Excellencies, Ladies and Gentlemen,

I would like to start by congratulating Ambassador Sharma of India for his election as Chairman of the Commission. Having been able to meet you in February when you addressed the latest session of the International Narcotics Control Board, I am confident that your skilful leadership will bring success to this session of the Commission on Narcotic Drugs. I would also like to extend my best wishes to the other members of the Bureau for constructive and fruitful deliberations in this session.

Mr Chairman,

One of the central principles of international drug control is the balanced approach- the recognition that efforts to reduce demand and supply are required in order to achieve sustainable, long-term impact on the overall drug control situation. The first chapter of the annual report of the Board for 2004 examines the interaction between supply and demand reduction strategies and how these two can be integrated to have the maximum impact.

The chapter shows how Governments can apply the principle of the balanced approach in practice and achieve cooperation between government agencies, civil society organizations and local communities.

The Board's report emphasizes that drug supply and demand are inextricably linked components of a single phenomenon. Therefore, demand reduction programmes and supply reduction programmes that are implemented in isolation can only have limited success. While balanced strategies are a step in the right direction, they continue to treat supply and demand as separate issues. Governments should strive to overcome this artificial division and develop and implement integrated strategies which combine components of supply and demand reduction in multidisciplinary programmes.

In order to achieve that goal, the Board recommends that Governments:
Establish a central authority with a balanced representation of supply and demand reduction agencies. That authority will coordinate efforts and distribute financial and other resources, among those responsible for providing health, law enforcement, criminal justice, education and social services;

Develop and offer training programmes for criminal justice and public health, education and social service officials on the interaction of supply and demand reduction policies. Such training will also contribute to the mutual understanding among officials who are involved in addressing the drug problem;

More attention should also be paid to research and analysis. It is vital that existing programmes are monitored so as to obtain scientific evidence that can be used to develop realistic integrated supply and demand reduction programmes. The Board also encourages Governments to compile effective experiences of implementing supply and demand strategies and exchange best practices with local, national, regional and international authorities.

Mr. Chairman,

In the second chapter of the report, the Board reviews the drug control situation in Afghanistan that, unfortunately, appears to be seriously deteriorating. In 2004, opium poppy cultivation further expanded and now extends to almost all provinces of the country, involving an ever increasing number of farmers. This is just part of an increasingly disheartening scenario. Illicit manufacture of and trafficking in heroin has gained ground in the country. Moreover, pharmaceutical products can be obtained without prescription from unregulated pharmacies, retail outlets and roadside stalls. Most of the products are adulterated, out of date and unregistered and are illicitly manufactured and smuggled into Afghanistan. Not surprisingly, the unlimited and uncontrolled availability of both narcotic drugs and psychotropic substances has contributed to a significant rise of drug abuse in Afghanistan, with an increasing use of injection as a mode for administering illicit drugs.

The situation calls for a response from the international community. While the Board is encouraged by the fact that the President of Afghanistan has expressed his strong commitment and political will to address the drug problem, progress on the ground has been limited. Consequently, the drug problem has become a severe threat to the young democracy of Afghanistan and the stability and economic recovery of the country as a whole. I would like to remind the Government of Afghanistan that it is responsible to fulfil its commitments under the international drug control treaties and to ensure that its people are protected from the scourge of drugs.

Mr Chairman,

As required under the provisions of the 1961 Single Convention on Narcotic Drugs, the Board endeavours to ensure the availability of narcotic drugs for medical and scientific purposes while preventing their proliferation.
Proliferation of sources of production of opiate raw materials may increase diversion to the illicit market and subsequent abuse of the finished products. Governments of countries producing opiates for licit purposes therefore have to implement effective measures to prevent illicit production, or diversion of opiate raw materials into illicit channels. The application of appropriate technical methods of morphine production also contributes to control and prevention of diversion of narcotic drugs to illicit channels.

For the past three years, the Board has studied, pursuant to Economic and Social Council resolution 2002/20, the relative merits of different methods of producing opiate raw materials to see whether there is a best method which has an inherently lower risk potential for opium poppy being diverted and abused. I would like to thank Governments for supporting the study by providing detailed technical information which was of great use to the Board. The study, which was reviewed by the Board at its February session, examines the advantages and disadvantages of both methods in terms of relative security, flexibility, productivity and efficiency as well as adaptability of local conditions.

The study found that both raw material production systems opium and poppy straw have inherent potential for diversion and abuse but that risk factors for diversion appear to decrease with increased mechanization of production and transportation. A summary of the findings of the study is available to the Commission in a conference room paper.

In response to requests from Member States, the Board has arranged an informal consultation on the supply of opiate raw materials and the demand for opiates for medical and scientific purpose with Government importing and producing opiate raw materials to monitor the situation and propose innovative solutions if required.

Mr Chairman,

The second chapter of the report also highlights an important development in the Dutch policy on cannabis. The Dutch Government informed the Board of an inter-ministerial policy paper on cannabis which outlines policy initiatives that the Government intends to take on cannabis. Noting that cannabis is not harmless, the paper stresses the importance of strengthening measures against street dealing, drug tourism and cannabis cultivation. The Board also noted that the Government intends to reduce the number of coffee shops located near schools and in border areas.

The inter-ministerial policy paper also announces the intention of the Dutch Government to implement an action plan that discourages cannabis abuse, which will include specific drug prevention campaigns aimed at high-risk groups. An annual mass media anti-drug campaign will be launched over a period of three years, specifically targeting young people between the ages of 12 and 18. Other European countries are taking action against cannabis. The Board welcomes all above steps.

Mr. Chairman,
For several years, the Board has expressed its concern about the misuse of the Internet for illicit drug trafficking. The first chapter of the annual report for 2001 identified the Internet as one of the major challenges to drug law enforcement in the 21st century. This prediction proved to be true—now several billion of doses of medicines containing internationally controlled substances are sold illicitly over the Internet every year, posing potentially fatal health risks to consumers.

Unlicensed Internet pharmacies routinely sell pharmaceutical preparations containing internationally controlled substances. Investigations confirm that around 90 per cent of such sales by Internet pharmacies are conducted without the prescriptions required for internationally controlled narcotic drugs and psychotropic substances. Internet pharmacies will sell the drug to anybody. Just as they do not require a prescription, they usually do not verify the age of customer. As a result, Internet pharmacies have already become a major source of drugs for children and adolescents.

The Board, aware of the fact that the problem of illicit sales through the Internet requires close cooperation between countries and international organizations, organized an expert group on the subject in October 2004. The meeting noted that there was a need to establish a mechanism that will ensure the sharing of experience and the rapid exchange of information on specific cases. Governments also need to identify weaknesses in national regulatory systems with regard to domestic distribution of drugs. The Board also calls on Governments to cooperate with the pharmaceutical industry and Internet service providers in order to bring this trafficking to an end.

Mr. Chairman,

The third chapter of the annual report of the Board reviews the drug control situation in different regions of the world. The report is based on various sources: the Board gathers important first-hand information during its missions to countries in all parts of the world. Government reports, which many Governments provide directly to the Board, are also a source of information.

The Board is in constant contact with the various sections of the United Nations Office on Drugs and Crime and its regional and country offices. Moreover, the Board examines reports from international organizations with a drug control mandate such as the World Health Organization, Interpol and the World Customs Organization.

In preparing the report, the Board is constrained by the limited size of the document and it is therefore not possible to reflect every important development of drug control in the 210 countries and territories that the work of the Board covers. The fact that a Government has not been mentioned in our report in no way diminishes its drug control achievements. Events such as single large drug seizures, the apprehension of key drug traffickers, successes in the eradication of crops from which drugs are extracted or action taken by Governments concerning legislation or demand reduction can often not be adequately reflected in our lean document.
Another constraint is time. Our cut-off date is 1 November of each year to ensure the timely translation of the report into all official languages of the United Nations. Therefore, in order to ensure that information submitted by Governments can be used, it has to reach our Vienna secretariat before 1 November. Any information which is received after that date cannot be considered. Governments should bear this in mind and submit very important information, for example, replies to inquiries by the Board well in advance of the cut-off date.

Just as the Board's report cannot reflect very recent developments, it cannot, for reasons of space, cover events that happened before the period on which the Board reports.

The Board appreciates and welcomes reactions of Governments on its assessments and views even if these reactions are not always complimentary. The day the Board is only applauded is the day that it has failed to exercise its mandate.

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Report of the International Narcotics Control Board on the implementation of article 12 of the 1988 Convention

Mr Chairman,

I would now like to turn to the Board’s report on the implementation of article 12 of the 1988 Convention. In 2004, the Board has noted that successes continue to be achieved. A number of countries, including Canada, Costa Rica, Peru and Tanzania, have tightened their precursors legislation. The European Union has also introduced new regulations to improve controls over internal trade, to introduce controls over imports and to tighten existing controls over exports. The majority of Governments complies with their treaty obligations and provides the Board with information on seizures and also with voluntary data on licit trade in chemicals. Since 2004, Canada and China also send such information. However, 22 states, are not yet parties to the Convention.

The rapid exchange of information between importing and exporting countries on individual shipments of precursor chemicals, through pre-export notifications, continues to be the most effective means of preventing diversion. Such exchange has resulted in major seizures, dismantling of clandestine laboratories and arrests of traffickers.

Under Project Prism, a joint investigation between Poland and China and a successful controlled delivery between Ireland and the Netherlands led to the arrests of traffickers in precursors for ecstasy. The strength of Project Prism remains its ability to offer a flexible approach to address specific threats. As INCB has pointed out before, those threats vary significantly from region to region. For example, the diversions of pharmaceutical
preparations containing pseudoephedrine to North America continue to be a source of the precursors used in the illicit manufacture of methamphetamine in that region.

The monitoring of international trade in acetic anhydride and potassium permanganate under Operations Purple and Topaz continues to function well. However, the Board has noted increases in shipments of chemicals to non-participating countries, which are often located far from areas where the illicit production of cocaine or heroin takes place. INCB and governments need to thoroughly follow up on each such individual shipment to ensure that such shipments are not diverted and smuggled to illicit manufacturing areas.

While reviewing information provided, the Board has noted with serious concern the lack of reporting on precursors trafficking from Central and South America. The countries in that region are the first to feel the effect of the smuggling of potassium permanganate. The Board therefore urges them to establish the necessary mechanisms and to report the information required.

Mr. Chairman,

The situation in Afghanistan as I mentioned earlier remains a serious cause of concern to the Board. Little is known on the methods of diversion and smuggling of chemicals, and of acetic anhydride in particular, to Afghanistan, where they are used for the manufacture of heroin. For that reason, the Board has identified urgent needs for capacity-building exercises in Afghanistan and the surrounding countries.

There is not enough information on the substances actually used in the illicit manufacture of ecstasy in Europe either. The Board calls on governments to step up sharing of real-time information on seizures and diversions of such chemicals.

The Board sees a need for an evaluation and harmonization of the activities carried out under Operation Purple and Operation Topaz. Therefore, the Board is requesting the Steering Committees of the two operations to make such an evaluation in 2005.

Mr. Chairman,

The Board will continue to assist governments in focusing their efforts in a comprehensive approach, involving coordinated regulatory and law enforcement measures. The Board will continue to support, in particular, the activities under Project Prism, which also form part of the actions that Governments agreed to under the UNGASS resolutions on amphetamine-type stimulants and the control of precursors.

I hope that the level of commitment of governments to these worthwhile activities will also continue during 2005.

I thank you for your attention.