

Foreword

2021 was overshadowed by the coronavirus disease (COVID-19) pandemic, which continued to have a grave impact on the global community, causing immense suffering to individuals, placing a considerable burden upon health systems and slowing progress towards achieving the Sustainable Development Goals. The system for international trade in controlled substances for medical, scientific and industrial purposes was also affected and its functioning was tested by the pandemic and by measures to control the spread of the virus. The International Narcotics Control Board (INCB) has continued to work with Member States and international organizations towards achieving the objectives of the international drug control conventions. The Board is focusing on all areas of work that can contribute to progress in achieving the Sustainable Development Goals, especially Goal 3, on health and well-being, and Goal 16, on peace, justice and strong institutions.

Public resources meant for development and security are lost through illicit financial flows. The thematic chapter of the present annual report is focused on illicit financial flows related to drug trafficking and their impact on development and security. This phenomenon has been further aggravated by increased globalization in terms of movement of capital, financial innovations and new technology. Illicit financial flows are generated by, but also sustain, drug trafficking. It is therefore crucial to address illicit financial flows as part of a balanced and evidence-based effort to tackle drug trafficking.

Consultations on the thematic chapter were held by the Board with civil society representatives during its 131st session, in May 2021. In the chapter, the issue of illicit financial flows related to drug trafficking is explored through a number of case studies, and the impact of such financial flows on development, political, economic and social stability, and security is examined. The chapter presents an overview of national responses to addressing illicit financial flows and outlines international efforts in this regard, as well as the key United Nations instruments that establish the legal obligations of States to counter the problem. As new financial services utilizing advanced information and communications technologies have expanded rapidly, the threat of illicit financial flows has grown exponentially. The Board's response to this challenge is through activities undertaken by the INCB Global Rapid Interdiction of Dangerous Substances (GRIDS) Programme. Mechanisms have been established between Governments and their private sector partners in the financial services industry to identify and prevent the generation of illicit financial flows through the manufacture of and trade in dangerous substances, including non-medical synthetic opioids, new psychoactive substances and related precursors.

The international community has to meet the challenge head on by taking action in the spirit of joint responsibility to prevent, detect, seize and block illicit financial flows. The present report contains recommendations for Governments to consider in this regard. By implementing these recommendations, the proceeds of asset recovery and forfeiture of property related to drug trafficking can be reinvested into ongoing efforts to address the harms that drug trafficking poses to society. The need to expand the quality and reach of drug prevention, treatment and rehabilitation services is further underlined, as these recovered proceeds can be ploughed back into the economic and social systems for the prevention of drug use and the rehabilitation of people who use drugs.

Chapter II of the present report contains a review of the functioning and implementation of the international drug control system and the three drug control treaties. The Board's cooperation with Member States and the availability of internationally controlled substances for medical and scientific purposes are underscored in the chapter. The disparities among countries in the availability of medicines containing narcotic drugs is highlighted and the urgent need to increase the availability of opioid analgesics in countries reporting inadequate levels of consumption is noted. INCB is calling for targeted, enlightened public policies to be developed with the support of civil society, the pharmaceutical industry and the international community.

The INCB Learning programme is building the capacity of competent national authorities to improve the availability of controlled substances for licit purposes, while preventing diversion to illicit channels. We encourage Governments to participate in and support the activities of INCB Learning. We also encourage Governments to utilize the International Import and Export Authorization System to benefit from the efficiencies gained through the rapid and secure exchange of electronic import and export authorizations.

Chapter III covers emerging and important global issues. Following engagement with Member States, humanitarian agencies and relevant international organizations, and on the occasion of World Humanitarian Day 2021, INCB published guidance on facilitating the timely supply of controlled substances during emergency situations. Together with the World Health Organization and the United Nations Office on Drugs and Crime, the Board issued a joint statement on access to medicines containing controlled substances during emergencies. We note a considerable increase in the need for quality essential care in humanitarian settings that is associated with the pandemic and with the increasing number of disasters caused by climate change and armed conflict. A number of internationally controlled substances are critical for palliative care, pain management, surgical care and anaesthesia and for the treatment of some mental health and neurological conditions, as well as for the treatment of patients admitted to intensive care units with COVID-19. To respond to emergency situations, we therefore encourage Governments to ensure that national legislation can allow for flexibility in the import and export of controlled substances during emergency situations, under specific conditions and with adequate training for the relevant personnel.

The report also includes an examination of the important differences between the terms “legalization”, “decriminalization” and “depenalization”. The international drug control conventions provide States with flexibility in determining responses to drug-related behaviours, taking into account the seriousness of the behaviour and the individual circumstances, including by providing alternatives to conviction and punishment, such as treatment and rehabilitation. However, the Board notes that “decriminalization” should be differentiated from “depenalization”, and that those terms should not be used interchangeably with the term “legalization”, which is often associated with the regulation and commercialization of internationally controlled substances for non-medical and non-scientific purposes, in violation of the conventions. Key elements of a balanced drug policy include the importance of the principle of proportionality and respect for human rights.

The increasing influence of social media in promoting the use of drugs for non-medical purposes, in particular among young people, is another issue of great importance. Opportunities for harnessing the reach and influence of social media to promote healthy behaviour among youth are highlighted in the report, and it is noted that national authorities should consider investing more resources and time in reining in the ill effects of some social media messaging.

The manufacture and proliferation of fentanyl analogues, which continue to drive increases in overdose deaths in some countries, are also addressed in the report, along with the need for Governments to direct more attention to the monitoring of and testing for those substances. The INCB GRIDS Programme and its public-private partnership initiative is working with Governments to engage private-sector partners to prevent the exploitation of legitimate industry for trafficking in dangerous substances. Governments are encouraged to refer to the INCB list of fentanyl-related substances that have no licit uses and to use the Project Ion Incident Communication System online platform to communicate incidents involving suspicious shipments. Additional INCB tools that can assist Governments in preventing diversion of and trafficking in non-scheduled precursors, including fentanyl precursors, are the limited special surveillance list and the Precursors Incident Communication System.

The continuing proliferation of non-scheduled chemicals and designer precursors used in illicit drug manufacture has emerged as the latest challenge and the Board advocates concrete action at

the global level to address this issue. Detailed information on this challenge and possible solutions are contained in our report for 2021 on precursors.

I am pleased to present the annual report of the Board for 2021. I urge Governments to study and implement the recommendations contained in chapter IV of the report, which are aimed at improving implementation of the drug control conventions, including in terms of ensuring availability of controlled substances for licit purposes. The importance of drug policy being evidence-based and respecting human rights is emphasized in terms of responding to emerging drug control challenges. In addition, I would like to acknowledge the important work being carried out by civil society towards achieving the objectives of the treaties, in particular in the field, and look forward to continued cooperation, in particular as we resume INCB country missions. The Board is committed to continuing to support Member States in implementing the treaties and to advancing the Sustainable Development Goals as the global community recovers from the ravages of the pandemic.

A handwritten signature in black ink that reads "Jagjit Pavadia". The signature is written in a cursive, flowing style.

Jagjit Pavadia
President
International Narcotics Control Board