Madam Chairperson, Excellencies, Ladies and Gentlemen,

In accordance with the provisions of the international drug control treaties, I would like to report on the work of the International Narcotics Control Board since the last meeting of the Council.

The Board finalized its annual report in November 2003, and it was officially launched in March 2004, in more than 30 countries around the world. One of the issues highlighted in the report is the increase in trafficking of medicines containing internationally controlled substances over the Internet through Internet pharmacies which has reached epidemic proportions. The Board's report calls on Governments to take action against these traffickers who sell internationally controlled substances without a prescription and who operate in flagrant disregard of the international drug control treaties. At its forty-seventh session in March in Vienna, the Commission on Narcotic Drugs took action and approved draft resolution IV entitled "Sale of internationally controlled licit drugs to individuals via the Internet" which is before the Council for adoption. The resolution calls on Governments to develop policies to identify and take appropriate measures against such trafficking and to take strong action against companies which violate the import and export requirements of the provisions of the Conventions. I urge the Council to adopt the resolution put forward by the Commission.

Madam Chairperson,

In another draft resolution which is before the Council to be recommended for adoption by the General Assembly, the Commission on Narcotic Drugs reaffirms the importance of using all available means to prevent the diversion of chemicals from legitimate trade to illicit drug manufacture. Despite many efforts undertaken by Governments, chemical substances continue to feed the illicit manufacture of drugs of natural or synthetic origin. In cooperation with Member States, the Board has launched, over the past four years, three international operations to enhance controls over chemicals used in the illicit manufacture of cocaine, heroin and amphetamine-type stimulants. At the request of Governments and within the scope of the operations, the Board has facilitated Government investigations into cases of seizure, diversion or suspected diversion of chemicals and, in the draft resolution before you, the Board is urged to continue to follow-up diversion cases and make the findings available to Governments.
resolution also requests the Secretary-General to provide the necessary resources to the Board to enable it to effectively carry out its work under the operations. So far, such resources have not been forthcoming. Last year, the General Assembly did not approve the posts that need to be established so that this important work can be carried out. I urge the Council to support the draft resolution and call for additional resources for the Board's secretariat.

Madam Chairperson,

In May, the Council elected seven members to the Board. Shortly before the election, my predecessor, Dr. Emafo, briefed the Permanent Missions on the Board's functions and the required qualifications of its members which are laid down in the 1961 Single Convention on Narcotic Drugs. One paramount requirement for membership in the Board is independence. Board members serve in their personal capacity and not as Government representatives. The Convention requires that Board members must not hold a position or engage in any activity which would be liable to impair their impartiality in the exercise of their functions. When electing members to the Board, Governments should make sure that nominees are able to act independently and not as Government representatives. In addition, the Board has established its own procedure which guarantees that its members remain independent throughout their term of office. The Convention requires Board members to be removed from the Board if they are found not to fulfill the impartiality requirement. These mechanisms have so far worked satisfactorily.

It is also important that the composition of the Board should consider the nature of the world drug problem. The 1961 Convention recognizes this concept by requesting the Council, in electing members to the Board, to take into account the principle of equitable geographical distribution, and to consider, "including on the Board, in equitable proportion, persons possessing a knowledge of the drug situation in the producing, manufacturing and consuming countries, and connected with such countries." Through the involvement of the World Health Organization in the electoral process, the Convention attempts to ensure that appropriate medical and pharmacological experience is also represented on the Board. As a result, not only are the 13 members of the Board a multicultural group coming from 13 different countries from every part of the world, but the Board is also a multidisciplinary team, grouping together recognized experts from diverse disciplines who have expertise in different areas of the drug problem and who are therefore able to contribute to and provide a comprehensive and credible assessment of the world drug problem. It is the diversity of the Board which is its greatest asset, and it is a critical element of the success and the excellent reputation that the Board enjoys in the international community. I would like to thank you for electing such capable individuals to the Board.

Madam Chairperson,

One of the mandates of the Board is to endeavour to maintain a lasting balance between the supply of and the demand for opiates for medical requirements and it is, I must confess, one of the most challenging tasks of the Board. After a period of worldwide
shortages of licit opiates, current global cultivation and production levels of such opiates now exceed actual medical consumption.

However, the Board has identified that the global need for narcotic analgesics is far greater than the present demand, and that the present level of supply exceeds current demand. The Board's Annual Report for 1999 brought the disparity between real need and demand to the attention of governments, and identified the various factors contributing to the shortage of these drugs in many countries of the world. Although it is important that the production of narcotics should keep pace with requirements for adequate utilisation, the Board is cognisant of the risk of diversion to illicit markets caused by overproduction.

In order to achieve a balance between the supply, demand and need in the climate of the global economy of today's world, the Board has started consultations with the major producing, importing and exporting countries and has had its first meeting with the Permanent Representatives. The full cooperation of these countries is of immense importance in facilitating greater availability, controlled production and a spectrum of measures to prevent diversion. The first meeting of the Permanent Representatives of the countries involved took place in May 2004 and will be followed by another later this year when the whole range of issues, including economic aspects of production, availability and utilisation of controlled narcotics will be discussed. It is hoped to achieve full cooperation in the regulation of the market to the benefit of the public, the consumer.

While there is a worldwide surplus of opiate raw materials, licit opiates such as morphine, are often not available for medical purposes in developing countries. In fact, less than 5 percent of strong opiates are consumed in developing countries. Together with the World Health Organization, the Board has been looking at ways to reduce the barriers to better availability of licit opiates for medical use in developing countries.

Madam Chairperson,

Afghanistan remains by far the largest source of illicit opium in the world, accounting for three-quarters of the world's illicit opium supply. In 2003, opium production in that country rose to an estimated 3,600 tonnes, an increase of six percent from the previous year. According to the United Nations Office on Drugs and Crime, opium production is expected to increase even further in 2004.

The Board continues its process of consultation with the Transitional Authority of Afghanistan pursuant to article 14 of the 1961 Convention. Last year, the Transitional Authority of Afghanistan adopted a national drug control strategy which addresses the key areas of institution building, judicial reform, law enforcement, alternative livelihoods and demand reduction. That strategy also foresees the elimination of illicit crops and the production, abuse and trafficking of narcotic drugs, psychotropic substances and precursors within a 10-year period. However, during this long period, amounts of illicit narcotics will feed the black market and tens of thousands individuals and their families will be casualties of drug abuse, addictions and related health and
social problems. In order to assist the authorities in achieving their goals, a joint technical visit comprising officials from both the United Nations Office on Drugs and Crime and the Secretariat of the International Narcotics Control Board, was carried out in May. The Board emphasized that the eventual eradication of illicit crops can be achieved only when the relevant laws are fully respected and strictly implemented and when sustainable alternative sources of income to farmers are provided. The Board urges the Transitional Authority to take adequate measures to ensure that progress is made in the implementation of its ban of opium production and that illicit crop cultivation in Afghanistan is effectively prevented and substantially reduced in the coming years. The Board also calls on the international community to continue to support and assist Afghanistan in its anti-drug efforts.

Madam Chairperson,

Country missions are an important part of the dialogue between Governments and the Board. These visits are carried out to examine national drug control structures as well as administrative and legislative measures adopted by Governments to implement the provisions of the international drug control conventions. If a country has not yet become a party to the conventions, the Board also discusses accession or ratification of the treaties with the Government. A visit by the Board has often led countries to become parties to the conventions or to take action to strengthen their drug control system. The Governments of Albania, Algeria and Guyana, for example, became parties to the 1961 and 1971 Conventions or the 1972 Protocol amending the 1961 Convention within one month of receiving an INCB mission.

In 2004, the Board has carried out missions or technical visits to Afghanistan, Indonesia, Madagascar, Mauritania, Pakistan, Portugal, South Africa, Thailand and Timor Leste. Further missions are planned to, inter alia, Belgium, Bulgaria, Denmark, Luxembourg, Mexico and Sweden. However, while more than 160 countries in the world are parties to the three main international drug control treaties; the 1961 Single Convention on Narcotic Drugs, the 1971 Convention on Psychotropic Substances and the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances- the Board is only able to visit about 20 countries per year.

Madam Chairperson,

As I said before, members of the International Control Board serve the international community in their personal capacity and not as Government representatives. This is to ensure that they retain their independence and impartiality throughout their entire term of office at the Board. Since Board members serve in their personal capacity, paragraph 6 of article 10 of the 1961 Single Convention stipulates that Board members should receive "adequate remuneration as determined by the General Assembly". Yet in February 2002, the General Assembly adopted resolution 56/272, which reduced this amount to a level of $1 per year. This action contravenes the 1961 Convention since $1 per year can by no means be considered "adequate remuneration". An opinion of the Legal Counsel of the United Nations confirmed that "that the reduction to one dollar per year of the
remuneration payable to members of the INCB may be viewed as not corresponding to
the legislative intent of the relevant provision of the 1961 Convention". The work of the
Board is thus impeded by difficult administrative conditions which cannot have been
intended by the States represented in the General Assembly, the large majority of which
are parties to the international drug control treaties. I urge the Chairperson of the Council
to ensure that the Board can carry out its mandates.

Thank you for your attention.