

drug control activities are well coordinated and effectively implemented, not only in the area of supply and demand reduction, but also in the control of licit activities related to narcotic drugs, psychotropic substances and precursors.

549. The Board notes with appreciation that, despite the lack of human and financial resources, a number of well-coordinated law enforcement activities have taken place in Serbia and Montenegro, resulting in the detection of some illicit laboratories with a large capacity for manufacturing amphetamine-type stimulants. The Board encourages the Government to continue its efforts in that area, with a view to addressing the increasing activities of organized crime, especially those activities related to drug trafficking.

550. The Board reviewed progress made by the Government of Ukraine in the implementation of the Board's recommendations following its mission to that country in July 2001. The Board notes with appreciation that the Government has acted on its recommendations and has made considerable progress in some areas of drug control. In particular, the Board notes that the position of the National Narcotics Control Committee has been improved within the administrative structure, with a view to strengthening its role as coordinator of the relevant drug control agencies within the country. Ukraine has acceded to the 1972 Protocol amending the 1961 Convention, adopted legislation against money-laundering and introduced additional controls over substances such as codeine and phenobarbital.

551. The Board shares the concern of the Government of Ukraine over the worsening drug abuse situation in that country, particularly with regard to the significant increase in the number of heroin addicts, as well as the fact that the majority of registered addicts are adolescents. The Board urges the Government to strengthen its efforts in the area of prevention and demand reduction in order to halt and even reverse that alarming trend.

E. Oceania

Major developments

552. Australia and New Zealand account for the majority of the drug and precursor seizures made in Oceania. There has been a considerable increase in the

illicit manufacture and abuse of amphetamine-type stimulants in those two countries. The total number of clandestine laboratories detected in Australia reached 314 in 2003.

553. In Australia, heroin abuse has declined to a level below the levels recorded prior to the heroin shortage of early 2001. Most (90 per cent) of the heroin abused in Australia originated in South-East Asia; Sydney is the main port of entry for heroin shipments arriving in the country. The reduction in the availability of heroin in Australia has resulted in heroin abusers turning to other drugs.

554. Party drugs such as GHB, as well as ketamine trafficking and abuse, are a cause for serious concern in Australia, as is the abuse of several benzodiazepines diverted from licit distribution channels.

555. Trafficking organizations based outside of New Zealand are shipping into the country large quantities of amphetamine-type stimulants, including MDMA (Ecstasy) tablets (266,000 tablets were seized in 2003). The trafficking organizations include Chinese syndicates that bring in medicines containing ephedrine and pseudoephedrine, which are used for the illicit manufacture of methamphetamine. Seizures of ephedrine and pseudoephedrine are also increasing.

556. Most of the Pacific island countries continue to be vulnerable to drug transit trafficking and the abuse of amphetamine-type stimulants.

Treaty adherence

557. The Board continues to be concerned that, of the 15 States in Oceania, only Australia, Fiji, New Zealand and Tonga are parties to all three international drug control treaties. Kiribati, Nauru, Niue, Samoa, Tuvalu and Vanuatu are not parties to any of the three treaties. Of the remaining five States, one (Solomon Islands) is a party only to the 1961 Convention and the others are parties to the 1961 Convention and the 1971 Convention. The Board urges those States to accede to all the international drug control treaties without delay. The Board calls on regional organizations such as the Pacific Islands Forum to support those States in that respect.

Regional cooperation

558. In June 2004, a joint operation involving Interpol and the law enforcement agencies of Australia, the

Hong Kong Special Administrative Region of China, Fiji, Malaysia and New Zealand led to the dismantling in Fiji of the biggest clandestine methamphetamine laboratory in Oceania, capable of manufacturing 1 ton of methamphetamine hydrochloride (commonly called “ice”) within a two-week period to supply illicit markets in Australia, New Zealand, the United States and countries in Europe.

559. The leaders attending the thirty-fifth session of the Pacific Islands Forum, held in Apia from 5 to 7 August 2004, noted with concern that countries in the region were facing major security problems and urged members of the Forum that had not yet done so to enact and implement existing provisions of model legislation, including those addressing terrorism and transnational organized crime, illicit drugs, weapons control and transport security. The Board welcomes the launching in the Cook Islands of a Combined Law Agency Group, which will facilitate the sharing by all government ministries and departments of information and other available resources to combat the various forms of crime, especially transnational crime. The Board also welcomes the establishment in Suva in June 2004 of the Pacific Transnational Crime Coordination Centre, which is to collect and disseminate law enforcement intelligence throughout the region.

560. Cooperation between law enforcement agencies in Australia and police authorities from several countries, including Cambodia, Peru and the Philippines, has resulted in major drug seizures. In March 2004, 1.5 tons of pseudoephedrine destined for Australia were seized in the Philippines and 750 kg of pseudoephedrine imported from Cambodia were seized at Australian borders. More than 44 kg of cocaine destined for Australia were seized in Peru. The Board encourages the Government of Australia to intensify its cooperation with the Governments of countries in South America with a view to fighting cocaine trafficking and abuse.

561. The Board welcomes the assistance given by the Government of Australia to strengthen the capacities of law enforcement agencies, especially in the Pacific island countries.

National legislation, policy and action

562. As mentioned in its previous reports,^{43, 44} the Board continues to be concerned about the establishment of a drug injection room in the

Australian state of New South Wales and about the four-year extension of the trial period. The Board is pleased to note that no other state of Australia plans to establish such an injection room.

563. The Board notes that the Government of Australia has adopted a national drug strategy for the period 2004-2009 that is to guide local governments and non-governmental organizations in the development and implementation of drug strategies, programmes and initiatives aimed at the prevention and reduction of harmful drug use.

564. The Board continues to be concerned that harmonized control over precursors in Australia is proving to be difficult. The Board welcomes the establishment of a working group on precursors that is addressing the matter with a view to finding solutions that would enhance cooperation between law enforcement agencies.

565. The Board notes that the government of the Australian Capital Territory has adopted a new law for stricter control over possession of cannabis plants for personal use (reducing the maximum number of plants tolerated to 2 instead of 10) and, at the same time, is opening a cannabis treatment clinic, specialized in the prevention and treatment of drug addiction.

566. The Board commends the Government of Fiji for establishing a transnational crime unit to fight drug trafficking, money-laundering and trafficking in human beings.

567. Although new legislation has been passed in the Cook Islands and Nauru to address deficiencies in national legislation against money-laundering, the Board continues to be concerned that the Cook Islands and Nauru are still on the list of countries and territories considered by FATF to be “non-cooperative” in efforts to counter money-laundering. The Board invites those two States to continue their efforts to comply with the FATF recommendations.

Cultivation, production, manufacture, trafficking and abuse

Narcotic drugs

568. In Australia, hydroponic cultivation continues to be the most common method used to cultivate cannabis for the domestic market, as it offers cannabis growers a higher yield from fewer plants and growers perceive

the risk of detection to be reduced. In addition, hydroponically grown cannabis is preferred by cannabis abusers. Thousands of cannabis plants and hydroponic systems and equipment are seized in Australia every year. As a result of the strategy “Tough on Drugs”, introduced by the Government in 1997, large quantities of cannabis have been seized at Australian borders (640 kg were seized in 2004).

569. In Australia, the purity of seized heroin increased slightly in 2003 compared with previous years. Furthermore, there was an increase in the detection of heroin at borders while there was a decrease in the total amount of heroin seized, suggesting that the methods used by heroin traffickers in Australia might be shifting from well-organized importation of large quantities of the drug to smaller-scale, opportunistic smuggling. A similar trend was observed in the illicit cocaine market; however, the purity of seized cocaine decreased slightly.

570. In New Zealand, cannabis growers are also involved in the illicit manufacture of methamphetamine in clandestine laboratories.

Psychotropic substances

571. Demand for amphetamine-type stimulants, including MDMA (Ecstasy), remains high in Australia and New Zealand, as confirmed in both countries by seizures and the number of clandestine laboratories used to manufacture amphetamine-type stimulants that have been dismantled recently.

572. Precursors of amphetamine-type stimulants, such as ephedrine and pseudoephedrine, are also increasingly being seized at the borders of New Zealand; there are indications that medicines containing those substances are smuggled into the country by mail and using air passengers from China and countries in South-East Asia, to be used for the illicit manufacture of methamphetamine. An increased number of methamphetamine abusers have been brought to the attention of police and drug treatment centres, as serious violence and property crime have been associated with methamphetamine abuse.

573. Seizures of MDMA (Ecstasy) in Australia have been increasing since the mid-1990s. MDMA (Ecstasy), mainly of Western European origin, is smuggled into Australia by couriers using the “body carry” method.

574. The Board notes with concern that in New Zealand a foreign exchange company was used by a criminal syndicate to launder money believed to be profits derived from the importation of MDMA (Ecstasy) on a large scale. In New Zealand, some LSD in crystal and liquid form was intercepted in mail sent from Canada.

575. According to the *Party Drugs Initiative*, a national study to investigate and monitor trends involving MDMA (Ecstasy) and other recreational drugs in Australia, GHB, ketamine (a hallucinogenic sedative) and various anti-depressants are increasingly being abused in that country as dance party drugs. Control of GHB is becoming a matter of concern, as large quantities of its precursor *gamma*-butyrolactone (GBL) are imported for legitimate use. The Board urges the Government of Australia to develop strategies aimed at preventing the abuse of those substances.

(Signed)
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Rapporteur

(Signed)
Koli Kouame
Secretary

Vienna, 11 November 2004

Notes

¹ The Single Convention on Narcotic Drugs of 1961 as amended by the 1972 Protocol (United Nations, *Treaty Series*, vol. 976, No. 14152), the Convention on Psychotropic Substances of 1971 (United Nations, *Treaty Series*, vol. 1019, No. 14956) and the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988 (United Nations, *Treaty Series*, vol. 1582, No. 27627).

² *Report of the International Narcotics Control Board for 1993* (United Nations publication, Sales No. E.94.XI.2), paras. 15 and 16.

³ *Report of the International Narcotics Control Board for 1997* (United Nations publication, Sales No. E.98.XI.1), paras. 22 and 134.

⁴ *Report of the International Narcotics Control Board for 1998* (United Nations publication, Sales No. E.99.XI.1), para. 103.