminal justice process into court-supervised treatment and rehabilitation programmes.

32. Governments should review their laws constantly to ensure compliance with the international drug control conventions, as well as the establishment of the required criminal offences and appropriate punishments, including rehabilitation and treatment programmes for drug abusers and other individuals involved in drug-related offences, in accordance with the provisions of the 1988 Convention.

D. The Internet, popular culture and incitement

33. Governments should ensure that customers of Internet pharmacies are made aware of the potential health risk involved in consuming prescription drugs obtained from illegal Internet pharmacies. Governments should take into account the *Guidelines for Governments on Preventing the Illegal Sale of Internationally Controlled Substances through the Internet*, prepared by the Board.

34. Governments should consider strengthening their efforts in prevention, using media that are appropriate and effective in reaching target audiences. In particular, Governments are encouraged to make increasing use of mass media and the Internet to disseminate messages against drug abuse. Governments should take measures against the trade on the Internet in paraphernalia, instruments and other materials required for the illicit production, manufacture and abuse of drugs. Governments should consider seeking ways to foster attitudes against drug abuse.

35. Governments are encouraged to implement and enforce article 3, paragraph 1, of the 1988 Convention, according to which States parties should, subject to their constitutional principles and the basic concepts of their legal systems, establish as a criminal offence the public incitement or inducement of others to use narcotic drugs or psychotropic substances illicitly. States should therefore make violators liable to sanctions that have an appropriate deterrent effect.

Annex V

Open-ended intergovernmental expert working group on control of precursors and of amphetamine-type stimulants

Discussion note by the International Narcotics Control Board

I. Introduction

1. Over the past decade, the International Narcotics Control Board has taken a series of actions to strengthen the control of precursors and counter the illicit manufacture, diversion and abuse of and trafficking in amphetamine-type stimulants (ATS), in accordance with its responsibilities under the international drug control treaties and the mandate it was given through the action plans adopted by the General Assembly at the twentieth special session. In particular, the Board has published, in its annual reports and in its reports on the implementation of article 12 of the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988,^a recommendations to Governments on strengthening measures for the control of precursors.

II. Achievements

A. Control of precursors

2. In accordance with the Political Declaration adopted by the General Assembly at its twentieth special session (resolution S-20/2, annex) and relevant Commission on Narcotic Drugs resolutions (e.g. Commission resolution 51/10), Governments have taken steps to strengthen control measures over precursors, including the adoption of relevant legislation. Governments have also achieved results in establishing mechanisms for monitoring the trade in scheduled chemicals. For example, currently, over 10,000 pre-export notifications are sent annually to 169 countries and territories through the Pre-Export Notification Online (PEN Online) portal. PEN Online is an automated Web-based system for the exchange of pre-export notifications that was launched in 2006. Governments have improved the submission of information to the Board on the licit international movement of precursors, by including annual estimates of legitimate requirements for precursors of ATS.

3. Pre-export notifications remain the most effective means of rapidly verifying the legitimacy of individual transactions. The Governments of 74 countries are now requesting pre-export notifications in accordance with article 12 of the 1988 Convention. Through PEN Online, it has become possible to verify the legitimacy of individual transactions on a real-time basis and to identify and stop over 60 suspicious shipments, thus preventing the diversion of controlled chemicals into illicit channels. In addition, the system has reduced unnecessary delays in

^a United Nations, *Treaty Series*, vol. 1582, No. 27627.

legitimate trade because it allows importing countries to provide timely responses to exporters' enquiries.

4. Significant positive results have been achieved in implementing the recommendations made by the General Assembly at its twentieth special session with regard to the exchange of information on suspicious transactions and the need for multilateral cooperation in exchanging information on precursor transactions and for disseminating systematic information on ways and means used by trafficking organizations. The Board has assisted in launching several successful international initiatives against the diversion of precursor chemicals: Operation Purple (1999-2005), Operation Topaz (2001-2005), Project Prism (since 2002) and Project Cohesion (since 2005). Those initiatives (which are supported by the international community, as evidenced by the adoption of various resolutions by the Commission on Narcotic Drugs and the Economic and Social Council), have led to a significant increase in the number of cases of attempted diversions that have been identified and prevented.

5. Valuable information on the patterns, diversity and extent of the licit international trade in precursor chemicals that otherwise would not have been known has been made available through the activities carried out in the framework of those international initiatives. Through the information exchange networks that have been established, attempts at diverting controlled substances continue to be prevented or uncovered. More information on the missing links between diversions of precursor chemicals from international and domestic licit channels and the smuggling of those substances to areas of illicit drug manufacture is becoming available due to backtracking investigations.

6. Operation Purple, an intensive international tracking programme launched in 1999, was focused on preventing the diversion of potassium permanganate, an important chemical used in the illicit manufacture of cocaine. Operation Topaz, an international initiative launched in 2001 that included backtracking investigations, was targeted at preventing the diversion of acetic anhydride, a critical chemical used to illicitly manufacture heroin. Project Prism was launched in 2002 to prevent the diversion of the main precursors used for the manufacture of ATS. In 2006, Operation Purple and Operation Topaz were merged to form Project Cohesion, whose aim is to address the diversion of chemicals used in the illicit manufacture of heroin and cocaine by providing a platform for regional operations. In the framework of Project Cohesion, a number of activities have been launched in 2008, particularly aimed at stopping the diversion and smuggling of chemicals destined for the illicit manufacture of heroin in Afghanistan.

7. Significant results have been achieved in the framework of Project Prism, an initiative coordinated by the Board pursuant to General Assembly resolution S-20/4 B. By monitoring 1,400 individual transactions, it has been possible to identify 35 suspicious transactions of ephedrine and pseudoephedrine and to prevent the diversion of 52 tons of those substances.

8. In response to emerging trends in trafficking and pursuant to the proposals of the Board, the Commission on Narcotic Drugs scheduled phenylpropanolamine, which is used in the illicit manufacture of ATS, and transferred acetic anhydride and potassium permanganate, two key chemicals used for the manufacture of heroin and cocaine, respectively, from Table II to Table I of the 1988 Convention. The Board is

currently conducting an assessment of phenylacetic acid with a view to possibly recommending the transfer of that substance from Table II to Table I.

B. Control of amphetamine-type stimulants

9. At the international level, most ATS are controlled under the Convention on Psychotropic Substances of 1971.^b Control measures contained in the 1971 Convention vary depending on the schedule in which the substances are listed, with substances in Schedules I and II being those most strictly controlled. Large quantities of substances included in Schedules III and IV and used in the licit manufacture of ATS continued to be diverted from international trade until the late 1990s. Since then, the diversion of those substances from international trade has been virtually eliminated because of additional control measures applied voluntarily by most States to those substances (i.e. import and export authorization systems and the system of assessments of requirements for psychotropic substances, pursuant to the relevant Economic and Social Council resolutions).

10. In response to the actions taken by the Board to draw the attention of Governments to cases of diversion and abuse of pharmaceutical preparations containing ATS obtained from licit distribution channels, some Governments have taken measures to address those problems. As a consequence, they have succeeded in decreasing the amount of pharmaceuticals containing ATS that have been diverted and abused in their territories.

III. Challenges

A. Control of precursors

11. While more States and territories have adopted legislation on precursor control, some of them have not yet implemented measures to criminalize the diversion of precursors. Some countries do not even have legislation on precursor control, which makes them vulnerable to trafficking. Coordination between domestic and international efforts among relevant agencies and capacity-building for administrative structures and human resources needs to be further improved.

12. Due to successes achieved in monitoring international trade in scheduled chemicals, diversion from domestic distribution channels and smuggling across borders have become common methods of obtaining precursor chemicals for use in clandestine laboratories.

13. Activities carried out as part of Project Prism provided evidence that traffickers are attempting to obtain large amounts of pharmaceutical preparations containing ephedrine and pseudoephedrine.

14. In response to the improved monitoring of precursors, trafficking organizations are turning to non-scheduled substances, including derivatives specially designed to circumvent existing controls.

^b Ibid., vol. 1019, No. 14956.

B. Control of amphetamine-type stimulants

15. ATS are still widely available in illicit markets and are usually obtained from illicit manufacture. Some pharmaceutical preparations containing ATS were being trafficked and abused and, for that reason, came under greater control and could no longer be diverted from licit trade or distribution channels; consequently, they are now being manufactured clandestinely.

16. Notwithstanding the above, diversion of ATS from domestic licit distribution channels has remained an important source of illicit drugs; in that connection, the illicit sale of controlled substances through the Internet and mail systems has become a common method of diversion.

17. In many countries, social pressures lead people to abuse ATS such as anorectics, used to suppress appetite and control weight. Some national authorities and large segments of the general population continue to be unaware of the dangers posed by the abuse of ATS, including in the form of pharmaceutical preparations. In some countries, the judiciary is not able to sanction related illegal activities, once detected. In addition, in some countries, aggressive direct-to-consumer advertising and improper medical practice facilitate the excessive availability of ATS on licit markets, which may, in turn, lead to their diversion and abuse.

18. New substances that are not yet under international or national control and can therefore be easily obtained from licit distribution channels or trafficked without fear of sanctions have emerged as substances of abuse. Examples of such substances include piperazine-derived compounds and so-called “designer drugs”, created by making slight changes to the molecular structure of an ATS under international control. The Internet is used as a means of sharing information on those substances and of smuggling the substances involved.

IV. Recommendations

A. Control of precursors

National control measures

19. Governments are strongly encouraged to report to the Board, in accordance with the Political Declaration adopted by the General Assembly at its twentieth special session and other relevant resolutions of the Commission on Narcotic Drugs, in a regular and timely manner, on the adoption of, or changes to, national regulations aimed at controlling precursors. Governments are also encouraged to use the updated limited international special surveillance list of non-scheduled substances that was released to all competent authorities in June 2007. Governments are further encouraged to put in place mechanisms for identifying suspicious transactions involving such substances and provide the Board with detailed information of any seizures of non-scheduled precursors.

20. Governments should strive to control pharmaceutical preparations containing scheduled substances in the same way as they control the substances. They should also strive to strengthen controls over the movement of precursor chemicals within their territory by adequately monitoring the licit manufacture and distribution of

precursors used in the illicit manufacture of drugs, in accordance with article 12, paragraph 8, of the 1988 Convention.

International cooperation

21. Governments are encouraged to actively participate in activities in the framework of Project Cohesion and Project Prism and to promote the ongoing exchange of information with other Governments. Governments are also encouraged to actively participate in regional initiatives aimed at preventing the diversion of precursor chemicals.

Information exchange

22. The Board requests Governments to consider improving domestic coordination among relevant agencies by: registering with and utilizing PEN Online; submitting to the Board the requested information on their estimated annual legitimate requirements for ATS precursors, while regularly reviewing their requirements and informing the Board of any amendments; actively participating in Project Cohesion and Project Prism; and promoting the ongoing exchange of information with other Governments.

B. Control of amphetamine-type stimulants

National control measures

23. All Governments should implement all provisions contained in the 1971 Convention and Economic and Social Council resolutions related to psychotropic substances. In particular, they should: apply the import and export authorization system to all ATS in Schedules III and IV; implement the system of assessments for requirements of psychotropic substances for ATS; ensure that the diversion and attempted diversion of licitly manufactured ATS are considered offences under national law and that adequate penalties for such offences are applied; implement article 10 of the 1971 Convention, which prohibits the advertising of psychotropic substances to the general public; monitor the implementation of prescription requirements for psychotropic substances; and adopt national legislation against the illicit trade in ATS through the Internet, taking into account the *Guidelines for Governments on Preventing the Illegal Sale of Internationally Controlled Substances through the Internet*, prepared by the Board.

Prevention and early detection of the diversion and abuse of amphetamine-type stimulants

24. Governments are encouraged: to include the abuse of ATS, including ATS in the form of pharmaceutical preparations, in all prevention programmes; to include the abuse of ATS, including ATS in the form of pharmaceutical preparations, in surveys carried out to assess drug and substance abuse; wherever necessary, to include treatment for the abuse of ATS, including ATS in the form of pharmaceutical preparations, in national programmes; to train law enforcement authorities to watch out for and seize ATS on illicit markets, including ATS in the form of pharmaceutical preparations and substances not under national or international control; to examine seized samples assumed to contain ATS with a view to

identifying the active ingredients contained in them; to educate health professionals about the dangers posed by the abuse of ATS and invite such professionals to promote the rational use of ATS and follow sound prescribing practices; and to consider establishing prescription monitoring programmes.

International cooperation

25. The Board recommends that Governments share information on new trends in trafficking in and the manufacture and abuse of ATS, including ATS in the form of pharmaceutical preparations, counterfeit medicines and substances that are not yet under national or international control. The Board also recommends that Governments inform the World Health Organization and the Board accordingly and consider notifying the Secretary-General of problems experienced with ATS that have been newly identified as abused, diverted or trafficked, with a view to placing them under international control, in addition to taking measures at the national level. The Board further recommends that Governments cooperate in investigations concerning trafficking in ATS, including against illegally operating Internet pharmacies.

About the International Narcotics Control Board

The International Narcotics Control Board (INCB) is an independent and quasi-judicial control organ, established by treaty, for monitoring the implementation of the international drug control treaties. It had predecessors under the former drug control treaties as far back as the time of the League of Nations.

Composition

INCB consists of 13 members who are elected by the Economic and Social Council and who serve in their personal capacity, not as Government representatives. Three members with medical, pharmacological or pharmaceutical experience are elected from a list of persons nominated by the World Health Organization (WHO) and 10 members are elected from a list of persons nominated by Governments. Members of the Board are persons who, by their competence, impartiality and disinterestedness, command general confidence. The Council, in consultation with INCB, makes all arrangements necessary to ensure the full technical independence of the Board in carrying out its functions. INCB has a secretariat that assists it in the exercise of its treaty-related functions. The INCB secretariat is an administrative entity of the United Nations Office on Drugs and Crime, but it reports solely to the Board on matters of substance. INCB closely collaborates with the Office in the framework of arrangements approved by the Council in its resolution 1991/48. INCB also cooperates with other international bodies concerned with drug control, including not only the Council and its Commission on Narcotic Drugs, but also the relevant specialized agencies of the United Nations, particularly WHO. It also cooperates with bodies outside the United Nations system, especially the International Criminal Police Organization (INTERPOL) and the World Customs Organization.

Functions

The functions of INCB are laid down in the following treaties: the Single Convention on Narcotic Drugs of 1954 as amended by the 1972 Protocol; the Convention on Psychotropic Substances of 1971; and the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988. Broadly speaking, INCB deals with the following:

(a) As regards the licit manufacture of, trade in and use of drugs, INCB endeavours, in cooperation with Governments, to ensure that adequate supplies of drugs are available for medical and scientific uses and that the diversion of drugs from licit sources to illicit channels does not occur. INCB also monitors Governments' control over chemicals used in the illicit manufacture of drugs and assists them in preventing the diversion of those chemicals into the illicit traffic;

(b) As regards the illicit manufacture of, trafficking in and use of drugs, INCB identifies weaknesses in national and international control systems and contributes to correcting such situations. INCB is also responsible for assessing chemicals used in the illicit manufacture of drugs, in order to determine whether they should be placed under international control.

In the discharge of its responsibilities, INCB:

(a) Administers a system of estimates for narcotic drugs and a voluntary assessment system for psychotropic substances and monitors licit activities involving drugs through a statistical returns system, with a view to assisting Governments in achieving, inter alia, a balance between supply and demand;

(b) Monitors and promotes measures taken by Governments to prevent the diversion of substances frequently used in the illicit manufacture of narcotic drugs and psychotropic substances and assesses such substances to determine whether there is a need for changes in the scope of control of Tables I and II of the 1988 Convention;

(c) Analyses information provided by Governments, United Nations bodies, specialized agencies or other competent international organizations, with a view to ensuring that the provisions of the international drug control treaties are adequately carried out by Governments, and recommends remedial measures;

(d) Maintains a permanent dialogue with Governments to assist them in complying with their obligations under the international drug control treaties and, to that end, recommends, where appropriate, technical or financial assistance to be provided.

INCB is called upon to ask for explanations in the event of apparent violations of the treaties, to propose appropriate remedial measures to Governments that are not fully applying the provisions of the treaties or are encountering difficulties in applying them and, where necessary, to assist Governments in overcoming such difficulties. If, however, INCB notes that the measures necessary to remedy a serious situation have not been taken, it may call the matter to the attention of the parties concerned, the Commission on Narcotic Drugs and the Economic and Social Council. As a last resort, the treaties empower INCB to recommend to parties that they stop importing drugs from a defaulting country, exporting drugs to it or both. In all cases, INCB acts in close cooperation with Governments.

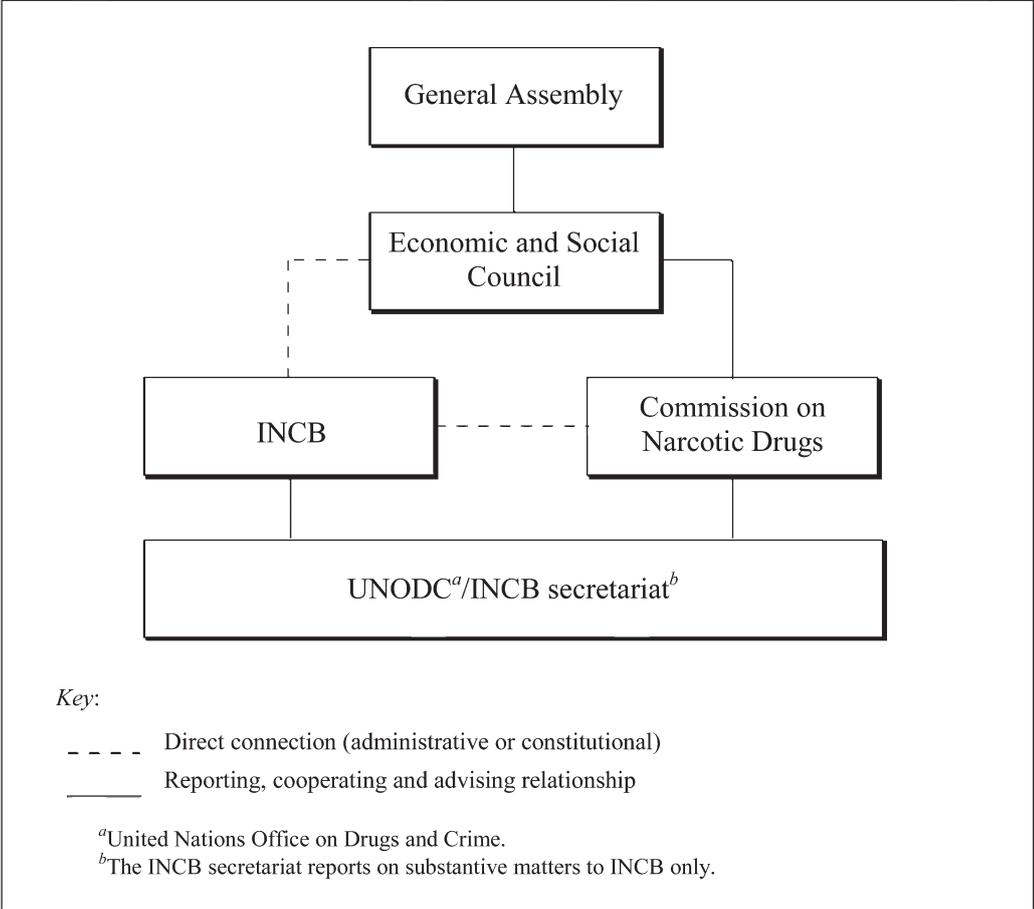
INCB assists national administrations in meeting their obligations under the conventions. To that end, it proposes and participates in regional training seminars and programmes for drug control administrators.

Reports

The international drug control treaties require INCB to prepare an annual report on its work. The annual report contains an analysis of the drug control situation worldwide so that Governments are kept aware of existing and potential situations that may endanger the objectives of the international drug control treaties. INCB draws the attention of Governments to gaps and weaknesses in national control and in treaty compliance; it also makes suggestions and recommendations for improvements at both the national and international levels. The annual report is based on information provided by Governments to INCB, United Nations entities and other organizations. It also uses information provided through other international organizations, such as INTERPOL and the World Customs Organization, as well as regional organizations.

The annual report of INCB is supplemented by detailed technical reports. They contain data on the licit movement of narcotic drugs and psychotropic substances required for medical and scientific purposes, together with an analysis of those data by INCB. Those data are required for the proper functioning of the system of control over the licit movement of narcotic drugs and psychotropic substances, including preventing their diversion to illicit channels. Moreover, under the provisions of article 12 of the 1988 Convention, INCB reports annually to the Commission on Narcotic Drugs on the implementation of that article. That report, which gives an account of the results of the monitoring of precursors and of the chemicals frequently used in the illicit manufacture of narcotic drugs and psychotropic substances, is also published as a supplement to the annual report.

United Nations system and drug control organs and their secretariat



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