



**Asian/Pacific peoples are searching
for an enduring freedom from illicit drugs
and drugs related crime.**

**STATEMENT
AT THE TWENTY-FIFTH ASIA/PACIFIC MEETING OF HEADS
OF NATIONAL DRUG LAW ENFORCEMENT AGENCIES
(25th HONLEA)**

Sydney, Australia, 15-19 October 2001

by

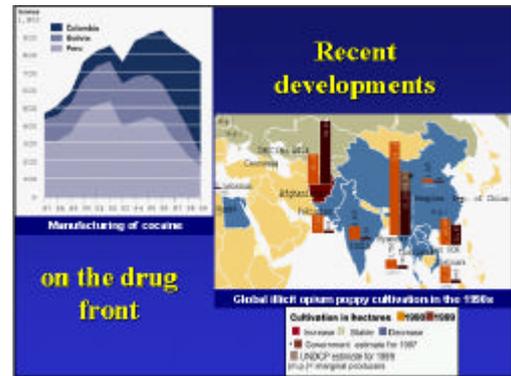
Dr. Sandro Calvani, Representative,
UNDCP Regional Centre for East Asia and the Pacific, Bangkok



report, the overall production of opium and heroin within the Asia and Pacific Region has declined in recent years. Such developments are mainly due to unfavourable weather conditions. Enhanced counter-narcotic measures undertaken by the region's governments are also a source of success. The main novelty, however, is the fact that Myanmar has become Asia's largest methamphetamine producer.

Mr. Chairman, distinguished delegates,

It is indeed a **special honour** for me to address you today at this twenty-fifth meeting of Heads of National Drug Law Enforcement Agencies of East Asia and the Pacific. On behalf of the United Nations International Drug Control Programme, I would like to express my sincere gratitude to the Australian government for hosting this year's HONLEA meeting.



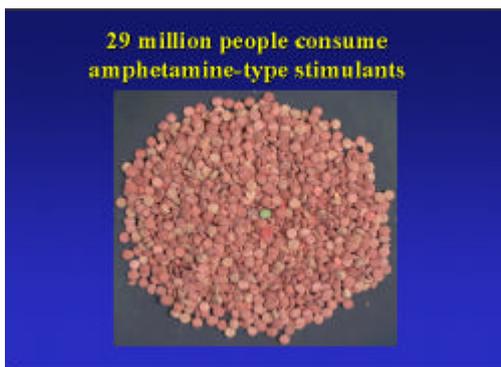
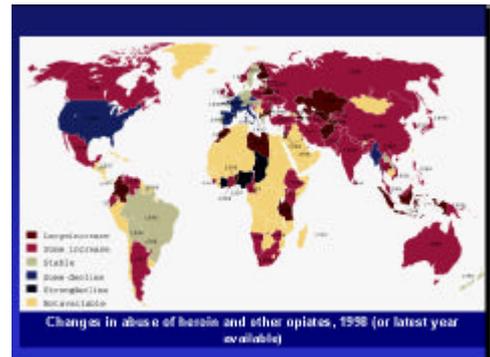
The threat that narcotics constitute to society reaches across borders for its victims. The narcotics business has become considerably more global and sophisticated. The Asian drug trade continues to revolve around two production poles; Afghanistan in the Southwest and Myanmar in the Southeast. According to last year's report concluded by the International Narcotics Control Board

Myanmar itself and the neighbouring countries are the first victims of narcotics production. There is, for example, an increasing addiction in Central Asia, in China and in Pakistan. Thai authorities are extremely worried about the boom of amphetamine-type-stimulants. There are now more ATS users in Thailand than heroin users. The production of ATS in Myanmar is also causing problems in Laos and Vietnam. Countries such as India, Nepal and China simultaneously suffer from the drug scourge. China is the world's largest producer of ephedrine, a substance used to manufacture legal drugs as well as methamphetamine, that is also now produced in China.



In the light of current events the potential positive development, which this 90 % decrease could have implied, may turn out to have naught impact on the global supply market of opium and heroin.

There is also a risk that the region may become a source of production for other new synthetic drugs, particularly ecstasy. It should be noted that more than 75% of the global seizures of ATS take place in East and Southeast Asia.



Intelligence sources report that the Taliban stockpiled vast amounts of opium and heroin from their extensive production of 1999. **In the aftermath of the 11th of September attacks** on the United States, price reductions of opium have been reported by UNDCP's office in Islamabad. It is difficult to predict what effects these developments may have upon the global narcotics situation, but such decreases in price surely implies that someone is flooding the market with opium. A UNDCP's recent global survey of drug production presents and satellite pictures show a reliable evidence: production has not increased. **Consequently, the opium that is currently entering the market must be from stockpiles.** There is a need to closely study the effects the disorderly situation in Afghanistan may have upon this region's production of similar drugs. On the one hand the Taliban may choose to wage war through profits from narcotics trade and, thereby, increase their production and export of such illicit products. Or, on the other hand, they may not. However, even though they go ahead and produce, they may encounter difficulties in smuggling drugs abroad because of increased military presence

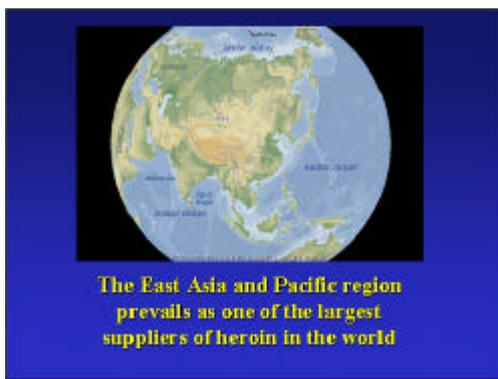
The diminution of opium and heroin production within the South East Asia region is fragile. Thus it is highly vulnerable to major political events and to other regions' counter-narcotic achievements. The dramatic increase of opium and heroin production that was identified in Afghanistan in 1999 was contained and even reduced throughout year 2000 and during the beginning of 2001 as a consequence of the Taliban leaders' ban on poppy cultivation. The Taliban made clear that a total eradication of poppies in Afghanistan could occur rapidly if necessary resources were made available.

around the borders. If the stocks run out and the borders remain under heavy control, there is a possibility that while the Golden Crescent experiences a decrease in drug business



the global demand for heroin might induce increased production and trafficking within the second largest production area of heroin in the world, the Golden Triangle.

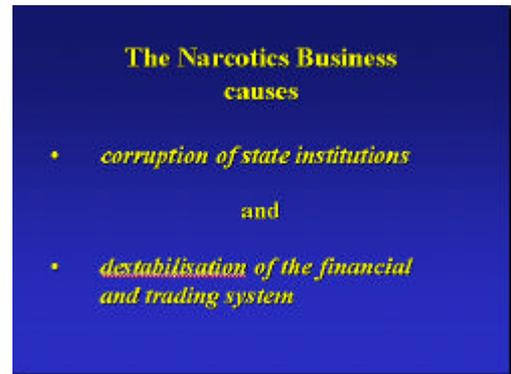
The vast gap between the cost of producing narcotics and the price paid by the final consumer goes a long way to explaining why the business is so hard to suppress. The major value is embedded in the distribution chain, thus rendering the traffic of narcotics a highly attractive occupation.



The East Asia and Pacific region prevails as one of the largest suppliers of heroin in the world where Thailand remains an important

transit country, but where Chinese territory has become the route of choice among traffickers to exit Southeast Asia. It is also worth underlining the significant increase of maritime trafficking within the region. The trafficking route by sea from Myanmar to Singapore and Malaysia and, thereafter on to other parts of the world is gaining popularity as well as impunity.

It cannot be denied that **illegal drugs play a major role in the criminalisation of State institutions.** Drugs have an impact on power relations inside countries. Against a background of debt and poverty, all levels of society search for economic alternatives. A profit margin such as one for the narcotic trade leaves enormous possibilities and incentives for corruption, not least among government officials and law enforcement agents.

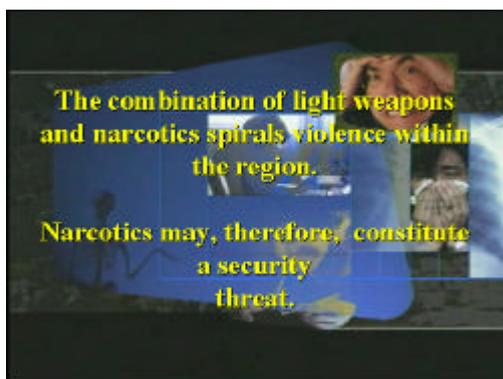


Corrupt officials disregard their commitments to the people and occasionally resort to corruption and violence to maintain their privileges. Meanwhile, the disadvantaged population may seek to solve their economic problems through informal and criminal activities. It is, therefore, important to not disregard the social and economic mechanisms that underlie society when searching appropriate ways to tackle the contemporary narcotics threat. We could say, in short, that **the best attitude to the scare of**

drugs is to care for those who produce and consume them.



Money laundering now affects the world as a whole through the globalisation of financial flows. In order to accelerate their economic growth, governments search for foreign investors by setting up free trade zones and offering advantageous –often indulgent– financial services. Through the new mafias’ activism to launder illicit profits, the drug economy is being integrated into the economy as a whole. It then threatens the stability and integrity of the financial and trading system.



Finding, freezing and forfeiting of criminal proceeds has become more difficult as a consequence of advances of technology and communication. The traditional economy’s disregard for the most fundamental rules of transparency has been a great facilitator. Technical norms of good governance will

prove insufficient as long as the political will to implement them remains non-existent. Large seizures of narcotics have only a limited impact on drug trafficking and drug abuse. In order to efficiently disrupt trafficking operations the proceeds of such activities must be eliminated. The Asia and Pacific region has proven vulnerable to money laundering. It is in this regard that it is encouraging that **three new initiatives with the aim to counter money laundering have been implemented within the region.** These new initiatives involve technical assistance and training which should take place over the next year or year and a half. Such initiatives are feasible through the aid from several regional and international organisations, namely the Asian Development Bank, the International Monetary Fund and ASEM (the Asia-Europe meeting). The ASEM Anti-Money Laundering Initiative has identified two fundamental weaknesses within the ASEM countries as regards to countering money laundering. Their law enforcement capabilities are, in general, poor and there is a lack of judges, magistrates and prosecutors who have undergone specialised training. The ASEM initiative will attempt to remedy such weaknesses with managerial aid from the UNDCP and funding from the United Kingdom.

There is no doubt that the combination of **the spill-over of light weapons and narcotics spirals violence** within Asia. The networks created by the trafficking of such illegal commodities are far-reaching and easily create disturbances and violence. The trafficking of narcotics over state borders has, between some countries, turned into major national security threats. Where historical distrust and rivalry has occurred between two neighbouring countries such trafficking can prove rather an obstacle to regional counter-narcotic efforts. Such tensions hamper the drive for joining hands against the narcotics business.

Efforts to join hands are becoming more and more coordinated and consistent. Let me mention three examples among many in Asia/Pacific:

1. **The ACCORD¹ Plan of Action**, endorsed last year by the ASEAN countries and the Peoples Republic of China with the aim to enhance counter-narcotic co-operation, has



been received with a great deal of optimism within the international community. Other regions of the world should be encouraged to follow the same example and strive to gain a similar broad consensus regarding the need to tackle the narcotics problem. The Commission on Narcotic Drugs within the UN Economic and Social Council adopted a resolution in March 2001 where it requested the UNDCP to provide assistance in the implementation of the ACCORD Plan of Action and report about its progress to the Commission on Narcotic Drugs. The Commission explicitly expressed its appreciation of the strong political consensus that was declared at the *Congress In Pursuit of a drug-free ASEAN 2015*. Nevertheless, the support and funding by the participating governments is still prominent, as the success of the Plan of Action is directly dependent of such support and commitment.

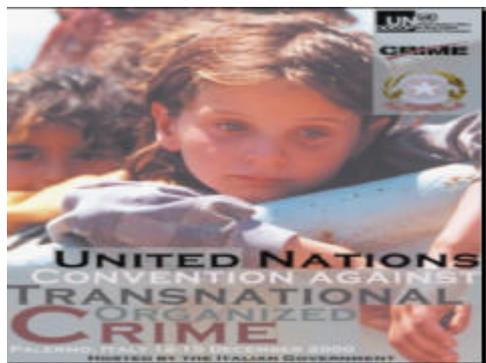
¹ **ACCORD**: Asean and China Cooperative Operations in Response to Dangerous Drugs.

2. In September 2001, the third review meeting of the parties to the Memorandum of understanding on **sub-regional drug control cooperation, signed by five Central Asian countries**, the Russian Federation, the Aga Khan Development Network and the UNDCP, was held in Dushanbe, Tajikistan. The participants reviewed the progress achieved in implementation of the MOU and expressed their support of the ODCCP Strategic Programme Framework for Central Asia. The participants also endorsed the accession of Azerbaijan to the MOU. The need for strengthening drug control cooperation in Central Asia was reinforced by the UN Commission on Narcotic Drugs, which in its resolution, welcomed the close links established among the Central Asian states to address the drug problem and encouraged the international community to provide additional support to the region.

3. **The Economic Cooperation Organization (ECO)** in Teheran, continues to provide a framework for drug control cooperation of its ten members. (In alphabetical order) Afghanistan, Azerbaijan, the Islamic Republic of Iran, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan, Turkmenistan, Turkey, Uzbekistan and UNDCP have already created a Drug Control Coordination Unit (DCCU) at the Secretariat of the Economic Cooperation Organization and continues to co-operate with ECO in implementing its regional drug control plan.

The mindset, which is set out in these and other regional cooperative partnerships is groundbreaking and needs to remain solid. This mindset can, and should, be extended to **further co-operation, for example, through a regional ratification of the Convention Against Transnational Organised Crime**. The greatest need of all is to keep alive the spirit of consensus and ownership that was illustrated by the endorsement of the various Plans of Action and aspire to keep up the good

faith that characterises the practical consultations and co-operation within these HONLEA meetings.



Ladies and Gentlemen, **the links between transnational crime and insecurity are now well documented** and well understood in the mind of every person who has seen the TV once in the past month. Militias, terrorists and other ruthless criminals are increasingly dependent on the illicit trafficking of drugs to finance weapons purchase and plan evil acts of mass destruction. They contemporarily push the trafficking of human beings, especially women and children, they smuggle people, they control the international sex trade furthering the transmission of HIV/AIDS. **Measures to impede trafficking operations can directly contribute to a stronger human security in Asia/Pacific.** Or else, if the activities of drug related transnational crime are not curtailed the future stability, peace and sustainable development of countries in our Region may be undermined. In such a scenario social violence, humanitarian emergencies and economic collapse may claim in the first decade of this century more lives than all wars fought in the 20th century².

² This paragraph is freely adapted from: Alan Dupont, HIV/AIDS: a major international security issue. Background document for the Asia/Pacific Ministerial Meeting on HIV/AIDS in Asia and the Pacific, Melbourne, 9-10 October 2001.



I strongly believe that we have a collective mission and a mandate to show the way towards a true enduring *freedom from fear* of the humankind.

Thank you all for your attention.