

production of 1,500 tons annually. Most of that substance was consumed in South-East Asia. The survey also revealed that shipments of safrole in the form of safrole-rich oils were often declared simply as “essential oils”, making it difficult for authorities to identify individual shipments of safrole.

2. Activities under Project Cohesion, the international initiative to address the diversion of chemicals used in the illicit manufacture of cocaine and heroin

35. Project Cohesion, the global initiative launched by the Board to address the diversion of acetic anhydride and potassium permanganate, continued to provide a suitable platform for the monitoring of licit trade in those substances and for launching time-bound regional operations. The results of Operation Trans-shipment, an anti-trafficking operation conducted in Central Asia in July 2006, were noted in the 2006 report of the Board on the implementation of article 12.⁷ The Board considers that additional and specific regional activities are needed to address the continuing problem of the smuggling of acetic anhydride into Afghanistan. **Aware that the Project Cohesion Task Force is undertaking a number of complementary measures, including anti-smuggling activities in Central Asia, the Board stands ready to support those activities within the scope of its mandate.**

36. Also in its 2006 report on precursors,⁸ the Board urged Governments participating in Project Cohesion, particularly those in the Americas, to launch similar activities to address the diversion of potassium permanganate used in the illicit manufacture of cocaine in South America. **The Board is willing to support initiatives being launched under the Project by Governments in the region in cooperation with international organizations and looks forward to being informed of the results of those activities.**

⁷ *Precursors and Chemicals Frequently Used in the Illicit Manufacture of Narcotic Drugs and Psychotropic Substances: Report of the International Narcotics Control Board for 2006* ..., paras. 61-63.

⁸ *Ibid.*, para. 64.

III. Extent of licit trade and latest trends in trafficking in precursors

37. The analysis presented below provides an overview of the major trends in the diversion of and trafficking in precursor chemicals, as identified in the period 2006-2007. It is based on data on seizures and on licit trade furnished by Governments on form D for 2006 and in pre-export notifications. The analysis also draws on information from individual cases of diversion, attempted diversion, stopped or suspended shipments and information on illicit drug manufacturing activities. Information obtained under the international initiatives Project Cohesion and Project Prism, including information resulting from Operation Crystal Flow, complemented the analysis. The Board is grateful to all Governments that provided it with the results of cases investigated in 2006 and 2007.

A. Substances used in the illicit manufacture of amphetamine-type stimulants

38. Between 1 November 2006 and 31 October 2007, Governments sent 3,143 pre-export notifications for shipments involving substances used in the illicit manufacture of amphetamine-type stimulants. The Board assisted Governments in verifying the legitimacy of 380 of those consignments, leading to the successful prevention of the diversion of controlled chemicals in 57 different cases.

1. Ephedrine and pseudoephedrine

Licit trade

39. Between 1 November 2006 and 31 October 2007, 2,773 individual shipments involving international trade in ephedrine and pseudoephedrine were monitored under Project Prism. Of those shipments, 553 involved ephedrine (totalling 311 tons) and 2,220 involved pseudoephedrine (totalling 1,380 tons). The shipments were exported by 31 countries and territories and were destined to 140 importing countries and territories. The Board launched enquiries into 352 shipments with the Governments of 71 countries and territories.

Trafficking

40. Thirty Governments reported seizures of ephedrine and pseudoephedrine for 2006. Although that number testifies to the magnitude of the problem of the illicit manufacture of methamphetamine, the quantities involved were relatively low compared with the amount suspected of being trafficked. The seizures in question involved 6,720 kg of ephedrine, including 117 kg in the form of pharmaceutical preparations, and 739 kg of pseudoephedrine, including 210 kg of pharmaceutical preparations containing that substance. Thirteen Governments⁹ provided on form D specific information on seizures of the two substances in the form of pharmaceutical preparations. As that type of information was being requested for the first time, the actual number of States seizing pharmaceutical preparations in 2006 may in fact have been higher.

41. Importing and exporting countries participating in Operation Crystal Flow brought to the attention of the Board shipments totalling over 120 tons (17.8 tons of ephedrine and 103.6 tons of pseudoephedrine) that were suspected of being intended for use in the illicit manufacture of methamphetamine. During the operation, only one case involving ephedra was identified. Most of the suspicious shipments identified during the operation were being sent to, or smuggled through, countries in Africa and West Asia; a relatively limited number of shipments had been sent directly to the Americas.

42. The strengthened monitoring and control of ephedrine and pseudoephedrine shipments to North America helped to prevent the diversion of the raw materials in that region. However, trafficking networks have been exploring new ways to supply illicit methamphetamine laboratories in the region. It is believed that the smuggling and diversion of those substances from domestic distribution networks is already one of the most common methods for clandestine laboratories to obtain chemicals. As orders for raw materials are brought under increasing scrutiny by authorities worldwide, traffickers have turned to placing orders with legitimate pharmaceutical companies for preparations containing ephedrine or

pseudoephedrine, allegedly to be sent to developing countries. In many regions, controls over pharmaceutical preparations are less stringent or non-existent, which makes it easier for traffickers to subsequently smuggle consignments into North America or other regions.

43. Numerous cases of diversion and attempted diversion of ephedrine and pseudoephedrine were identified and reported to the Board. In those cases, traffickers targeted the following countries in particular: Burundi, Democratic Republic of the Congo, Egypt, Ethiopia, Ghana, Guyana, Iran (Islamic Republic of), Iraq, Kenya, Mexico, Nigeria, Somalia, South Africa, Sudan, Syrian Arab Republic, United Arab Emirates and United Republic of Tanzania. **All exporting and transit countries are urged not to release shipments of ephedrine and pseudoephedrine destined to Africa, the Americas and West Asia until the legitimacy of those shipments has been duly confirmed. Governments are urged to ensure that mechanisms are in place for verifying not only the legitimacy of the raw material when imported, but also the intended end-use of the material, especially in the case of pharmaceutical preparations intended for export to another country. The Board also urges all Governments to control pharmaceutical preparations containing ephedrine and pseudoephedrine in the same way as they control the scheduled substances themselves.**

44. In its 2005 and 2006 reports on the implementation of article 12,^{10, 11} the Board alerted Governments to an increase in trafficking in ephedra, a plant material not under international control from which ephedrine is extracted. The Netherlands, for instance, reported for 2006 a seizure of 94 tons of ephedra; the material was found to contain more than 20 per cent ephedrine. In 2006, Germany reported an attempted diversion of 800 tons of ephedra extracts and Luxembourg seized two tons of the substance that had

⁹ Argentina, Belarus, Bulgaria, Canada, Finland, Hungary, New Zealand, Norway, Romania, Russian Federation, Slovakia, United Kingdom of Great Britain and Northern Ireland and United States.

¹⁰ *Precursors and Chemicals Frequently Used in the Illicit Manufacture of Narcotic Drugs and Psychotropic Substances: Report of the International Narcotics Control Board for 2005* (United Nations publication, Sales No. E.06.XI.5), para. 15.

¹¹ *Precursors and Chemicals Frequently Used in the Illicit Manufacture of Narcotic Drugs and Psychotropic Substances: Report of the International Narcotics Control Board for 2006 ...*, paras. 71-75.

been mislabelled as *Citrus aurantium* (bitter orange); both shipments were destined for Mexico. Several States, including member States of the European Union, Mexico and the United States, adopted legislative and control measures that either banned the importation of ephedra or allowed for proper national controls. It is important to note that China, the sole exporter of that substance, has consistently provided pre-export notifications for shipments of ephedra extracts. While in 2005 more than 30 shipments (totalling 1,150 tons) of the substance were ordered, in 2006 the number of ephedra shipments fell to 15 (totalling 970 tons). In 2007, no shipments of ephedra were notified to the Board. **The Board commends the Governments of all countries concerned for their promptness in adopting control measures that assisted in preventing the diversion of ephedra shipments. Nevertheless, the Board advises Governments to remain vigilant with regard to shipments of ephedra extracts.**

Africa: a major trafficking route

45. The Board is seriously concerned about evidence that Africa has become a major area used for the diversion of precursors of amphetamine-type stimulants. During the period 2006-2007, participants in Project Prism and Operation Crystal Flow identified numerous suspicious shipments to Africa, where the consignments were to be diverted, or to North America or Oceania. In total, over 75 tons of ephedrine and pseudoephedrine were prevented from being diverted to or through Africa. The Democratic Republic of the Congo alone was the destination of seven stopped shipments involving a total of 23 tons of pseudoephedrine in 2007.

46. One of the most commonly used methods of diversion in 2007 was the falsification of import permits. The Islamic Republic of Iran, for instance, suspended a consignment of 6 tons of pseudoephedrine that was being sent to Somalia in 2007. The import permit accompanying the order purportedly authorized the importation of 15 tons each of ephedrine and pseudoephedrine. According to data from exporting countries, however, the legitimate needs of Somalia do not exceed 100 kg per year. At the time the present report was issued, Somalia had not yet replied to the enquiries about the shipment. The Board notes with concern that several African States are not in a position to respond in a timely manner to pre-export

notifications and to enquiries about suspicious chemical shipments.

47. The Board is concerned that the above-mentioned trafficking patterns in Africa are in such sharp contrast with the low number of seizures made by Governments in the region. Between 2000 and 2006, ephedrine and pseudoephedrine seizures for the region as a whole amounted to only 242 kg, with South Africa accounting for most of those seizures. South Africa was also the only country that reported for 2006 the seizure of ephedrine (10 kg). In 2007, however, Operation Crystal Flow made possible the seizure of several tons of pseudoephedrine in the Democratic Republic of the Congo as the result of a successful controlled delivery and close cooperation by several Governments participating in Project Prism.

The Americas: less direct diversion from international trade, but diversion of pharmaceutical preparations

48. In 2006, only 518 kg of ephedrines were seized in the United States, the smallest amount ever reported to the Board by that State. The number of illicit methamphetamine laboratories destroyed in that country reportedly decreased by more than 40 per cent, from 12,752 in 2005 to 7,374 in 2006. Seizures of relatively small amounts of ephedrine and pseudoephedrine were reported by Argentina and Costa Rica. Some States, including Mexico, did not provide any data on precursor seizures for 2006. Bolivia, Chile, Colombia, Ecuador, El Salvador, Guatemala, Guyana and Peru identified attempted diversions of large amounts of either raw pseudoephedrine or pharmaceutical preparations containing pseudoephedrine.

49. The competent authorities of Canada assisted in investigating suspicious shipments of ephedrines destined for Africa, arranged through broker companies based in Canada. **The Board encourages the Government of Canada to adopt the measures necessary to prevent the diversion of precursors arranged through broker companies.**

50. It is too early to assess the exact impact of the estimates of legitimate requirements for ephedrines prepared by Governments of countries in the Americas. Nevertheless, the Board is pleased to note that most States in the Americas provided estimates of their requirements for 2007. **The Board invites all States**

that have not yet done so, and Mexico in particular, to provide the requested information on their legitimate requirements for the four precursors of amphetamine-type stimulants.

Asia: West Asia becoming a hub for the diversion of raw material and pharmaceutical preparations

51. Operation Crystal Flow confirmed that traffickers had placed orders for pharmaceutical preparations containing ephedrine or pseudoephedrine with legitimate pharmaceutical companies in West Asia, purportedly to be shipped onwards to developing countries. Controls over pharmaceutical preparations are often non-existent or less stringent. In 2007, an established pharmaceutical company in the United Arab Emirates imported 15 tons of bulk pseudoephedrine for manufacturing a pharmaceutical preparation allegedly to be shipped to Kenya. According to the Kenyan authorities, however, the amount exceeded the entire annual legitimate requirements of the country. In another case, a legitimate company in the Syrian Arab Republic had imported large amounts of raw pseudoephedrine. The pharmaceutical preparation made from the substance was to be exported to Mexico, Spain and the United Arab Emirates. None of those States, however, was aware of the shipments or had authorized them. In fact, the pharmaceutical preparation in question was not even registered in any of those States. While it is not known if the shipments actually reached their destinations, it is suspected that they may have been diverted into illicit channels.

52. In 2006, more than 1.2 tons of bulk ephedrine were seized in India, 1.3 tons were seized in Myanmar and amounts smaller than 100 kg were seized in Kazakhstan, the Philippines and the Republic of Korea. While there is a growing body of information about routes used for smuggling ephedrines into the Americas, less is known about East Asia, where substances used for the licit manufacture of methamphetamine are probably diverted into illicit channels from domestic distribution channels.

Europe: continued smuggling of pharmaceutical preparations

53. Seizures of ephedrine and pseudoephedrine for 2006 were reported by 15 States in Europe, including Belgium, Hungary, the Russian Federation and

Ukraine, each of which reported seizures of ephedrine larger than 10 kg. In the Czech Republic, over 400 "kitchen" laboratories used to manufacture methamphetamine were detected, although the quantities of ephedrine seized were lower than in previous years. A large part of the 65 kg seized in Hungary was made up of ephedrine tablets purportedly manufactured in Turkey by an established pharmaceutical company. No exports or diversion of pharmaceutical preparations originating in Europe were identified during Operation Crystal Flow.

Oceania: no significant changes in trafficking patterns

54. In 2006, the Australian authorities seized over 90 kg of ephedrine, 160 kg of pseudoephedrine and smaller amounts of norephedrine. Most of the seized ephedrine had originated in China, Malaysia and South Africa, while 60 per cent of the seized pseudoephedrine had originated in Indonesia. Seized cold and flu medications containing pseudoephedrine originated in pharmacies or had been obtained through theft or armed robbery. The situation of precursor trafficking in New Zealand remained similar to 2005: over 200 kg of raw pseudoephedrine from Asia were seized, all in the form of pharmaceutical preparations, intended for use by illicit methamphetamine laboratories in the country.

2. 3,4-Methylenedioxyphenyl-2-propanone, 1-phenyl-2-propanone and phenylacetic acid

Licit trade

55. No Government reported any licit shipments of 3,4-MDP-2-P between 1 November 2006 and 31 October 2007. According to the information provided to the Board, annual legitimate requirements for the substance are extremely limited. Only Australia, Germany, Hungary, Malta and Sweden reported legitimate requirements of 3,4-MDP-2-P (in all cases, small amounts).

56. During the reporting period, the Board was informed of 31 shipments of P-2-P totalling 44.7 tons, which was almost four times the total amount reported for 2005. North America or West Asia was the intended destination of most of the shipments. As the experience of a number of countries, in particular in Europe, indicated that traffickers were continuing their search for P-2-P, the Board followed up with the importing

countries on all significant shipments of the substance. It is not to be excluded that traffickers have resumed, or may resume, their search for substances other than ephedrine and pseudoephedrine that can be used in clandestine laboratories to manufacture amphetamine-type stimulants.

57. Sixteen countries reported on form D imports totalling 2,219 tons of phenylacetic acid, although only 68 shipments of that substance, amounting to 326 tons, had been notified to the Board. Mexico remained the largest importer of the substance. In view of the increase in reported seizures of illicitly manufactured P-2-P (of which phenylacetic acid is an immediate precursor), the Board has recommended the transfer of phenylacetic acid from Table II to Table I of the 1988 Convention (see para. 4 above). **In the meantime, as phenylacetic acid continues to be seized in Europe, North America and Oceania, the Board reminds all Governments to remain vigilant and to continue monitoring the licit trade in that substance.**

Trafficking

58. Following a six-year period in which large amounts of 3,4-MDP-2-P intended for use in the illicit manufacture of methylenedioxymethamphetamine (MDMA, commonly known as "ecstasy") were seized, both the number and size of seizures of that substance declined globally in 2006 according to information provided by Governments. Seizures of 3,4-MDP-2-P were reported by only Canada (7,378 litres) and the Netherlands (105 litres). In 2007, one of the largest MDMA laboratories ever uncovered was dismantled in the Netherlands. Croatia reported a seizure of 1,332 litres of 3,4-MDP-2-P, carried out in collaboration with the Italian authorities; the substance had been smuggled in a sea container originating in China.

59. In 2006, seizures of P-2-P declined in all regions except Europe. Nine countries in that region accounted for most of the 2,607 litres of the substance seized. Amounts larger than 100 litres were seized in Denmark, the Netherlands, Poland, the Russian Federation and Turkey, with smaller seizures reported in Canada and the United States. The authorities of Poland attributed the increase of seizures of P-2-P in that country (1,085 litres) to successful joint operations in the European region. Most of the shipments seized

in Poland had been smuggled into the country from Lithuania and had been en route to Belgium and the Netherlands; smaller amounts of the substance were also seized in clandestine amphetamine laboratories in Poland. Small amounts of P-2-P were also seized in a clandestine amphetamine laboratory in Bulgaria.

60. For the year 2006, 27 countries reported imports of piperonal totalling 1,022 tons. However, global seizures of the substance during that year (1 kg) were negligible compared with those reported in the previous five years (6-17 tons per year). No explanation of that fact was immediately available, bearing in mind that piperonal can be used as a substitute for 3,4-MDP-2-P in the illicit manufacture of MDMA.

3. Safrole

61. Between 1 November 2006 and 31 October 2007, only 24 shipments of safrole were reported to the Board. However, the data on seizures probably do not accurately reflect the true scope of misuse of the substance in the illicit manufacture of MDMA. Australia, France and the United States reported seizures of safrole in 2006 amounting to 62 litres. Of that amount, Australia alone seized 50 litres of the substance originating in South Africa, Thailand and the United States. In addition, Australian authorities dismantled a laboratory illicitly manufacturing amphetamine and MDMA on a large scale; the laboratory had been equipped with large, stainless steel reactors made especially for manufacturing those drugs. The size of the reaction vessels (50-160 litres) is an indication of the magnitude of the precursor chemicals that had to be diverted for the operation of a single manufacturing site.

4. Non-scheduled substances

62. Strengthened controls over ephedrines seemed to have had an impact, obliging traffickers to turn their efforts towards obtaining non-scheduled substances. In that connection, the Board informed Project Prism participants, through special alerts, about non-scheduled substances that were susceptible to use in clandestine methamphetamine laboratories. In Mexico, the competent authorities seized almost 20 tons of a non-controlled derivative of pseudoephedrine, *N*-acetylpseudoephedrine acetate. The authorities of South Africa informed the Board of

attempts to produce ephedrine from *N*-methyl-DL-alanine. In April 2007, the law enforcement authorities of Cambodia dismantled a large laboratory illicitly manufacturing methamphetamine that had been using thionyl chloride as a reagent. **The Board draws the attention of all Governments to the updated limited international special surveillance list of non-scheduled substances, which was released in June 2007 for use by national regulatory and law enforcement authorities. Governments are urged to ensure that mechanisms are in place for verifying the legitimacy of transactions involving non-scheduled substances that can be used in the illicit manufacture of amphetamine-type stimulants.**

B. Substances used in the illicit manufacture of cocaine

Potassium permanganate

Licit trade

63. Between 1 November 2006 and 31 October 2007, the competent authorities of 24 exporting countries and territories provided 1,331 pre-export notifications to 114 importing countries and territories, involving a total of 28,888 tons of potassium permanganate.

64. The period 1998-2006 saw a net increase in the licit trade in and in the number of pre-export

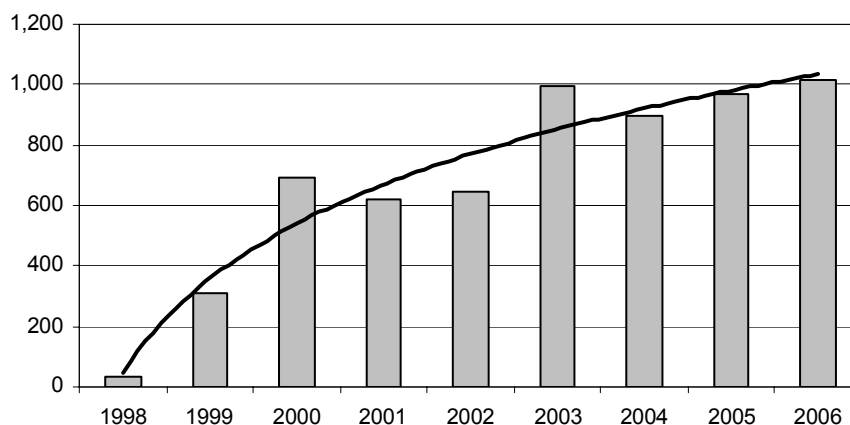
notifications provided with regard to shipments of potassium permanganate (see figure II). The increase in notifications has enabled comprehensive monitoring of international movements of that substance.

65. The Board continued to monitor in particular shipments of potassium permanganate destined for South America, the region where most illicit manufacture of cocaine occurs. Of the 1,331 monitored shipments of potassium permanganate, 134 shipments (totalling 1,664 tons) were intended for South America. Argentina, Brazil and Chile were the major importers of potassium permanganate, accounting for quantities in excess of 100 tons per year. Most of the shipments of potassium permanganate originated outside South America, with only limited intraregional trade in the substance.

Trafficking

66. In 2006, the Governments of 16 countries reported on form D seizures of potassium permanganate totalling 101 tons, which was 82 tons less than in 2005. The seizures reported in South American countries accounted for more than 99 per cent of the total amount seized in the world. It is assumed that the potassium permanganate seized elsewhere had been intended for use in the illicit manufacture of amphetamine-type stimulants.

Figure II
Pre-export notifications sent for potassium permanganate, 1998-2006



67. Since the launching in 1999 of Operation Purple (an international initiative aimed at preventing the diversion of potassium permanganate), there has been an increase in the number of detected attempts to divert potassium permanganate from international trade. At the same time, seizures of the substance in cocaine-manufacturing countries have decreased. Beginning in 2002-2003, diversions from international trade have decreased while seizures of the substance, in particular in South America, have again increased, presumably as a result of an increase in diversions

from domestic trade and smuggling within the region (see figures III and IV below). It is assumed that traffickers have found ways to circumvent international trade controls. That assumption is supported by information from law enforcement agencies in South America indicating that poorly equipped secondary border crossings may be used for overland smuggling of chemical substances subject to international or national controls. A number of cases involving the theft of potassium permanganate from licit trade were also reported in that region in 2007.

Figure III
Seizures of potassium permanganate, 1998-2006

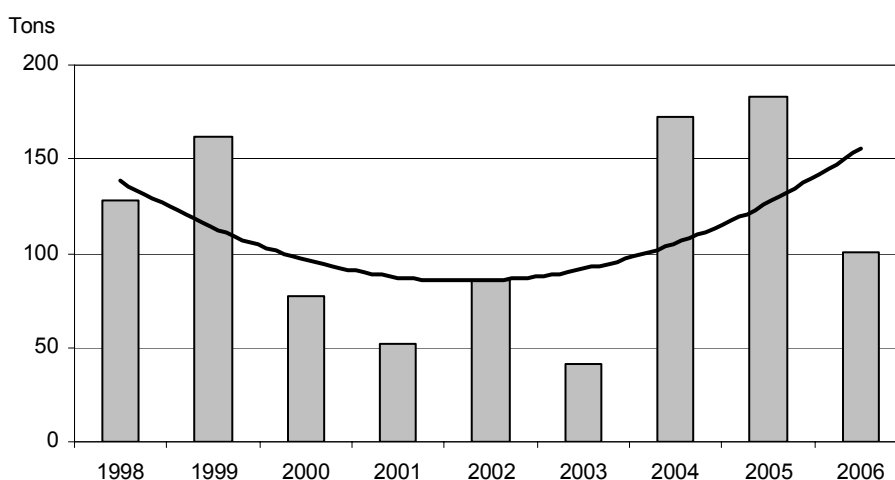
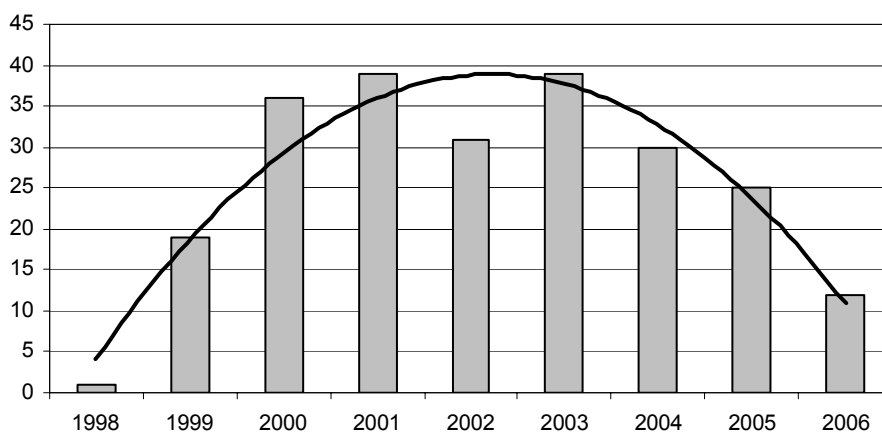


Figure IV
Cases involving the attempted diversion of potassium permanganate, 1998-2006



The Americas

68. In 2006, Colombia again accounted for the largest volume of potassium permanganate seized worldwide (99 tons). Furthermore, 15 illicit clandestine laboratories producing potassium permanganate were destroyed in the country. In 2006, 1.3 tons of potassium permanganate were seized in Peru and 0.3 ton of the substance was seized in Ecuador. The seizures in Ecuador may have been related to the illicit manufacture of cocaine in the country, as evidenced by the destruction of an illicit laboratory with an estimated manufacturing capacity of 2-3 tons of cocaine monthly. In Brazil, a major importer of potassium permanganate in the region, the total amount of the substance seized since 2003 was relatively low and did not exceed 100 kg per year.

69. As the origin of seized potassium permanganate is often not known, the Board encourages all Governments in the region to undertake backtracking investigations into such seizures where possible. The Board urges States in the region to enhance their controls over the distribution of potassium permanganate at the national level.

Africa

70. No seizures of potassium permanganate were reported in the African region between 2001 and 2006. In 2007, the Democratic Republic of the Congo reported an attempted diversion involving 500 kg of the substance. The Board was informed of suspended shipments of potassium permanganate to Côte d'Ivoire, Morocco and Nigeria. The African region has in recent years been used as a transit area for cocaine shipments from South America. It is therefore suspected that traffickers may be targeting Africa to obtain potassium permanganate for the illicit manufacture of cocaine in South America. **The Board therefore advises the Governments of African countries to be particularly vigilant with regard to shipments of potassium permanganate to their countries and to immediately respond to pre-export notifications and to inform the Board and the Governments of exporting countries of any suspicious transactions.**

Asia

71. Although the Governments of countries in Asia did not report any significant seizures of potassium permanganate for 2006, in 2007 the competent authorities of China and Singapore suspended shipments of that substance totalling 92 tons. Those shipments had been ordered by non-authorized companies in Kazakhstan and Malaysia.

Europe

72. Seven European States, namely Austria, Finland, Luxembourg, Romania, the Russian Federation, Ukraine and the United Kingdom of Great Britain and Northern Ireland, reported seizures of small amounts of potassium permanganate totalling 156 kg. In 2006, the Russian authorities denied authorization for the shipment to their territory of a total of 960 tons of the substance: while there was no indication that the substance had been intended for use in the illicit manufacture of drugs, the quantities ordered exceeded the established legitimate requirements of the companies involved.

C. Substances used in the illicit manufacture of heroin

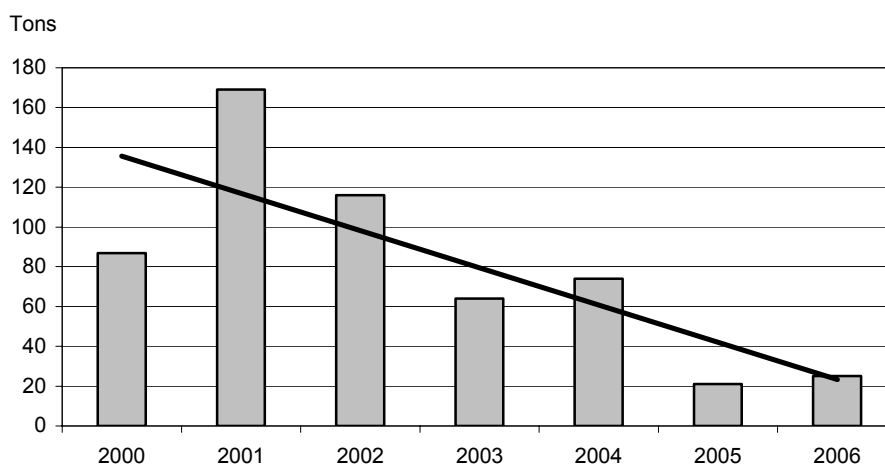
Acetic anhydride**Licit trade**

73. Between 1 November 2006 and 31 October 2007, the authorities of 21 exporting countries provided 983 pre-export notifications for shipments of acetic anhydride. Those shipments, totalling 215,283 tons, were sent to 80 importing countries and territories.

Trafficking

74. Nineteen States reported seizures of acetic anhydride in 2006 totalling 24.5 tons. China, Colombia, Myanmar, the Russian Federation and Turkey together accounted for 98 per cent of the total amount of acetic anhydride seized worldwide.

Figure V
Global seizures of acetic anhydride, 2000-2006



75. In the year 2000, global seizures of acetic anhydride totalled 87 tons (see figure V). In 2001 – the first year of Operation Topaz, an intensive monitoring operation focusing on licit international shipments of acetic anhydride – global seizures of the substance almost doubled, to 169 tons. Those seizures then gradually declined, reaching 21 tons in 2005. Between November 2006 and October 2007, only one shipment of the substance (4.3 tons), which was to be sent from the United Kingdom to India, was suspended for administrative reasons.

76. The low number of suspicious shipments identified in international trade is an indication that traffickers have found ways to divert the substance at the domestic level. It is of continuing concern to the Board that little or no information is available on the source, methods and routes used to divert acetic anhydride to be used for the illicit manufacture of heroin. It is believed that acetic anhydride is mainly diverted from domestic manufacture and distribution channels.

Asia

77. In Afghanistan, potential opium production increased from 6,100 tons in 2006 to 8,200 tons in 2007 and the illicit demand for acetic anhydride is expected to increase proportionally. In 2007, for the

first time, an order for the shipment of 80 tons of acetic anhydride to Afghanistan was reported to the Board. The Board thanks the Government of China for its timely action in stopping the shipment. **The Board wishes to remind all Governments that, as Afghanistan has no legitimate requirements for acetic anhydride, any order or requested shipment of the substance to that country should be reported immediately to the Board.**

78. In 2006, Myanmar seized 1,401 litres of acetic anhydride; India seized 120 litres; and, in West Asia, Turkey seized 3,772 litres and Kazakhstan seized a small amount (4 litres). **The Board notes that the seizures of acetic anhydride in the countries bordering Afghanistan have been negligible. The Board therefore urges the Governments of countries in Asia to strengthen controls over the movement of the substance within their territory and to assist the Government of Afghanistan in intercepting consignments of acetic anhydride that are smuggled into its territory. A concerted effort by all Governments is necessary to stop the smuggling of acetic anhydride and of other substances used in the illicit manufacture of heroin into countries in the region, particularly Afghanistan.**

Europe

79. The Board commends the Governments of Slovenia and Turkey for an operation that resulted in the seizure of 13 tons of acetic anhydride smuggled out of Slovenia in 2007. As Slovenia did not report any imports of the substance from outside the European Union, it is possible that the seized consignment had been diverted from the European Union market.

Oceania

80. New Zealand seized 25 litres of acetic anhydride in 2006. Small amounts of the substance were also found in four laboratories in Australia manufacturing on a small scale “home-made” heroin from morphine tablets.

D. Substances used in the illicit manufacture of other narcotic drugs and psychotropic substances

Methaqualone

81. The illicit manufacture of methaqualone in South Africa declined in 2006, although the number of laboratories clandestinely manufacturing methamphetamine and methcathinone increased. In 2007, the Indian authorities stopped a 5-ton shipment of anthranilic acid that was to be sent to Kenya, as that country has no legitimate requirement for the substance. Seizures of anthranilic acid and *N*-acetylanthranilic acid were reported by India, Romania and the United States. **In view of the existing drug abuse and trafficking situation in Africa, the Board calls upon the Governments of countries in the region to remain vigilant with regard to all shipments of anthranilic acid and *N*-acetylanthranilic acid.**

Lysergic acid diethylamide

82. Countries in South America and Central America continued to be involved in attempted diversions of precursors of lysergic acid diethylamide (LSD). In 2005, the authorities of the Netherlands Antilles and Panama seized two shipments of ergocristine, a non-scheduled substance that can be used as a precursor of LSD. The trend continued in 2006, when the authorities of

Panama seized 5 kg of ergotamine destined to Colombia. **The Board calls on the Governments of all countries in the Americas to continue to closely monitor shipments of ergot alkaloids originating in Europe, in order to prevent their diversion for use in the illicit manufacture of LSD.**

IV. Conclusions

83. The Board notes that the number of countries and territories having provided information on their annual estimated legitimate requirements for the four selected precursors of amphetamine-type stimulants has increased to 100. The Board also notes that such data, which are regularly updated on its website (http://www.incb.org/incb/precursor_estimates.html), have helped Governments to identify suspicious shipments and to prevent diversions. **The Board encourages all Governments to submit the requested information on their estimated annual legitimate requirements, to regularly review their needs and to inform the Board of any amendments necessary.**

84. The online system for pre-export notifications (PEN Online) has proved to be an efficient tool for the rapid exchange of information on shipments of precursors. The number of States and territories having registered with the system increased to 90 during the reporting period. **The Board encourages all Governments to register with and to utilize the PEN Online system.**

85. The Board notes the positive results achieved by the Project Prism Task Force and by the participating States during Operation Crystal Flow in 2007. In addition to preventing the diversion of large amounts of ephedrine and pseudoephedrine, the operation also revealed that Africa and West Asia were particularly vulnerable to the diversion of substances used for the illicit manufacture of amphetamine-type stimulants. **The Board calls on the Governments of countries in those regions to strengthen their existing controls over the movement of precursors and to establish adequate mechanisms for verifying the legitimacy of shipments and for providing timely replies to enquiries from exporting countries and the**