money-laundering activities are not yet adequate and the Board therefore encourages the authorities to enact legislation against money-laundering as soon as possible.

550. The Board sent a mission to Yugoslavia in May 2001. Drug abuse and illicit trafficking increased during the years of upheaval and international isolation that followed the secession from Yugoslavia of its former republics, as law enforcement structures and health facilities were partly destroyed. After the political situation in Yugoslavia stabilized, the transit traffic in heroin and cannabis resumed, leading to an increase in activities involving organized crime.

551. The Board encourages the Yugoslav authorities to develop a comprehensive drug control master plan, covering all areas relating to trafficking in and abuse of illicit drugs, as well as a system for controlling the licit manufacture of and trade in substances under international control. The Board suggests that a high-level national coordinating body for drug issues be established to ensure cooperation between all national offices and between the competent authorities of the Government and the republics.

552. The Board notes with appreciation that the international donor community, particularly the European Union, is providing support to Yugoslavia within the framework of the Organization for Security and Cooperation in Europe, the Stability Pact for South-Eastern Europe and UNDCP. However, a concerted international or regional approach to responding to drug trafficking and organized crime is still lacking. The Board, therefore, urges the Government of Yugoslavia to work closely with the Governments of neighbouring countries in formulating coordinated and effective responses to the problem of organized crime and drug trafficking in Europe. The Board also appeals to the international community to support the efforts of the Yugoslav authorities in drug control matters through concerted technical cooperation and financial support.

553. The Board has reviewed action taken by the Government of the Netherlands pursuant to recommendations made by the Board after its mission in March 1998. The Board is concerned that the country remains the source of a significant proportion of the world’s illicitly manufactured MDMA (Ecstasy) despite efforts by law enforcement agencies to curtail the illicit manufacture of and trade in the substance. The Board is also disturbed by the widely reported plans of the local authorities in the city of Venlo to open drive-through “coffee shops” that sell cannabis, as it is a sign that the authorities have become more actively involved in organizing the distribution of that drug. The Netherlands continues to maintain a policy, introduced in the 1970s, of tolerating the consumption and sale of cannabis products in so-called “coffee shops”, which is not in compliance with the international drug control treaties.

554. The Board notes, on the other hand, that the policy of tolerance has become more restrictive in recent years with the tightening of legislation governing the growing of cannabis, the reduction of the number of so-called “coffee shops” and the like.

555. Work continues to be done on a project in the Netherlands that involves, inter alia, prescribing heroin to heroin addicts. The Board trusts that efforts are being made to ensure that the basis for the project is scientifically and medically sound and that the results are carefully evaluated before any changes are made in policy or regulations.

E. Oceania

Major developments

556. Hydroponically grown cannabis has become the most popular form of cannabis abused in Australia. In all Australian states and territories, the majority of the cannabis seizures involved cannabis grown indoors. Seizure data confirm that sizeable quantities of heroin from South-East and South-West Asia continue to be smuggled into Australia, with Sydney being a key focal point for domestic distribution. In 2000, the total amount of cocaine seized by Australian law enforcement officers reached a record-high level—more than twice the total amount seized in 1999; they also made their first seizure of solutions of cocaine. The number of clandestine laboratories manufacturing amphetamine-type stimulants in Australia is also increasing, as is the number of seizures of MDMA (Ecstasy) at its air and sea borders.

557. Seizure data indicate that for the past 2-3 years, New Zealand and many of the smaller Pacific island countries in Oceania have been used more and more as trans-shipment points for smuggling illicit drugs into Australia. In late 2000, for example, a sizeable amount
(357 kg) of heroin was seized in Fiji; it is believed that the heroin originated in South-East Asia and was destined for Australia.

558. An increasing number of Pacific islands are becoming offshore financial centres. The Board is concerned about the fact that, in 2001, a number of jurisdictions in Oceania, including the Cook Islands, the Marshall Islands, Nauru and Niue, were classified as non-cooperative by the Financial Action Task Force on Money Laundering. If inadequately supervised, offshore financial centres provide those engaged in criminal activity, including drug trafficking, with an opportunity to launder their illicit profits.

559. The Board regrets that local authorities in the Australian state of New South Wales have permitted the establishment of a drug injection room, setting aside the concerns expressed by the Board that the operation of such facilities, where addicts inject themselves with illicit substances, condones illicit drug use and drug trafficking and runs counter to the provisions of the international drug control treaties. The Board notes that the national policy in Australia does not support the establishment of drug injection rooms. The Board urges the Government to ensure that all of its states comply fully with the provisions of the international drug control treaties, to which Australia is a party.

Regional cooperation

561. Regional organizations, including the Pacific Islands Forum (formerly called the South Pacific Forum) and the Asia/Pacific Group on Money Laundering, as well as the United Nations and the Commonwealth Secretariat, continue to be important bodies through which coordinated action to implement the provisions of the international drug control treaties in the Pacific island States can be achieved.

National legislation, policy and action

562. The National Illicit Drugs Campaign, launched by the Government of Australia in March 2001, is aimed at motivating parents of teenagers to talk with their children about drugs. It is the most extensively funded national public information campaign against illicit drugs that has ever been launched in Australia. The Board requests that the results of any evaluation of the campaign be shared with those Governments planning to conduct similar campaigns.

563. The Board notes that, in 2001, the Government of Australia developed an international drug strategy to complement its National Drug Strategic Framework. The National Illicit Drugs Campaign, launched by the Government of Australia in March 2001, is aimed at motivating parents of teenagers to talk with their children about drugs. It is the most extensively funded national public information campaign against illicit drugs that has ever been launched in Australia. The Board requests that the results of any evaluation of the campaign be shared with those Governments planning to conduct similar campaigns.

Cultivation, production, manufacture, trafficking and abuse

Narcotic drugs

564. In Australia, the hydroponic cultivation of cannabis continues to increase and the outdoor cultivation of cannabis continues to decrease. In response to that situation, one state in Australia has initiated measures to make the hydroponic cultivation of any quantity of cannabis a criminal offence, thereby revising its policy of issuing only fines for growing a small number of cannabis plants for personal consumption. Power companies in several Australian states and territories have reported an increased incidence of theft of electricity by persons engaged in the hydroponic cultivation of cannabis. Significant cannabis cultivation also continues in Papua New Guinea. Cannabis is cultivated primarily in the highlands of Papua New Guinea, to be abused in that country or smuggled into other countries, mainly Australia, often in exchange for small arms. In a number of smaller Pacific island States, such as Fiji and Tonga, there have been reports of cannabis growing wild, being illicitly cultivated or being seized.
565. Fiji and Vanuatu are known to be used by drug traffickers as transit points for large consignments of heroin originating in South-East Asia and destined for Australia, which is the main area of heroin abuse in Oceania. In 2000, there was an increase in the number of seizures of heroin at the border of Australia. Heroin continued to be widely available in that country during that year, as prices have either remained stable or, in the case of the states of New South Wales and Victoria, fallen. In Australia, the number of cases involving opioid overdose was on the increase during the 1990s. Other countries in the region do not appear to have a significant heroin abuse problem at the present time.

566. Both the availability of and demand for cocaine remain limited in all countries in Oceania except Australia, where the quantity of the drug seized at the border in 2001 was more than twice the figure for the preceding year. Drug traffickers continue to move cocaine from South America to Australia through the Pacific islands.

567. In Australia, an increased number of clandestine laboratories manufacturing amphetamine-type stimulants were detected in 2001. In response to the increased illicit manufacture in that country, all state and territorial police have established chemical diversion units to monitor suspicious purchases of the precursor chemicals used in the illicit manufacture of, inter alia, amphetamine-type stimulants. Drug abusers in Australia are increasingly injecting methamphetamine with a high purity level (methamphetamine at the penultimate stage of manufacture, before it is converted into crystal form). In New Zealand, it has been reported that the illicit manufacture of methamphetamine is increasing. Drug traffickers, in addition to using the Pacific islands as trans-shipment points for smuggling narcotic drugs, are also using the same route for smuggling certain psychotropic substances, as evidenced by the fact that seizures of crystal methamphetamine in Palau have averaged 3-7 kg per year for the last several years and there have been seizures both in that country and in Guam of crystal methamphetamine manufactured in the Philippines.

568. Increased seizures and abuse of MDMA (Ecstasy) are being reported in countries throughout the region of Oceania. As in the past, the MDMA (Ecstasy) that is seized is predominantly from countries in western Europe, although there have been isolated cases where law enforcement authorities in Australia have seized laboratories manufacturing the substance. The Board urges the Governments of countries in the region to maintain vigilance in order to prevent the manufacture of that substance from taking root within their borders and to cooperate with the source countries of MDMA (Ecstasy) in order to detect and prevent trafficking in that substance.

569. In New Zealand, illicit trafficking in LSD, mainly by post from Europe and the west coast of North America, and the abuse of that substance, while still posing a serious problem, are reported to have stabilized in 2000.

(Signed) Hamid Ghodse (Signed) Philip O. Emafo
President Rapporteur

(Signed) Herbert Schaepe
Secretary

Vienna, 15 November 2001

Notes

7 This is the working definition adopted by the Customs Cooperation Council (also called the World Customs Organization). It covers not only computers but also telephony, electronic payment cards etc.
8 Department of Justice, Drug Enforcement Administration web site: http://www.usdoj.gov/dea/programs/cfp.htm
13 http://www.apbnews.com/newscenter/internetcrime/2000/05/26/pharmacy0526_01.html
25 D. M. Kerr, Assistant Director, Laboratory Division, Federal Bureau of Investigation, statement before the Subcommittee on the Constitution, Committee on the Judiciary, United States House of Representatives, 24 July 2000: http://www.fbi.gov/congress/congress00/kerr072400.htm
26 D. M. Kerr, Assistant Director, Laboratory Division, Federal Bureau of Investigation, statement before the Committee on the Judiciary, United States Senate, 6 September 2000: http://www.fbi.gov/congress/congress00/kerr060900.htm
28 “Conclusions of the study on effective measures to prevent and control high-technology and computer-related crime: report of the Secretary-General” (E/CN.15/2001/4).
29 International Review of Criminal Policy, Nos. 43 and 44 (United Nations publication, Sales No. E.94.IV.5).
30 See “Crimes related to computer networks: background paper for the workshop on crimes related to the computer network” (A/CONF.187/10).
31 See “Conclusions of the study on effective measures to prevent and control high-technology and computer-related crime: report of the Secretary-General” (E/CN.15/2001/4).
32 http://birmingham.g8summit.gov.uk/prebham/washington.1297.shtml
33 http://www.g7.utoronto.ca/
35 General Assembly resolution 55/25, annex I.
37 Ibid., vol. 976, No. 14152.
40 Extent of competence: article 12.
43 Obtaining considerably more prescriptions than clinically necessary in the course of a year.
46 Ibid.
47 Ibid.
48 Competent authorities from Belgium, China, France, India, Germany, Romania, Slovakia, the United Kingdom and the United States, as well as the European Commission, participated in the round table. Competent authorities from the Netherlands, where most seizures of precursors for MDMA (Ecstasy) are effected, were also invited but were unable to attend.
51 Ibid.
52 Ibid., paras. 146-150.
54 See, for example, Report of the International Narcotics Control Board for 1999 (United Nations publication, Sales No. E.00.XI.1), paras. 1-50.
61 Called Lancang Jian in China.
64 Ibid., para. 463.
66 Ibid., para. 446.
69 Ibid.