

Chapter II.

Functioning of the international drug control system

A. Promoting the consistent application of the international drug control treaties

60. During the period under review, INCB has continued to work closely with all Governments to encourage full ratification of the three international drug control conventions and their implementation into domestic law.

61. The objectives of the drug control framework created by the conventions are manifold and include the following: regulating all licit trade in narcotic drugs and psychotropic substances and precursors used in their illicit manufacture, while preventing their diversion into illicit channels; ensuring adequate access to medicines containing controlled substances for legitimate medical purposes for those who need them; establishing treatment, rehabilitation, after care and social reintegration structures to address drug use and addiction; addressing drug-related criminality in a proportionate manner that is firmly anchored in the rule of law and due process guarantees and that provides for the adoption of institutional responses to address the commission of unlawful acts by individuals affected by drug use or addiction; and facilitating mutual legal assistance and extradition and combating money-laundering.

62. In order to fulfil those objectives, States must adopt a corpus of legal, policy and regulatory measures. In line with the mandate conferred upon it by the drug control conventions, the Board continues to engage with States through a sustained dialogue aimed at helping to ensure the comprehensive implementation of these important

instruments, which are aimed at promoting the health and welfare of humanity.

Status of adherence to the international drug control treaties

63. The Board welcomes the international community's widespread support of the international drug control conventions, which is evidenced by the fact that the conventions benefit from near-universal adherence. The Board takes note of the renewed support for the conventions as the cornerstone of the global legal framework governing drug control, as expressed in the outcome document of the special session of the General Assembly on the world drug problem held in April 2016, entitled "Our joint commitment to effectively addressing and countering the world drug problem".

64. As at 1 November 2016, only 11 States had yet to ratify the Single Convention on Narcotic Drugs of 1961 as amended by the 1972 Protocol:⁴⁰ 2 States in Africa (Equatorial Guinea and South Sudan), 2 States in Asia (State of Palestine and Timor-Leste) and 7 States in Oceania (Cook Islands, Kiribati, Nauru, Niue, Samoa, Tuvalu und Vanuatu). Chad remains the only State having acceded to the 1961 Convention in its unamended state.⁴¹

65. The Convention on Psychotropic Substances of 1971⁴² has been ratified by 183 States parties. The 14 States

⁴⁰United Nations, *Treaty Series*, vol. 976, No. 14152.

⁴¹*Ibid.*, vol. 520, No. 7515.

⁴²*Ibid.*, vol. 1019, No. 14956.

still not parties to it are as follows: 3 States in Africa (Equatorial Guinea, Liberia and South Sudan), 1 State in the Americas (Haiti), 2 States in Asia (State of Palestine and Timor-Leste) and 8 States in Oceania (Cook Islands, Kiribati, Nauru, Niue, Samoa, Solomon Islands, Tuvalu und Vanuatu).

66. The United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988 has been ratified or acceded to by a total of 189 States and formally confirmed by the European Union. Nine States have yet to become party to it: three States in Africa (Equatorial Guinea, Somalia and South Sudan), one State in Asia (State of Palestine) and five States in Oceania (Kiribati, Palau, Papua New Guinea, Solomon Islands and Tuvalu).

67. **The Board calls upon all States that have not ratified one or more of the international drug control conventions to do so without delay, and to ensure that the provisions contained therein are comprehensively implemented within their respective national legal orders.**

B. Ensuring the implementation of the provisions of the international drug control treaties

68. The fundamental goal of the international drug control systems is assuring the health and welfare of humankind. That goal is to be achieved through two, twin actions: ensuring the availability of internationally controlled substances for medical and scientific purposes; and preventing the diversion of controlled substances into illicit channels or, in the case of precursor chemicals, for use in the illicit manufacture of narcotic drugs and psychotropic substances.

69. To monitor compliance with the international drug control treaties, the Board examines action taken by Governments to implement the treaty provisions aimed at achieving the overall goals of the conventions. Over the years, the treaty provisions have been supplemented with additional control measures adopted by the Economic and Social Council and the Commission on Narcotic Drugs to enhance their effectiveness. In the present section, the Board highlights action that needs to be taken to implement the international drug control system, describes problems encountered in that regard and

provides specific recommendations on how to deal with those problems.

1. Preventing the diversion of controlled substances

(a) Legislative and administrative basis

70. Governments have to ensure that national legislation complies with the provisions of the international drug control treaties. They also have the obligation to amend lists of the substances controlled at the national level when a substance is included in a schedule of an international drug control treaty or transferred from one schedule to another. Inadequate legislation or implementation mechanisms at the national level or delays in bringing lists of substances controlled at the national level into line with the schedules of the international drug control treaties will result in inadequate national controls being applied to substances under international control and may lead to the diversion of substances into illicit channels. The Board is therefore pleased to note that, as in previous years, Governments have continued to furnish information to the Board on legislative or administrative measures taken to ensure compliance with the provisions of the international drug control treaties.

71. In its decision 59/1, the Commission on Narcotic Drugs decided to include acetylfentanyl in Schedules I and IV of the 1961 Convention as amended. In its decision 59/2, the Commission decided to include MT-45 in Schedule I of that Convention. In accordance with article 3, paragraph 7, of the 1961 Convention as amended, that decision was communicated by the Secretary-General to all Governments, to WHO and to the Board on 17 May 2016, and became effective with respect to each party upon receipt of that notification. **The Board acknowledges the efforts made by Governments that have already put those substances under control and urges all other Governments to amend the lists of substances controlled at the national level accordingly and to apply to those substances all control measures required under the 1961 Convention as amended.**

72. The Board also wishes to draw the attention of Governments to the fact that five substances were placed under international control under the 1971 Convention by the Commission on Narcotic Drugs in March 2016. Pursuant to Commission decision 59/3, *para*-methoxymethylamphetamine (PMMA) was added to Schedule I of the 1971 Convention. Pursuant to Commission decisions 59/4, 59/5 and 59/6, α -pyrrolidinovalerophenone (α -PVP),

para-methyl-4-methylaminorex (4,4'-DMAR) and methoxetamine (MXE) were added to Schedule II of that Convention and, pursuant to Commission decision 59/7, phenazepam was added to Schedule IV. In accordance with article 2, paragraph 7, of the 1971 Convention, those decisions of the Commission were communicated by the Secretary-General to all Governments, to WHO and to the Board on 17 May 2016, and became fully effective with respect to each party on 13 November 2016. The Board acknowledges the efforts made by some Governments that have already put those substances under control and urges all other Governments to amend the lists of substances controlled at the national level accordingly and to apply to those substances all control measures required under the 1971 Convention.

73. In accordance with Economic and Social Council resolutions 1985/15, 1987/30 and 1993/38, Governments are required to introduce an import authorization requirement for zolpidem, a substance that was included in Schedule IV of the 1971 Convention in 2001. In response to the Board's request made in its annual reports for 2012 and 2013 and a circular letter sent in 2016, a number of Governments have provided the requisite information. As at 1 November 2016, relevant information was available for 129 countries and territories. Of those, 119 countries and territories have introduced an import authorization requirement, and 2 countries (Indonesia and the United States) require a pre-import declaration. Six countries and territories do not require an import authorization for zolpidem (Cabo Verde, Ireland, New Zealand, Singapore, Vanuatu and Gibraltar). Imports of zolpidem into Azerbaijan are prohibited, and Ethiopia does not import the substance. At the same time, information on the control of zolpidem remains unknown for 85 countries and territories. The Board therefore again invites the Governments of countries and territories that have not yet done so to supply it with information on the control status of zolpidem as soon as possible.

74. With regard to precursor chemicals, the Board wishes to recall that *alpha*-phenylacetoacetonitrile (APAAN) and its optical isomers were added to Table I of the 1988 Convention in accordance with Commission on Narcotic Drugs decision 57/1. Governments were therefore required, as of 6 October 2014, to have placed the substance under national control. The Board notes that a certain number of countries have yet to implement at the national level the international scheduling decision with regard to APAAN. In order to effectively monitor the movement of precursor chemicals, both domestically and across borders, it is important that Governments have the appropriate legislation and national control mechanisms in place to allow irregularities in licit trade

patterns to be identified at an early stage and thereby mitigate the risk of diversion of precursor chemicals into illicit channels. **Governments are thus requested to adopt and implement national precursor control measures, which are a prerequisite for the functioning of the international precursor control system.**

(b) Prevention of diversion from international trade

Estimates and assessments of annual requirements for internationally controlled substances

75. The system of estimates and assessments of annual licit requirements for narcotic drugs and psychotropic substances is the cornerstone of the international drug control system. It enables exporting and importing countries alike to ensure that trade in those substances stays within the limits determined by the Governments of importing countries and that diversions of controlled substances from international trade are effectively prevented. For narcotic drugs, such a system is mandatory under the 1961 Convention, and the estimates furnished by Governments need to be confirmed by the Board before becoming the basis for calculating the limits on manufacture and import.

76. The system of assessments of annual requirements for psychotropic substances was adopted by the Economic and Social Council in its resolutions 1981/7, 1991/44, 1993/38 and 1996/30 and the system of estimates of annual legitimate requirements for selected precursors was adopted by the Commission on Narcotic Drugs in its resolution 49/3, to help Governments to prevent attempts by traffickers to divert controlled substances into illicit channels. The assessments of annual legitimate requirements for psychotropic substances and estimates of annual legitimate requirements for selected precursors help Governments to identify unusual transactions. In many cases, the diversion of a drug has been prevented when the exporting country refused to authorize the export of the substance because the quantities of the substance to be exported would have exceeded the quantities required in the importing country.

77. Although not mandatory under the 1988 Convention, the Commission on Narcotic Drugs, in its resolution 49/3, requested Governments to provide to the Board their estimated annual legitimate requirements for selected precursor chemicals. The availability of realistic and up-to-date estimates facilitates the identification of

suspicious requests and transactions that may, in the event of such transactions exceeding the legitimate requirements communicated by a country's competent national authorities, indicate an attempt at diversion and can thus function as an early warning mechanism for authorities tasked with the authorization of proposed exports. It is therefore encouraging that 159 out of 189 (84 per cent) of States parties to the 1988 Convention are now providing annual legitimate requirements for at least one of the amphetamine-type stimulant precursors listed in Commission on Narcotic Drugs resolution 49/3.

78. The Board regularly investigates cases involving possible non-compliance by Governments with the system of estimates or assessments, as such non-compliance could facilitate the diversion of controlled substances from licit international trade into illicit channels. In that connection, the Board provides information, support and guidance to Governments on the working of the system for estimates or assessments, as necessary.

79. Governments are obliged to comply with the limits on imports and exports of narcotic drugs provided for under articles 21 and 31 of the 1961 Convention. Article 21 stipulates, *inter alia*, that the total of the quantities of each drug manufactured and imported by any country or territory in a given year shall not exceed the sum of the following: the quantity consumed for medical and scientific purposes; the quantity used, within the limits of the relevant estimates, for the manufacture of other drugs, preparations or substances; the quantity exported; the quantity added to the stock for the purpose of bringing that stock up to the level specified in the relevant estimate; and the quantity acquired within the limit of the relevant estimate for special purposes. Article 31 requires all exporting countries to limit the export of narcotic drugs to any country or territory so that the quantities imported fall within the limits of the total of the estimates of the importing country or territory, with the addition of the amounts intended for re-export.

80. As in previous years, the Board finds that the system of imports and exports generally continues to be respected and works well. In 2015, a total of 18 countries were contacted regarding possible excess imports or excess exports identified with regard to international trade in narcotic drugs that had been effected during the year. As at 1 November 2016, 13 countries had responded and most of the cases were clarified as: (a) a result of errors in reporting on imports or exports; (b) drugs imported for re-export; (c) a result of errors in the reporting of the drugs or trading partner; and (d) drugs exported for destruction. However, four countries confirmed that excess exports or excess imports had actually

occurred, and they were reminded of the need to ensure full compliance with the relevant treaty provisions. The Board continues to pursue the matter with those countries that have failed to respond.

81. Pursuant to Economic and Social Council resolutions 1981/7 and 1991/44, Governments are requested to provide to the Board assessments of annual domestic medical and scientific requirements for psychotropic substances listed in Schedules II, III and IV of the 1971 Convention. The assessments received are communicated to all States and territories to assist the competent authorities of exporting countries when approving exports of psychotropic substances. As at 1 November 2016, the Governments of all countries and territories, except for South Sudan, for which assessments were established by the Board in 2011, had submitted at least one assessment of their annual medical requirements for psychotropic substances.

82. The Board recommends that Governments review and update the assessments of their annual medical and scientific requirements for psychotropic substances at least every three years. However, 31 Governments have not submitted a revision of their legitimate requirements for psychotropic substances for three years or more. The assessments valid for those countries and territories may therefore no longer reflect their actual medical and scientific requirements for psychotropic substances.

83. When assessments are lower than the actual legitimate requirements, the importation of psychotropic substances needed for medical or scientific purposes may be delayed. When assessments are significantly higher than legitimate needs, the risk of psychotropic substances being diverted into illicit channels may be increased. The Board has repeatedly reminded countries that it is important that Governments estimate and assess correctly and realistically the initial needs of their country. **Therefore, the Board calls upon all Governments to review and update their assessments and estimates on a regular basis and to keep it informed of all modifications, with a view to preventing any unnecessary importation and, at the same time, facilitating the timely importation of psychotropic substances needed for medical purposes.**

84. As in previous years, the system of assessments of annual requirements for psychotropic substances continues to function well and is respected by most countries and territories. In 2015, the authorities of 14 countries issued import authorizations for substances for which they had not established any such assessments or for quantities that significantly exceeded their assessments.

Only three countries exported psychotropic substances in quantities exceeding the relevant assessment.

Requirement for import and export authorizations

85. The universal application of the requirement for import and export authorizations laid down in the 1961 and 1971 Conventions is key to preventing the diversion of drugs into the illicit market. Such authorizations are required for transactions involving any of the substances controlled under the 1961 Convention or listed in Schedules I and II of the 1971 Convention. Competent national authorities are required by those conventions to issue import authorizations for transactions involving the importation of such substances into their country. The competent national authorities of exporting countries must verify the authenticity of such import authorizations before issuing the export authorizations required to allow shipments containing the substances to leave their country.

86. The 1971 Convention does not require import and export authorizations for trade in the psychotropic substances listed in its Schedules III and IV. However, in view of the widespread diversion of those substances from licit international trade during the 1970s and 1980s, the Economic and Social Council, in its resolutions 1985/15, 1987/30 and 1993/38, requested Governments to extend the system of import and export authorizations to cover those psychotropic substances as well.

87. Most countries and territories have already introduced an import and export authorization requirement for psychotropic substances listed in Schedules III and IV of the 1971 Convention, in accordance with the above-mentioned Economic and Social Council resolutions. In response to a circular letter sent in 2016, the Board also received additional and updated information from the Governments of Serbia, Turkey and Timor-Leste. By 1 November 2016, specific information had been made available to the Board by 206 countries and territories, showing that all major importing and exporting countries now require import and export authorizations for all psychotropic substances in Schedules III and IV of the 1971 Convention. A table showing the import authorization requirements for substances in Schedules III and IV applied pursuant to the relevant Economic and Social Council resolutions by individual countries is disseminated by the Board to all Governments twice a year. That table is also published in the secure area of the Board's website, which is accessible only to specifically authorized Government officials, so that the competent national

authorities of exporting countries may be informed as soon as possible of changes in import authorization requirements in importing countries. **The Board urges the Governments of the remaining 15 States in which national legislation does not yet require import and export authorizations for all psychotropic substances, regardless of whether they are States parties to the 1971 Convention, to extend such controls to all substances in Schedules III and IV of the 1971 Convention as soon as possible and to inform the Board accordingly.**

88. The 1988 Convention does not prescribe specific import or export authorization requirements for internationally scheduled precursor chemicals. Instead, the international precursor control system relies on the monitoring of international trade in order to facilitate the identification of suspicious transactions and prevent diversion. The provision of pre-export notifications regarding shipments of precursor chemicals to an importing country's authorities can be made mandatory under the Convention, if a State party chooses to invoke article 12, subparagraph 10 (a), by sending a corresponding request to the Secretary-General (see paras. 92 and 93 below, regarding pre-export notifications for precursor chemicals).

International electronic import and export authorization system for narcotic drugs and psychotropic substances

89. Import and export authorizations are required for narcotic drugs listed in all Schedules of the 1961 Convention and for psychotropic substances listed in Schedules I and II of the 1971 Convention. Furthermore, pursuant to the relevant Economic and Social Council resolutions, Governments are urged to apply an import and export authorization requirement to substances listed in Schedules III and IV as well. As part of its endeavours to harness technological progress for the effective and efficient implementation of the import and export authorization regime for licit international trade in narcotic drugs and psychotropic substances, the Board has spearheaded efforts to develop an electronic tool to facilitate and expedite the work of competent national authorities and to reduce the risks of diversion of those drugs and substances. The International Import and Export Authorization System (I2ES) is an innovative, web-based application that was developed by the Board in cooperation with UNODC and with the support of Member States. I2ES allows Governments to electronically generate import and export authorizations for licit imports and exports of narcotic drugs and psychotropic substances, to exchange those authorizations in real time and to instantly verify the legitimacy of individual transactions while

ensuring full compliance with the requirements of the international drug control conventions. I2ES significantly reduces the risk of drug consignments being diverted into illicit channels (see section F, below (paras. 338-342), for more details).

90. I2ES was officially launched in 2015 and competent national authorities from 24 countries have registered with the system. In March 2016, a user-group meeting to gather feedback on the system was held on the margins of the fifty-ninth session of the Commission on Narcotic Drugs. Over 30 experts from 21 countries participated in that user-group meeting. The meeting afforded government officials of participating countries a valuable opportunity to exchange ideas on bringing about the implementation of I2ES and to provide feedback to INCB and the information technology service of UNODC that will guide future action and the further development of the system. The user group emphasized the importance of a high level of enrolment in and usage of I2ES by the competent national authorities of Governments around the world, and encouraged all Governments to register to use the system.

91. The Board wishes to encourage all competent national authorities that have not yet done so to register with and start using I2ES as soon as possible, as only through its widespread application will Governments be able to avail themselves of all the advantages that the tool provides. The Board stands ready to assist in that regard. The Board reiterates the call to Member States contained in Commission on Narcotic Drugs resolution 58/10 to provide the fullest possible financial support to enable the secretariat of the Board to continue administering and monitoring the system.

Pre-export notifications for precursor chemicals

92. The system of rapid information exchange through pre-export notifications, which enables the Governments of importing and exporting countries to instantly verify the legitimacy of individual shipments of precursor chemicals, has proved to be the most effective tool to prevent the diversion of those substances from international trade. Article 12, subparagraph 10 (a), of the 1988 Convention allows the Governments of importing countries to make it mandatory for exporting countries to inform them of any planned export of precursors to their territory. To date, 112 States and territories have invoked the provision and have formally requested pre-export notifications. However, there is a noteworthy number of Governments and regions that remain unaware of, and vulnerable to, precursor shipments of concern entering

their territory. INCB therefore strongly encourages the remaining Governments to invoke article 12, subparagraph 10 (a), of the 1988 Convention as soon as possible.

93. Pre-Export Notification Online (PEN Online) is an electronic tool that has been provided by INCB free of charge to allow importing and exporting Governments to communicate securely with one another on international trade in precursor chemicals and to raise alerts when the legitimacy of a given shipment is in doubt. PEN Online has been in operation for more than 10 years and currently has registered users from a total of 153 countries and territories. Nonetheless, the Board notes that PEN Online is not always used to its full potential, despite a technical upgrade that was performed in 2015, making the tool even more user-friendly and intuitive (for more information, see the subsection entitled “New tools for old purposes” in section F, below (paras. 336-356)). INCB therefore calls upon Governments to actively and systematically use PEN Online and urges the States that have not yet registered to do so as soon as possible.

(c) Effectiveness of the control measures aimed at preventing the diversion of controlled substances from international trade

94. The system of control measures laid down in the 1961 Convention provides effective protection to international trade in narcotic drugs against attempts to divert such drugs into illicit channels. Similarly, as a result of the almost universal implementation of the control measures stipulated in the 1971 Convention and the relevant Economic and Social Council resolutions, there have been no identified cases involving the diversion of psychotropic substances from international trade into illicit channels in recent years. In addition, the 1988 Convention obliges parties to prevent the diversion of precursor chemicals from international trade to the manufacture of narcotic drugs and psychotropic substances. The Board has developed various systems to monitor compliance with that aspect of the 1988 Convention and has recorded limited cases of diversion from licit international trade.

95. Discrepancies in Government reports on international trade in narcotic drugs and psychotropic substances are regularly investigated with the competent authorities of the relevant countries to ensure that no diversion of narcotic drugs and psychotropic substances from licit international trade takes place. Those investigations may reveal shortcomings in the implementation

of control measures for narcotic drugs and psychotropic substances, including the failure of companies to comply with national drug control provisions.

96. Since May 2016, investigations regarding discrepancies for 2015 related to the trade in narcotic drugs have been initiated with 37 countries. As at 1 November 2016, replies had been received from 23 countries. The responses indicated that the discrepancies were caused by clerical and technical errors in preparing the reports, reporting on exports or imports of preparations in Schedule III of the 1961 Convention without indicating it on the form, or inadvertent reporting of transit countries as trading partners. In some cases, countries confirmed the quantities reported by them, resulting in follow-up investigations with their respective trading partners being initiated. Reminder letters were sent to the countries that did not reply.

97. Similarly, with regard to international trade in psychotropic substances, investigations into 264 discrepancies related to 2014 data were initiated with 17 countries. As at 1 November 2016, 9 countries had provided replies relating to 179 cases involving discrepancies, leading to the resolution of 129 of those cases. In all cases in which the data provided were confirmed by the responding countries, follow-up actions with the counterpart countries were initiated. All responses received so far indicate that the discrepancies were caused by clerical or technical errors, in most cases either the failure to convert amounts into anhydrous base or “overlapping”, i.e. an export in a given year was received by the importing country only at the beginning of the following year. None of the cases investigated showed a possible diversion of psychotropic substances from international trade.

98. Preventing the diversion of substances frequently used in the illicit manufacture of narcotic drugs and psychotropic substances, and cooperating to that end, is one of the key obligations of States parties under the 1988 Convention. Aided by a number of monitoring systems developed by the Board to support the achievement of that aim, the number of recorded cases of diversion from licit international trade has decreased over the years.

99. The Board continues to be in regular contact with importing and exporting authorities to flag suspicious shipments, request clarification on the details of individual transactions with a view to supporting the expeditious processing of pre-export notifications among competent national authorities and generally facilitate communication on international trade in precursors. A detailed analysis of recent developments and trends

observed can be found in the Board’s dedicated report on the implementation of article 12 of the 1988 Convention.⁴³

100. **The Board calls upon Governments to continue to monitor international trade in narcotic drugs, psychotropic substances and precursors by using the INCB tools described in section F, below (see paras. 336-356). Competent national authorities are encouraged to request the assistance of the Board in ascertaining whether a suspicious individual transaction is legitimate or not.**

(d) Prevention of diversion of precursors from domestic distribution channels

101. In recent years, the Board has observed a shift in the diversion of precursors from international to domestic trade, i.e. within a country’s own national borders. While that shift may be an indicator of the successful functioning of the precursors control regime at the international level, which increasingly manages to reduce the opportunities for traffickers to channel chemicals away from licit cross-border trade into illicit drug manufacture, it exposes potential weaknesses in the design of domestic control systems, which the 1988 Convention leaves to the discretion of States parties. Increased attention must thus be paid to setting up and implementing comprehensive monitoring systems at the national level, focusing on domestic trade. Article 12, paragraph 8, of the 1988 Convention provides some guidance on possible basic features of such a system. Several initiatives of the Board, including Project Prism and Project Cohesion, which focus on precursors used in the illicit manufacture of amphetamine-type stimulants and cocaine and heroin, respectively, also offer a platform for the exchange of information on best practices in tackling new challenges in precursor control.

2. Ensuring the availability of internationally controlled substances for medical and scientific purposes

102. In line with its mandate to ensure the availability of internationally controlled substances for medical and scientific purposes, the Board carries out various activities related to narcotic drugs and psychotropic substances. The Board monitors action taken by Governments, international organizations and other bodies to support the availability and rational use of controlled substances for

⁴³E/INCB/2016/4.

medical and scientific purposes and provides, through its secretariat, technical support and guidance to Governments in their implementation of the provisions of the international drug control treaties.

103. To supplement and increase the effectiveness of the action mentioned above, in 2016, the Board launched a project called INCB Learning (see also paras. 154-157, below). The project provides assistance to Member States in their efforts to achieve full compliance with the provisions of the international drug control treaties. One of the objectives of the project is to ensure the appropriate availability of internationally controlled substances, while preventing their abuse and diversion into illicit channels.

104. Under INCB Learning, two regional training seminars for competent national authorities were conducted in 2016. In April, the secretariat, in collaboration with UNODC, implemented a training seminar in Nairobi for 19 participants from nine countries in East Africa. In July, 45 participants from 19 countries in South and East Asia attended a three-day seminar held in Bangkok. The activity was co-organized with the Office of the Narcotics Control Board of Thailand. Both activities were followed by national awareness-raising workshops for the host countries, which brought together participants from national authorities, civil society and the international community to discuss the importance of ensuring the availability of opioid analgesics and psychotropics for medical and scientific purposes.

Supply of and demand for opiate raw materials

105. The Board, in fulfilment of the functions assigned to it under the 1961 Convention and relevant resolutions of the Economic and Social Council and the Commission on Narcotic Drugs, regularly examines issues affecting the supply of and the demand for opiates for licit requirements, and endeavours to ensure a standing balance between that supply and demand on the basis of data provided by Governments.⁴⁴

106. In order to establish the status of the supply of and demand for opiate raw materials, the Board analyses the data on opiate raw materials and on opiates manufactured from those raw materials provided by Governments. In addition, the Board analyses

information on the utilization of those raw materials, estimated consumption for licit use and stocks at the global level. A detailed analysis of the current situation as it pertains to the supply of and demand for opiate raw materials is contained in the 2016 technical report of the Board on narcotic drugs.⁴⁵

107. In 2015, the area sown with opium poppy rich in morphine in the main producing countries, as well as the actual area harvested, decreased compared with the previous year in Australia, France, Hungary and Spain, but increased in Turkey. In India, the only country licitly producing opium for export, cultivation remained stable, with an actual area harvested of 5,422 ha in 2015. The total area of opium poppy rich in morphine sown in the main producing countries was 76 per cent of the total estimated area.

108. In 2015, the cultivation of opium poppy rich in thebaine, in terms of actual area harvested, decreased in Australia and Spain. France did not cultivate any opium poppy rich in thebaine. The total area sown in the main producing countries was 86 per cent of the total estimated area.

109. The actual area harvested for opium poppy rich in codeine in 2015 more than doubled in Australia and increased by 52 per cent in France compared with the previous year.

110. Recently, an increase in the cultivation of opium poppy rich in noscapine in some producing countries has been reported. The quantity of opiates under international control obtained from the cultivation of that particular variety and all other varieties of opium poppy were included in the analysis of the global production of and demand for opiate raw materials. In 2015, Hungary was the only country that reported the cultivation of opium poppy rich in noscapine.

111. The advance data for 2016 show a 15 per cent decrease in the total estimated area of opium poppy rich in morphine to be harvested in the main producing countries. In 2017, the cultivation of opium poppy rich in morphine is expected to increase in Hungary, India and Turkey and to decrease in Australia, France and Spain.

112. Australia, Hungary and Spain decreased their estimate of the area to be used for the cultivation of opium poppy rich in thebaine, whereas France increased its estimate. The estimated area for Hungary for 2016 is the same as for 2015. For 2017, Australia, Hungary and Spain

⁴⁴The analysis excludes data on China and the Democratic People's Republic of Korea, which produce opiate raw materials solely for domestic use. It also excludes data on the utilization of seized opium that was released for licit use in the Islamic Republic of Iran and on the demand for opiates derived from such opium.

⁴⁵E/INCB/2016/2.

are estimating a decrease in cultivation of that variety, while France is planning to increase the area of cultivation.

113. Both Australia and France, the only countries among the main producers that cultivate opium poppy rich in codeine, are expected to decrease their cultivation in 2016, but Australia is projecting an increase in 2017. France did not provide an estimate of cultivation for that year.

114. The total production of morphine-rich opiate raw materials in the main producing countries increased to 586 tons in morphine equivalent in 2015 and it is projected to decrease to about 566 tons in morphine equivalent in 2016. Of that quantity, poppy straw will account for 561 tons (99 per cent) and opium will account for 5 tons (1 per cent). For 2017, it is estimated that global production of opiate raw materials rich in morphine will increase to 669 tons in morphine equivalent, mainly as a result of the increase in the estimates of Hungary, India, Spain and Turkey.

115. In 2015, the global production of opiate raw materials rich in thebaine was 216 tons in thebaine equivalent. During that year, production decreased in almost all the main producing countries, but it is expected to increase to about 298 tons in thebaine equivalent in 2016 as a result of the expected increase in France and Spain. Australia, France and Spain are expected to account for about 99 per cent of the global production of opiate raw materials rich in thebaine in 2016. Production of thebaine-rich raw materials in 2017 is expected to increase further, to 366 tons. Again, that will result mainly from the expected increase in production in France and Spain, as well as the increase in the thebaine obtained from the cultivation of opium poppy in India. As in previous years, the actual production of opiate raw materials in 2016 and 2017 may differ considerably from the estimates, depending on weather and other conditions.

116. Stocks of opiate raw materials rich in morphine (poppy straw, concentrate of poppy straw and opium) amounted to about 746 tons in morphine equivalent at the end of 2015. Those stocks were considered to be sufficient to cover 19 months of expected global demand by manufacturers at the 2016 level of demand.

117. Stocks of opiate raw materials rich in thebaine (poppy straw, concentrate of poppy straw and opium) decreased to about 274 tons in thebaine equivalent by the end of 2015. Those stocks are sufficient to cover 16 months of expected global demand by manufacturers at the 2016 level of demand.

118. Global stocks of opiates based on morphine-rich raw materials, mainly in the form of codeine and morphine, held at the end of 2015 (558 tons in morphine equivalent) were sufficient to cover global demand for those opiates for about 16 months. On the basis of data reported by Governments, total stocks of both opiates and opiate raw materials are fully sufficient to cover demand for medical and scientific purposes.

119. Global stocks of opiates based on thebaine-rich raw materials (oxycodone, thebaine and a small quantity of oxymorphone) increased to 241 tons in thebaine equivalent at the end of 2015 and were sufficient to cover global demand for medical and scientific purposes for thebaine-based opiates for about 18 months.

120. In 2015, global demand for opiate raw materials rich in morphine decreased to 437 tons in morphine equivalent because of the decrease in demand for opium and poppy straw. However, it is expected to increase in 2016 and 2017.

121. Global demand by manufacturers for opiate raw materials rich in thebaine has been decreasing since 2012, probably as a result of restrictions on prescription drugs introduced in the United States, the main market. In 2015, total demand continued to decrease, to 183 tons of thebaine equivalent, compared with 202 tons in 2014. Global demand for raw materials rich in thebaine is expected to amount to 210 tons of thebaine equivalent in 2016 and to reach 220 tons in 2017.

122. Codeine and hydrocodone are the most-consumed opiates manufactured from morphine. Global demand for morphine-based opiates decreased slightly, to 410 tons in morphine equivalent in 2015, compared with 416 tons in 2014.

123. Demand for thebaine-based opiates is concentrated mainly in the United States and has increased sharply since the late 1990s. In 2015, the global demand for thebaine-based opiates stayed at the level of the previous year and amounted to 151 tons.

124. The global production of opiate raw materials rich in morphine has exceeded the global demand for those raw materials since 2009. As a result, stocks have been increasing, albeit with fluctuations. In 2015, stocks increased to 746 tons in morphine equivalent and were sufficient to cover the expected global demand for about 19 months. In 2016, global production of opiate raw materials rich in morphine is expected to exceed global demand again, with the result that global stocks of those raw materials will further increase in 2017. Stocks are

expected to reach 842 tons by the end of 2016, which is equivalent to about 21 months of expected global demand at the 2017 level of demand (although not all data are available for a complete forecast). The global supply of opiate raw materials rich in morphine (stocks and production) will remain sufficient to cover global demand.

125. In 2015, global production of opiate raw materials rich in thebaine was again higher than demand. However the gap between production and demand was reduced, with a decrease in stocks (274 tons) at the end of 2015. Those stocks were equivalent to global demand for 16 months. Production is expected to increase in 2016 and 2017. By the end of 2016, global stocks of opiate raw materials rich in thebaine are likely to reach 362 tons, sufficient to cover global demand for about 20 months, and at the end of 2017 they may reach 508 tons, sufficient to cover global demand for more than one year. The global supply of opiate raw materials rich in thebaine (stocks and production) will be more than sufficient to cover global demand in 2016 and 2017.

C. Governments' cooperation with the Board

1. Provision of information by Governments to the Board

126. The Board is mandated to publish two reports each year: the annual report and the report of the Board on the implementation of article 12 of the 1988 Convention. It also publishes technical reports that provide Governments with an analysis of statistical information on the manufacture, trade, consumption, utilization and stocks of internationally controlled substances, and with an analysis of estimates and assessments of requirements for those substances.

127. The Board's reports and technical publications are based on information that parties to the international drug control treaties are obligated to submit. In addition, pursuant to resolutions of the Economic and Social Council and the Commission on Narcotic Drugs, Governments voluntarily provide information in order to facilitate an accurate and comprehensive evaluation of the functioning of the international drug and precursor control system.

128. The data and other information received from Governments enable the Board to monitor licit activities

involving narcotic drugs, psychotropic substances and precursor chemicals and to evaluate treaty compliance and the overall functioning of the international drug control system. On the basis of its analysis, the Board makes recommendations to improve the system with a view to ensuring the availability of narcotic drugs and psychotropic substances for medical and scientific needs, while at the same time preventing their diversion from licit into illicit channels and preventing the diversion of precursors to illicit drug manufacture.

2. Submission of statistical information

129. Governments have an obligation to furnish to the Board the statistical reports required by the international drug control conventions on an annual basis and in a timely manner.

130. As at 1 November 2016, the Board had received annual statistical reports from 149 States (both parties and non-parties to the 1961 Convention) and territories on the production, manufacture, consumption, stocks and seizures of narcotic drugs during 2015 (form C), or about 70 per cent of those requested. That number was higher than in 2015 (139 reports pertaining to 2014), but almost equal to that of 2014 (145 reports pertaining to 2013). Seventy-nine Governments (37 per cent) had submitted their data on time, which was more than in the three preceding years (71 countries in 2015, 64 in 2014 and 61 in 2013). Governments of 56 countries and 9 territories (30 per cent) had not yet submitted their annual statistics for 2015, but several could be expected do so in the following months. Most of the countries that had failed to submit their reports on time were in Africa, the Caribbean, Asia and Oceania. Almost all countries where large amounts of narcotic drugs were being produced, manufactured, imported, exported or consumed had submitted their annual statistics. However, the Board was concerned about the quality of their data, especially the data from some of the major producing and manufacturing countries, as they seemed to indicate deficiencies in national mechanisms for regulating and monitoring internationally controlled substances. **INCB invites Governments to enhance their national mechanisms to monitor the cultivation, production and manufacture of and trade in controlled substances. This may be achieved, in part, by improving and developing national data systems, training staff of the competent national authorities and ensuring that companies licensed to deal with internationally controlled substances fulfil the legal requirements associated with their licences.**

131. As at 1 November 2016, the complete set of four quarterly statistics of imports and exports of narcotic drugs for 2015 (form A) had been received from 136 Governments (122 countries and 14 territories), i.e. about 64 per cent of the 214 Governments requested. In addition, 34 Governments (about 16 per cent) had submitted at least one quarterly report. A total of 40 countries and 4 territories (about 21 per cent) had failed to submit any quarterly statistics for 2015, most of them in Africa (22 countries and 1 territory).

132. The Board routinely investigates discrepancies in Government reports on international trade in narcotic drugs to ensure that none are diverted from licit international trade. Some of those investigations have revealed shortcomings in the implementation of control measures and infringements of national drug control provisions by companies. Governments have an obligation to comply with the limits on imports and exports of narcotic drugs imposed by articles 21 and 31 of the 1961 Convention. Under article 21, the total of the quantities of each drug manufactured and imported by any country or territory in any one year may not exceed the sum of the quantities consumed and utilized, within the limits of the relevant estimates, the quantity exported, the quantity added to the stock for the purpose of bringing that stock up to the level specified in the relevant estimate, and the quantity acquired within the limit of the relevant estimate for special purposes. Article 31 requires all exporting countries to limit the export of narcotic drugs to any country or territory to the total of the estimates of the importing country or territory, with the addition of the amounts intended for re-export. The secretariat routinely identifies cases of possible non-compliance by Governments with those provisions. Non-compliance could facilitate the diversion of narcotic drugs from licit international trade into illicit channels. Therefore, the Governments concerned are requested to identify reasons for any cases of excess trade and inform INCB of the outcome of their investigations. They are also requested to strictly comply with the limits for imports and exports in the future, and are directed to consult the annual estimates of narcotic drug requirements for each country, which are published by INCB in its technical report on narcotic drugs and in the monthly updates of the list of estimates on the INCB website.

133. As at 1 November 2016, annual statistical reports for 2015 on psychotropic substances (form P) had been submitted to the Board in conformity with article 16 of the 1971 Convention by 137 States and territories, amounting to 63 per cent of those required to do so. The Board notes that this rate of submission is almost identical to that for 2014. In addition, 95 Governments voluntarily

submitted all four quarterly statistical reports on imports and exports of substances listed in Schedule II of the 1971 Convention for 2015, in conformity with Economic and Social Council resolution 1981/7, and a further 59 Governments submitted several quarterly reports.

134. While the majority of Governments regularly submit their mandatory and voluntary statistical reports, the cooperation of some has not been satisfactory. In 2016, only about 60 per cent of the countries that submitted form P related to 2015 did so before the deadline. Among those that failed to submit form P before the deadline of 30 June 2016 were major manufacturing, importing and exporting countries such as Australia, Brazil, China, France, India, Japan and New Zealand. The Republic of Korea, a significant importer and exporter of psychotropic substances, furnished form P for 2014 but failed to do so for the years 2011 to 2013. The Board notes that at the end of September 2016, three months after the deadline, the Republic of Korea had not yet furnished its reports for 2015.

135. The Board notes with concern that the number of countries and territories that have not furnished form P is again highest in Africa, Oceania and the Caribbean. A total of 34 countries and territories in Africa⁴⁶ (60 per cent of those in that region) failed to furnish form P for 2015. Likewise, 55 per cent of the countries and territories in Oceania (10 countries and 1 territory)⁴⁷ and 42 per cent (9 countries and 5 territories) of those in Latin America and the Caribbean⁴⁸ failed to do so. In Europe, form P for 2015 was furnished by 84 per cent of all countries, but three countries did not furnish it for 2015 (Greece, Luxembourg and Serbia), compared with just two in 2014. In South America, a total of three countries failed to furnish form P for 2015 (Paraguay, Suriname

⁴⁶ Angola, Benin, Cameroon, Central African Republic, Chad, Congo, Côte d'Ivoire, Djibouti, Equatorial Guinea (non-party to the 1971 Convention), Eritrea, Gabon, Gambia, Guinea, Guinea-Bissau, Lesotho, Liberia (non-party to the 1971 Convention), Libya, Malawi, Mali, Mauritania, Mozambique, Namibia, Niger, Sao Tome and Principe, Senegal, Somalia, South Sudan (non-party to the 1971 Convention), Swaziland, Togo, Uganda and Zambia, as well as Ascension Island, Saint Helena and Tristan da Cunha.

⁴⁷ Fiji, Kiribati (non-party to the 1971 Convention), Nauru (non-party to the 1971 Convention), Niue, Palau, Papua New Guinea, Samoa (non-party to the 1971 Convention), Solomon Islands (non-party to the 1971 Convention), Tuvalu (non-party to the 1971 Convention) and Vanuatu, as well as French Polynesia.

⁴⁸ Antigua and Barbuda, Bahamas, Belize, Cuba, Dominican Republic, Grenada, Saint Kitts and Nevis, Saint Lucia and Trinidad and Tobago, as well as Aruba, Bermuda, British Virgin Islands, Cayman Islands and Turks and Caicos Islands.

and Uruguay). In Asia, 25 per cent of the countries and territories did not furnish form P for 2015.⁴⁹

136. Difficulties encountered by Governments in submitting statistical reports to the Board may indicate deficiencies in their national mechanisms for regulating and monitoring controlled substances. The Board therefore wishes to invite the Governments concerned to take steps to enhance, as necessary, their mechanisms for regulating licit activities involving controlled substances, including their national systems for compiling data for the mandatory and voluntary statistical reports on psychotropic substances, and to provide adequate training to the staff of their competent national authorities, in line with the requirements of the international drug control treaties.

137. The Economic and Social Council, in its resolutions 1985/15 and 1987/30, requested Governments to provide the Board with details on trade (data broken down by countries of origin and destination) in substances listed in Schedules III and IV of the 1971 Convention in their annual statistical reports on psychotropic substances. For 2015, complete details on such trade were submitted by 105 Governments (77 per cent of all submissions of form P), which is about the same number as for 2014. The remaining 32 Governments submitted incomplete trade data, submitted forms with some trade data missing for 2015 or submitted blank forms.

138. The Board notes with appreciation that a number of countries have already submitted consumption data for psychotropic substances on a voluntary basis in accordance with Commission on Narcotic Drugs resolution 54/6. Thus, for 2015, a total of 59 countries and territories submitted data on the consumption of some or all psychotropic substances. **The Board appreciates the cooperation of the Governments concerned and calls upon all Governments to report on the consumption of psychotropic substances on an annual basis, pursuant to Commission on Narcotic Drugs resolution 54/6, as such data are essential for an improved evaluation of the availability of psychotropic substances for medical and scientific purposes.**

139. The Board notes with appreciation that reports on seizures of psychotropic substances were furnished by the Governments of India, Malaysia and Romania. Notifications on seizures of internationally controlled licit substances smuggled through the mail, including those

ordered via the Internet, were furnished by the Governments of Norway and Romania, pursuant to Commission on Narcotic Drugs resolution 50/11. **The Board acknowledges the interdiction efforts of the Governments concerned and calls on all Governments to regularly furnish to the Board information on seizures of psychotropic substances ordered via the Internet and delivered through the mail, pursuant to Commission on Narcotic Drugs resolution 50/11.**

140. Under article 12 of the 1988 Convention, parties are obliged to furnish information on substances frequently used in the illicit manufacture of narcotic drugs and psychotropic substances. That information, provided on form D, helps the Board to monitor and identify trends in trafficking in precursors and the illicit manufacture of drugs. It also enables INCB to offer Governments recommendations concerning remedial action and policies, as necessary.

141. As at 1 November 2016, a total of 120 countries and territories had submitted form D for 2015. Seventy-one Governments had done so by the deadline of 30 June 2016.

142. Of the States and territories that provided data for 2015, 81 reported seizures of scheduled substances and 45 reported seizures of non-scheduled substances, more than in the previous year. As in previous years, many of those authorities did not provide details on the methods of diversion and illicit manufacture or on stopped shipments. The Board urges Governments to put the relevant mechanisms in place to ensure that all data are comprehensive and are submitted on time.

143. In accordance with Economic and Social Council resolution 1995/20, Governments are requested to provide information regarding their licit trade in substances listed in Tables I and II of the 1988 Convention on a voluntary and confidential basis. As at 1 November 2016, 115 States parties had provided information on licit trade related to 2015.

3. Submission of estimates and assessments

144. Under the 1961 Convention, parties are obliged to provide the Board each year with estimates of their requirements for narcotic drugs for the following year. As at 1 November 2016, a total of 160 States and territories, 75 per cent of those required, had submitted estimates of their requirements for narcotic drugs for 2017 for confirmation by the Board. As in previous years, the Board had

⁴⁹ Bhutan, Cambodia, Democratic People's Republic of Korea, Iraq, Republic of Korea, Singapore, Sri Lanka, Thailand, Turkmenistan, United Arab Emirates and Yemen, as well as Macao, China.

to establish estimates for those States and territories that had not submitted their estimates on time, in accordance with article 12 of the 1961 Convention.

145. As at 1 November 2016, the Governments of all countries except South Sudan and of all territories had submitted to the Board at least one assessment of their annual medical and scientific requirements for psychotropic substances. In accordance with Economic and Social Council resolution 1996/30, the assessments of requirements for South Sudan were established by the Board in 2011 to enable that country to import psychotropic substances for medical purposes without undue delay.

146. In line with Economic and Social Council resolutions 1981/7 and 1991/44, Governments are requested to provide to the Board assessments of their annual medical and scientific requirements for psychotropic substances listed in Schedules II, III and IV of the 1971 Convention. Assessments for psychotropic substances remain in force until Governments modify them to reflect changes in national requirements. To facilitate the submission of such modifications by competent national authorities, the Board has created a new form, entitled "Supplement to form B/P". It has been translated into the six official languages of the United Nations and was made available to all Governments in October 2014. As at October 2016, two years after its release, almost all countries were using it. The Board recommends that Governments review and update the assessments of their annual medical and scientific requirements for psychotropic substances at least once every three years.

147. Between 1 November 2015 and 1 November 2016, a total of 78 countries and 11 territories submitted fully revised assessments of their requirements for psychotropic substances, and a further 42 Governments submitted modifications to their assessments for one or more substances. As at 1 November 2016, Governments of 33 countries and 2 territories had not submitted any revision of their legitimate requirements for psychotropic substances for over three years.

148. The Board wishes to emphasize the importance of determining estimates for narcotic drugs and assessments for psychotropic substances at levels that reflect actual licit needs. If estimates and assessments are lower than the legitimate requirements, the importation or use of narcotic drugs or psychotropic substances needed for medical or scientific purposes may be delayed or impeded, whereas if they are significantly higher they might increase the risk that imported narcotic drugs and psychotropic substances are diverted into illicit channels.

149. The Board reminds all Governments that they can submit to the Board supplementary estimates for narcotic drugs or modifications to assessments for psychotropic substances at any time during the year, whenever they find that their country's current estimates or assessments are insufficient to cover licit needs. To adequately assess their country's needs, Governments may wish to avail themselves of the *Guide on Estimating Requirements for Substances under International Control*, developed by the Board and the World Health Organization for use by competent national authorities and published in February 2012. That guide is available on the Board's website (www.incb.org) in the six official languages of the United Nations.

150. In line with Commission on Narcotics Drugs resolution 49/3 entitled "Strengthening systems for the control of precursor chemicals used in the illicit manufacture of synthetic drugs", Governments are requested to provide to the Board, on a voluntary basis, annual estimates of their legitimate requirements for imports of the following four precursors of amphetamine-type stimulants: ephedrine, pseudoephedrine, 3,4-methylenedioxypheyl-2-propanone (3,4-MDP-2-P) and 1-phenyl-2-propanone (P-2-P) and, to the extent possible, preparations containing those substances present in such a way that they can easily be used or recovered by readily applicable means. Between the publication of the Board's 2015 report on precursors and 1 November 2016, five Governments submitted annual estimates of their legitimate requirements for the first time, bringing the total number of Governments having submitted such estimates to 162. Similarly, the number of individual estimates increased from 810 in 2015 (published in the Board's report on precursors for that year) to 851 in 2016. Those figures confirm that estimates continue to be a very important tool for Governments to assess the legitimacy of shipments and to identify any excesses in transactions.

151. The latest estimates, as submitted by countries and territories, are regularly updated and published on the Board's website. They are also accessible to registered users through PEN Online and are available as an annex to the Board's annual report on precursors.⁵⁰ Governments are advised to consult the Board's website for the most recent estimates. Governments can request to have those estimates revised at any time by contacting the INCB secretariat.

152. The Board wishes to remind all Governments that the total estimates of annual medical and scientific requirements for narcotic drugs and the assessments of requirements for psychotropic substances are published in yearly and quarterly publications and that monthly

⁵⁰E/INCB/2016/4.

updates are available on the Board's website. Updated annual estimates of legitimate requirements for precursors of amphetamine-type stimulants are also available on the website.

153. Problems encountered by Governments in furnishing adequate statistics and/or estimates and assessments to the Board are often an indication of deficiencies in their national control mechanisms and/or health-care systems. Such deficiencies may reflect problems in the implementation of treaty provisions, for instance gaps in national legislation, shortcomings in administrative regulations or a lack of training for staff of competent national authorities. **The Board invites all Governments concerned to find the causes for such deficiencies in reporting statistics and/or estimates and assessments to the Board and to inform the Board accordingly with a view to resolving those problems and ensuring adequate and timely reporting.** To assist Governments, the Board has developed tools and kits, as well as several sets of guidelines, for use by competent national authorities. They are available on its website free of charge and include training materials and the Guide on Estimating Requirements for Substances under International Control. Governments are invited to make full use of these tools in their efforts to comply with the international drug control treaties. The Board also wishes to encourage Governments to avail themselves of the specific training that is provided by INCB upon request.

INCB Learning

154. In early 2016, the secretariat of the Board launched the first activities under a new project named INCB Learning to provide technical assistance to Member States in complying with the international conventions on narcotic drugs, psychotropic substances and precursor chemicals. The Board has observed that many countries have difficulties in meeting their reporting requirements as set out in the international drug control treaties and related resolutions of the Economic and Social Council and the Commission on Narcotic Drugs, or fail to meet them altogether. The fact that some Member States have insufficient capacity to comply with their reporting obligations weakens the international drug control system as a whole and increases the risk of diversion, trafficking, abuse, and insufficient availability for medical and scientific purposes. The ultimate goal of the project is to ensure the appropriate availability of internationally controlled substances while preventing their abuse and diversion to illicit channels.

155. To address this problem, the Board has initiated INCB Learning. Its objective is to support Governments

in the implementation of the operational recommendations on ensuring access to controlled substances for medical and scientific purposes contained in the outcome document of the special session of the General Assembly on the world drug problem held in 2016. Under the project, two regional training seminars for competent national authorities were conducted in 2016. In April 2016, the secretariat held a training seminar in Nairobi in collaboration with UNODC that was attended by 19 participants from nine East African countries. In July 2016, 45 participants from 19 countries attended a three-day seminar in Bangkok for South and East Asia and the Pacific that had been co-organized with the Office of the Narcotics Control Board of Thailand.

156. Another aim of INCB Learning is to provide targeted technical support to individual Member States as a follow-up to regional training seminars. Awareness-raising workshops are held on issues related to the availability of narcotic drugs and psychotropic substances for medical and scientific purposes. E-learning modules are being developed so that the secretariat can reach more officers and staff of competent national authorities in need of training. Finally, the project will also promote and facilitate access to INCB statistics and data already made available as paper publications by developing free and open-access online tools.

157. The Board looks forward to the continued political support of the Commission on Narcotic Drugs for its efforts to implement the operational recommendation, contained in the outcome document of the special session of the General Assembly held in 2016, to provide capacity-building and training to ensure the availability of and access to controlled substances exclusively for medical and scientific purposes, while preventing their diversion. Continued political and financial support from Member States is essential to enable the Board to sustain its work and expand its activities to new regions, countries and territories.

D. Evaluation of overall treaty compliance

1. Evaluation of overall treaty compliance in selected countries

158. In the pursuit of its treaty-mandated functions, the Board regularly reviews the drug control situation in

different countries. The areas reviewed by the Board include the regulatory framework in place to monitor the cultivation of crops for the licit production and manufacture of and licit trade in controlled substances; the adequacy of national drug control legislation and policy; measures to combat drug trafficking and diversion; the provision of prevention, treatment, rehabilitation, after-care measures and social reintegration; the availability of narcotic drugs and psychotropic substances for rational medical use; and cooperation with the Board in the form of timely and accurate reporting, responses to Board requests for additional information and acceptance of Board country missions.

159. The Board engages in an ongoing dialogue with Governments that is aimed at working with them to identify good practices and areas in which the implementation of their international legal obligations can be strengthened and to suggest remedial measures, as necessary.

160. In 2016, the Board reviewed the drug control situation in Australia, Colombia, Denmark, Mauritania, Spain and the United States. It also reviewed the measures taken by the Governments of those countries to implement the international drug control treaties.

(a) Australia

161. The Government of Australia is committed to taking an integrated approach to ensure that controlled substances are handled effectively and that their diversion from licit distribution channels is countered through effective control measures.

162. The Board notes that the Narcotic Drugs Act 1967 was amended by the Australian Parliament in February 2016 to permit the legal cultivation of cannabis for the manufacture of medical cannabis products. That amendment was scheduled to enter into force on 30 October 2016. Under the Narcotic Drugs Amendment Bill 2016, the establishment of licensing and permit schemes for the cultivation and production of cannabis and cannabis resin for medical and scientific purposes is permitted. The Board notes the adoption of an amendment to the Therapeutic Goods Act 1989 to allow the use of cannabis for certain medical conditions, including terminal cancer and multiple sclerosis, and for children affected by intractable forms of epilepsy.

163. Reflecting concerns about abuse and diversion, the 1961 Convention establishes an additional set of control measures, set forth in its articles 23 and 28, which should

be implemented in order for programmes involving the use of cannabis for medical purposes to be in compliance with the Convention, to which Australia is a State party.

164. The Board notes that the Office of Drug Control has been established within the Department of Health of the Government of Australia as the single agency responsible for the licensing of cannabis grown for medical purposes, as stipulated in article 23 of the 1961 Convention. The Medical Cannabis Section within that Office will be responsible for monitoring compliance and for developing a monitoring regime for cultivators to prevent diversion of cannabis to any use other than that for which a licence is granted. The Board also notes the Government's efforts to ensure full compliance with the provisions of the 1961 Convention and to limit the amount of cannabis plant cultivated for medical cannabis products, to the quantity necessary to meet domestic demand.

165. The Board also notes that, with respect to the prescription of medical cannabis products, the Department of Health, in close cooperation with state and territorial authorities, is developing guidelines to ensure uniform application across the entire country. Prescription of medical cannabis products will be possible only by medical doctors who have been authorized to do so by the Therapeutic Goods Administration of the Department of Health.

166. The Board has continued to monitor developments in Australia with respect to the expansion of jurisdictions within the country in which the licit cultivation of opium poppy is authorized by the Government and has continued to work with the Australian authorities to ensure that the control measures set out in the 1961 Convention with respect to opium cultivation are met. The Board also reminds the Government of Australia of the need to maintain a balance between the global supply of opium poppy and demand for it, so as to prevent diversion into illicit channels.

167. The Board commends the Government of Australia for providing it with updates on the results and analysis of surveys and data collected on the drug abuse situation. The Board notes that national drug strategy household surveys were conducted in 2010 and 2013 and that the fieldwork for the 2016 survey is expected to be completed by the end of 2016. The Board would appreciate receiving the latest results of the survey and the information on prevalence of use and public attitudes towards illicit drug use that is anticipated to be released in late 2017. The Board looks forward to continuing close cooperation with the Government of Australia on that and other matters of drug control.

(b) Colombia

168. In December 2015, the Government of Colombia enacted Decree No. 2467, which permits the cultivation and establishment of a licit market for cannabis for medical purposes. The decree provides for the establishment of a legal and regulatory framework for the cultivation, production, sale, transportation, distribution and delivery of cannabis for medical purposes. As it has done with all other countries choosing to establish legal and regulatory frameworks to allow the use of cannabis for medical purposes, the Board has emphasized to the Government of Colombia the importance of adhering to the legal obligations set out in articles 23 and 28 of the 1961 Convention, which set out the conditions needing to be met for the establishment of a medical cannabis programme. Those obligations include the need to establish a national cannabis agency to control and supervise the cultivation of cannabis crops, designate the areas in which cultivation is permitted and provide licences to cultivators. The Government has designated the Health Ministry as the competent authority in charge of the application of the legislative amendment. It granted the Ministry a coordinating role in the production, manufacture, import and export of and establishment of a licit market for cannabis for medical purposes and made it responsible for authorizing the use of cannabis for medical purposes.

169. While the Colombian legal and regulatory framework satisfies most of the conditions for the establishment of medical cannabis schemes under the 1961 Convention, the Board notes with concern that cultivation by private individuals for personal use is authorized by the Government of Colombia. As it has done before, the Board wishes to remind all States that such cultivation does not meet the minimum control requirement set out in the Convention, owing to the heightened risk of diversion it represents. The Board therefore invites the Government of Colombia to take measures to prohibit that form of cultivation.

170. The Board welcomes the signature of the ceasefire agreement between the Government of Colombia and the leadership of the Revolutionary Armed Forces of Colombia in June 2016. The peace agreement, signed in August 2016, was expected to mark the end of a conflict that had spanned more than five decades. Among the pillars of the peace agreement was a chapter entitled “Solution to the illicit drug problem”, which was aimed at strengthening measures against drug trafficking, while enhancing border control, law enforcement and international cooperation. A referendum on the peace agreement was held on 2 October 2016, in which it was rejected by Colombian voters.

171. The Board looks forward to continuing its dialogue with the Government of Colombia in order to assist it in whatever manner it can in strengthening the implementation of the international drug control treaties.

(c) Denmark

172. Over the reporting period, the Board has continued its dialogue with the Government of Denmark on several issues related to drug control, including the question of “drug consumption rooms”. In order to fully appraise the situation with respect to treaty compliance, the Board requested the Government to provide it with more detailed information as to the applicable legal framework and the operation of such premises. The Board received an English translation of the legislation on “drug consumption rooms” in April 2016, which was accompanied by explanatory notes.

173. On the basis of the information provided, the Board notes that, in June 2012, the Parliament adopted an amendment to the Danish Law on Psychoactive Substances that provides the legal basis for the opening of “drug consumption rooms” in Denmark, and in 2014 the Parliament adopted a law on “drug consumption rooms”. Additional amendments to the legislative framework of the operation of such rooms followed and are contained in the Consolidated Act on Controlled Substances, which entered into force in July 2016.

174. As it has done with other countries that have allowed the operation of “drug consumption rooms”, the Board reiterates that the ultimate objective of such measures is to reduce the adverse consequences of drug abuse without condoning or encouraging drug trafficking. Accordingly, any such facility must provide, or refer patients to, treatment, rehabilitation and social reintegration measures.

175. The Board notes from the information provided by the Government that the substances consumed in the “drug consumption rooms” are acquired by users prior to entering the facilities. The Board expresses its reservations about those practices.

176. In March 2016, the Government of Denmark informed the Board that it had commissioned an independent evaluation of the implementation of the new policy on “drug consumption rooms”, the results of which had led to some adjustments being made to the 2014 law. The Board has requested information on the findings of that evaluation, which was conducted in 2015.

177. The Board appreciates the continued cooperation it has received from the Government of Denmark and the detailed information that the Government has provided regarding Danish drug control policy. The Board looks forward to continuing its ongoing dialogue with the Government on issues related to drug control.

(d) Mauritania

178. Mauritania has established certain institutional mechanisms to address the problems associated with illicit drug use and it has participated in efforts to enhance regional cooperation to combat drug trafficking and organized crime. In January 2016, according to the Council of Ministers, a draft decree on the creation of a special fund to counter drug trafficking was published. The fund would be financed by the sale of confiscated assets from drug-related crimes. Under the draft decree, the capacity of the authorities involved in countering drug trafficking would be increased through the provision of earmarked financial support.

179. The Government of Mauritania has developed a National Strategy on Drug Control. The Strategy provides for specific actions by the Directorate General of National Security, including the reactivation of the Central Office for Combating Illicit Drug Traffic, the creation of special drug enforcement units, the provision of increased resources to border control authorities, and the provision of equipment and capacity-building. The Government has also reported improvements to the institutional framework, including the creation of 45 adequately equipped entry points; the provision of scanner equipment for container control at the Nouakchott Port; the provision of training to customs officers; and the creation of the posts of special judge and associate prosecutor to address drug trafficking.

180. The country continues to face numerous challenges in its drug control efforts. In particular, the lack of resources allocated to the competent national authorities limits their ability to effectively carry out their regulatory functions. Further capacity-building initiatives may also be required to support the efforts of national law enforcement authorities. Additional areas of concern include poor coordination among drug control stakeholders and limited statistical and epidemiological data.

181. The Board continues to be concerned about the drug control situation in Mauritania. It is difficult to evaluate the situation, in view of the scarcity of relevant information related to drug control available from official and open sources. In particular, the Board is concerned about

the lack of cooperation by the Government of Mauritania with regard to the provision of information to the Board on the drug control situation in the country and the country's compliance with its reporting obligations under the international drug control treaties, as well as the Board's efforts to secure a mission to the country. The Board has also noted several deficiencies in the legislative and institutional drug control frameworks, including inadequate mechanisms for coordination among Government agencies in the field of drug control.

182. From the limited information available from official sources, including seizure data, the Board notes with concern that Mauritania continues to be targeted by international drug trafficking syndicates as a transit country for drugs, including cannabis and cocaine, destined for Europe. There have also been reports of drug trafficking groups involving both Mauritanian and foreign nationals operating within the country.

183. Within the scope of its mandate, the Board reiterates its readiness to assist the Government of Mauritania in fulfilling its obligations under the international drug control conventions, in particular through the provision of statistical data to the Board, and encourages the Government to maintain an ongoing dialogue with it in order to identify existing challenges and means of addressing them.

(e) Spain

184. The Board continues to pursue a constructive dialogue with the Government of Spain on drug-related developments in the country. During the special session of the General Assembly on the world drug problem held in April 2016, Spain expressed its commitment to the international drug control conventions and related international human rights instruments. The Government particularly underscored the importance of the proportionality of sanctions for drug-related offences and of alternative development programmes for farmers.

185. The Government of Spain has taken several legislative measures related to drug control during the period under review. Spanish drug control policy continues to be guided by the National Drug Strategy for the period 2009-2016, most recently implemented by means of an action plan for the period 2013-2016.

186. The legal regime governing the Spanish Council on Drug Dependence and other Addictions was established by royal decree in December 2015. In November 2015, the Centralized Body for the Prevention of

Money-Laundering was created. In addition, asset recovery procedures led to confiscated assets linked to drug-related offences being used to fund various drug control initiatives, including those related to supply reduction at the national and international levels.

187. Under the Spanish legislative framework, cannabis remains a controlled substance pursuant to Narcotic Drugs Control Act No. 17/1967, and possession, consumption and cultivation of cannabis are liable to criminal sanctions under the Citizen Security Law. However, the Board notes with concern the continued proliferation of “cannabis consumption clubs” in several autonomous communities in Spain. According to the last communication sent to the Board by the Government of Spain on that topic, associations that operate primarily within the territory of an autonomous community are required to register with the associations registry of that community. According to information provided previously, the Autonomous Community of the Basque Country was the only one maintaining a registry of “cannabis consumption clubs”. The Government has not supported any initiative to regulate or authorize such clubs. The clubs have been developing using the regulatory framework of article 22 of the Constitution of Spain and Act No. 1/2002 of 22 March 2002, which deals with freedom of association. Associations that pursue aims or use methods classified as criminal are illegal. Hence, the General Prosecutor’s Office is coordinating the investigation into the alleged distribution of cannabis.

188. The Board reiterates its position that the establishment of “cannabis consumption clubs” is not consistent with article 4, paragraph (c), of the 1961 Convention, pursuant to which States parties are obliged to limit exclusively to medical and scientific purposes the production, manufacture, export, import and distribution of, trade in and use and possession of drugs, or with article 3, subparagraph 1 (a), of the 1988 Convention, which requires States to adopt such measures as may be necessary to establish as criminal offences under its domestic law the production, manufacture, extraction, preparation, offering, offering for sale, distribution, sale, delivery on any terms whatsoever, brokerage, dispatch, dispatch in transit, transport, importation or exportation of any narcotic drug contrary to the provisions of the 1961 Convention.

189. The Board has actively engaged the Spanish authorities in an ongoing dialogue on the matter. The Board notes the various measures undertaken and planned by the Government of Spain to stem the spread of “cannabis consumption clubs” in certain autonomous communities, including through the refusal to authorize their

registration on the official registry of associations and the referral of such requests to prosecutorial authorities. One of the measures taken by the Government is the establishment of the Special Drug Prosecutor’s Office. Another measure is the referral to the Constitutional Court to decide on the constitutionality of laws issued by the autonomous communities that led to the development of those structures. Finally, administrative instruction No. 2/2013 was issued with the aim of coordinating the investigative criteria in the General Prosecutor’s Office and of establishing common guidelines on the exercise of penal action.

190. The Board encourages the Government of Spain to continue to take all practical actions to control cannabis in accordance with the requirements of international drug control treaties, bearing in mind that cannabis is subject to special control measures owing to its scheduling in Schedules I and IV of the 1961 Convention.

191. Although the prevalence rate of new psychoactive substances is low and the use of such substances is considered by the National Drugs Observatory as a minor phenomenon in Spain, there is evidence to suggest that small groups of high-risk drug users who used to inject heroin have switched to injecting new psychoactive substances.

192. Spain has informed the Board that it has achieved a significant reduction in rates of cocaine consumption over the past 10 years. The country has also witnessed a decline in heroin use prevalence since 2013, reversing an earlier trend toward increased abuse of the drug, which had contributed to rising rates of HIV infection. The Government has reported that one of the major challenges it continues to face is the high lifetime prevalence rate of cannabis use, reported to be over 30 per cent, although surveys in Spain show a decreasing or stable prevalence rate of cannabis use over the past decade. Despite that development, an increase in acute medical emergencies related to cannabis abuse has been reported to the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA).

193. Spain has over 500 accredited drug treatment and rehabilitation centres. In addition, prisons are also equipped with drug treatment and rehabilitation units, offer syringe distribution services and ensure the provision of opioid substitution therapy.

194. Several important challenges remain, including those related to Spain’s continued status as a major entry and transit point for drugs trafficked into Europe: Spain reported seizing almost 16 tons of cannabis herb, over 380 kg of cannabis resin and over 21 tons of cocaine in 2015.

195. The Board notes that drug trafficking continues to pose a significant challenge to the Government's efforts to address the drug problem. Clandestine laboratories continue to be dismantled in Spain, with large seizures being made. The Board encourages the Government of Spain to pursue its drug control efforts, in particular those that are aimed at combating illicit cannabis cultivation and trafficking in the country, and stands ready to assist in whatever manner it can.

(f) United States of America

196. During the period under review, the Board has maintained an active dialogue with the Government of the United States on drug-related developments in the country. Among the principal issues on which discussions have centred is the control of cannabis in various jurisdictions in the country.

197. Under federal legislation, namely the Controlled Substances Act, cannabis is classified as a substance having no currently accepted medical use in the United States, a lack of accepted safety for use under medical supervision and a high potential for abuse; however, the legal regime applicable to cannabis in several states is an area of great concern for the Board.

198. In its discussions with the Government of the United States, the Board has continued to reiterate that the legislative and administrative measures taken by several states in the country to legalize and regulate the sale of cannabis for non-medical purposes cannot be reconciled with the legal obligation contained in article 4, paragraph (c), of the 1961 Convention to limit exclusively to medical and scientific purposes the production, manufacture, export, import and distribution of, trade in and use and possession of drugs.

199. Accordingly, the Board notes with concern the results of several ballot initiatives held at the state level in November 2016 on the legalization of cannabis for non-medical purposes.

200. The Board also remains concerned that many of the legal and regulatory frameworks of the states that permit the use of cannabis for medical purposes do not fully comply with articles 23 and 28 of the 1961 Convention, which set out the conditions needing to be met for the establishment of a medical cannabis programme. **Accordingly, the Board reiterates its call to Governments of all countries, including in the United States, in which medical cannabis schemes are in place, or in which the establishment of such programmes is being considered, to ensure the**

full implementation, within the entirety of their territory, of the provisions of the 1961 Convention applicable to the use of cannabis for medical purposes.

201. The Board notes, with great concern, the large-scale opioid, prescription drug and heroin abuse problem that continues to affect the United States, claiming tens of thousands of victims each year, as expounded upon in chapter III of the present report. The Board welcomes the adoption by the Drug Enforcement Administration of a comprehensive action plan to address opioid addiction and the allocation by the Government of \$27.6 billion for the 2016 fiscal year to support the implementation of the 2015 National Drug Control Strategy.

(g) Uruguay

202. The Board notes the continued implementation by the Government of Uruguay of measures aimed at creating a regulated market for the non-medical use of cannabis. While this policy has not yet been fully implemented, the Board wishes to reiterate its position that such legislation is contrary to the provisions of the international drug control conventions, particularly to the measures set out in article 4, paragraph (c), of the 1961 Convention as amended, according to which States parties are obliged to "limit exclusively to medical and scientific purposes the production, manufacture, export, import, distribution of, trade in, use and possession of drugs". Additionally, according to article 3, subparagraph (1) (a), of the 1988 Convention, each State party is obliged to adopt such measures as may be necessary to establish as criminal offences under its domestic law the production, manufacture, extraction, preparation, offering, offering for sale, distribution, sale, delivery on any terms whatsoever, brokerage, dispatch, dispatch in transit, transport, importation or exportation of any narcotic drug contrary to the provisions of the 1961 Convention.

203. The Board will continue its dialogue with the Government of Uruguay with the aim of promoting the country's compliance with the three international drug control conventions.

2. Country missions

204. Every year, as part of its mandate as a treaty-monitoring body, the Board undertakes a number of missions to countries it selects. The objective of the missions is to assist States in meeting the international legal obligations incumbent upon them by virtue of their status as States parties to the international drug control conventions.

205. During a mission, in order to gain a comprehensive overview of the drug control situation in the country being visited, the Board holds meetings with major stakeholders in the drug control field, including government officials and representatives from regulatory authorities, treatment and rehabilitation providers and civil society groups.

206. Following the discussions held, the Board member leading the mission presents his or her findings to the Board, based upon which the Board adopts a series of confidential recommendations that are conveyed to the Government for its consideration and action.

207. The recommendations transmitted to the Government contain proposed actions to improve compliance with the international drug control framework in various fields related to drug control, including: national drug policy; inter-agency cooperation; the regulation of licit production of and trade in narcotic drugs and psychotropic substances subject to international control under the drug control conventions; the prevention of drug use and the treatment and rehabilitation of drug users; access to controlled substances for rational medical use; law enforcement; measures to address illicit drug production, manufacture and trafficking; and precursor chemical control.

208. During the period under review, the Board undertook missions to Afghanistan, Argentina, Bolivia (Plurinational State of), Canada, China, Israel, Myanmar, Oman, Senegal, South Africa, the State of Palestine, Uruguay and Viet Nam.

209. Additional missions have been accepted, in principle, by the Governments of Colombia, Egypt, Iraq, Jamaica, Kuwait and Uzbekistan but have not yet been carried out. The Board has also contacted the Governments of the Democratic Republic of the Congo, Papua New Guinea and Qatar, but has not yet received confirmation of the acceptance of a mission by those Governments.

(a) Afghanistan

210. A high-level INCB mission, led by the President of the Board, was carried out to Afghanistan in May 2016. The purpose of the mission was to continue the consultations with the Government of Afghanistan that the Board had initiated in May 2000. At that time, INCB concluded that the situation in the country, if left unattended, would seriously endanger the aims of the 1961 Convention, and it decided to invoke article 14 of that Convention with a view to promoting cooperative action at the international level.

211. The mission held high-level discussions with the Chief Executive of Afghanistan and Government representatives, including ministers and members of the Parliamentary Commission on Counter Narcotics, about the current drug control situation, future prospects, the actions and initiatives of the Government and the need for cooperation from the international community.

212. The Board noted the adoption by the Government of a new National Drug Action Plan (2015-2019) in October 2015, the main objectives of which are to reduce opium poppy cultivation and opiate manufacture and trafficking, reduce illicit demand for drugs and increase the provision of treatment for users.

213. More information on recent developments in Afghanistan is contained in section E, subsection 2, entitled "Consultation with the Government of Afghanistan pursuant to article 14 of the 1961 Convention as amended by the 1972 Protocol", and in chapter III of the present report.

(b) Argentina

214. In June 2016, an INCB mission was carried out to Argentina. The objective of the mission was to review drug control developments and progress in the implementation of the international drug control conventions since the Board's previous mission to the country, in 2006.

215. In recent years, Argentina has been a transit country for Andean-produced cocaine, with instances of domestic cocaine manufacture. The Board has noted that, in his inaugural speech, the President of the Republic had listed countering the drug problem as one of the three central priorities of the Government. During the mission, information was given to the Board about the reorganization of the various agencies dealing with drug control, in order to increase the efficiency and effectiveness of their work.

216. The Board noted improvements in the oversight of the licit import, export and manufacturing of narcotic drugs and psychotropic substances and in access to opioid analgesics in Argentina. Information was also provided about the efforts made by the Government in the area of prevention and treatment of drug abuse to develop a comprehensive and integrated strategy involving health, education and social affairs authorities and other government agencies to ensure a comprehensive approach to the issue. Following the mission, those initiatives were reflected in a national plan on drug control that was launched in August 2016 by the President of the Republic.

(c) Bolivia (Plurinational State of)

217. INCB undertook a treaty compliance monitoring visit to the Plurinational State of Bolivia from 17 to 20 October 2016. The purpose of the mission was to discuss with the Government of the country its compliance with the three international drug control treaties, in particular the 1961 Convention as amended, in view of the country's reaccession to that Convention in 2013 with a reservation with respect to coca leaf.

218. Under the reservation, and since February 2013, the chewing of coca leaf and the consumption and use of the coca leaf in its natural state for "cultural and medicinal purposes" are permitted in the territory of the Plurinational State of Bolivia.

219. During the mission, the INCB delegation held consultations with the Minister of the Interior, the Minister of Rural Development and Land, the Deputy Minister for Social Welfare and Controlled Substances and the Deputy Minister for Coca and Comprehensive Development.

220. Discussions were also held on the implementation of the reservation expressed by the Plurinational State of Bolivia upon reaccession and the steps taken by the Government to ensure compliance with the requirements of the 1961 Convention. Such requirements include the need to ensure a licensing system, monitor the harvest and prevent diversion. The INCB delegation was informed about progress in the control of coca cultivation, the reduction of illicit cultivation in recent years and measures taken against trafficking.

221. Consultations were held with representatives of the law enforcement agency responsible for the fight against drug trafficking, as well as with representatives of the joint task force of the army responsible for the eradication of illicit cultivation of coca bush. In addition, the delegation met representatives of the Regional Association of Coca Producers (ADEPCOCA) in the market of Villa Fatima in La Paz.

(d) Canada

222. The Board undertook a mission to Canada in October 2016. The primary objective of the mission was to discuss legislative measures currently being developed relating to the legalization and regulation of the non-medical use of cannabis. The last mission of the Board to Canada took place in 2013.

223. Canada is party to all three international drug control treaties. The Government has initiated a process that has as its goal the legalization and regulation of access to cannabis for non-medical use. The Board notes that the legalization of the use of cannabis for non-medical purposes is inconsistent with the provisions of the 1961 and 1988 Conventions because the Conventions oblige States parties to limit the use of narcotic drugs exclusively to medical and scientific purposes. That limitation, expressed in article 4, paragraph (c), of the 1961 Convention, is binding on all parties; regulating the use of drugs outside medical and scientific purposes is not allowed under the Convention. The limitation of the use of drugs to medical and scientific purposes is a fundamental principle that lies at the heart of the international drug control framework, to which no exception is possible and which gives no room for flexibility. The Board urges the Government to pursue its stated objectives — namely the promotion of health, the protection of young people and the decriminalization of minor, non-violent offences — within the existing drug control system of the Conventions.

224. In its discussions with the Government, the delegation of the Board was informed about and noted with concern the increasing number of overdoses and deaths caused by opioids, including fentanyl, which the Government described as being at crisis levels. The Board commends the Government of Canada for the action taken so far and for its commitment and resolve to addressing this important matter, and it encourages the authorities to take further measures in that regard.

(e) China

225. A mission of the Board was carried out to China in October 2015. During the mission, the INCB delegation held consultations with senior officials from the Ministries of Security, Health, Foreign Affairs and Justice, as well as the General Administration of Customs. The delegation also had the opportunity to visit the Beijing Narcotics Control Volunteers Organization, a non-governmental organization.

226. The delegation discussed matters of common interest relating to international drug control policy, including the outcome of the special session of the General Assembly on the world drug problem held in 2016, the latest changes in the legal drug control framework in China, the reporting obligations incumbent upon States parties to the international drug control treaties, the issue of new psychoactive substances, the availability of scheduled substances for medical purposes, and treatment and rehabilitation in China.

227. The Board expresses its appreciation to the Government of China for the country's active participation in various INCB initiatives, and its wish to continue that cooperation in the future. INCB recognizes the substantial efforts made by the Government of China with regard to the strict control of scheduled substances and the progress it has achieved in that regard.

(f) Israel

228. A mission of the Board was carried out to Israel in July 2016. As Israel is party to the three international drug control conventions, the INCB delegation reviewed implementation of those conventions, including legislative and other developments relating to drug control since the last mission of the Board to Israel, which was carried out in 2009.

229. Consultations were held with senior officials from the Ministry of Health, the Ministry of Justice and the Ministry of Economy and Industry. The delegation also heard directly from a recipient of a treatment and rehabilitation care programme in a prison.

230. The Board noted that, since its last mission in 2009, the Israeli Anti-Drug Authority had continued to play a crucial role as an independent, interdisciplinary authority, coordinating the country's drug control policy in line with its international obligations.

231. During the mission, the Government demonstrated its commitment to addressing drug addiction in Israel. The Board noted that Israel had implemented effective treatment and rehabilitation services, in particular harm reduction services, which were tailor-made for recipients.

232. Representatives of the Israeli Medical Cannabis Agency provided a comprehensive briefing for the INCB delegation, during which it outlined the legislative framework establishing the agency and set out its mandate and responsibilities. The Agency demonstrated its commitment to ensuring compliance with the international drug control treaties, in particular the requirements set forth in the 1961 Convention.

(g) Myanmar

233. A mission of the Board was carried out to Myanmar in June 2016 to review the compliance of the Government with its obligations under the three international drug control treaties and to monitor progress made in

implementing the recommendations made by the Board following its previous mission to the country, in 2010.

234. Since the Board's mission in 2010, progress has been made in the country's review of drug control legislation, the assessment of its drug use situation and its level of international cooperation. The Board welcomes the adoption by the Government of a health-based approach to the treatment of drug addiction and the conduct of the country's first national drug use survey, the preliminary results of which were expected to be available in early 2017.

235. The Board notes that significant challenges remain to be addressed. In particular, the illicit cultivation of opium poppy and production of opium have remained significant over the past few years and the implementation of sustainable alternative development programmes has continued to be difficult. In addition, the Board reiterates its call to the Government to increase its efforts to reduce the trafficking in and illicit manufacture of amphetamine-type stimulants in the country, which have remained a major concern. More awareness and resources are also required to address the existing problem of inadequate availability of controlled substances for medical purposes in the country.

(h) Oman

236. A mission of the Board was carried out to Oman in April 2016. The objective of the mission was to review the Government's compliance with the provisions of the international drug control treaties and its cooperation with the Board. During the mission, the INCB delegation was provided with information on relevant drug control legislation, including the legislative measures against money-laundering that are currently in force.

237. The delegation noted the commitment and strong political will of the Government to continue to strengthen its efforts with regard to drug abuse prevention and the treatment and rehabilitation of individuals with problems associated with drug use.

238. A wide range of prevention and awareness programmes are being carried out in Oman and facilities for the treatment and rehabilitation of drug addicts have been established. The Board noted that Oman, in collaboration with WHO, was in the process of establishing opioid substitution therapy services.

239. The Board welcomed the high-level cooperation between Oman and its neighbouring countries within the

Gulf Cooperation Council framework, and encouraged the authorities to continue fostering that cooperation to jointly combat drug-related crime in the region.

(i) Senegal

240. In October 2016, the Board undertook a mission to Senegal. The objective of the mission was to discuss progress made in the implementation of the three drug control conventions, to which Senegal is party, since the Board's last mission to the country in 2000.

241. During the mission, meetings were held with the Ministries of Foreign Affairs, Justice, Finance, Health, Defence, the Interior and Public Security and Social Action, as well as with customs and law enforcement authorities. While in the country, the INCB delegation also visited a treatment facility and met with representatives of two non-governmental organizations working in the field of prevention.

242. The INCB delegation was briefed, *inter alia*, on the development of a new strategic action plan on drug control that was being finalized under the coordination of the Inter-ministerial Committee on Drugs (CILD). The action plan sets out new policies and initiatives in the field of drug control, including in the fields of demand reduction, including prevention, treatment and rehabilitation, supply reduction and improved inter-institutional coordination.

243. The Board welcomes the measures taken by the Government of Senegal to develop a balanced and evidence-based approach to drug control policy by involving all relevant institutional stakeholders and by working closely with civil society and community-based groups.

(j) South Africa

244. In October 2016, an INCB mission was undertaken to South Africa in order to hold consultations with Government stakeholders on questions related to South African drug policy and the compliance of the country with the three drug control conventions, to which it is a party.

245. Meetings were held with representatives of the Department of Social Development, the Central Drug Authority, the Department Home Affairs, the Department of Basic Education, the Department of Higher Education and Training, the Medicines Control Council, the National Youth Development Agency, the Department of Justice and Constitutional Services, the Department of Sport and

Recreation, the Department of Science and Technology, the Department of Correctional Services, the South African Police Service and the South African Revenue Service. In addition, the INCB delegation had the opportunity to visit a drug treatment facility in the Pretoria area.

246. The Board notes the efforts being made by the Government of South Africa to strengthen its drug control efforts, in particular through the adoption of measures aimed at streamlining inter-agency and international cooperation, including through the establishment of a transnational organized crime section within the Department of International Relations and Cooperation.

(k) State of Palestine

247. INCB conducted its first mission to the State of Palestine in July 2016. The objective of the mission was to obtain information on the Government's drug control policy and related legislation and to discuss issues related to trends in trafficking and abuse of narcotic drugs, psychotropic substances and precursors in the country, as well as the availability of substances under international control for medical purposes.

248. The Board recognized the efforts of the Government to comply with international best practices in drug control despite the State of Palestine not yet being party to the international drug control conventions.

249. The Board noted that drug trafficking and abuse, particularly of new psychoactive substances, are increasing at alarming rates. Addressing them will require strong commitment and the consistent application of awareness and education campaigns.

250. The Board also noted that a national survey, to be conducted in the State of Palestine with the involvement of WHO, was planned. The survey would focus on patterns of drug use and drugs of abuse and would assist in providing a coordinated effort to address the serious emerging challenges in the country.

(l) Uruguay

251. In November 2015, INCB carried out a mission to Uruguay. The objective of the mission was to discuss the legislation on the non-medical use of cannabis and its implementation in Uruguay. During the mission, the INCB delegation held consultations with senior officials from the Ministries of the Interior, Health and Foreign Affairs, as well as with the Attorney General. Meetings were also held

with officials from the newly established Institute for the Regulation and Control of Cannabis and the Scientific Advisory Committee. The INCB delegation also had the opportunity to visit drug abuse treatment facilities.

252. During the mission, the implementation of Law No. 19.172, permitting the non-medical use of cannabis, was discussed with the national authorities of Uruguay. The discussions were focused on the inconsistency of that law with the provisions of the 1961 Convention. The Board expressed its intention to continue to monitor the situation and the compliance of the Government of Uruguay with the international drug control treaties. To that end it requested the Government to keep it informed of all relevant developments in that area and to be provided with information on the public health consequences of the implementation of Law No. 19.172. More information regarding developments in Uruguay are contained in chapters II and III of the present report (see paras. 202-203 and 509-566).

(m) Viet Nam

253. In April 2016, the Board carried out a mission to Viet Nam. The objective of the mission was to discuss the implementation by the country of the three international drug control conventions in general and, in particular, the high prevalence rates of illicit drug use and addiction, the discontinuation of compulsory treatment for drug dependency, the administration of opioid substitution therapy, the availability of controlled substances for rational medical use, the reform of criminal justice responses to drug-related crime and the control measures applicable to precursor chemicals.

254. During the mission, the INCB delegation held high-level talks with senior officials from the Government of Viet Nam, including the Deputy Prime Minister, who is also the Chair of the National Committee for AIDS, Drugs and Prostitution Prevention and Control, and senior government officials from the Ministries of Foreign Affairs, Public Security, Health, Justice, Labour, Invalids and Social Affairs, Industry and Trade, and Information and Communication. The delegation also visited a drug treatment centre and held consultations with representatives of civil society groups.

255. The delegation noted that significant resources had been invested by the Government to address drug use and addiction and that a fundamental, ongoing policy shift was being made towards the provision of voluntary drug abuse treatment services under a health-centred approach. During the mission, discussions were held on

ways to ensure adequate access to controlled substances for rational medical use, to strengthen institutional capacity and to improve precursor control.

3. Evaluation of the implementation by Governments of recommendations made by the Board following its country missions

256. In order to follow up on the implementation by Governments of the Board's post-mission recommendations, the Board undertakes an annual review of drug control developments three to four years after it has undertaken a mission. In order to follow up on the implementation of its recommendations, the Board communicates with the Governments concerned in order to solicit information detailing the legislative and policy measures that they have adopted to address the aspects of their drug control systems that the Board had raised, in view of its findings following those missions.

257. In 2016, the Board invited the Governments of countries that had received INCB missions in 2013, namely Haiti, Kenya, the Lao People's Democratic Republic, Malaysia, Panama and Singapore, to submit detailed information on legislative, regulatory and policy action taken pursuant to the Board's recommendations resulting from the missions to those countries.

258. The Board wishes to express its appreciation to the Governments of Kenya, Malaysia, Panama and Singapore for the information received. Their cooperation has assisted the Board in its review of treaty implementation by those States and has contributed to the important dialogue that the Board maintains with States parties to the international drug control conventions through the active exchange of information.

259. The Board renews its call to the Governments of Haiti and the Lao People's Democratic Republic to provide the information requested, which has yet to be received, in order for its review of the drug control situations in those countries to be comprehensive and duly informed. Once received, the information provided by those countries will be reviewed by the Board for inclusion in its annual report for 2017.

(a) Kenya

260. Following its 2013 mission to Kenya, the Board notes that the Government of Kenya has taken a number

of measures to implement its recommendations in a number of areas.

261. In order to streamline its drug control efforts, the Government of Kenya has developed the National Strategy for Prevention, Control and Mitigation of Alcohol and Drug Abuse, which contains specific, time-bound objectives in order to address all aspects of alcohol, drug and substance abuse in Kenya.

262. The Board also welcomes the adoption of the Strategic Plan for the period 2015-2019, which sets out measurable goals on alcohol and drug demand and supply reduction, and establishes guidelines for the operation of the National Authority for the Campaign against Alcohol and Drug Abuse. The Plan is the result of an assessment of challenges and good practices identified through periodic and ongoing reviews of the previous strategic plan. The Board wishes to commend the Government of Kenya for its efforts to ensure the inclusion and participation of key stakeholders in the prevention and control of drug abuse at the strategic and operational levels, and the important coordination role given to the National Authority for the collation of data on drug control and the streamlining of reporting to the Board.

263. The Board also welcomes the establishment of a National Drug Observatory, which is intended to serve as a repository for all drug-related data, and the development of capacity-building activities to improve compliance with reporting obligations and build consensus on data-collection tools. Furthermore, the Government is currently reviewing existing drug control legislation to address emerging trends in drug trafficking and precursors control. The Board notes that the Pharmacy and Poisons Board has established annual legitimate requirements for precursor chemicals in an effort to counter the trafficking in and diversion of such substances.

264. The Board noted with appreciation the procurement by the Government of additional forensic testing equipment, as well as the establishment of the National Technical Committee on Drug Trafficking and Abuse to coordinate policy measures to address drug trafficking and abuse in Kenya.

265. The Government has also been actively working on strengthening controls at border crossings through the establishment of anti-drug units and border liaison offices, as well as the Border Control and Operations Coordination Committee. In addition, Kenya has taken steps to strengthen the monitoring of international cargo terminals by providing the equipment needed to detect illicit

drugs and providing capacity-building in the field of container control. The Government continues to actively use PEN Online for all exports of internationally controlled precursor chemicals, including those contained in pharmaceutical preparations.

266. The Board notes positive developments with respect to the development of addiction treatment measures in the country and is aware that the Government is taking steps to increase access to treatment services through the establishment of additional drug treatment facilities. The Board would like to encourage the Government of Kenya to continue to pursue the establishment of comprehensive treatment, rehabilitation and social reintegration services, to be offered to those affected by drug abuse.

267. The Board encourages the Government to take further steps to facilitate the availability of controlled narcotic drugs and psychotropic substances for rational medical uses, given the current scarcity of those substances, which are not available in amounts that reflect actual medical needs.

(b) Malaysia

268. According to the information provided by the Government of Malaysia, the Board has been able to ascertain that Malaysia has acted upon several recommendations issued following the INCB mission to the country in 2013. In particular, the Government is committed to implementing its national drug control strategy, has taken considerable measures and initiatives in the fight against cross-border and international drug trafficking and has increased law enforcement capacity at various entry points, especially at Kuala Lumpur International Airport. The Government has also strengthened control of licit activities related to narcotic drugs, psychotropic substances and precursor chemicals through increased collaboration between various drug law enforcement agencies, including through the Integrated Substance Control Management System (SPIKE). The Board welcomes those measures and encourages the Government to continue to implement its national drug control strategy.

269. The Board notes that the Government of Malaysia has continued to strengthen its demand reduction efforts, for example through the development of facilities for the treatment of drug abuse and through community-based prevention programmes. According to the information provided to the Board by the Government of Malaysia, the Ministry of Health was reviewing the National

Guideline and Policy for Methadone Treatment Programme and taking additional measures to prevent the diversion of methadone dispensed by clinics for patients to use off site. In the light of continued challenges related to rates of drug abuse reported to the Board by the Government of Malaysia, the Board encourages the Government to continue its efforts in the area of demand reduction. In particular, the Board encourages the Government to conduct a nationwide assessment of the drug abuse situation in order to inform the development of evidence-based demand reduction activities.

270. The Board notes that the availability of narcotic drugs and psychotropic substances for legitimate medical purposes to meet medical needs in Malaysia remains low and encourages the Government to take additional measures to foster greater access to those medicines.

271. The Board also notes the continued imposition by Malaysia of capital punishment for drug-related crimes. **As it has done in the context of other States that continue to apply the death penalty for that category of offence, the Board calls upon the Government of Malaysia to commute death sentences that have already been handed down and to consider the abolition of the death penalty for drug-related offences.**

(c) Panama

272. The Board notes the action taken by the Government of Panama to implement its recommendations following its 2013 mission to the country, including several legislative and policy measures to strengthen the country's implementation of its legal obligations under the three international drug control conventions.

273. The Board notes the continued implementation by the Government of Panama of the National Drug Strategy for the period 2012-2017. The Strategy covers demand reduction, supply reduction, control measures and international cooperation. It was developed with the participation of all relevant stakeholders and includes a framework for monitoring and evaluation. As one of the Strategy's pillars, an operational and financial management system has been established to ensure the availability of the resources needed to achieve the strategic objectives and agreed targets set out in the Strategy. According to the information provided by the authorities, the Ministry of the Interior is responsible for implementing the Strategy, with funds drawn from several financial sources, including from the auction of confiscated drug-related assets.

274. The Board welcomes measures to improve the availability of opioid analgesics for medical use in the country through a legislative amendment that covers issues ranging from import to dispensing. In May 2016, Panama passed Act No. 14, which repealed Law No. 23 of 16 February 1954 and established a legal framework for the control of the importation, exportation, gathering, production, purchase, stocking, sale, distribution and use of narcotic drugs and psychotropic substances. This legislation provides for changes in the institutional framework through the creation of the Department of Controlled Substances, which will be part of the National Directorate of Pharmaceutical Products and Drugs. It also contains provisions on licensing and a regime of sanctions in cases of non-compliance. The Board would like to encourage Panama to continue to make progress in ensuring the availability and rational prescribing of narcotic drugs and psychotropic substances for medical purposes. The Board encourages the authorities to continue to identify and address obstacles in that area, particularly those obstacles relating to capacity-building and the training of health-care professionals, as required.

275. The Board notes the Government's plan to create an observatory on drugs. In June 2015, Panama conducted a second national household survey, the data from which were being processed and analysed at the time of writing. The Board invites the Government of Panama to inform it of the results of the survey once they are available. The Government has reported the results of the previous two surveys conducted among secondary school students about their consumption of controlled substances, which described the extent of licit and illicit drug use in urban agglomerations of 30,000 or more inhabitants aged 12-65 years. A new national survey is planned for 2017, which will extend the sample group to small cities and rural areas, according to the information provided by the Government.

276. The Government has reported a wide array of measures with respect to drug-related criminality, including the expansion of a specialized prosecution service to combat organized crime and the adoption of measures to combat money-laundering, including through the launch of a public awareness campaign and legislative amendments. Law No. 23 of 27 April 2015 provides, inter alia, for additional measures against money-laundering. Law No. 34 of 8 May 2015 criminalizes customs fraud offences and includes them as a predicate offence of money-laundering. Panama also reported the creation of special prosecutors for drug-related crimes. The authorities explained that they planned to create an inter-agency regional security centre as a platform for international

intelligence exchange. They confirmed that 59 tons of controlled substances had been seized in 2015.

277. With respect to the control of precursor chemicals, the country has regulations in place for the control of chemical substances subject to control pursuant to article 12 of the 1988 Convention and has an up-to-date register of legal and natural persons whose activities involve chemical substances, as well as a licensing system for manufacturers and distributors of those substances. Panama has also established a competent authority responsible for coordinating control activities with respect to controlled chemical substances and has mechanisms for the timely issuance of and response to pre-export notifications.

278. The Board acknowledges the allocation by the Government of additional law enforcement resources to monitor the increased number of containers transiting through the Panama canal following its expansion in 2016. Additional port control units have been created, as well as a specialized joint container control unit, which now comprises representatives from various institutions.

279. The Board welcomes the developments mentioned above and encourages the Government to continue its efforts in the area of drug control, in particular by providing adequate support to supply and demand reduction programmes and to additional measures against drug trafficking and abuse in the country.

(d) Singapore

280. The Board notes the progress made by Singapore in strengthening its drug control framework since the INCB mission to the country in 2013. In particular, the Government has improved the availability of drug treatment programmes by expanding facilities for the treatment and rehabilitation of drug addicts and establishing the Drug Counselling and Engagement Programme to increase the range of rehabilitation interventions and counselling services available for young people who use drugs. The Government has also launched several public awareness campaigns about the dangers of drug abuse.

281. The Board encourages the Government of Singapore to continue its efforts to improve the collection and analysis of prevalence data by conducting additional studies to inform the adoption of drug prevention and treatment measures and to expand drug abuse prevention programmes and facilities, as needed.

282. **The Board notes that Singapore continues to apply the death penalty for drug-related offences. The Board calls**

upon the Government of Singapore to commute death sentences that have already been handed down and to consider the abolition of the death penalty for drug-related offences.

E. Action taken by the Board to ensure the implementation of the international drug control treaties

1. Action taken by the Board pursuant to article 14 of the Single Convention on Narcotic Drugs of 1961 as amended by the 1972 Protocol and article 19 of the Convention on Psychotropic Substances of 1971

283. Article 14 of the 1961 Convention as amended by the 1972 Protocol, article 19 of the 1971 Convention and article 22 of the 1988 Convention contain measures that INCB may take to ensure the execution of the provisions of those Conventions. Such measures, which consist of increasingly severe steps, are considered when the Board has reason to believe that the aims of the Conventions are being seriously endangered by the failure of a State party to implement their provisions.

284. Over the years, INCB has decided to invoke article 14 of the 1961 Convention and/or article 19 of the 1971 Convention with respect to a limited number of States. The Board's objective has been to encourage ongoing dialogue with those States to bring about compliance with the Conventions when all other means have failed.

285. The names of the States concerned are not publicly disclosed until INCB decides to bring the situation to the attention of the parties, the Economic and Social Council and the Commission on Narcotic Drugs. Following intensive dialogue with the Board, pursuant to the above-mentioned articles, most of the States concerned have taken remedial measures, resulting in a decision by the Board to terminate the action taken under those articles with regard to those States.

286. Afghanistan is currently the only State for which action is being taken pursuant to article 14 of the 1961 Convention. The Board first invoked article 14, subparagraph 1 (a), of the 1961 Convention in 2000 to encourage dialogue with the authorities of Afghanistan to promote compliance with the Convention. In 2001, the Board invoked article 14, subparagraph 1 (d), of that

Convention, in order to bring about cooperative action at the international level to assist the Government of Afghanistan in ensuring compliance with the Convention.

2. Consultation with the Government of Afghanistan pursuant to article 14 of the 1961 Single Convention on Narcotic Drugs as amended by the 1972 Protocol

287. During the current reporting period, the Board's consultations with the Government of Afghanistan have continued. Following several years of preparation, a high-level INCB mission visited Afghanistan from 8 to 10 May 2016. The mission was led by the President of the Board, accompanied by the Secretary of the Board and a member of the INCB secretariat. The purpose of the mission was to continue consultations with the Government of Afghanistan under article 14 of the 1961 Convention, with a view to strengthening the implementation of the drug control conventions in Afghanistan, including by continuing to seek cooperative international action and through the provision of technical assistance from members of the international community.

288. The mission was received by the Chief Executive of Afghanistan, the Minister of Counter Narcotics, the Minister of Public Health and the Minister of Agriculture, Irrigation and Livestock. The President of the Board also held consultations with the National Security Adviser to the President of Afghanistan and with the Special Envoy of the President for the Commonwealth of Independent States and Senior Adviser to the First Vice-President of Afghanistan. In addition, consultations were held with the Chair and members of the Parliamentary Commission on Counter Narcotics, the Deputy Special Representative of the Secretary-General for Afghanistan, and representatives of international organizations and the international community. The President of the Board also visited a drug treatment and rehabilitation centre. Discussions focused on the drug control situation, future prospects, the actions and initiatives of the Government of Afghanistan and cooperation with and assistance from the international community. The Board reiterates that article 14, subparagraphs 1 (a) and (b), of the 1961 Convention will continue to remain invoked with respect to Afghanistan.

289. The Board has repeatedly expressed concern about the overall situation in Afghanistan and has cautioned that the deteriorating security situation may continue to have a serious impact on the drug control situation in the country, the effects of which are felt far beyond its

borders. The Board stresses the need for the Government of Afghanistan to show tangible results of its drug control efforts and of the level of aid it has received in recent years in order to restore confidence in the Government's ability to absorb assistance and implement its commitments on improving the drug control situation. The Board also stresses that the drug problem remains inextricably linked to the deeper problems faced in Afghanistan; it requires sustained prioritization by both the Government and the international community. In that context, the Board commends the Government of Afghanistan for the well-structured and promising National Drug Action Plan 2015-2019, approved by the President of Afghanistan in October 2015. The Board reiterates that it stands ready to continue to support the Government of Afghanistan in its efforts to implement the international drug control conventions. The Board will continue to take every opportunity to rally international support for Afghanistan, including in the form of technical assistance and capacity-building initiatives.

Cooperation with the Board

290. Consultations between the Board and the Government of Afghanistan pursuant to article 14 of the 1961 Convention continued in 2016: the President of the Board held a meeting with the delegation of Afghanistan, which was headed by the Minister of Counter-Narcotics, on the margins of the fifty-ninth session of the Commission on Narcotic Drugs, which was held in Vienna from 14 to 22 March 2016. The Minister updated the President on the current drug control situation in Afghanistan, highlighting challenges that the Government was likely to face in addressing the drug problem in the coming years and underlining the importance of a balanced approach to addressing the drug problem. The President of the Board, while noting the difficulties in addressing the drug problem, recalled the outcomes of the special session of the General Assembly on the world drug problem held in 2016 and reiterated the obligation of Afghanistan to implement the provisions of the 1961 Convention and ensure that progress was achieved in working towards effective drug control policy and action.

291. The Secretary of the Board held meetings with the Permanent Mission of Afghanistan in Vienna on a number of occasions during the year to follow up on the Government's implementation of the international drug control treaties. The meetings focused on issues of concern to the Board relating to Afghanistan, particularly with regard to continuing difficulties in the prevention and reduction of illicit opium poppy cultivation, the worrying trend of illicit cannabis plant cultivation and the increased

levels of drug abuse, as well as the need to address demand reduction matters, in particular drug abuse prevention, treatment and rehabilitation, and trafficking.

292. The Board notes that the Government's treaty-mandated reporting has improved, with statistical data on narcotic drugs, psychotropic substances and precursors being regularly submitted to the Board, as required under the international drug control treaties. Afghanistan has been increasingly involved in various programmes and projects that are aimed at preventing the diversion of precursor chemical substances from licit sources into illicit channels. A recent example of cooperation to assist the Government of Afghanistan was the workshop on the use of customs data, profiling and information systems held in Vienna in August 2016. The workshop, organized by the INCB secretariat in cooperation with UNODC, focused on improving border risk management in Afghanistan and neighbouring countries, with a view to preventing the flow of precursor chemicals into heroin laboratories in Afghanistan. The workshop provided an opportunity to discuss the practical implementation of the provisions of the drug control treaties with the authorities of Afghanistan.

293. The National Drug Action Plan 2015-2019 was approved by the President of Afghanistan on 15 October 2015. The Plan contains measures to reduce the illicit cultivation, production and smuggling of drugs through alternative development, to strengthen regional cooperation, to combat money-laundering and to confiscate property obtained as a result of illegal activity. Furthermore, the Plan contains measures to reduce drug demand while increasing capacity for drug abuse treatment. The Plan encompasses different dimensions of drug control efforts, taking into consideration the characteristics of each province and district in which poppy is cultivated. The Board will continue to closely monitor the drug control situation in Afghanistan and the measures taken and progress made by the Government of Afghanistan in addressing the drug problem, with the assistance of the international community.

Cooperation with the international community

294. The reporting period saw continued activity under the regional programme for Afghanistan and neighbouring countries, led by UNODC, with a focus on building capacity in the collection and analysis of data on drugs, cross-border controls and control of precursor chemicals. In November 2015, the sixth senior officials meeting for the Tripartite Initiative involving Afghanistan, Kyrgyzstan and Tajikistan was hosted by the Counter-Narcotics Police of Afghanistan. The goal of the meeting was to identify

mechanisms to strengthen cooperation in counter-narcotics and border management among the partners of the Tripartite Initiative and to amend the road map of action for 2016-2017.

295. The *Afghanistan Opium Survey 2015*, published in December 2015 by UNODC, contained an overview of benchmarks and indicators on cultivation and production. According to the report, the total area under opium poppy cultivation had decreased by 19 per cent in 2015, to an estimated 183,000 ha, as compared with 224,000 ha in 2014, representing the first decrease in cultivation area since 2009.

296. However, according to the executive summary of the *Afghanistan Opium Survey 2016*, published in October 2016 by UNODC, the total area under opium poppy cultivation increased by 10 per cent in 2016, to an estimated 201,000 ha. In addition, potential opium production in 2016 amounted to 4,800 tons, representing an increase of 43 per cent from the 2015 level of 3,300 tons. The Government had aimed at eradicating between 9,000 and 10,000 ha of opium poppy in 2016 (see also paras. 673-678 of the present report).

297. In December 2015, the Ministry of Counter Narcotics released the *Afghanistan Drug Report 2015*. The substantial reductions in opium poppy cultivation and production that were seen in 2015, alongside incremental increases in drug seizures, were highlighted in the report. According to the report, between 1.9 million and 2.4 million adults in the country are estimated to use drugs, equivalent to 12.6 per cent of the adult population. In the report, the limited treatment capacity in Afghanistan was also highlighted. The country has only 123 centres; together they have the capacity to treat 10.7 per cent of opium and heroin users. In order to increase treatment capacity, the Ministry of Public Health, in coordination with the Ministry of Counter Narcotics, opened the country's first drug treatment and rehabilitation centre in Kabul in December 2015.

298. Also in December 2015, a high-level meeting of partners for Afghanistan and neighbouring countries was held in Vienna. It was chaired jointly by the Minister of Counter Narcotics of Afghanistan, the Executive Director of UNODC and the Special Representative for Afghanistan and Head of the United Nations Assistance Mission in Afghanistan and was attended by 122 delegations from 28 countries and 7 international organizations. The high-level meeting continued exchanges to build regional cooperation, combat transnational organized crime and drug trafficking and support the implementation of the Sustainable Development Goals in West Asia.

299. In May 2016, the fourth ministerial meeting of the Tripartite Initiative involving Afghanistan, Kyrgyzstan and Tajikistan was held in Kyrgyzstan. The goal of the meeting was to improve cooperation in counter-narcotics and border management in drug control among the three countries.

300. At the North Atlantic Treaty Organization (NATO) summit held in Warsaw from 7 to 9 July 2016, NATO determined the nature and extent of the assistance that it would continue to provide to Afghanistan. NATO countries pledged to commit military resources beyond 2016 and to continue to make national financial contributions to the Afghan National Defence and Security Forces until the end of 2020.

301. On 29 July 2016, Afghanistan became the 164th member of the World Trade Organization, following almost 12 years of negotiations on its accession terms.

302. The Brussels Conference on Afghanistan was held in October 2016. In advance of the Conference, the Board released a statement in which it expressed its concern about the deteriorating drug control situation in Afghanistan and called upon members of the international community to reaffirm their commitment to supporting the Government of Afghanistan in its development efforts, including by acknowledging the importance of drug control as a cross-cutting issue that should be put at the top of the development agenda for the country. The Brussels Conference was co-hosted by the Government of Afghanistan and the European Union. The aim of the Conference was to continue providing a platform for the Government of Afghanistan to set out its vision for reform and for the international community to provide assistance, including financial assistance, to the Government. The Afghanistan National Peace and Development Framework for the period 2017-2021 was adopted at the Conference. The Framework sets out steps towards achieving economic development and a substantial increase in the welfare of the Afghan people, with the goal of putting an end to corruption, criminality and violence and establishing the rule of law.

Conclusions

303. The Board takes note of the commitment of the Government of Afghanistan to tackle money-laundering, as reflected in the National Drug Action Plan 2015-2019, and urges the Government of Afghanistan to take determined steps to counter money-laundering and to give effect to its legal framework for identifying, tracing and seizing illicit assets derived from drug trafficking, as well as to the recommendations of relevant international bodies.

304. The Board notes with concern the deteriorating safety and security situation in Afghanistan and its impact on the authorities' ability to monitor and control the illicit supply of drugs originating in the country. At the same time, the Board has observed that the willingness of the international community to continue providing aid to Afghanistan appears to have been declining, in particular in the area of drug control. The Board acknowledges that the success of drug control efforts in Afghanistan is intrinsically linked to broader developmental and criminal justice challenges being adequately addressed but cautions that action against drugs cannot be removed from the equation if sustainable development is to be achieved. **In that context, the Board calls upon partner Governments and the international community to sustain their support for the counter-narcotics efforts of Afghanistan, in the spirit of their common and shared responsibility to respond to the world drug problem and in order to ensure that the potential vacuum left by the withdrawal of international support from the country is not filled by criminal or terrorist elements.**

305. The deteriorating drug control situation in Afghanistan and the region remains of grave concern. That situation seriously endangers the aims of the international drug control treaties and its repercussions are felt internationally. **The Board calls upon the Government of Afghanistan and the international community, including through relevant United Nations entities and programmes, to continue their cooperation to achieve the goals set out in various documents adopted by the international community.** Bearing in mind the overarching objective of the National Drug Control Strategy of Afghanistan, the Government of Afghanistan, with assistance from the international community, including, in particular, UNODC, should translate its commitment into specific actions and ensure that substantial, sustainable, measurable and demonstrable progress is achieved in countering drug trafficking, promoting alternative development and reducing drug demand; in other words, bringing about the effective implementation of the international drug control treaties in the country.

F. Special topics

1. State responses to drug-related offences

306. As the Board has reiterated on several occasions, the fundamental principles underpinning the three

international drug control treaties, as well as the Political Declaration adopted by the General Assembly at its twentieth special session, devoted to countering the world drug problem together, and the Political Declaration and Plan of Action on International Cooperation towards an Integrated and Balanced Strategy to Counter the World Drug Problem, are the principle of a balanced approach, the principle of proportionality and respect for human rights.

307. In many States, policies to address drug-related offences, including possession for personal use, have continued to be rooted primarily in punitive criminal justice responses, which include prosecution and incarceration and as part of which alternative measures such as treatment, rehabilitation and social integration remain underutilized.

308. While drug trafficking and the diversion of drugs into illicit channels may require the use of interdiction efforts, criminal prosecution and the imposition of criminal sanctions, in some States, approaches to dealing with criminal behaviour committed by persons affected by drug use and addiction have become more differentiated in recent years. This is a result of an evolution in those States that have come to recognize drug use and dependency as a public health concern requiring responses that are health-centred and less reliant on punitive sanctions.

309. The Board welcomes that development as entirely consistent with what is foreseen in the international drug control framework. Prevention of drug abuse, especially among young people, must be the primary objective of drug control policy, and a comprehensive drug demand reduction strategy that includes the reduction of the adverse health and social consequences associated with drug abuse is of paramount importance.

Proportionality and alternatives to conviction or punishment

310. Disproportionate responses to drug-related offences undermine both the aims of the conventions and the rule of law. Accordingly, the international drug control treaties require proportionate responses by States to drug-related offences and to the treatment of offenders.

311. States have an obligation under the drug control conventions to establish certain behaviours as punishable offences and to ensure that serious offences are liable to adequate punishment, including by imprisonment; however, that obligation is subject to the constitutional principles of the State and to the principle of proportionality. In addition, pursuant to article 36, subparagraph 1 (b), of

the 1961 Convention, article 22, subparagraph 1 (b), of the 1971 Convention and article 3, subparagraphs 4 (b) and (c), of the 1988 Convention, States are not obliged to adopt punitive responses for minor drug-related offences, including possession of small quantities of drugs for personal use, committed by people who abuse drugs.

312. In such cases, the three conventions provide the possibility for alternatives to conviction or punishment through treatment, education, aftercare, rehabilitation and social reintegration. They allow States to focus the most severe penalties on more serious forms of crime, such as trafficking and money-laundering, giving States a certain discretion in the legislative and policy choices they make in implementing their obligations under the three conventions. There is no obligation stemming from the conventions to incarcerate drug users who commit minor offences.

313. The Board notes that the discretion to adopt criminal justice policies that include alternatives to conviction or punishment for minor offences that is provided for under the conventions remains underutilized.

314. Where States have provided legal penalties for more serious categories of drug-related offences, including trafficking, the principle of proportionality must also continue to act as a guiding principle.

315. Although the determination of sanctions applicable to drug-related offences remains the prerogative of States parties to the conventions, the Board has continued to encourage States that retain capital punishment for that category of offence to commute death sentences that have already been handed down and to consider the abolition of the death penalty for drug-related offences, in view of the relevant international conventions and protocols and resolutions of the General Assembly, the Economic and Social Council and other United Nations bodies on the application of the death penalty.

Extrajudicial treatment of suspected drug-related criminality

316. The Board has noted with great concern recent reports in some countries of the targeting of individuals suspected of involvement in drug-related activity, including drug use, who have been subjected to violent acts of reprisal and murder at the hands of law enforcement personnel and members of the civilian population. In some instances, those acts have been committed with the expressed or tacit approval, or even encouragement, of political forces and, in many cases, have gone unpunished.

317. The extrajudicial targeting of persons suspected of illicit drug-related activity is not only a breach of the three international drug control conventions, it also constitutes a serious breach of human rights, including due process norms as contained in the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights, and is an affront to the most basic standards of human dignity.

318. The Board wishes to reiterate, in the strongest possible terms, its categorical and unequivocal condemnation of those acts, wherever and whenever they may occur, and calls upon all Governments concerned to put an immediate stop to such actions and to publicly commit to and undertake investigations into any person suspected of having committed, participated in, aided and abetted, encouraged, counselled or incited any such extrajudicial actions, in full observance of due legal process and the rule of law, and their prosecution and sanction, as warranted.

2. Regulation of the use of cannabis for non-medical purposes

319. The Board notes the adoption or consideration by some States of measures affecting the legal control measures applicable to cannabis in order to allow the use of cannabis for non-medical purposes and the creation of a regulated market for the distribution and sale of cannabis products for non-medical use.

320. The Board wishes to reiterate that the 1961 Convention establishes, in its article 4 (“General obligations”), that the parties to the Convention are to take such legislative and administrative measures as may be necessary to give effect to and carry out the provisions of the Convention within their own territories and to limit exclusively to medical and scientific purposes the production, manufacture, export, import, distribution of, trade in and use and possession of drugs. As the Board has repeatedly emphasized, the limitation of the use of controlled substances to medical and scientific purposes is a fundamental principle that lies at the heart of the international legal framework for drug control and allows no exception.

321. The central role of the international drug control conventions was most recently reaffirmed by the States participating in the special session of the General Assembly on the world drug problem held in April 2016.

322. In examining measures taken by States with the aim of permitting and regulating the non-medical use of

cannabis, the Board has maintained a dialogue with the States concerned in which it has reaffirmed the incompatibility of such measures with the legal obligations incumbent upon States parties to the 1961 Convention, with a view to promoting compliance.

323. The Board wishes to remind all States that, in recognition of the public health risks associated with its abuse, cannabis has been subjected to the highest levels of control under the international drug control treaties through its inclusion in Schedules I and IV of the 1961 Convention. Schedule IV contains noxious substances that are particularly liable to abuse. Furthermore, dronabinol (*delta*-9 tetrahydrocannabinol), the major active ingredient of cannabis, and other tetrahydrocannabinol (THC) isomers are classified as psychotropic substances under Schedules II and I, respectively, of the 1971 Convention.

324. While it is difficult to predict the effects of the legislative measures making cannabis available for non-medical use, it is certain that the abuse of cannabis potentially carries serious health consequences, as acknowledged by WHO. In recent years, States have reported a marked increase in the THC content of cannabis seized and an associated rise in health-related adverse reactions, evidenced by increases in hospital emergency room admissions. There have also been reported cases of children having ingested food products containing cannabis. Moreover, the rates of abuse may increase, especially among young people, because the legalization measures may affect perceptions of harm in that fewer people may perceive cannabis as being harmful, highlighting the need for enhanced prevention measures.

325. One of the central arguments advanced by proponents of the legalization of the use of cannabis for non-medical purposes is that the creation of a regulated licit market for cannabis intended for non-medical use would contribute to reducing drug trafficking by criminal networks. That argument fails to take into account the spill-over effect that legalization may have in neighbouring jurisdictions where the use of cannabis for non-medical purposes remains illegal. Countries where legislative measures to permit and regulate the non-medical use of cannabis have been adopted or are being considered should also be aware of the risk that they will be targeted by criminal networks seeking to use them as transit countries for trafficking to other jurisdictions where the non-medical use of cannabis is not permitted.

326. In some States, the legalization of the use of cannabis for non-medical purposes has been justified by its proponents on the basis of the argument that the

criminalization of cannabis possession has led to the targeting of drug users belonging to minority groups and to their disproportionate representation in the criminal justice and prison systems. While the 1961 Convention does require States parties to adopt measures to ensure that possession of drugs is a punishable offence when committed intentionally, the conventions do not require the imposition of punishment or imprisonment for drug users and provide instead for the possibility for each State to impose treatment and rehabilitation measures either as an alternative to conviction or punishment or in addition thereto. **The Board encourages States affected by high rates of arrest and incarceration for minor drug-related offences committed by drug users to consider availing themselves of the possibility provided by the international drug control conventions to adopt non-punitive responses rather than permitting the use of cannabis for non-medical purposes, which may prove to be counterproductive.**

3. Importance of accurate and timely reporting

327. The effectiveness and efficiency of the international drug control system as established by the three international drug conventions depends on the accurate and timely reporting to the Board by Member States. Regrettably, many Governments fail to provide the Board with timely and adequate estimates and assessments and reliable statistical returns. Those sometimes include Governments of major manufacturing, importing and exporting countries; their lack of response has a significant impact on the ability of the Board to accurately monitor the world situation. Some Governments continue to experience difficulties in collecting the required information from their national and subnational stakeholders because of legislative or administrative shortcomings.

328. **Focusing first on narcotic drugs, the Board urges parties to provide accurate estimates and statistics on the stocks held by manufacturers and wholesalers. Information on stocks allows the balance between the supply of opiate raw materials and demand for opiates and the levels of accumulation to be monitored, as high levels may increase the risk of diversion. The Board urges Governments to ensure that their competent national authorities periodically obtain reliable information from private and State-owned manufacturers and wholesalers.**

329. Also relevant to narcotic drugs, many countries have been providing estimates to INCB that are much higher than the reported consumption. While strongly encouraging countries with inadequate and very

inadequate levels of consumption of controlled substances for medical and scientific purposes to ensure that consumption matches actual needs, the Board requests parties to provide estimates that realistically reflect their expected consumption. The Board encourages competent national authorities to refer to the *Guide on Estimating Requirements for Substances under International Control*, developed by INCB and WHO,⁵¹ when calculating their estimates, and reminds Governments that supplementary estimates may be sent to the Board at any time during the year.

330. Turning to psychotropic substances and the obligations set forth in the 1971 Convention, Governments are encouraged to fully implement Commission on Narcotic Drugs resolutions 53/4 and 54/6, and therefore to report data on the consumption of psychotropic substances (for medical and scientific purposes). The Board stresses the importance of providing appropriate assessments for psychotropic substances, as this would ensure their availability for the treatment of a large variety of medical conditions, including mental health conditions, and would improve access to them worldwide, while reducing the risk of diversion for illicit use. The reported assessments for all countries are published by INCB on a monthly basis and amendments may be sent to the Board at any time.

331. The estimates of annual legitimate requirements for the import of selected precursors of amphetamine-type stimulants are requested, on a voluntary basis, pursuant to Commission on Narcotic Drugs resolution 49/3, in order to provide the authorities of exporting countries with an indication of the needs of importing countries. Additionally, pursuant to article 12, paragraph 12, of the 1988 Convention, Governments are obliged to report annually to the Board information on seizures of substances listed in Tables I and II of the Convention and of substances not included in Tables I or II; as well as information on methods of diversion and illicit manufacture, stopped shipments and thefts involving those substances. Although the submission rate of data for 2015 was the highest in five years, the Board notes that not all States parties to the 1988 Convention provide such information in an accurate and timely manner. A considerable number of the submissions often do not include important details such as methods of diversion or information on stopped shipments or the illicit manufacture of substances, or are submitted to the Board with significant delays. This hampers the ability of the Board to identify and thoroughly assess worldwide trends in trafficking in precursors and in the illicit manufacture of drugs.

⁵¹ Vienna, 2012.

332. A further issue related to reporting on precursors is the provision of information on the licit trade in and use of substances in Tables I and II of the 1988 Convention, in accordance with Economic and Social Council resolution 1995/20. In contrast to narcotic drugs and psychotropic substances, that information is submitted by Governments on a voluntary basis and enables the Board to assist Governments in preventing diversions by identifying unusual trade patterns and suspicious illicit activities.

333. **The Board wishes to remind Governments of their obligations to provide the information requested pursuant to article 12, paragraph 12, of the 1988 Convention and relevant resolutions to the Board in an accurate and timely manner.**

334. Competent national authorities play a key role in consolidating the information received from pharmaceutical companies, importers and exporters to ensure that reliable data are provided to the Board in a timely manner. The importance of the work of competent national authorities cannot be overstated: they are at the front line of their countries' efforts to facilitate licit trade and to prevent the diversion of controlled substances into illicit channels. They are also responsible for estimating their country's requirements for narcotic drugs and psychotropic substances in order to ensure that the medical needs of their populations, in terms of access to such drugs and substances, are met, while at the same time preventing misuse.

335. Reporting obligations can be best fulfilled if Governments provide for the training of staff. **The Board also encourages all Governments to take the necessary steps to maintain the knowledge base of the staff of competent national authorities at times of staff turnover.**

4. New tools for old purposes: using modern technology to monitor international trade in scheduled substances

336. Ever since the creation of the international drug control system, monitoring international trade in scheduled substances has been one of the main pillars of the three drug control conventions. The ultimate purpose of monitoring the movement of scheduled substances at the global level has not changed: to strike a balance between ensuring the availability of narcotic drugs and psychotropic substances for medical and scientific purposes and

curbing illicit drug manufacture and trafficking, including by preventing the diversion from licit trade into illicit channels of precursors used in their manufacture. The idea of supporting competent national authorities in their efforts to effectively exchange information in that regard is thus not new. However, the rapid advancement of modern technology, especially information and communications technology, today offers unprecedented opportunities for more effective, direct and immediate communication among Governments on drug control matters.

337. To assist drug control authorities in that regard and to harness the potential of modern technology for drug control purposes, INCB has developed several electronic tools to facilitate the monitoring of the movement of narcotic drugs, psychotropic substances and precursors, offering new tools for old purposes.⁵²

(a) International Import and Export Authorization System (I2ES)

338. A well-functioning import and export authorization system is instrumental in monitoring the international trade in controlled substances and preventing their diversion. The International Import and Export Authorization System (I2ES), a new tool developed by the Board in cooperation with UNODC and with the support of Member States, was launched in March 2015 to facilitate the effective implementation of import and export authorization systems for licit international trade in narcotic drugs and psychotropic substances.

339. I2ES is a web-based application that allows importing and exporting countries to upload and exchange import and export authorizations in a secure environment and to generate and transmit those authorizations electronically, including with the help of a download and print function. I2ES is designed to complement, but not replace, existing national electronic drug control systems, and also provides countries without pre-existing electronic systems a viable tool to manage import and export authorization processes online.

340. Another key feature of I2ES is that it automatically checks the quantity of a narcotic drug or psychotropic substance to be imported and/or exported against the latest estimate or assessment of the importing country's requirements, and automatically displays warning

⁵²Enquiries about the tools, including registration requests, can be sent to i2es@incb.org for I2ES (narcotic drugs and psychotropic substances); pen@incb.org for PEN Online (precursors); pics@incb.org for PICS (precursor incidents); and nps@incb.org or ionics@incb.org for Project Ion and IONICS (new psychoactive substances).

messages when it finds excess imports or exports. I2ES also guides the competent national authority through the steps required in such an eventuality. Furthermore, the system has an online endorsement function: after verifying that an arriving shipment matches the quantity authorized for export, the authorities of the importing country can endorse it by confirming receipt to the authorities of the exporting country as required by the 1961 Convention and the 1971 Convention, or alert them in real time if there is a discrepancy.

341. All of those features are designed to help Governments meet their obligations under the international drug control conventions. They are provided at zero cost to Governments and are fully compatible with any pre-existing national systems, to which I2ES can be linked. During a user group meeting on I2ES held in March 2016, initial feedback from competent national authorities using the system indicated that it had facilitated the real-time sharing of information between authorities and had expedited the authorization process.

342. As at 1 November 2016, the following 26 countries had registered for the system and had started using it: Afghanistan, Algeria, Australia, Bangladesh, Brazil, Canada, Chile, China, Colombia, Estonia, Germany, Hungary, India, Indonesia, Jordan, Malaysia, Peru, Poland, Portugal, Saint Lucia, Singapore, Spain, Switzerland, Thailand, Turkey and Zambia. To realize its full potential, the Commission on Narcotic Drugs, in its resolution 58/10, again urged Member States to promote and facilitate the fullest possible use of I2ES. **The Board therefore encourages all Member States that have not yet done so to register for the system and to start using it.**

(b) Pre-Export Notification Online (PEN Online)

343. In March 2006, the Board officially launched PEN Online to help importing and exporting Governments to securely communicate international trade in precursor chemicals, to verify the legitimacy of individual transactions and to identify suspicious shipments. Over time, the system has developed to become the backbone of precursor control at the international level and is the only tool of its kind globally.

344. In the 10 years since its launch, over 200,000 pre-export notifications have been sent by a total of 153 countries and territories, resulting in the prevention of numerous diversions of scheduled chemicals into illicit channels. In the last five years, the number of pre-export notifications sent through PEN Online has more than

tripled and provides further evidence that the system is now a firmly established pillar of the international mechanism for monitoring licit global trade in drug precursors.

345. Nevertheless, PEN Online is not always used to its full potential. For example, some countries register with the system but do not actively use it. Also, a number of Governments have not invoked article 12, subparagraph 10 (a), of the 1988 Convention, allowing them to be informed of all planned exports of precursors to their territories, and therefore may remain unaware of, and vulnerable to, shipments of concern destined for their countries.

346. **INCB strongly encourages all the remaining Governments to invoke article 12, subparagraph 10 (a), of the 1988 Convention and to register for and actively use PEN Online.**

(c) Precursors Incident Communication System (PICS)

347. Complementing PEN Online, the Precursors Incident Communication System (PICS), launched in 2012, provides a secure online platform for sharing information in real time on chemical-related incidents with a potentially illicit dimension, such as seizures, shipments stopped in transit, diversion attempts or the dismantling of illicit laboratories. To provide the most comprehensive and up-to-date information possible to its users, PICS allows the communication of incidents involving not only internationally scheduled precursors, but also non-scheduled chemicals that countries have identified as having been used in illicit drug manufacture. Like all INCB electronic tools, PICS is provided to Governments free of charge. It is currently available in four languages: English, French, Russian and Spanish.

348. PICS is intended as an operational communications platform rather than as a tool for reporting. It complements the aggregated seizure data received annually from Governments through form D with real-time information on individual seizures and other incidents as and when they happen. The usefulness of PICS depends to a large extent on the timeliness of the information provided so that it can facilitate immediate follow-up and cooperation to identify those responsible for the diversion of and trafficking in precursors.

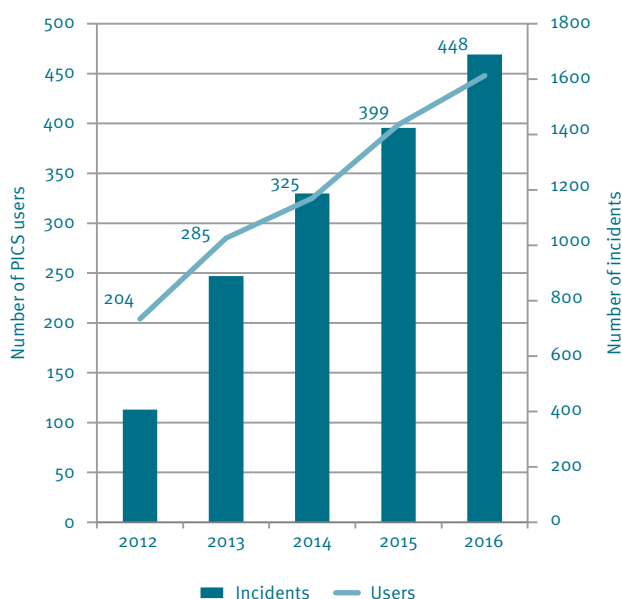
349. The system was primarily designed to connect and enable direct exchanges between the competent national authorities responsible for the control of precursors, in

particular law enforcement, customs or regulatory authorities that have relevant operational information to share on incidents they encounter in their daily work. By offering information of operational value in a secure environment, PICS has provided leads for national authorities to initiate backtracking investigations.

350. The Board is pleased to note that, on several occasions, the timely communication of details of precursor incidents has led to further seizures or prevented diversion attempts. In a recent case, a single incident communicated through PICS led to the detection of a diversion scheme of potentially global dimensions, in which an internationally non-scheduled substance was used to conceal smuggled acetic anhydride. The case now spans across three regions on two continents.

351. The user base of PICS has continually grown since 2012. As at 1 November 2016, PICS had nearly 450 registered users from 214 agencies in 100 countries, who had shared information about close to 1,700 incidents involving more than 90 countries (see figure below). To date, about one third of all incidents communicated through PICS contains immediately actionable information for investigators, such as on methods of concealment, container numbers, company details or shipping documents.

Figure. Number of users of the Precursors Incident Communication System and number of incidents communicated, 2012-2016



352. To maximize the value and quality of data shared through the system, the Board encourages registration by several authorities from the same country if they have

complementary responsibilities, and the communication of incidents as close as possible to the date they took place.

(d) Project Ion Incident Communication System (IONICS)

353. In December 2014, under its operational initiative on new psychoactive substances known as Project Ion, the Board launched its own incident communication system, the Project Ion Incident Communication System (IONICS). Its structure is similar to that of PICS. IONICS is dedicated to the exchange at the operational level of information on incidents involving new psychoactive substances. While by definition new psychoactive substances have not yet been placed under international control, there is growing concern about their reaching consumer markets. IONICS was created with a view to addressing that concern.

354. In the two years since its creation, 200 users from 79 countries have registered for IONICS and communicated some 800 incidents involving 155 new psychoactive substances. In 2016, a series of local incidents communicated through the system revealed the existence of an organized criminal group with links in Europe and Asia engaged in the distribution of large amounts of a synthetic cathinone.

Way forward

355. As with most online electronic systems set up to respond to real-life challenges, the effectiveness of the INCB online tools depends to a large extent on a number of common factors, such as their coverage, i.e. the number of registered countries and users contributing information; the quality and timeliness of the data shared; and the availability of sustained support, including financial support, to enable the continued operation and maintenance of the tools over time.

356. The Board wishes to express its appreciation to all Governments that have provided financial support and technical input for the development of all INCB electronic tools. Further funding is, however, required to enable the INCB secretariat to administer them in line with its mandate and to provide reliable, responsive and tailored user support to competent national authorities. The Board therefore invites all Governments to continue providing both political and financial support to sustain the range of new tools made available to them by INCB, so that it can improve them and develop new ones as the need arises.