



Regional Office for Southeast Asia and the Pacific

Mekong drug situation and new plan of action

2019 Mekong MOU Ministerial Meeting , November 2019

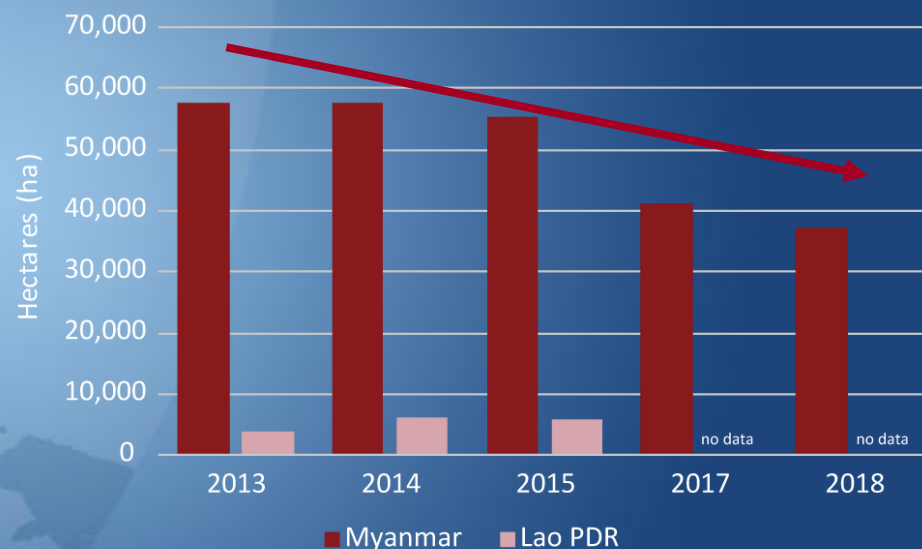
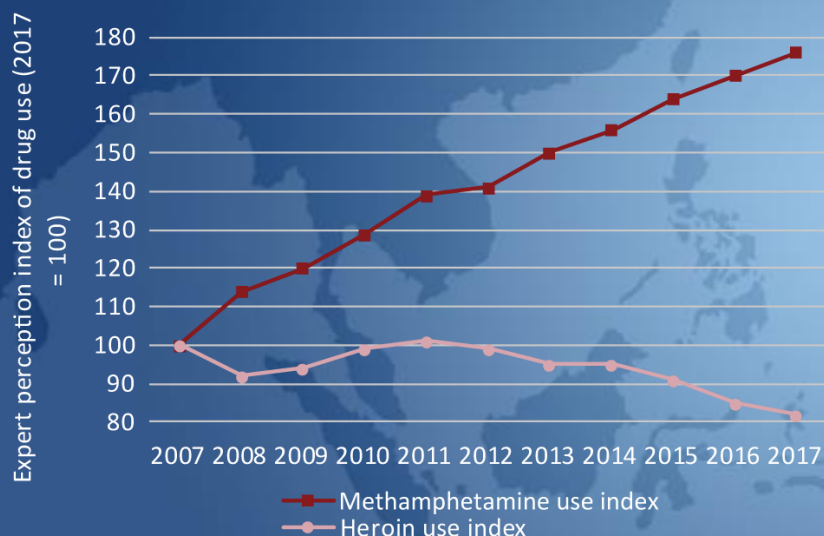


Presentation themes

- Profound change in the regional drug market to synthetics, impacting lower Mekong countries
- Organized crime groups in the region have rapidly responded to changes in the environment, innovating their business model and cooperating with each other to maximize profits
- Meth has become cheaper and purer, confirming no shortage of precursor chemicals
- Critical to make the environment hostile for organized crime, addressing root causes
- Integrated response – borders, precursors, money laundering and demand reduction - is critical. New Mekong MOU action plan prioritizes these.

Heroin

Available data point to decreases in heroin demand



Expert perception indices* of heroin and methamphetamine use in East and Southeast Asia, 2007–2017

Opium poppy cultivation in Lao PDR and Myanmar, 2013-2018

Note: *Based on information from 16 countries and territories reporting on trends in East and South-East Asia over the 2007-2017 period; 2007 was used a base line (=100); Source: UNODC, responses to the annual report questionnaire (ARQ).

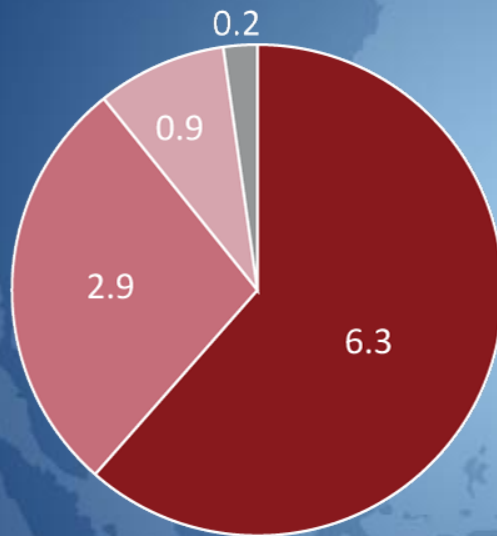
Note: *Data for 2016 are not available for Lao PDR and Myanmar, and 2017 and 2018 are not available for Lao PDR.

Source: UNODC, "Myanmar Opium Survey 2018: Cultivation, Production and Implications", January 2019.



Money generated

Retail heroin market estimate (high-end)



■ China*

■ Southeast Asia

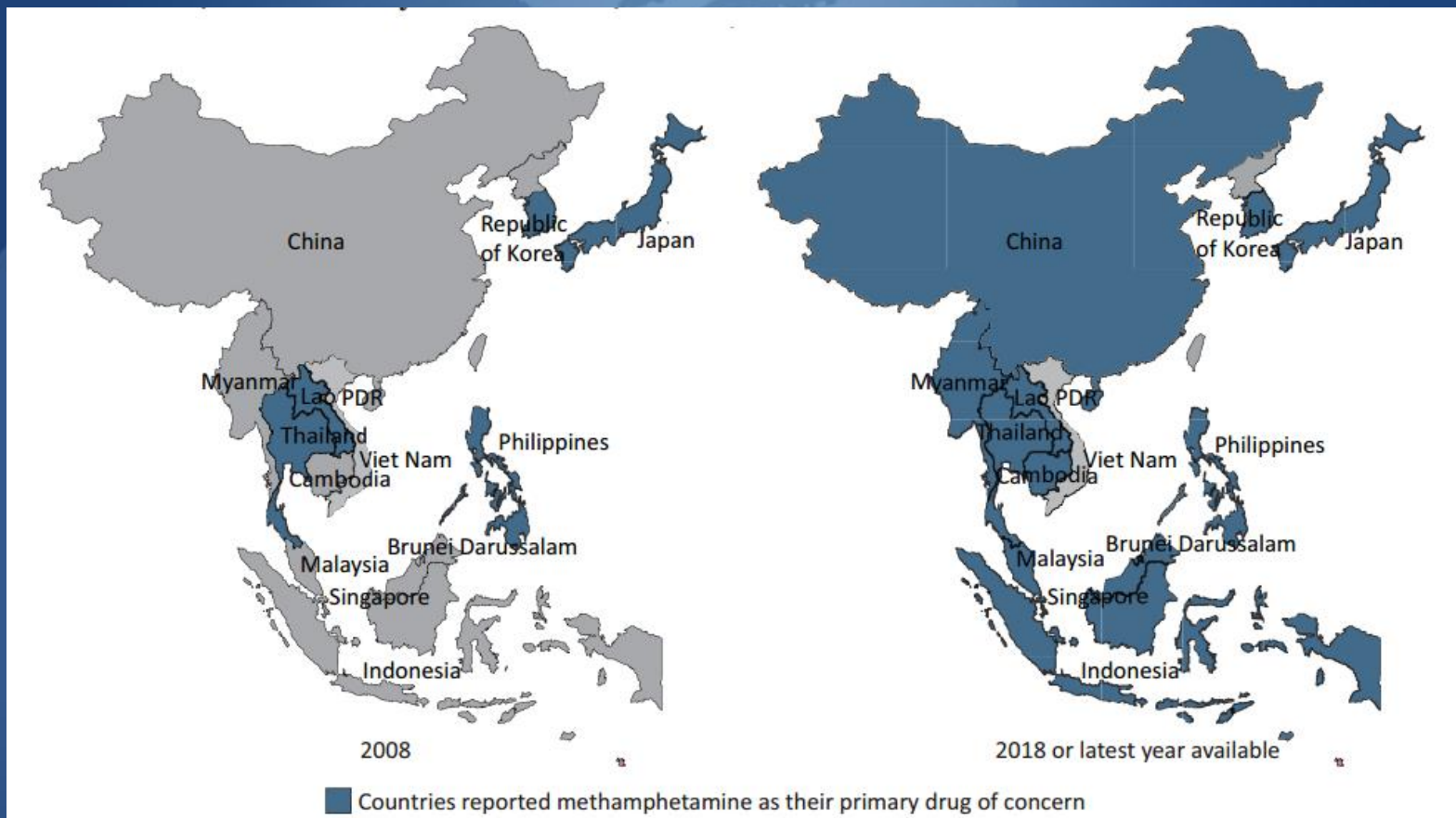
■ Australia & New Zealand

■ East Asia, excluding China*

- Est. up to US \$10.3 billion
- Decrease compared to the same estimate done six years ago, US\$16.3 billion



Countries reporting methamphetamine as their primary drug of concern, 2008 and 2018 (or the latest year available)



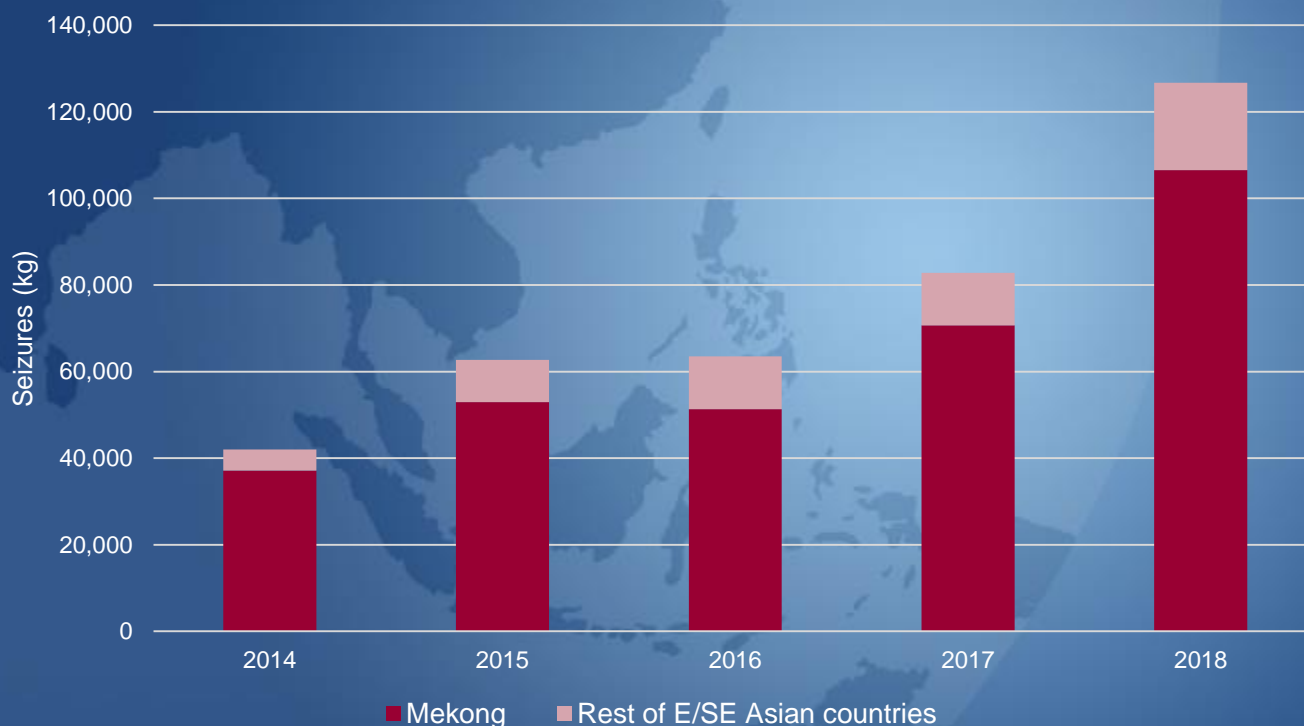
* Note: Data for the Democratic Republic of Korea, Hong Kong, China, Macau, China, Mongolia and Taiwan Province of China are not available.

Source: Drug Abuse Information Network for Asia and the Pacific (DAINAP); Official Communication with Japan and the Republic of Korea, January 2019.



Methamphetamine seizures

Profound change undergoing in the regional illicit drug market



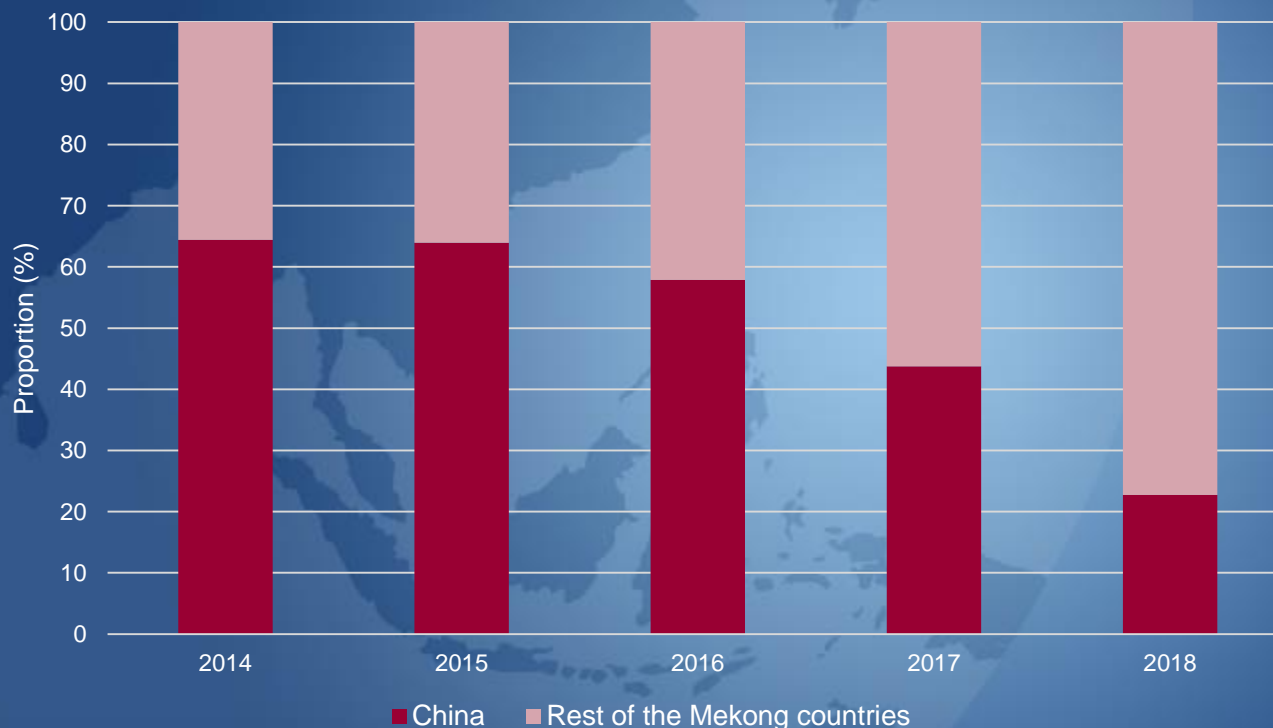
– The Mekong accounts for 85% of the East and Southeast Asia total

Seizures of all forms of meth in East and Southeast Asia, 2013-2018



Methamphetamine seizures

Lower Mekong countries significantly impacted

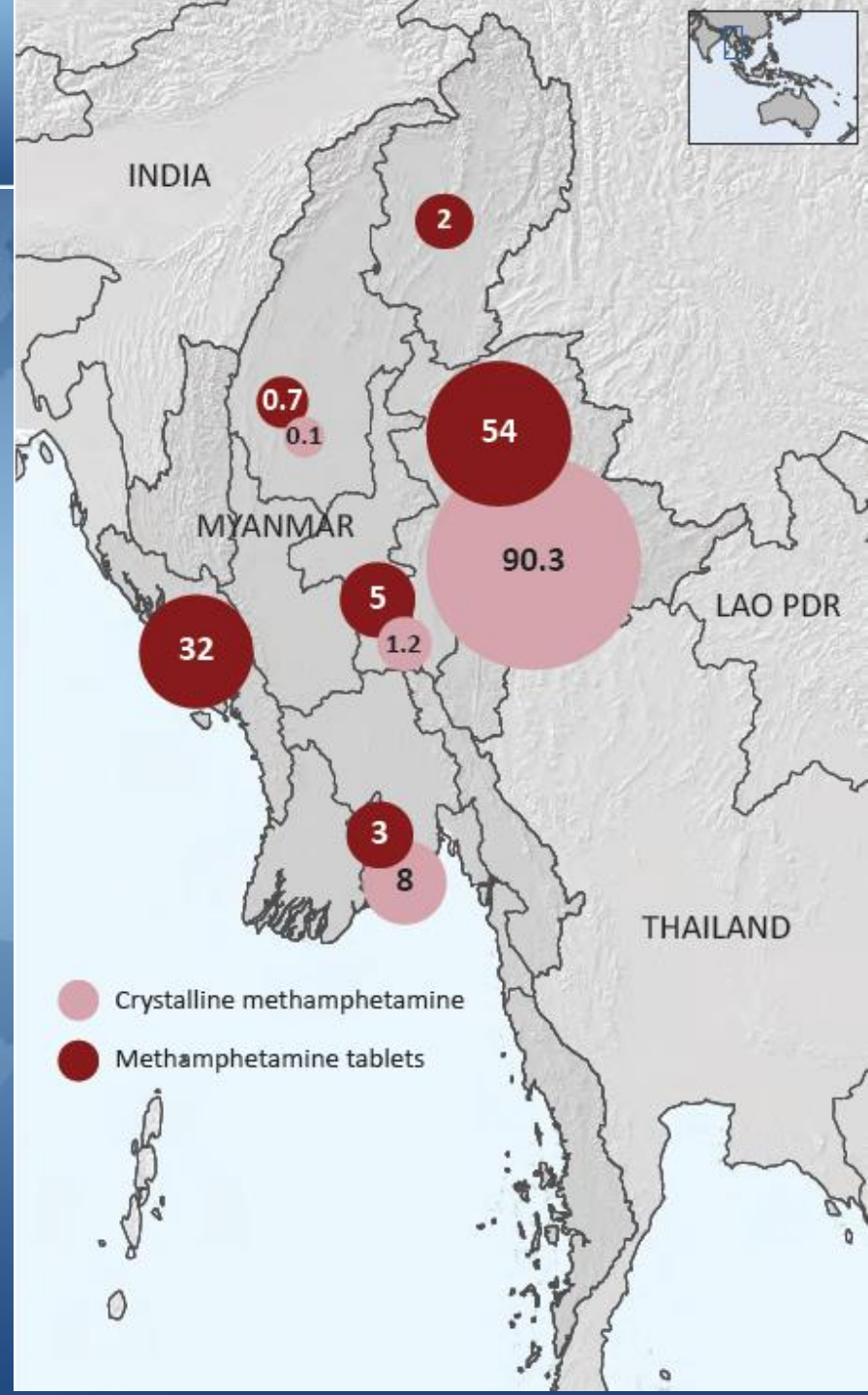


- Seizures of meth in China
 - 2014: 65% of the Mekong total
 - 2018: 23%

Changes in methamphetamine seizures in the Mekong by proportion, 2014-2018

Proportion of tablet and crystal meth seizures in Myanmar by state, 2017-2018

Heavy flows to northern Thailand





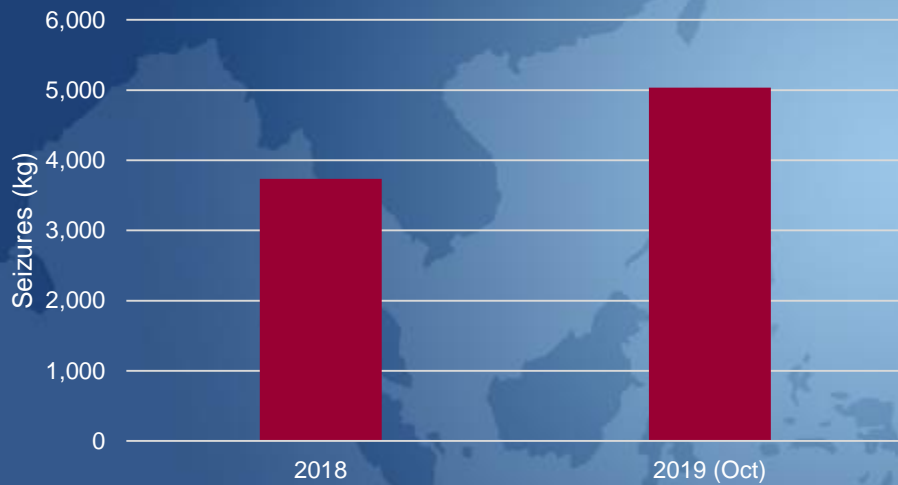
Top 5 provinces for crystal meth seizures in Thailand, 2018



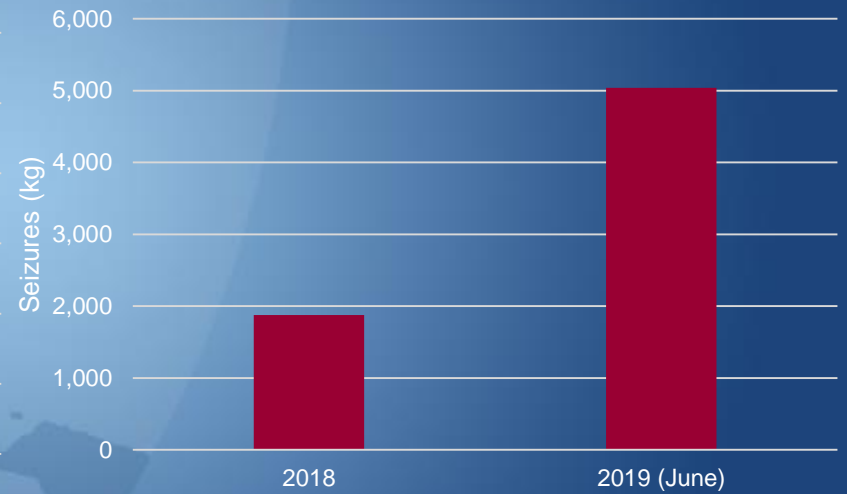


Changes in crystal meth trafficking routes

Lao PDR

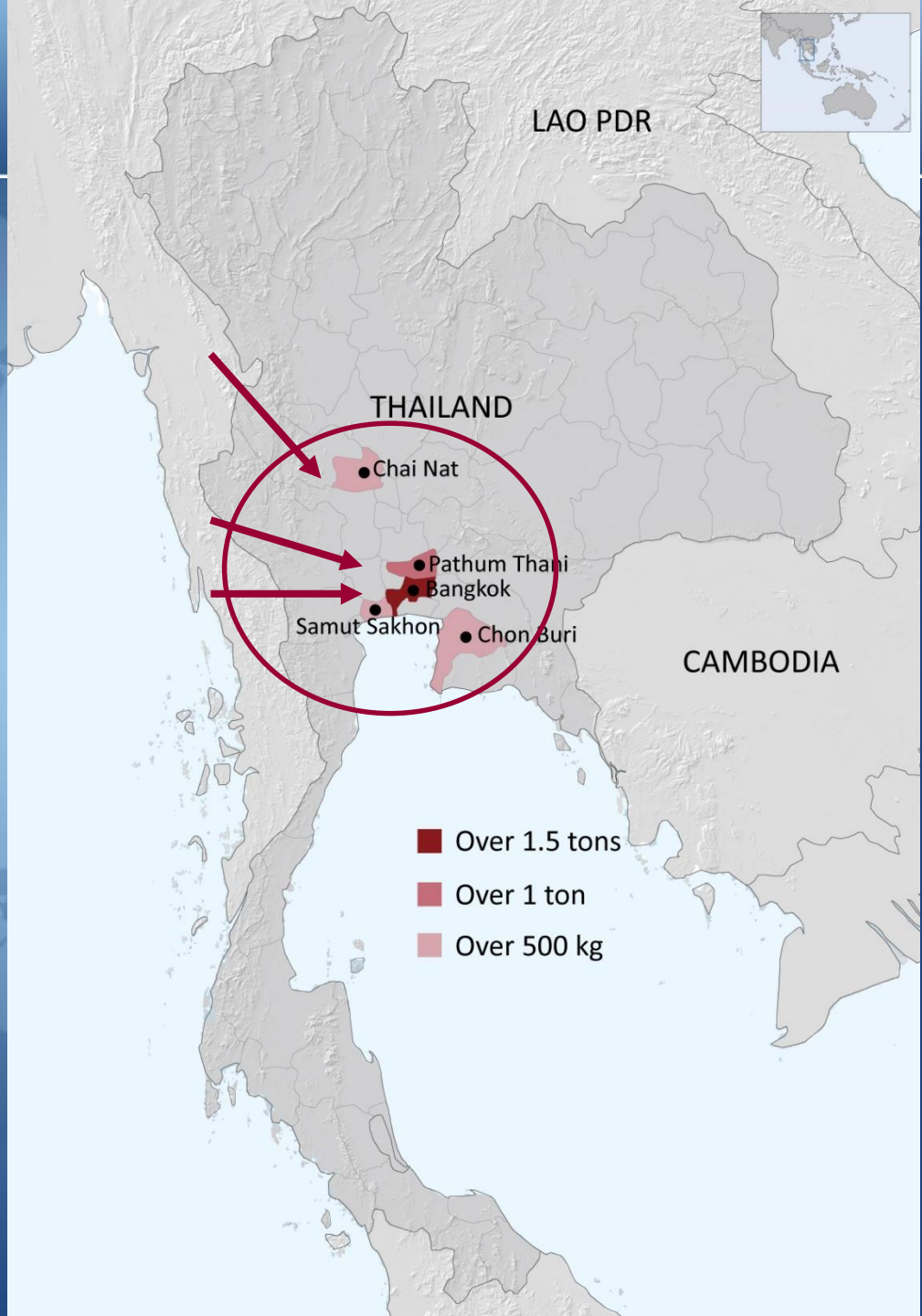
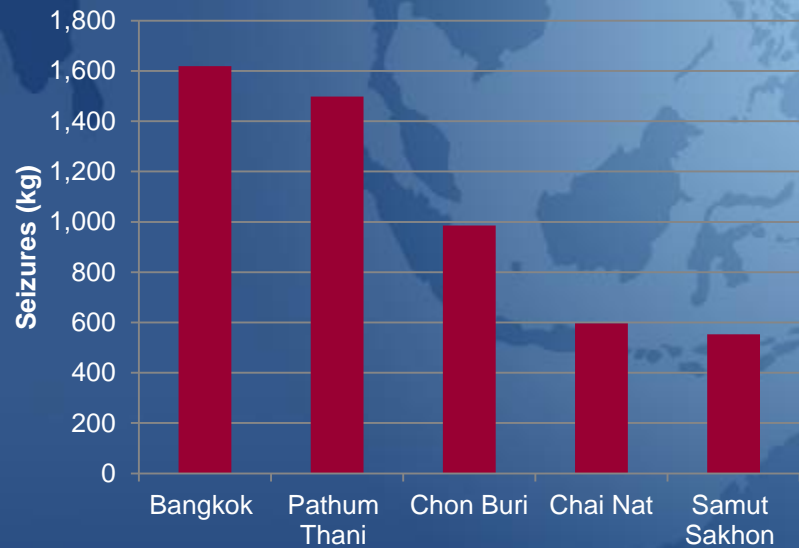


Viet Nam



Source: UNODC,
*Data for 2019, Lao PDR up-to October and Viet Nam up to June,.

Top 5 provinces for crystal meth seizures in Thailand, 2019 (Jan – Jun)



Seizures of ketamine in the Mekong countries, excluding China, 2014-2018



- Over the last five years, 7,000 % increase in ketamine seizures in the lower Mekong countries
- Seizures of ketamine in China halved during the same period



Characteristics of organized crime syndicates in the Mekong

- A triad organized network comprised of aligned interests and several nationalities
- Works with non-syndicate members
- Connected and based in many countries in Southeast Asia and surrounding regions
- Extremely mobile and have rapidly responded to changes in environment
- Has successfully engineered a massive surge of meth production following migration of capacity to northern Myanmar, expanding the size of regional meth market (possibly the largest in history), and reach of supply
- Uses networks of casinos in Southeast Asia and those existing in neighbouring regions to launder illicit proceeds



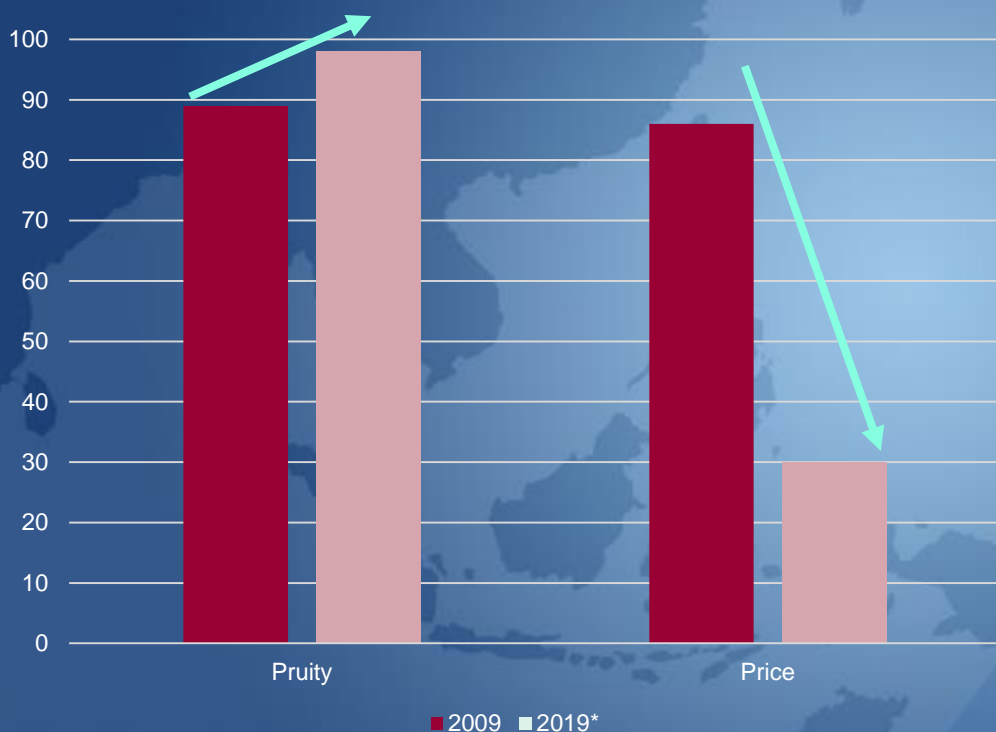
Precursor trafficking to Myanmar



- Unimaginable amounts of precursor chemicals required for making meth
- Significantly limited seizures of precursor chemicals, in particular key starting materials
- Increasing use of pre-precursor chemicals

Price and purity of crystal meth in the Mekong

Meth has become cheaper and purer



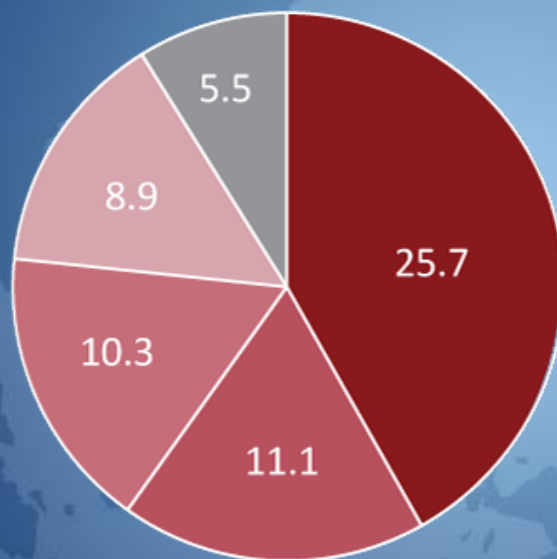
Changes in purity and price of crystal meth in Thailand, 2009 and 2018

- A large majority of crystal meth seized in the Mekong nearly 100% purity (hydrochloride)
- Price of crystal meth in Thailand decreased by two-thirds
- Same for meth tablets
- No shortage of precursor chemicals



Money generated

Retail methamphetamine market estimate (high-end)



■ Southeast Asia

■ Australia and New Zealand

■ China*

■ East Asia, excluding China*

■ Bangladesh

- Est. up to 61.4 billion USD
- Four times larger than the same estimate done in six years ago
- Larger than GDPs of several countries

Note: * China includes Hong Kong, China, Macau, China and Taiwan Province of China.
Source: UNODC elaboration based on government data.

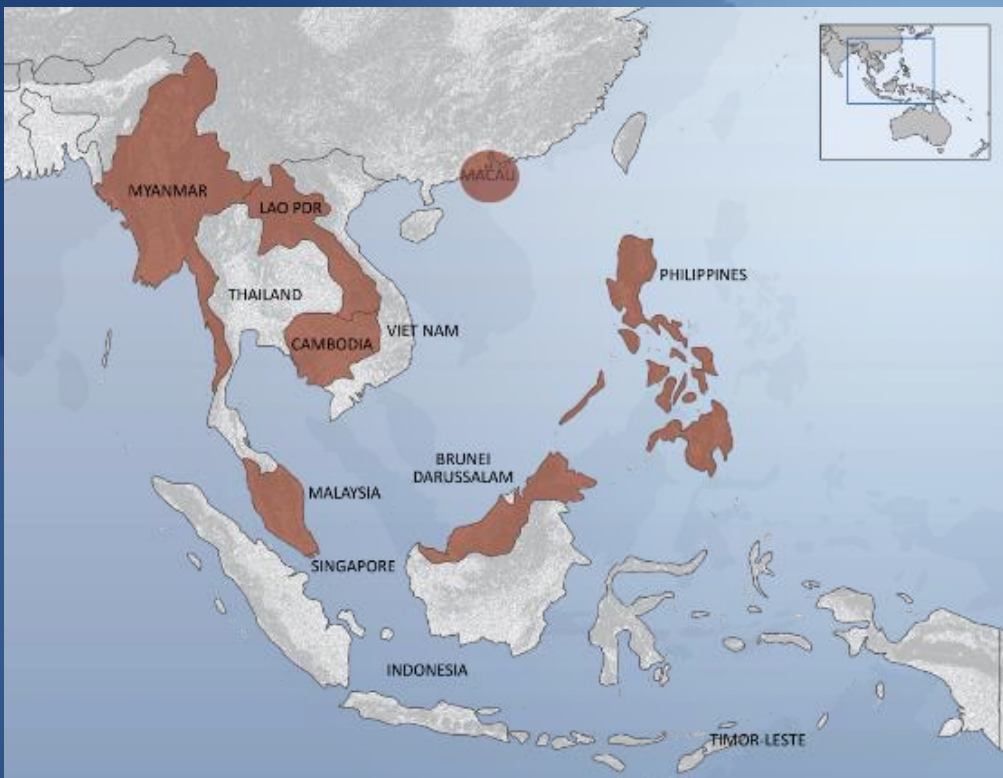


Conclusion

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Casinos and money laundering

Special focus needed



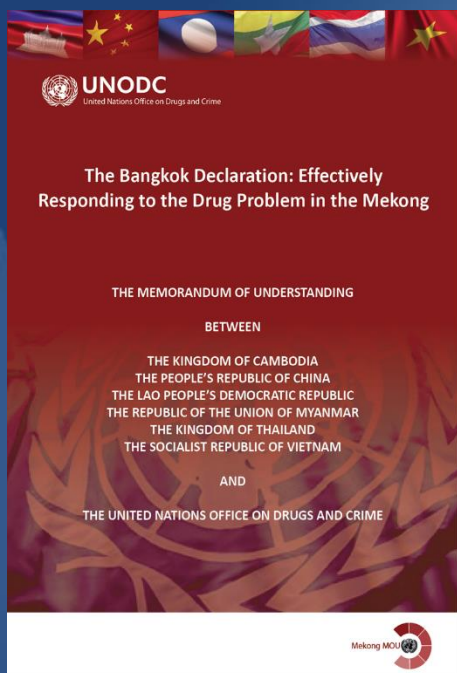
- 240 licensed casinos in SEA as of September 2019
- Junket operators
- Emerged after a crackdown on money laundering activities in Macau, China

Countries with casinos in Southeast Asia

Bangkok declaration and the sub-regional action plan

A strategic framework for drug control in the Mekong

- Adopted at the 2019 Ministerial meeting of the Mekong
- Will guide collective responses of the Mekong
- Detailed work-plan customized for the Mekong drug situation
- Align with regional and global commitments i.e.) UNGASS 2016 and SDGs

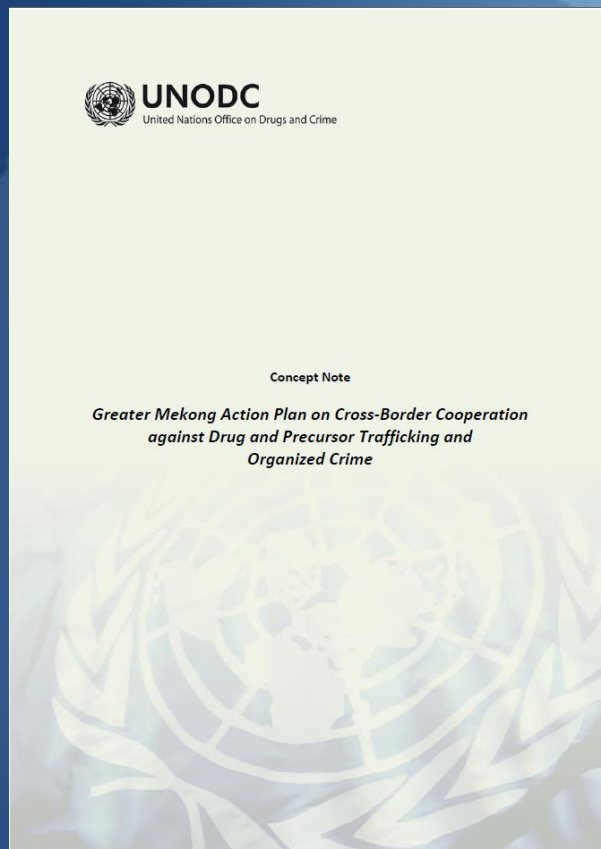




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Examples: prioritised plans for 2020



- Training:
 - Utilize new curricula in existing training facilities (multiple themes)
 - Tailored trainings for specialized needs
- Collaboration:
 - Operationalization of BLO network (First phase: January – April 2020)
 - Precursor chemical control task forces (intelligence, forensic and regulatory)



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Examples: prioritised plans for 2020



- Threat assessments
 - High-level officials conduct joint cross-border field trips
 - Reports of threat assessments
- Technical needs assessments (TNA)
 - Bilateral meetings for strategic and tactical drug/precursor intelligence collection, analysis, and dissemination



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List of donors-all thematic areas

Alternative Development

- Finland, Germany, Japan, Luxembourg, United States of America

Drugs and Health

- China, Japan, Sweden, UNAIDS, United States of America

Criminal Justice

- Japan, Republic of Korea, United States of America

Drugs and Precursors

- Australia, Canada, Japan, Mekong MOU member states, New Zealand, Republic of Korea, Russian Federation, United Kingdom, United States of America

BLO

- Australia, Canada, Japan, UNOCT, UN Women, United States of America



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Thank you

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