

1 DRUG ABUSE AND TRAFFICKING

1.1 Regional Perspective

1.1.1 Myanmar

Myanmar was in 2003 the world's second largest producer of opium although area and production went substantially down in comparison to previous years. The Shan State, which forms part of the Mekong Basin, accounts for approximately 52 percent of Burma's total opium poppy crop (State Department, 2004) Myanmar is purportedly also the primary source of amphetamine-type stimulants (ATS) in Asia, producing hundreds of millions of tablets annually.

There are indications that Myanmar is experiencing a growing domestic market for ATS, mainly among youths who use it as a recreational drug. In addition, the country has a considerable opium and heroine abuse problem. Government figures puts the number of registered drug addicts at around 70,000 while UNODC surveys suggest that the addict population may be as high as 300,000 (State Department, 2004). Although a high figure this represents less than 1% of the population. Out of these up to 135,000 are regular users including 30,000 intravenous drug injectors. This is thought to contribute significantly to Myanmar's increasing HIV infection rates and AIDS epidemic.

1.1.2 Cambodia

Due to climatic limitations Cambodia is not an opium producing country, nor is opiates, like heroin, thought to be produced inside the country. There are indications and suspicions, however, that Cambodia serves as a transit route for heroin to the international drug markets. The UNODC estimates that 10 to 20 kilograms of heroin are trafficked through Cambodia daily (State Department, 2004).

Amphetamines are also increasingly being transited through the country. An estimated 100,000 methamphetamine tablets enter Cambodia each day, the major part of it most probably destined for the Thai market. There are also suspicions that foreign crime syndicates have set up mobile laboratories within Cambodia to produce ATS for local distribution and export to Thailand.

Cambodia has a considerable production of marihuana although there exists no reliable figures on the current size of the crop. However, some estimates put the production at more than 1,000 tons annually, most of which is cultivated for export. Much of the cultivation occurs in Cambodia's northwest provinces and is reputed to be "contract cultivation". Analyses of seizures indicates that Europe is the major destination for the exported cannabis.

1.1.3 Thailand

Thailand is not a significant producer of opium poppy any longer and little or no heroine is thought to be produced within the country as laboratories has not been discovered for years. The production of ATS is also thought to be fairly limited although Thailand is judged to have the most severe amphetamine addiction problem in the word. Most of the ATS consumed in the country is produced in Myanmar and smuggled across the border or via other neighboring countries. ATS abuse is so prevalent across different social groups and geographical regions in the country that the government perceives it as a national security prob-

lem and a major health threat. This prompted a national campaign in 2003 aimed at suppressing ATS trafficking and abuse. The campaign has had significant effects in reducing trafficking and availability of the drug as well as putting more resources and efforts into demand reduction through campaigns, detoxification and rehabilitation of addicts.

The major part of ATS, heroine and other illegal drugs smuggled into Thailand is destined for the domestic market though some quantities are thought to pass on to other countries and destinations. The extent of these transit shipments cannot be estimated with any accuracy.

1.1.4 *Vietnam*

Opium poppy cultivation is still taking place in the northwestern part of the country but only on a much reduced and limited scale accounting only for about 1 % of the total production in Southeast Asia (U.S. State Department, 2004). In the southern part of the country marihuana is grown and anecdotal evidence suggest that cultivation is done on a commercial scale. Drug production is not perceived to be a significant problem but there seem to be some ATS production within the country as a limited number of seizures of amphetamine pills and production equipment has been made. There are no indications that larger heroine factories exist within the country.

Vietnam is first and foremost a country into which drugs are smuggled and trafficked through. This is indicated by a number of heroine seizures that can be traced back to Vietnam in Taiwan, Japan, Hong Kong and Australia. Drugs are also trafficked into the country to feed the considerable addict population of heroine injectors and the increasing number of people, particularly urban youths, who use amphetamine as a recreational drug. ATS has thus increasingly become available in Vietnam and part of ATS available on the market is thought to come across the border from Cambodia.

Most drugs, in particular heroine and opium, enter via the northern part of Vietnam and is transported to Hanoi or further down through the country to Ho Chi Minh City from where they are shipped out destined for the drug market in Asia and Australia.

1.1.5 *Programmes and Initiatives*

Since 1993, when a Memorandum of Understanding between some of the the governments of the Mekong Sub-region on illicit drug production, trafficking and abuse was signed, the region has seen increasing coordination and cooperation in the fight against drugs. A direct result of the MOU was the Sub-regional Action Plan approved by the 6 governments of Cambodia, China, Lao PDR, Myanmar, Thailand, Socialist Republic of Vietnam in 1995 and amended in 1997 and 1999. It provides a strategic outline for the collaboration between the 6 signatory governments in addressing the problems of illicit drug production, trafficking and abuse in the region. The Action Plan focuses on demand reduction, alternative development and supply reduction as well as law enforcement and control measures. The Regional UNODC Office in Bangkok plays an important role in the implementation of the plan as a facilitator and coordinator.

Within the framework of the Action Plan, UNODC has supported and coordinated drug control activities focusing on broad based and long term programmes, and assisted in strengthening collaboration between the various national institutions

and agencies involved in the suppression of drug production and trafficking. The result has been a strengthening of bilateral policy level agreements for better co-operation between MOU countries, establishment of field level cross-border co-operation in law enforcement, demand reduction and supply reduction, and increased opportunities for control of cross-border trade.

1.2 National Perspective

1.2.1 *Institutions and Programmes*

Although having a far lower production than Myanmar Lao PDR is still the third largest producer of opium in the world both in terms of area cultivated to opium poppy and output of raw opium resin. The country also have sizable opium addict population in its northern part as well as a rising number of, in particular, adolescents and youths taking ATS as a recreational drug, subsequently falling into addiction.

The fight against drug production and addiction in the country is overseen by the high level Lao National Commission for Drug Control and Supervision (LCDC), responsible for organising and coordinating the Governments efforts to suppress use and production of drugs in the country. At central level it is composed of representatives from ministries and agencies that has some role to play in the fight against drugs such as the Ministry of Health, the Ministry of Education and the Ministry of Agriculture and the Prime Minister's Office. A permanent Secretariat provides administrative support and coordinates internal and international drug control efforts.

A National Drug Control Programme was developed and launched in 1994 through a cooperation between LCDC and the United Nations Office for Drugs and Crimes. The main objectives are:

- gradual elimination of opium poppy cultivation;
- elimination of cannabis cultivation;
- elimination of drug trafficking, refining and drug related crimes;
- drug demand reduction and prevention;
- control of psychotropic substances and precursors, and
- facilitation of international cooperation.

Within the National Drug Control Programme the "National Programme Strategy for a Balanced Approach to Eliminate Opium in the Lao PDR" was launched in 2000 aiming to largely rid the country of opium poppy cultivation by the year 2006. In connection with the Programme Strategy a project facilitation unit was established by the UNODC and LCDC charged with coordination and technical backstopping of the opium suppressing activities in the 11 northern provinces and special zone that presently cultivates opium.

In addition to LCDC drug control units have been established within the Ministries of Education, Health, Agriculture and Information. Provincial Committees for Drug Control have also been established in the opium producing provinces while District Committees for Drug Control have been formed in most of the 82 opium producing northern districts to support and coordinate drug control activities.

For law enforcement purposes Counter Narcotic Units have been established in 11 selected provinces under the Ministry of Public Security. The unit nearest to the NT2 Project Area is located at Savannakhet. However, in spite of these positive development with regard to law enforcement it is a fact that counter narcotic

initiatives and activities suffers from lack of resources in terms of staffing, training, equipment and operation thus reducing the efficiency of the agencies charged with control of cross-border trade and drug suppression.

Lao PDR has acceded 2 important UN conventions on Drugs, the 1961 “Single Convention on Narcotic Drugs” and the 1971 “Convention on Psychotropic Substances”. The country is not yet a party to the 1988 UN Drug Convention but strives to meet its objectives. Concerning national legislation on drugs the article 135 of the Penal Code was amended to outlaw cultivation of opium in 1996 and again in 2001 to include penalties for the production, trafficking and possession of ATS. At the same time the penalties for production and trafficking of drugs were drastically sharpened including introduction of the the death penalty for trafficking of more than 500 grams of heroine and 3 kg of amphetamines.

1.2.2 *Opium Poppy Cultivation and use*

Opium poppy cultivation for the extraction of raw opium that subsequently can be processed into morphine and heroine, are only found in the 11 northern provinces of Lao PDR. Due to increased suppression efforts over the last decade the area of opium poppy cultivation has steadily decreased, down from 26,800 ha in 1998 to an estimated 12,000 ha in 2003 (UNODC, 2004). According to the official Lao government figures production area was even lower with just over 7,000 ha planted to opium poppies in 2003. Most of the opium is grown by ethnic minority groups in remote and poorly accessible mountainous areas in the northern provinces. Luang Prabang and Huaphan Provinces are the biggest producers followed by Phongsaly. Bolikhamsay is the smallest producer with an estimated area of just 74 ha in 2003.

Opium addiction in Lao PDR is associated with poverty and ethnic minority groups in the northern part of the country. The number of opium addicts reported by provincial and district authorities was around 30,000 in 2003, out of which 9,700 (32%) was over 60 years and around 5,600 (19%) were women. The Provinces with the highest number of addicts were Luang Prabang, Huaphan and Phongsaly. Probably due to fact that opium is becoming more scarce and expensive the estimated number of addicts have also declined over the last years.

1.2.3 *Amphetamine Type Stimulant (ATS) Drug Production and Abuse*

In contrast to opium ATS abuse is an increasing problem in Lao PDR. Recognising the problem the GoL adopted a National Strategy on Demand Reduction in 2003, aimed at reducing ATS abuse, particularly among the youth. A number of measures have been initiated including awareness raising through campaigns and introduction of drug reduction curricula in schools, establishment of treatment centres and surveys and data collection on to chart the size of the ATS problem. An ATS data collection and monitoring system will be set up in 2004 by the support of the UNODC. Before this database is established it is difficult to assess the ATS abuse problem in the different provinces country in terms of number of addicts. However, in general it can be stated that amphetamines are amply available both in rural and urban areas in Lao PDR and that there is a pronounced danger that the number of addicts will increase in the future.

ATS producing laboratories or factories has not been discovered for the last years and the Lao authorities are adamant that production does not take place in within the country. There are some suspicions, however, that ATS powder may

presently be imported and processed into tablets before being re-exported or sold domestically.

1.2.4 *Drug Trafficking*

Increasing seizures of drugs transported along roads and waterways indicate a trend of increasing trafficking in the country. According to Lao official figures, a total of 445 offenders in 226 cases were apprehended and 39 kg of heroine, 14 kg of morphine, 209 kg raw opium, 41 kg liquid opium and more than 1,200,000 metamphetamine tablets were seized in 2003. Some 4,500 kg of cannabis was also impounded.

The major part of drug seizures are occurring in the northern part of the country where drugs, most notably amphetamine and heroine, are smuggled across the border from the Shan State in Myanmar and transported to the Vietnamese and Chinese borders. It is mainly heroine that is trafficked into Vietnam, one important route going across the international border Phongsaly Province shares with Vietnam and further on to Dien Bien Phu. Some part of the drugs, especially amphetamine, is trafficked southwards destined for the growing internal market as well as for neighbouring countries. A considerable part of the amphetamines presumably goes across the Friendship Bridge to Thailand, while smaller quantities are transported southwards by road or air down to the southern provinces, in particular Champasack, where it is taken over the border to Cambodia. The southward trafficking has probably been much enhanced by the war of drugs campaign the Thai government carried out in 2003.

1.3 **Local Perspective**

1.3.1 *Opium Cultivation and Use*

Of the 2 provinces within which the NT2 Project is located only Bolikahamsay has any opium production. According to the 2003 UNODC opium survey there were 10 opium-growing villages in Khamkheut District that adjoins and overlap with the northern part of NT2 Project area and the Nakai Nam Theun NBCA. Viengthong District, situated to the north of Khamkheut and bordering the Zaisombon Spacial Zone, is the only other district with a history of opium cultivation. The production obviously varies from year to year as Viengthong was recorded cultivating 42 ha in 2002 and nothing in 2003 while Khamkheut had 74 ha in 2003 and no cultivation in 2002. In both cases the opium poppy areas are not significant and probably only cater for a minor part of the opium consumed by the estimated 552 opium addicts in the province. In other words, opium produced in the area is consumed internally and probably nothing is trafficked out of the country or to other areas. On the contrary, opium is probably trafficked into the province from the northern opium producing areas as some anecdotal evidence suggest. As is the case elsewhere in the country it is probably mainly the ethnic minority population that for a number of reasons, one of them being lack of health services, are afflicted by opium addiction problems.

1.3.2 *Amphetamine Type Stimulant Abuse*

Even if production of ATS is not taking place within or in the middle region the country supply of amphetamines is well established and most probably increasing. Of the central provinces surrounding the NT2 Project area Savannaket is probably the one worst afflicted by ATS abuse problems as it has the largest urban population. To counter the problem there are plans to establish a drug treat-

ment clinics and rehabilitation centre in Savannakhet. In Vientiane an ATS-treatment centre was established in 2002.

It may be assumed that the ATS problem is also affecting the young population in Thakek although there exist no studies and statistics to verify this. In Gnommalat and Mahaxay amphetamines must certainly be available but probably only in minor quantities and on an exceptional basis at present. The general impression is that amphetamines has not yet been spread so much out from the urban centres and into rural areas in the middle part of the country as it has in the northern part. However, Lak Xao in Boilihamsay may be an exception as it is lies on the trans-border Route 8 with a considerable traffic running through ferrying goods and people to and from Vietnam. This cannot be confirmed, however, as investigations and surveys are needed to assess the scale of the present ATS problem have not been carried out.

1.3.3 *Drug Trafficking and Law Enforcement*

Statistics of arrests and amounts of drugs seized by law enforcement agencies indicate that drugs are trafficked through Bolikhamsay, Khammouan and Savannakhet.

Bolihamsay had only 2 drug offence cases in 2002 in which 8 people were arrested for trafficking and possession of 784 kg of cannabis. In 2003 there were 18 drug offence cases involving 30 arrested and seizure of 11,5 kg of opium, 20,248 methamphetamine pills and 3,237 kg of cannabis.

Khammouan had 9 cases in 2002 with 7 arrests and seizure of 372 amphetamine tablets and 536 kg of cannabis. In 2003 there were 2 drug cases with 7 people involved while amphetamine tablet seizures had increased to 4,000. Seizures of cannabis amounted to 544 kg.

Savannakhet had 11 cases in 2002 with 22 arrested and 34,362 methamphetamine tablets seized. In 2003 seizures went down to 24,785 tablets in 6 cases with 23 arrests.

The statistics does not indicate how big a part of the seizures were made at border crossings, but it is reasonable to assume that a fair part was, as cross border cooperation and coordination between custom officers and counter narcotic police in Lao PDR and neighbouring countries is steadily improving. It may be speculated that a considerable part of the 2003 seizures in Bolikhamsay of amphetamine tablets were made the Lao-Vietnam border crossing on Route 8 or along this road.

Under the UNOPS Sub-regional Programme and Action Plan financed by Japan several Border Liaison Offices (BLO) have been established on the Cambodian, Chinese, Thai and Vietnam borders. The BLOs are normally staffed by 5-6 police and custom officers and joint information exchange and planning meetings are held at normally 3 months intervals. There are plans to open a BLO at the Lao Bao border crossing on Route No. 9 in the near future and support for this is currently sought from the UNODC and other sources.

Apart from the BLOs the Counter Narcotic Units (CNUs), established in 11 provinces in the country, are important institutions in the suppression of drug trafficking. In the southern provinces CNUs have already been established in Champasack and Savannakhet. Important in the context of the NT2 Project is that a CNU office in Thakek presently is being established. Staff has already been des-

ignated and deployed in the anticipation that it will be officially opened in the near future.

1.3.4 *Future Developments*

In spite of efforts to prevent an increase in ATS abuse the number of amphetamine addicts may in the next few years increase substantially in the country as a whole. The large urban centres of Vientiane and the other major towns like Savannakhet and Pakse will most probably continue to be the areas worst afflicted by ATS abuse, but as in the northern areas, the drug will probably spread out and affect groups in rural villages and smaller urban centres also in the middle and southern part of the country.

In the NT2 Project area and surrounding districts ATS abuse will most likely, as a result of the increased transit traffic and influx of people, become more firmly established. The prevention efforts undertaken by the authorities and the NT2 Project under the Public Health Action Plan will contribute to slow down the increase in ATS abuse, but not be able to prevent it from happening. The strongest increase in ATS abuse is likely to occur in urban centres in the Lower Xe Bangfai area. Particularly in Thakek, that will experience a considerable increase in cross-border traffic, the abuse situation may have deteriorated to become similar to that in neighbouring areas of Thailand. Lak Xao and surrounding areas will also most probably experience a significant increase in ATS addiction mainly because of its location on Route 8 and increased transit traffic.

In Bolikhamxay opium production will most likely cease in the 2 districts that today have intermittent opium cultivation. It is likely, however, that the province will continue to have opium addicts among the ethnic minority population. These will continue to get their supplies of raw opium via internal trafficking routes from the northern part of Laos, including the Xaisombun Special Zone.

Heroin addiction will be most probably still be, as today, limited to a few individuals in the major urban centres of the country as the drug of choice will continue to be amphetamines. The NT2 Project area will thus most probably not be experiencing a notable heroin addiction problem.

Trafficking of heroin and amphetamine through the middle region of Lao PDR is likely to increase as demand in Vietnam is prone to continue to grow. The upgraded road systems across the middle part of the country, including Route 8 through Bolikhamsay, Route 12 through Khammouan and Route 9 through Savannakhet, will provide more opportunities to smuggle drugs, carried by couriers or hidden among the increasing shipment of goods.

On a longer term opium cultivation may be largely eliminated in Lao PDR. The opium addict population may also decline significantly, down to a few thousand. There is a risk, however, that opium addiction in the northern parts may be substituted by ATS addiction, affecting a much wider category of social groups. In the middle and southern parts of the country ATS addiction may develop to a serious problem, especially among youths. While still being dominant, ATS may also be complemented by a number of other synthetic drugs recreational drugs.

1.4 **Recommendations**

In connection with the NT2 Project the counter drug abuse measures should be implemented as a part of the Public Health Action Plan with a focus on the reset-

tlement area, the work camps and Gnommalat and Mahaxay district centres. It will be especially important to focus on schools and drug awareness raising for the students. A drug prevention curriculum already exist and is presently being introduced across the country. The education authorities in the project affected districts should be encouraged and supported to start using the curriculum as soon as possible.

In addition to prevention campaigns in camps and schools law enforcement need to be strengthened. It is recommended that contacts are made with the Counter Narcotics Unit (CNU) in Thakek which is due to be formally set up shortly. With assistance from the CNU measures to strengthen law enforcement in the area, especially in Mahaxay, Nakai and Gnommalat, should be planned and implemented as soon as the project activities get underway.