



5

HEROIN

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Heroin is arguably the world's most problematic drug. More users die each year from problems related to heroin use, and more are forced to seek treatment for addiction, than for any other illicit drug. Users develop both tolerance and physical dependence, meaning that their brains adjust to the presence of heroin over time, requiring more to produce the same effect and inducing severe withdrawal symptoms if the drug is not taken in sufficient quantities. The difference between a recreational dose and a fatal one is small, and variations in street drug purity result in many overdoses. In addition, heroin is the drug most associated with injection, which brings about a host of acute and chronic health problems including the transmission of blood-borne diseases such as HIV/AIDS and Hepatitis C.

Heroin is also the illicit drug most highly associated with a single source: some 90% of the world's heroin comes from opium grown in just a few provinces in Afghanistan. Some 380 tons of heroin are produced from Afghan poppies and exported all over the world. This has not always been the case: while opium has been used in the northern areas of Afghanistan since the eighteenth century, it was only in the 1980s that the country began to emerge as a key source of global supply. Myanmar, the world's leading opium producer in the 1970s and 1980s, saw a reduction in cultivation after 1996. Today, Afghanistan has a virtual monopoly on the illicit production of the drug,¹ producing 6,900 tons in 2009 or 95% of global supply. Due to dramatic production increases after 2005, as much as

12,000 tons of opium may have been overproduced since 2006, enough to meet global demand for two years.

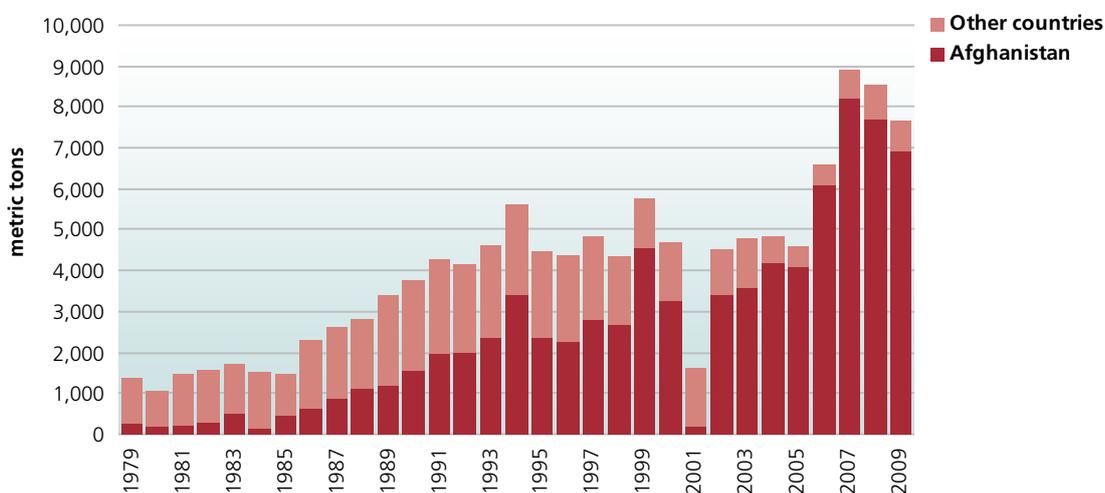
The Taliban was able to halt virtually all cultivation in 2001, though at that point substantial stocks had been accumulated, and the trade in opium, which itself was not prohibited, continued. Today, poppy farming has been mostly confined to the south of the country, particularly the province of Hilmand, where the Taliban insurgency is strong. This is also the region where the vast majority of heroin processing takes place.

This geographic concentration is unique. It is tempting to think that if control could be maintained over a single province in one of the poorest countries on earth, one of the world's most intractable drug problems could be solved overnight. Experience has shown, though, that it is rarely as simple as that, and this perspective may have led to a disproportionate focus on reducing production, at the cost of efforts in other parts of the market chain. With heroin, as with every other issue discussed in this report, it is vital to maintain an international perspective on what is truly an international problem.

At current levels, world heroin consumption (340 tons) and seizures represent an annual flow of 430-450 tons of heroin into the global heroin market. Opium from Myanmar and the Lao People's Democratic Republic yields some 50 tons of heroin and the rest, some 380 tons of heroin/morphine, is produced exclusively from Afghan opium. About 5

FIG. 103:

TONS OF OPIUM PRODUCED, AFGHANISTAN AND THE REST OF THE WORLD, 1979-2009



Source: UNODC, *Addiction, Crime and Insurgency: The transnational threat of Afghan opium*

tons are consumed and seized in Afghanistan. The country seized less than three tons of heroin in 2008, a seizure rate of less than 1 %. The remaining 375 tons of heroin are then trafficked worldwide via routes flowing into and through the neighbouring countries of Pakistan (150 tons), the Islamic Republic of Iran (105 tons) and the Central Asian countries of Tajikistan, Uzbekistan and Turkmenistan (95 tons) towards their destinations in Europe, the Russian Federation and Asia.

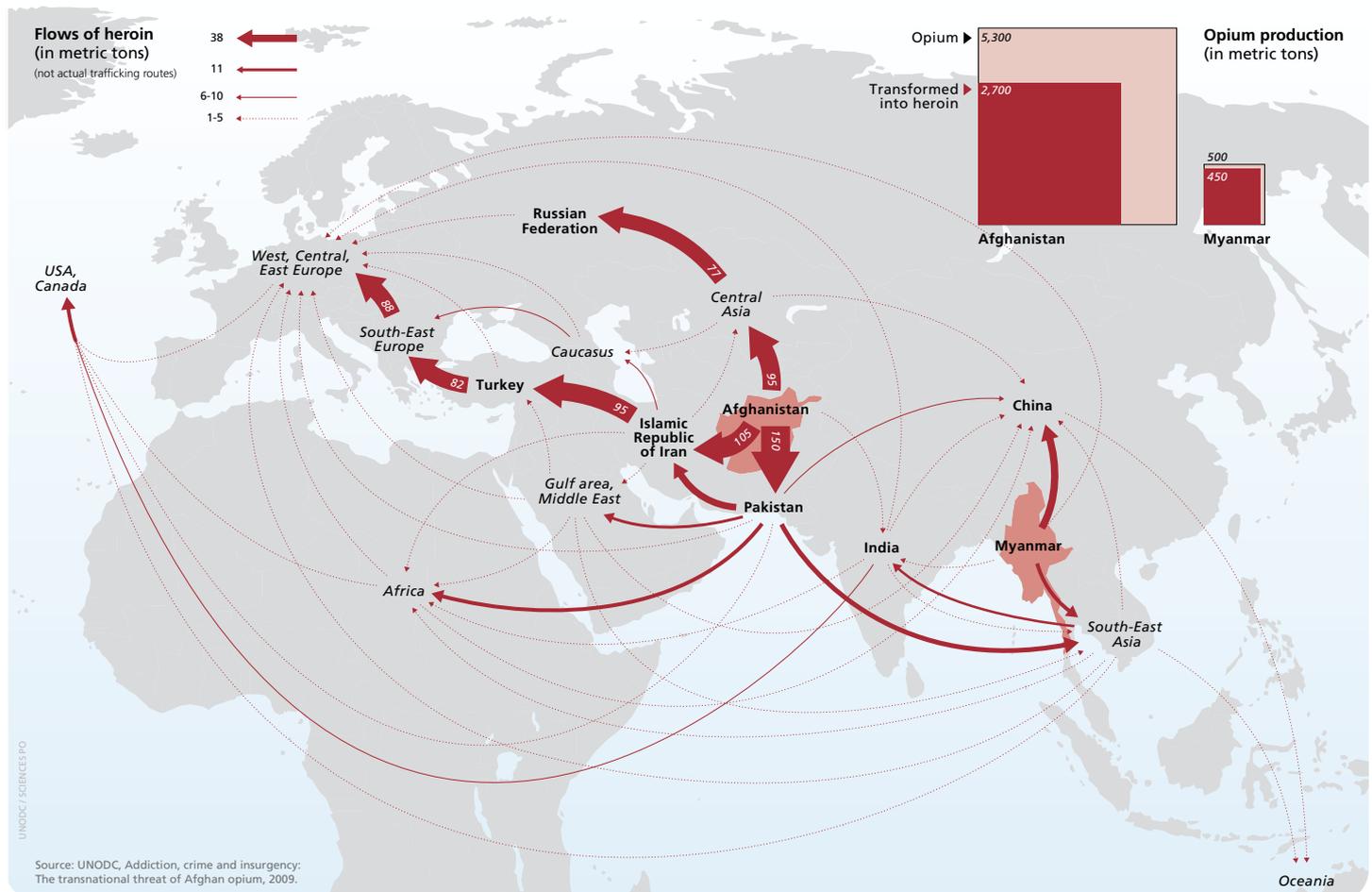
The Balkan and Northern routes are the main heroin trafficking corridors linking Afghanistan to the huge markets of the Russian Federation (US\$13 billion) and western Europe (US\$20 billion). Organized crime groups controlling the trade along these routes accrue the lion's share of this value per annum but some insurgent groups also partially fund their operations by tapping into this pipeline. While organized crime groups are reaping huge profits, their host societies are paying a heavy price. On the Northern Route, official statistics indicate that in the past ten years, Central Asia has experienced the highest increase in prevalence of

drug abuse worldwide. On the Balkan route, the ravages of opiate consumption in the Islamic Republic of Iran have been well documented, with one of the largest opiate user populations in the world. Because of their proximity to the source of the trade, organized crime groups in Pakistan, the Islamic Republic of Iran and Central Asia have developed strong and well-established connections to Afghanistan and are directly dependent on Afghanistan's opium trade to sustain their livelihoods.

Afghan heroin has also penetrated other markets, including those traditionally supplied by Myanmar opium. Among these is China, where it is now estimated that 25% of the heroin market is supplied by Afghan heroin. Afghan heroin is also trafficked to other south and southeast Asian countries such as India, Thailand and Malaysia. At least 50% of the heroin market in Australia is supplied by Afghan production. Finally, current opium production figures in Latin America and Mexico suggest that a significant percentage of the US heroin market may be supplied from Afghanistan.

FIG. 104:

OPIUM PRODUCTION AND GLOBAL HEROIN FLOWS, AVERAGE 2002-2008



Poppy, opium, morphine, heroin

The discussion of opiates markets is somewhat confused by the fact that more than one product is involved. Heroin comes from the opium poppy, which is lanced to produce opium gum, better known simply as opium. Opium is a drug in its own right, some 450 tons is consumed each year in the Islamic Republic of Iran alone.

Not all of the opium destined to become heroin is processed in Afghanistan, and it may be easier to access the necessary precursor chemicals in other countries. As a result, opium or morphine (an intermediate stage between opium and heroin) may be exported for processing in other countries. In 2008, Pakistan and the Islamic Republic of Iran seized a combined 16.3 tons of morphine, most of it close to the Afghan border. This represents 95% of global morphine seizures that year, suggesting that much of this processing is taking place close to Afghanistan.

It is also possible to make a concoction from the leftovers of opium harvesting (known as “poppy straw”), referred to as “kompot” in the Russian Federation and other CIS countries. Collectively, the markets for opium, morphine, heroin and related products are known as “opiates” markets. Since opiates other than heroin have distinct markets with their own characteristics, for the purposes of precision and clarity, this chapter focuses on the dominant substance: heroin.

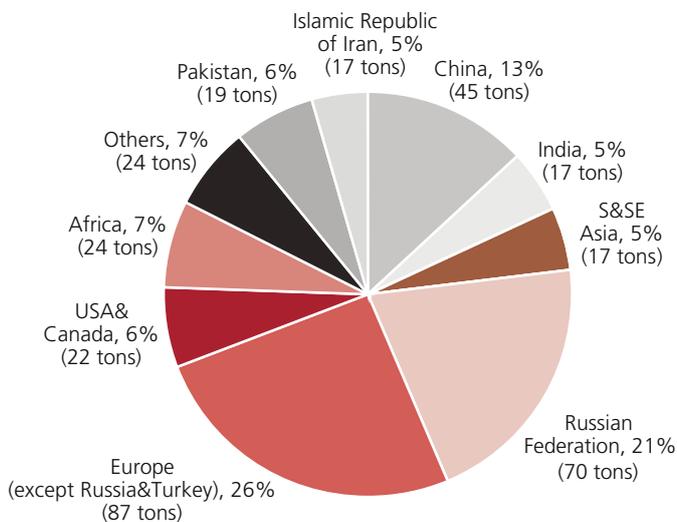
Europe is the most important market for Afghan heroin with around 250 kg of heroin consumed on a daily basis. Most of the profits in this market go to the international drug traffickers. Out of a global market of perhaps US\$55 billion for Afghan heroin, only about US\$2.3 billion accrues to the farmers and traders in Afghanistan. A larger share goes to the retailers in destination countries, but the bulk of the profits go to traffickers plying two main routes:

- The so-called “Balkan route”, which traverses the Islamic Republic of Iran (often by way of Pakistan), Turkey, Greece and Bulgaria across South East-Europe to the western European market which commands by itself an annual market value of about US\$20 billion; and
- The northern route, which mainly runs through Tajikistan and Kyrgyzstan (or Uzbekistan or Turkmenistan) to Kazakhstan and the Russian Federation where the size of the market is estimated to total US\$13 billion per year.

There is also a relatively recent variant on the Balkan route, which traverses the Caucasus to both European and Russian markets. In all instances, primarily land transport is used to move the opiates through regions which, at least in part, have stability problems.

FIG. 105:

GLOBAL HEROIN CONSUMPTION (340 TONS), 2008 (SHARE OF COUNTRIES/REGIONS)

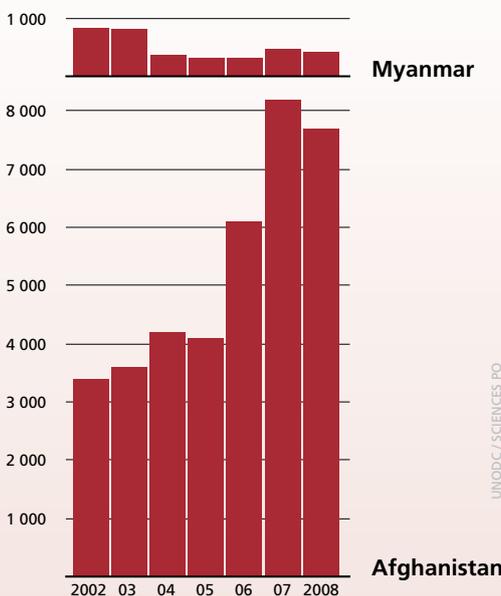


Source: UNODC

FIG. 106:

OPIUM PRODUCTION IN AFGHANISTAN AND MYANMAR, 2002-2008

Production of opium (in metric tons)

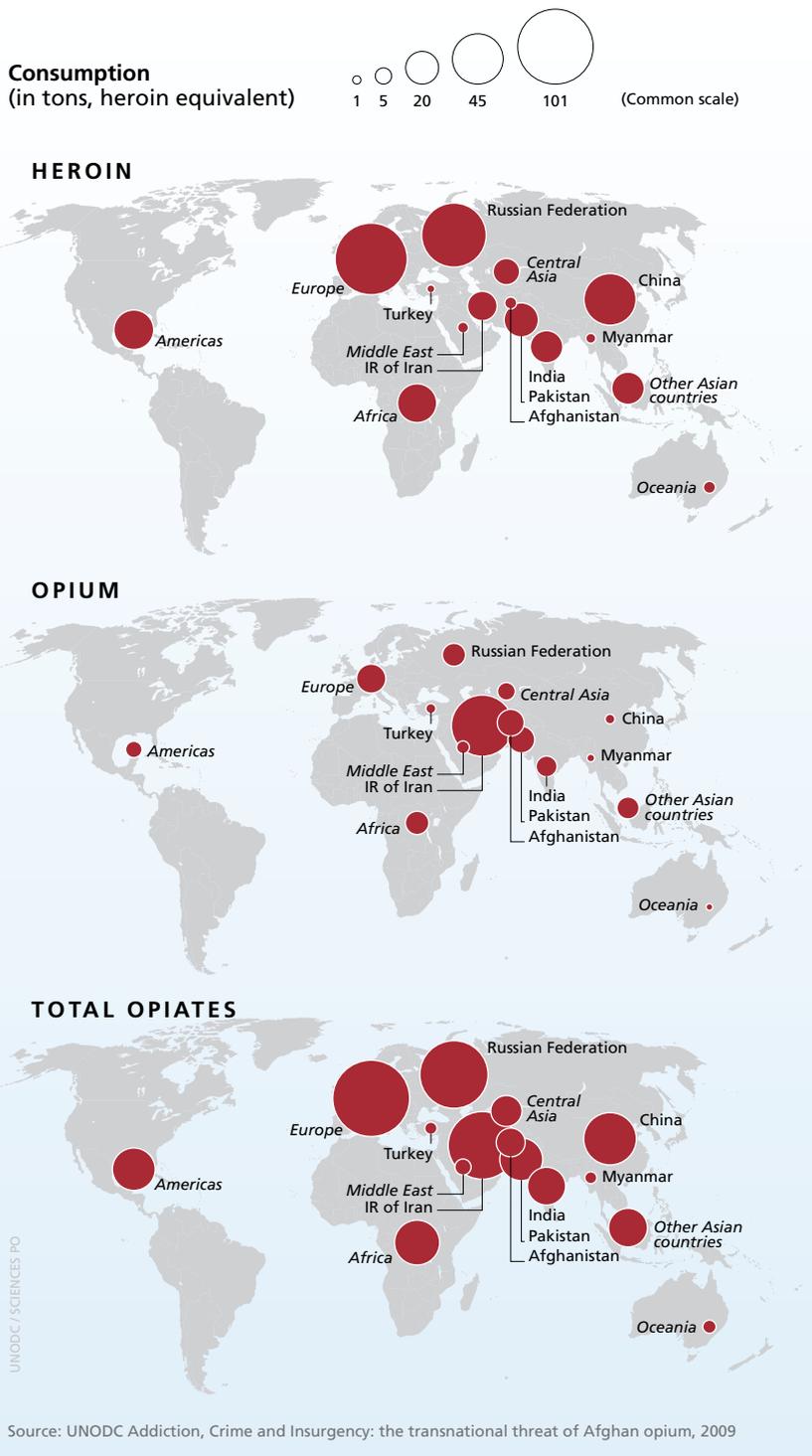


Source: UNODC World Drug Report, 2009

There is some maritime transport, especially through the Black Sea, and air couriering is an issue, particularly involving West Africans based in Pakistan and, to a lesser extent, couriers from Tajikistan. This chapter focuses on the land routes, however, since this is the primary way used for moving the drugs to main consumer markets.

Not all of the heroin that leaves Afghanistan on these routes makes it to its destination. Some is seized, some is consumed in transit countries. In recent years, UNODC estimates that 95 tons have been exiting Afghanistan toward the Russian Federation, of which 70 tons is eventually consumed in Russia. About 140 tons leaves Afghanistan along the Balkan route, of which only about 87 reach the highest-value consumers in Europe.

FIG. 107: GLOBAL OPIATES CONSUMPTION, 2008



Using the same corridors in reverse and relying on the same networks of crime and corruption, precursor chemicals are trafficked into Afghanistan to process its opium into heroin. This necessitates thousands of tons of precursor chemicals, including acetic anhydride, crucial for the conversion of morphine into heroin. Over the past decade, the price of acetic anhydride has shot up from US\$24 per litre to US\$350 per litre, either due to more effective interdiction or increased demand. As with heroin, most profit is realised outside of Afghanistan.

Although profit remains the main variable, kinship ties across the border facilitate illicit activity all along the trafficking routes, from Balochi and Pashtun networks straddling the Pakistan-Iran-Afghanistan borders to drug networks in southeast Europe. Ethno-linguistic links between groups in northern Afghanistan and Central Asia – such as ethnic Tajiks – also facilitate illicit transnational activity.

These routes are subject to change, of course, and are the elements of the market quickest to adapt when encountering resistance. Cultivation can also shift, as history has shown, although the process is slower. While opium poppy can be grown across a wide range of countries, climatic conditions can make a big difference in yield: the productivity of crops in Afghanistan's primary market rival – Myanmar – is far less, but production in Afghanistan is reliant on irrigation. Afghan opium also generally has higher morphine content than the opium produced in Myanmar; Afghan laboratory owners therefore face somewhat lower processing costs in the initial phases of heroin production. The most inflexible part of the market is demand. While new user communities can be developed, there are a limited number of traffickers with sufficient time horizons to intentionally undertake this task.

However intractable the problem may seem eight years after the international coalition's intervention in Afghanistan, it is worth bearing in mind that the Afghan opium trade benefits from a nearly-ideal conjuncture of factors around which it has thrived. The phenomenon is rooted in the large and stable global demand for opiates; the continuing conflict in Afghanistan, and the country's enormous production capacity. A number of factors within Afghanistan and the greater region compound these such as poverty and corruption.² Simultaneously, smuggling feasibility has increased in line with the multiplication of transport links and the growth of international trade.



5.1. From Afghanistan to the Russian Federation

Route

Source:

Afghanistan, particularly the south of the country

Vector:

By land, starting from the northern provinces of Afghanistan (Badakshan, Takhar, Kunduz, Balk, Faryab, Jazwjjan and Badghis) via Central Asia (Tajikistan, Kyrgyzstan, Uzbekistan, Turkmenistan) through Kazakhstan to the Russian Federation

Main destination:

Russian Federation

Secondary destination:

Eastern Europe

Value

Annual market volume:

95 tons on the route, 70 tons consumed in the Russian Federation

Annual value at destination:

US\$13 billion

Traffickers

Groups involved:

Organized crime groups and individuals in the countries on the trafficking route

Residence of traffickers:

In transit countries and the Russian Federation

Threat

Estimated trend:

Increasing since 1999; likely to continue to grow

Potential effects:

Heroin-related mortality and morbidity; spread of HIV/AIDS; funding for criminals and insurgents; corruption

Likelihood of effects being realized:

High

What is the nature of this market?

Opiate addiction has long been a problem in the former Soviet Union, but was largely associated with the consumption of “kompot”, a poppy-straw derivative. Since the fall of the Soviet Union and the global integration of the Russian economy, use of heroin appears to have rapidly grown, with indications of stabilization since around 2001.³ Today, there are an estimated 1.5 million heroin users in the Russian Federation, making it the single largest national heroin consumer in the world.

To get to Russian markets from Afghanistan, land transport appears to be the most popular route. Twenty years ago, all the countries north of Afghanistan were part of the USSR, so cross-border linkages are common. These new states are mostly poor and some have had problems with political insurgencies. Under-resourced and struggling to find their feet, addressing trans-shipments of heroin was not an early priority. Today, efforts are being made, and several tons of heroin are seized each year. The regional seizure trend declined after 2003, however, largely due to the withdrawal of Russian troops from the Tajik-Afghan border. It is unlikely that the flow similarly declined during that period.⁴

Institutions are not only weak – they may also be mistrusted. The people of this region have a long tradition of survival independent of, and some times in spite of, the state. Shortages under the centrally planned economy were commonplace, and people did what they could to make ends meet. The thriving black market was a lifeline, and people in the border regions were well positioned to participate in this early capitalism. As national governments continue to gather popular support, the tradition continues, often making use of ethnic and familial ties that do not acknowledge the new borders. Heroin is not the only commodity to illicitly cross Central Asian borders, and price differentials between food and oil, for example, have led to extensive smuggling.

According to 2009 UNODC estimates, 95 tons or 25% of all Afghan heroin exports pass through the porous borders of Central Asia, in particular Tajikistan which handles most of this flow. Acting as transit zone has had a profound effect on Central Asian societies, particularly given the nature of the smuggling, which appears to involve a large number of small couriers. An estimated 11 tons remain in the region for local consumers, which means that Central Asian users consume about one third as much heroin per capita as Russian users, but this

use appears to be highly concentrated along major transit routes. This is reflected in high levels of HIV infections in these areas. There are an estimated 280,000 heroin users in Central Asia. On a national basis, however, Tajikistan, the country most utilized by traffickers, has relatively low use rates. This may be due in part to the fact that Tajikistan is the least developed country in Central Asia. It may also suggest that heroin through this country is particularly well organized, with little spilling over into local markets. Tajik opiates use rates are estimated to be about the same as those found in the European Union (0.6% annual prevalence), whereas Kazakhstan has rather high rates (1%), similar to England, Wales and Italy.

Aside from local use and seizures, most of the heroin trafficked into the region is headed for the Russian Federation, and most of it is consumed there. There has been talk for years of the Russian Federation becoming a transit area for heroin destined to West Europe, but there has been very little evidence to suggest this potential has been realised. Instead, the country has evolved into a preferred destination. On average, 200 kilograms of heroin per day need to be trafficked into the Russian Federation to meet the annual 70 tons worth of domestic demand.

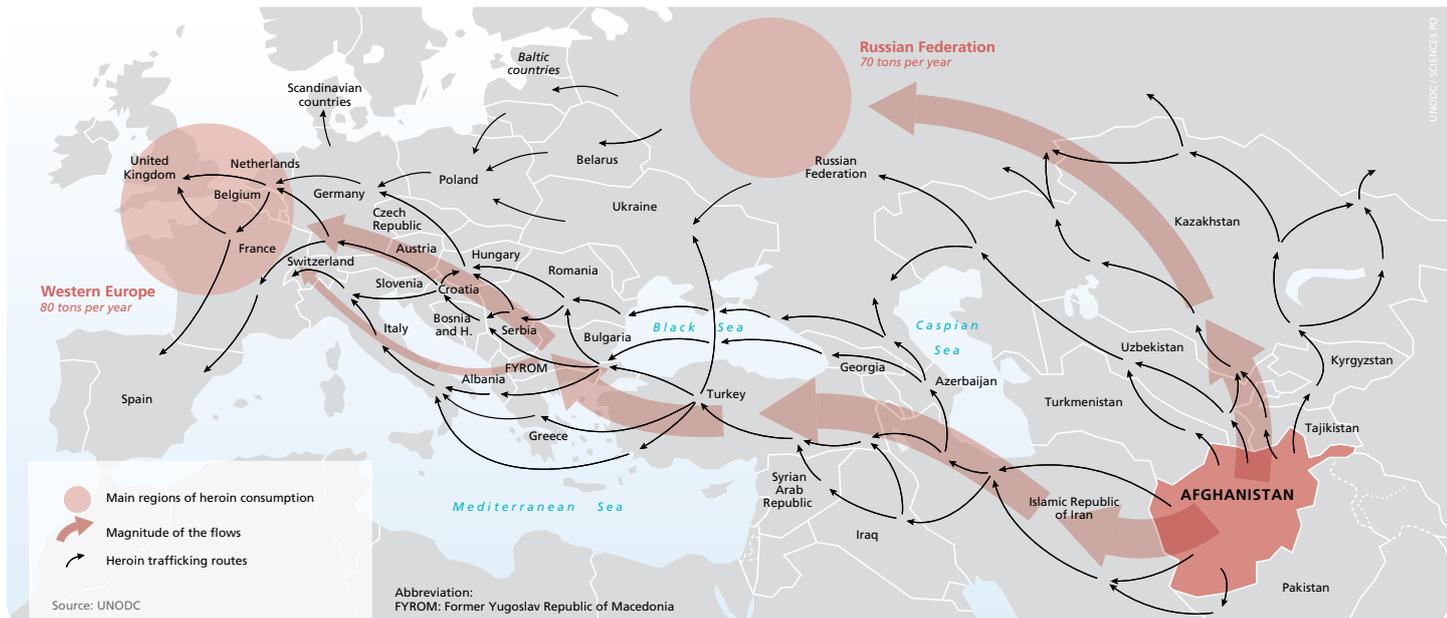
How is the trafficking conducted?

To get to the Russian Federation, most of the heroin must first make the journey to the northern border. The northern provinces of Afghanistan used to be a significant opium growing area, and the only area to continue cultivation under the short-lived Taliban prohibition; but these provinces have been largely poppy-free since 2006. Today, most of the opiates trafficked north come from crops in the south, and so the drugs first must transit the country before crossing the border. This is no small matter: nearly 100 tons of contraband must cross up to 800 kilometres of territory along a limited number of roads, evading the detection of both local and foreign security forces. The Government of Afghanistan seizes on average 1% of Afghan opium production. Once it reaches the border, the value of the heroin headed north is estimated at US\$350-400 million annually. The portion that eventually reaches the Russian Federation will be worth thirty times this amount.

From Afghanistan to the north, traffickers are offered a choice of three countries: Tajikistan, Uzbekistan and Turkmenistan. These northern borders span a length of some 2,600 kilometres. The Uzbek and Tajik borders are marked by the Amu

FIG. 108:

HEROIN TRAFFICKING FROM AFGHANISTAN TO THE RUSSIAN FEDERATION AND TO EUROPE



Darya River, while the Turkmen border is mostly desert. Although there is no shortage of possibilities for clandestine crossings, it appears that most of the trafficking occurs along established trade and transit routes. There are nine official crossings between Afghanistan and Central Asia, including two river ports, one on the Uzbek border and one on the Tajik border. These river ports are the primary conduit for legitimate trade, and also, it appears, for trafficking.

- Hayraton (Afghanistan's Balkh province-Sukhandaraya province of Uzbekistan)
- Ninji Pianj (Afghanistan's Kunduz province-Khatlon Province Tajikistan).

Once in Central Asia, heroin can be moved northward by several means, including rail, air, across the Caspian Sea, and post. Based on the seizure figures, most of the heroin appears to be conducted in private and commercial vehicles, often in relatively small amounts. Of 45 heroin seizures above 500 grams (a commercial quantity) in Tajikistan between 2005 and 2007, 80% amounted to 10 kilograms or less, and of these, the average size was 2.6 kilograms. The largest seizure, made in 2005, was 119 kilograms. This is a large seizure, but it would take hundreds of similar shipments to accommodate a 70 ton consumption level. In contrast, large cocaine seizures are typically multiple tons, and the wholesale value of these drugs is about the same in their primary destination markets.⁵

However, there does appear to be a recent trend toward larger seizures, suggesting increasingly well-

resourced organizations. As noted above, it was rare to find a seizure of over 100 kilograms in Central Asia prior to 2008, but since that time, at least 14 such seizures have been made, including two of a half ton or more. Of course, it remains unclear whether these trends reflect changes in the nature of the trafficking or in the nature of enforcement.

Tajikistan seems to be particularly favoured by heroin traffickers, as does Kyrgyzstan beyond it, although Uzbekistan and Turkmenistan see their share, as evidenced by recent seizures. Wherever it comes from in Central Asia, the heroin must cross the vast expanse of Kazakhstan to enter the Russian Federation by land.

Although Kazakhstan is the inescapable gateway to the Russian Federation if travelling by land, only about 1% of the heroin passing through its territory is seized by authorities. This is about the same share as Afghanistan. Border control is difficult in Kazakhstan: it must police some 12,000 km of land borders and 1,900 km of Caspian Sea coastline. A 2008 report from the Central Asian Regional Information and Coordination Center (CARICC) starkly concluded: "If drugs reach the territory of Kazakhstan then the probability of safe shipping to the Russian Federation can be around 95%."⁶ Once the heroin reaches Kazakhstan, most passes through the north-western borders into the Russian Federation. Some 95% of the heroin entering the Russian Federation stays in the country with the remainder exiting into Ukraine, the Baltic countries, Belarus and the Nordic countries.

Who are the traffickers?

On the Afghan side of the border, trafficking to Central Asia appears to be dominated by five major Afghan narcotics networks, comprised of officials, warlords, organized crime groups and possibly one insurgent group (Hizb-I-Islami). These groups work alongside much smaller, often family-based, networks. Ethnic Tajiks living on both sides of the border are important in this respect.

Officials in most Central Asian countries also claim that a limited number of groups control the trade, but it is hard to reconcile this with the small size of most detected seizures. It would be difficult for a small number of groups to coordinate the hundreds of micro-shipments required to satisfy a 70-ton Russian demand a few kilograms at a time. In contrast, the incentives are all in place for a large number of entrepreneurs to try their hand at small shipments. On arrival in the Russian Federation, a 2.5 kilogram consignment would be worth well over US\$50,000. This is about 100 times the annual GDP per capita in this region. At the very least, the situation is likely to be similar to that seen on the Afghan border, with large and small groups working in parallel. The small groups tend to trade across borders with members of their family, clan or ethnic group.⁷ They may also deal in opium or hashish, alongside heroin.⁸

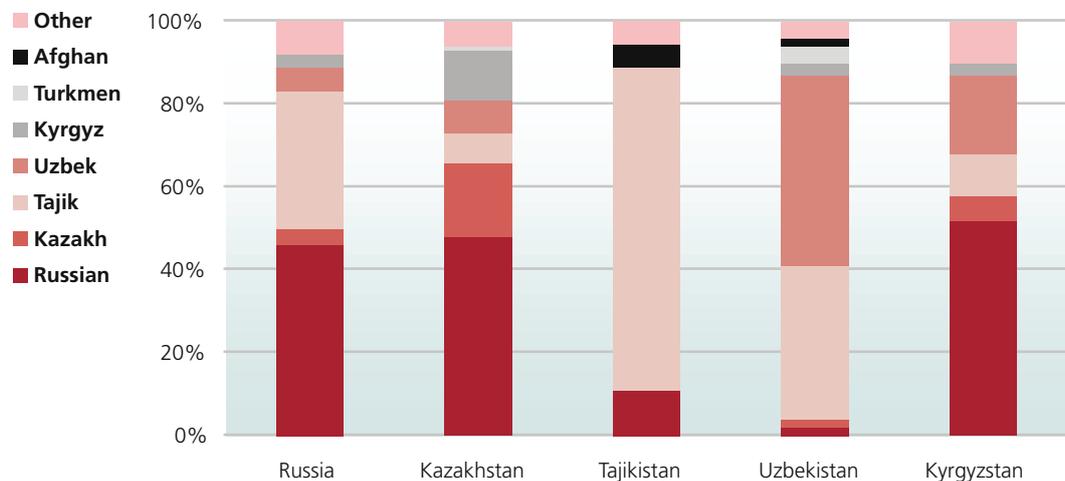
Of course, it is possible that a well-organized parallel stream of large consignments is flowing undetected, protected by high level corruption. There do appear to be some larger groups operating in

Tajikistan⁹ and parts of Uzbekistan, and these groups specialize in heroin, in contrast to more opportunistic smaller groups.¹⁰ For example, Western law enforcement sources in Uzbekistan estimated at ten the number of large networks (16 or more individuals) who share the market with “hundreds of small independent trafficking organizations.” According to the head of the Tajik Drug Control Agency, approximately 20 large “networks” control the drug trade in Tajikistan, with many smaller groups in the border areas. These less numerous, larger groupings, are well-established highly hierarchical groups, often based around a specific clan and sometimes (such as in the case of Uzbekistan’s Fergana valley region or Kyrgyzstan’s Batkent region) with trafficking operations built around specific ethnic enclaves. Further downstream, the Russian Ministry of Internal Affairs estimates that there are 450 criminal organizations with some 12,000 members in the Russian Federation, suggesting a proportionately smaller number of larger organizations.

Based on customs seizures, there is plenty of evidence of transnational activity, but no national groups appear to dominate regional trafficking. Russian nationals comprise a large share of arrestees in Kazakhstan and Kyrgyzstan, but a much smaller share among countries that span the Afghan border. Conversely, a small number of Afghans are arrested in Tajikistan but usually not further afield. Tajiks appear to be major players in a number of countries, including the Russian Federation, but are detected in much smaller numbers in Kazakhstan. It is possible that Tajik groups source the drug and pass it on

FIG. 109:

DISTRIBUTION OF NATIONALITY OF ARRESTED HEROIN TRAFFICKERS AT CUSTOMS, 2000-2008



Source: World Customs Office database

to Russian groups in Kazakhstan but it seems more likely that the drugs change hands several times before reaching the consumer. Outside these “regional” nationalities, West African, especially Nigerians, have also been reported, particularly in Tajikistan. These may act as simple couriers, as demonstrated with the 2006 attempt by a Nigerian group to have one of their own cross the Kazakh-Chinese border with heroin.

Given the permeability of the border and ethnic linkages, the Tajik groups have direct access to Afghan production, and some of them appear to be led by former warlords still armed with weapons from the Tajik civil war (1992-1997). There may also be trade in drugs for surplus arms. The integration of Afghan-Tajik networks becomes more obvious when groups based in Tajikistan are active in supplying weapons to traffickers in Afghanistan. This trade has been active for decades and features an efficient barter system developed since the Soviet invasion. There are similar reports from the Kazakh-Chinese border where Kazakh smugglers reportedly exchange weapons for Chinese drugs.

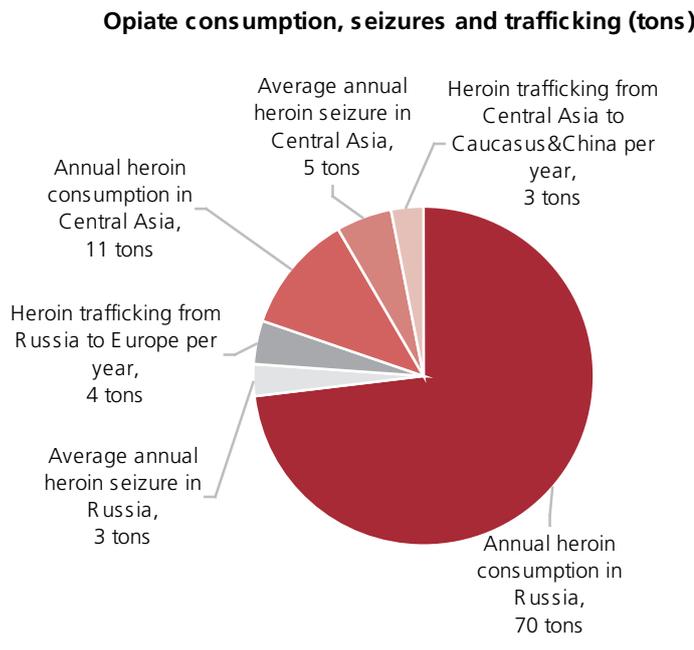
The drugs-for-arms trade is also of importance because of its intersection with political insurgents in both Afghanistan and Central Asia. In Central Asia, this nexus is particularly obvious in the Fergana Valley and in Tajikistan where the porous border with Afghanistan is crossed by militants linked to the Islamic Movement of Uzbekistan and other Al-Qaida linked groups.

But, on the whole, the evidence seems to point to a good deal of “ant” trafficking, with the heroin changing ownership several times between the farmer and the consumer. For cross-border transactions, ethnic and familial ties are important. In some cases, this traffic may be coordinated by higher level brokers, who, it has been argued, profit most from the trade.¹¹

How big is the flow?

Based on studies of drug demand in the Russian Federation, UNODC estimates that 70 tons of “pure” heroin are required to meet the requirement of the Russian market.¹² To get this amount to the Russian users, considerably more has to leave Afghanistan into Central Asia. First, heroin use in Central Asia must be deducted. The most recent UNODC estimate of the heroin using population is Central Asia is 280,000. Based on 2008 surveys of drug treatment centres conducted by UNODC in Central Asia, an estimate of 40 grams of pure heroin per user/year was used as a regional aver-

FIG. 110: DISTRIBUTION OF HEROIN MARKET ON THE NORTHERN ROUTE, 2000-2008



Source: UNODC

age.¹³ Central Asia’s heroin users are thus estimated to consume approximately 11 tons of heroin per annum.

Also to be deducted are seizures in Central Asia, which have been in the region of 5 tons per year. Some heroin is also diverted from Central Asia to the Caucasus and China (about 3 tons). Heroin is also seized in the Russian Federation (about 3 tons) and some transits the country for Eastern or Northern European countries (about 4 tons). As a result, some 95 tons of heroin must leave Afghanistan in order for 70 to arrive and stay in the Russian Federation.

Price figures for heroin in the Russian Federation were provided by the Russian Government. At US\$15,000 per kilogram, these 70 tons wholesale for just over one billion dollars and retail (adjusted for purity) for some 13 billion US dollars.

These figures are necessarily imprecise, particularly due to the lack of data on heroin purity levels in Central Asia and lack of certainty regarding the size of the Russian heroin using population.



5.2. From Afghanistan to Europe (excluding the Russian Federation)

Route

Source:

Afghanistan

Vector:

Trafficked through the Eastern, Western and Southern provinces of Afghanistan like Hirat, Farah, Nimroz, Hilmand, Kandahar and Nangarhar, by land, via Pakistan/Islamic Republic of Iran; Turkey, Balkans and South-East Europe

Destination:

Western Europe, especially the United Kingdom, Italy, France and Germany

Value

Annual market volume:

140 tons on the route; 87 tons consumed in Europe

Annual value at destination:

US\$20 billion

Traffickers

Groups involved:

Organized crime groups and individuals in the countries on the trafficking route

Residence of traffickers:

Mainly Islamic Republic of Iran, Pakistan, Turkey, other South-East European countries as well as West and Central European countries (such as the Netherlands, Italy, United Kingdom and Germany)

Threat

Estimated trend:

Depends on demand in western and central Europe. It is estimated to be stable

Potential effects:

Organized crime and money-laundering; funding for insurgency; corruption.

Likelihood of effects being realized:

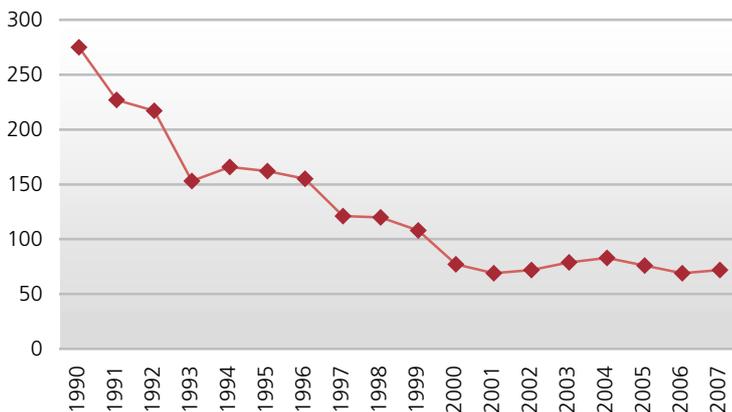
High

What is the nature of this market?

Western Europe has had a longstanding problem with heroin, and since the end of the Cold War, many other countries have been affected. Since 2000, though, demand in Western and Central Europe has been stable or declining, as have prices. Today, an estimated 87 tons of heroin are consumed in Europe (excluding the Russian Federation) per annum, the bulk of which (92%) is consumed in Western and Central European countries. Most of this consumption (about 60%) takes place in just four countries: the United Kingdom, Italy, France and Germany. The vast majority of this demand is satisfied by heroin trafficked along the Balkan route.

FIG. 111:

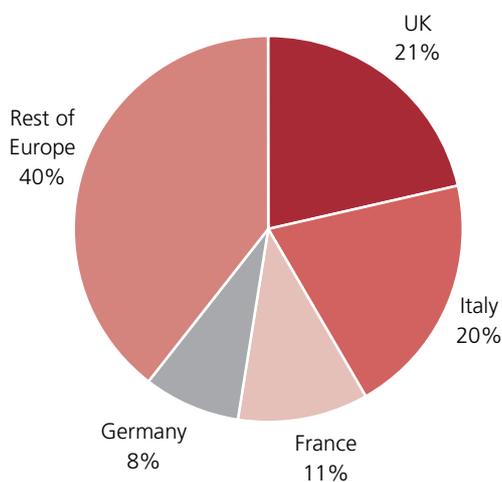
INFLATION-ADJUSTED HEROIN RETAIL PRICES PER GRAM IN EUROPE (IN CONSTANT 2007 US\$), 1990-2007



Source: UNODC, 2009 World Drug Report, Vienna 2009

FIG. 112:

ESTIMATED HEROIN CONSUMPTION DISTRIBUTION IN EUROPE (TOTAL 87 TONS)



Source: UNODC

The “Balkan route” consists of much more than the Balkans, of course, and the routes through the Balkans have varied over time. Far more consistent is the use of the first part of the route, through the Islamic Republic of Iran and Turkey. From there, the flow fragments, traversing a wide variety of routes to the final destinations. In Europe, the Netherlands appears to serve as a clearing house; drugs pass through other consumer countries on their way to the Netherlands, only to return again. This is particularly the case for Germany.

Traffickers through Central Asia have, at least, a *lingua franca* in Russian, but Balkan route traffickers cross a much more diverse region. They do have the advantage of a better transportation infrastructure and massive commercial flows for cover, however. They have also been plying this route for decades, longer than their Central Asian counterparts. Over this time, Balkan route trafficking has become very well-organized and professional.

How is the trafficking conducted?

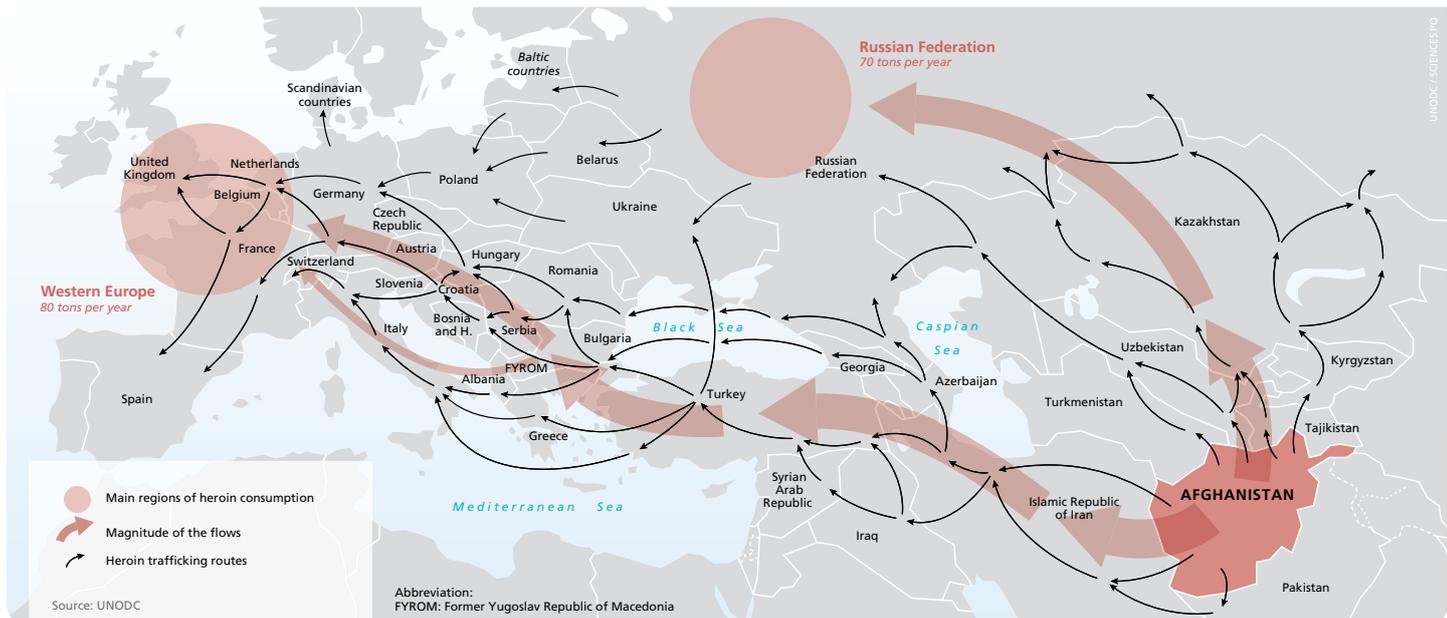
Considerable quantities of heroin are trafficked to Europe by sea and air, but the Balkan route resembles the Central Asian one in that the bulk of the flow proceeds by land. Most of the heroin headed for Western European markets leaves Afghanistan into the Islamic Republic of Iran, Pakistan and Turkey, which collectively seize most of the heroin interdicted in the world (40% of the estimated flow intercepted between 2002-2006). Despite these remarkable enforcement efforts, traffickers nevertheless succeed in getting sufficient volumes through so that most of the heroin consumed in Europe in recent decades has passed through these countries.

Today, around 30% (110 tons) of Afghanistan’s heroin continues to move west/south-west into the Islamic Republic of Iran toward Europe. Out of this amount, an estimated 10 tons arrives by air or sea from various points of departure. Another 7 tons are trafficked via what has been called the “Northern Balkan route”, transiting the Caucasus rather than Turkey. As discussed above, a small amount (4%) passes through the Russian Federation to Northern Europe, but the bulk of the supply (at least 80%) travels the traditional Balkan route, mainly via road transportation.

The core Balkan route crosses directly into the Islamic Republic of Iran along its rough 949 kilometre border with the Afghan provinces of Hirat, Farah and Nimroz, and at least 90 crossing points have been identified.¹⁴ In contrast to Central Asia, smugglers rarely use official crossing points.¹⁵ Traf-

FIG. 113:

HEROIN TRAFFICKING FROM AFGHANISTAN TO THE RUSSIAN FEDERATION AND TO EUROPE



fickers along the Iran-Afghan borders are generally well-organized and well-armed; deadly clashes between Iranian troops and traffickers are commonplace, as demonstrated by the more than 3,500 casualties sustained by the Iranian border guards in the past three decades. Violence is most often associated with smuggling from south-western Afghanistan, such as from Nimroz province, where heavily armed convoys of five or six trucks take the contraband to the Islamic Republic of Iran either through Pakistan or directly.

Across the Afghanistan/Iran borders and through multiple methods of transportation - including the wide usage of camels and pack animals- upwards of 105 tons of heroin are transferred to the Islamic Republic of Iran for further shipment to Turkey. An additional 35 tons of Afghan heroin are trafficked across the 976 km Pakistan-Iran border, from Pakistan's Balochistan province into south-eastern Iran's Sistani-Baluchistan province.

One kilogram of heroin is worth around US\$2,000-2,500 in Afghanistan. The price rises to US\$3,000 on the Afghanistan-Pakistan border and to around US\$5,000 on the Iran/Afghanistan border. When the same heroin reaches the Iran/Turkey border, its price per kilogram increases to approximately US\$8,000, a 60% increase.¹⁶ Based on the estimated flows through this route, Iranian crime groups organizing heroin trafficking from the Afghanistan/Iran border to the Turkey/Iran border stand to pocket some US\$450-600 million per year.¹⁷

Trafficking patterns indicate that heroin crosses from the Azarbaycan-e-Khavari province of the Islamic Republic of Iran into Turkey and traverses Turkey's Hakkari and/or Van districts. In all, an estimated 95 tons of heroin are shipped across Turkey's borders every year along the following routes:

- Hakkari/Van - south-eastern cities - central Anatolia cities - Istanbul - Edirne to Bulgaria/Greece.
- Hakkari/Van - south-eastern cities - southern/western Anatolia cities to Greece/Cyprus with sea transportation.
- Hakkari/Van - south-eastern cities - central Anatolia cities - northern Anatolia cities - Ukraine (with smaller amounts to Georgia).

From Turkey, around 82 tons of heroin then flow towards Western Europe (particularly Germany/Netherlands and Italy) along several routes:¹⁸

- Approximately 20 to 25 tons¹⁹ of heroin travel across the Former Yugoslav Republic of Macedonia (FYROM) to Albania for further shipments towards Italy (by sea) and Switzerland. A smaller route proceeds directly from Greece by sea towards Italy while a larger portion also flows via FYROM to Serbia to Bosnia and Herzegovina to Croatia and Slovenia and further north.
- The bulk of the heroin (approximately 55 to 60 tons) travels to Germany and the Netherlands, travelling from Bulgaria to Serbia to Hungary to Austria to Germany and the Netherlands or from Bulgaria to Romania to Hungary to Slovakia to Austria to Germany and the Netherlands.

DISTRIBUTION OF HEROIN FLOWS TO EUROPE

Route	Size of flows (tons)	Per cent
Balkan route (Afghanistan - I.R of Iran - Turkey - South-Eastern Europe)	85	80%
Northern route (Afghanistan - C. Asia - Russian Fed. - Eastern Europe)	4	4%
Northern Balkan route (Afghanistan - I.R. of Iran - Caucasus - S. Europe)	7	7%
Directly from Pakistan to Western and Central Europe	5	5%
Through Africa to Western and Central Europe	2	2%
Directly from South and SE Asia (except India) to W&C Europe	1	1%
Through Middle East and Gulf area to W&C Europe	1	1%
Directly from India to W&C Europe	1	1%

From Germany and the Netherlands, heroin shipments are further trafficked to France, the UK and Spain.

Smaller routes include directly through the Black Sea into the Ukraine. This flow is estimated at 2-3 tons annually. In addition, trucks carrying heroin are reportedly transported on ferries from Turkey to Italy (notably Trieste).

The estimated average annual net profit of organized crime groups managing heroin trafficking between the Islamic Republic of Iran and Turkey and further to the Turkey/Bulgaria and/or Turkey/Greece borders is around US\$8,000 per kilogram, totalling US\$600-700 million.

In the Balkans, very little heroin is seized, suggesting the route is very well organized and lubricated with corruption. Most passes through Bulgaria, a country which has reported some fairly large heroin

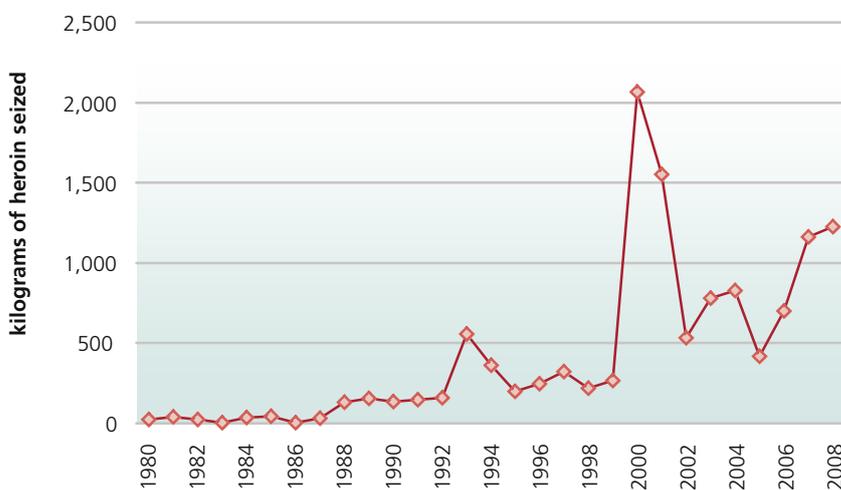
seizures in the past, but where figures have been erratic, despite little evidence of fluctuation in the flows.

Looking at the Balkan route, it becomes obvious that shipments need to cross 5-10 borders before reaching their final destination, while on the northern route, traffickers generally cross an average of four borders from Afghanistan to the Russian Federation. Drug smuggling along the Balkan route is systematic and seems to involve well-resourced groups, with much larger consignments than found in Central Asia. Seizures are especially large up to Turkey, at which point loads appear to be broken down into smaller parcels. On the Balkan route, the average heroin seizure amounts to approximately 10 kg which is twice the average of the northern route. However, the average seizure per case climbs to around 25 kg in south-eastern (including Turkey) and eastern European countries. Multi-hundred kilogram shipments have been seized in Istanbul on many occasions, a distinction no Central Asian city can claim, despite being much closer to the source. This suggests the country is being used as a wholesale market. The Netherlands seems to serve a similar function, with heroin destined for Germany being first trafficked to the Netherlands. Overall, European countries seize a relatively small share of the heroin entering their borders, and most of the seizures are quite small.

Who are the traffickers?

Organized crime groups involved in international trafficking on the Balkan route are often composed of nationals from the source or transit countries. But, at various stages, many of the traffickers may be transportation professionals contracted to do the job, not necessarily members of the group that owns

FIG. 114: HEROIN SEIZURES IN BULGARIA, 1980-2008



Source: UNODC

the drugs. This is particularly true along the Iran/Turkey border, but even crossing into the Islamic Republic of Iran, traffickers may make use of experienced traffickers from local border tribes.²⁰

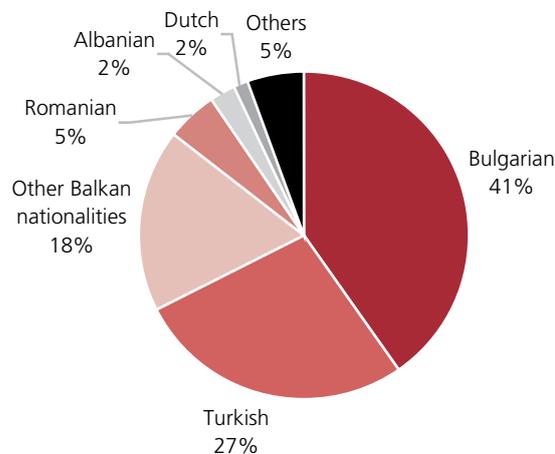
Opiates destined for Western Europe are trafficked out of Afghanistan by Balochi and Pashtun networks operating in the border regions of Afghanistan, Pakistan and the Islamic Republic of Iran. Some of these networks have been active since the time of the Soviet invasion and have long-established links with the political and security apparatus on both sides of the border. Analysts from the United Nations Assistance Mission to Afghanistan (UNAMA) estimate at 10-12 the number of large Afghan networks with links to the Islamic Republic of Iran. Additionally, many Afghan traffickers are reported to operate out of Pakistan. The Afghan-Iran trafficking channels support a variety of other smuggled goods, including human beings, cigarettes, fuel, precursor chemicals and weapons.

Balochi groups are believed to offload their shipments in the Islamic Republic of Iran to groups with greater regional and international ties, such as Azeri, Arab, Persian and Kurdish groups. Once opiates have changed hands, these groups are then mainly responsible for shipping the drugs from the eastern to the western borders of the country. Inside the Islamic Republic of Iran, organized crime networks also supply opiates to the large domestic market.

On some part of the Balkan route, organized crime and insurgency overlap, such as elements of the Kurdistan Workers' Party (PKK) who are reported to tax drug shipments crossing into Turkey from the Islamic Republic of Iran and, it is speculated, from Iraq. The PKK also reportedly collect taxes (or receive donations) from Kurdish heroin traffickers based in Europe.²¹ According to NATO intelligence analysts, the PKK pockets upwards of US\$50 million to US\$100 million annually from heroin trafficking alone. PKK involvement in the trade is further demonstrated by the 2008 arrest of several of its members in Europe on heroin trafficking charges.²²

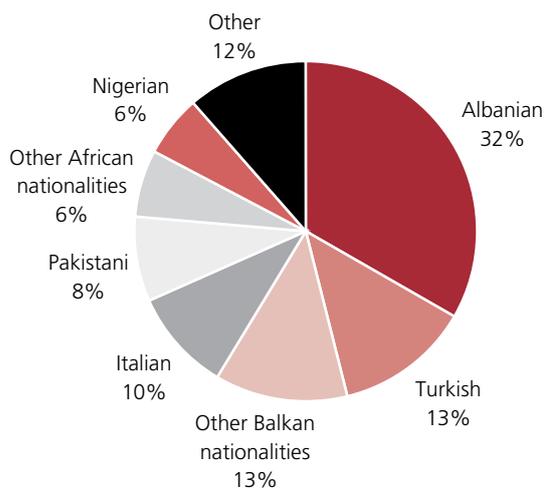
Ethnic Kurdish groups, with large border populations in the Islamic Republic of Iran, Iraq and Turkey, may be responsible for border crossings in those regions. These groups may sell on these drugs in Turkey or traffic them to Europe through their own networks. The UK's Serious Organised Crime Agency (SOCA) argues that in 2009, Turkish networks continued to control the heroin supply to

FIG. 115: DISTRIBUTION OF ARRESTED HEROIN TRAFFICKERS BY NATIONALITY IN BULGARIA, 2000-2008



Source: World Customs Organization

FIG. 116: DISTRIBUTION OF ARRESTED HEROIN TRAFFICKERS BY NATIONALITY IN ITALY, 2000-2008



Source: World Customs Organisation

Europe.²³ According to WCO seizure statistics between 2000 and 2008, the majority of drug traffickers arrested in Turkey were Turkish nationals. This might suggest that Turkish groups are organizing the heroin trafficking all through Turkey up to the borders with Bulgaria and Greece where Balkan-based groups take over.

Organized crime in the Balkans involves a large variety of criminal activities and as such, heroin is but one, albeit the most lucrative, commodity illicitly trafficked through this region. The routes through this region also operate in the reverse direction with cocaine, precursors and ATS moving eastward into Turkey and beyond. Organized crime

groups controlling these corridors have thus comparatively better access to more numerous and diversified crime markets than their Northern Route counterparts. Thus, many tend to be poly drug (heroin, cannabis etc.) and poly crime, trafficking in human beings, weapons and stolen vehicles to name but a few. Another notable feature is that some important networks have clan-based - and hierarchically organized - structures such as Albanian and Kurdish groups, making them particularly hard to infiltrate.

Heroin interception rates in the Balkan region are very low (2%), especially when compared with Turkey (10%) and the Islamic Republic of Iran (18%). This suggests inadequate border controls and high fragmentation/inefficiency of law enforcement bodies in a region where high levels of unemployment and low salaries also create conditions for corruption-related behaviour.

As seen below, Balkan groups are important through the Balkans, but do not appear to control the drugs in destination markets. In most European countries, nationals control the local drug markets. There are notable exceptions, however. Dutch groups are frequently encountered in the UK, and West Africans act as important small-scale importers and retailers in many countries. Albanian nationals are very important in destination markets such as Switzerland and Italy. Turkish groups play a key role in Germany, as do German groups.

In Bulgaria, most of the arrested heroin traffickers are nationals of that country. However, the propor-

NUMBER OF ARRESTED HEROIN TRAFFICKERS BY NATIONALITY, NETHERLANDS, 2000-2008

Nationality	Number of heroin traffickers arrested
Netherlands	17
Nigeria	16
Turkey	13
Other African nations	7
United States	4
United Kingdom	4
Brazil	4
Cape Verde	3
Spain	3
Portugal	3
Others	25

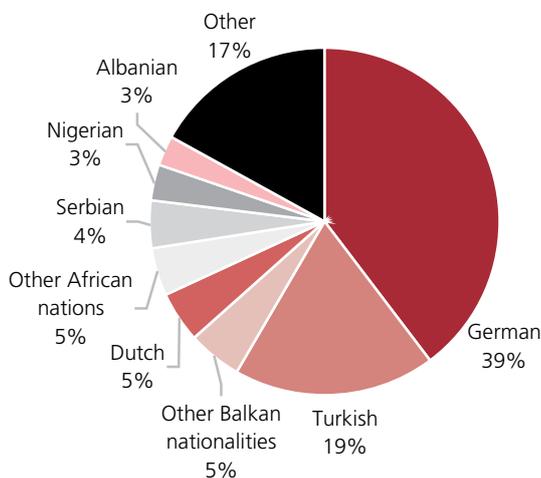
Source: World Customs Organization

tion of Turkish nationals also stands out. The other main nationalities are Balkans such as Serbs and Macedonians. Albanians are notably, nearly absent.

Ethnic Albanians appear to be especially active in Greece, Switzerland and Italy. In Italy, one of the most important heroin markets in Europe and frequently identified as a base of operation for Balkan groups, Albanians make up the single largest group, constituting 32% of all arrestees between 2000-2008. The next active group was Turks followed by Italians and citizens of Balkan countries. There were a number of Pakistani and Nigerian traffickers arrested in Italy as well.

FIG. 117:

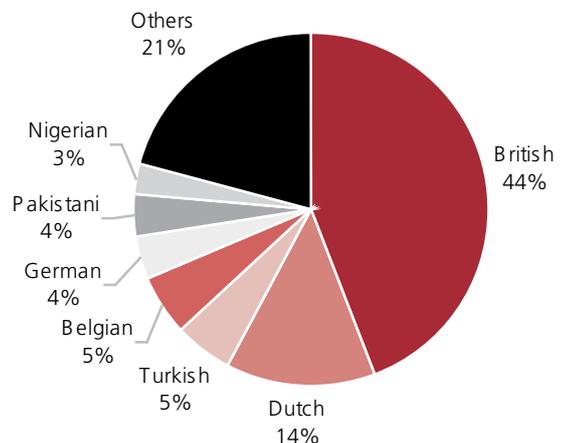
DISTRIBUTION OF ARRESTED HEROIN TRAFFICKERS BY NATIONALITY IN GERMANY, 2000-2008



Source: World Customs Organisation

FIG. 118:

DISTRIBUTION OF ARRESTED HEROIN TRAFFICKERS BY NATIONALITY IN THE UK, 2000-2008



Source: World Customs Organization

In Germany, the number of Turks arrested for heroin trafficking outnumbers all other nationalities but remains lower than the number of German citizens arrested. Dutch citizens represent 5% of all heroin trafficking arrests and generally, enter the trafficking chain only after heroin arrives in Germany. Balkan nationalities make up a minority of arrestees in Germany, followed by Nigerian nationals.

In the Netherlands, a regional hub for heroin distribution, the absolute number of arrests made by customs is limited. Dutch, Nigerian and Turkish nationalities are nearly equally represented, while Balkan nationals are conspicuously absent.

In the UK, British citizens predominate but a considerable number of Dutch citizens also show up in arrest statistics. The proportion of arrested Turkish, German, Pakistani and Belgian nationals is considerably smaller than Dutch or British nationals between 2000 and 2008. Here too, Balkan nationalities comprised a negligible percentage of all heroin trafficking arrests.

How big is the flow?

As discussed above with regard to the Russian Federation, the estimates on the Balkan route are based on both supply and demand side data.

Based on UNODC annual assessments, approximately 105 tons (around 30%) of Afghan heroin is trafficked directly into the Islamic Republic of Iran from Afghanistan. An additional 35 tons of heroin flow from Pakistan to the Islamic Republic of Iran every year, so an estimated total of 140 tons of Afghan heroin enter Iran each year.

The estimated heroin user population in the Islamic

HEROIN CONSUMPTION IN EUROPE (EXCLUDING THE RUSSIAN FEDERATION)

Region	Heroin consumption (tons)
Eastern Europe	4.4
Southern Europe	2.4
Western Central Europe	80
Total	87

Source: UNODC, *Addiction, Crime and Insurgency - The transnational threat of Afghan opium*, Vienna 2009

Republic of Iran is around 400,000 individuals, consuming, at a rate of about 35 grams per year, almost 14 tons of heroin annually. A sizeable portion of this flow - an average of 16 tons of heroin or 11 per cent of the total heroin flow to the country - is seized by Iranian law enforcement annually. This leaves approximately 110 tons available for export. Based on seizure data, most of this (95 tons) flows towards Turkey to meet European demand. Turkish counter-narcotics officials seize around 10 tons of heroin per annum while domestic heroin consumption is estimated at 1 ton. The remainder, 80-85 tons, is trafficked to Western and Central Europe via Bulgaria/Greece and through the Balkan countries.

This quantity is almost sufficient to meet European demand, as a total of 87 tons of heroin are estimated to be consumed in Europe per annum. The bulk (92% or 80 tons) is consumed in Western and Central European countries.

Four countries (United Kingdom, Italy, France and Germany), account for 60% of the total heroin consumption in Europe.

HEROIN CONSUMPTION DISTRIBUTION BY COUNTRY²⁴

Country	Annual heroin consumption (kg)	Cumulative percentage in total	Estimated number of heroin users	Cumulative percentage in total
United Kingdom	18,610	21%	321,440	20%
Italy	17,680	42%	305,360	39%
France	9,570	53%	165,290	49%
Germany	6,830	60%	117,940	56%
Rest of Europe	34,470	100%	703,470	100%
Total	87,160		1,613,500	

IMPLICATIONS FOR RESPONSE

A global market has developed around the trade in Afghan opiates, involving millions of people in many countries and regions. In one way or another, wittingly or not, they act as agents of that market. Opium farmers, traders in chemical precursors, heroin manufacturers, organized criminal groups, insurgents, corrupt law enforcement officials, transporters, money launderers and drug users all play a part in the operation of what has become a huge transnational illicit economy, with a yearly turnover in the tens of billions of dollars. Yet, our understanding of that economy remains surprisingly fragmented, as does the response to the problem.

Historically, efforts have tended to focus on the elimination of illicit opium production. National supply-side efforts have been successful, in some cases spectacularly so. Illicit opium production has been virtually eliminated in Turkey, the Islamic Republic of Iran, Pakistan, Thailand, the Lao People's Democratic Republic, China and Lebanon. Other states – including Mexico, Colombia and Myanmar – have not yet managed to completely halt production, but have certainly significantly curtailed it, periodic resurgences notwithstanding. Nevertheless, while illicit opium production was moving from one area to another and becoming increasingly concentrated in Afghanistan, global illicit opium production increased by a factor of eight during the last three decades.

Given the very strong concentration of today's global illicit opium production in one place, one could legitimately hope that eliminating poppy cultivation there could be a most effective way of dismantling the transnational opiate market. Unfortunately, the insurgency in Afghanistan has created a formidable obstacle to law enforcement and alternative development measures, and national and international efforts could not stop the expansion of opium production after its resumption in that country in 2002. Significant declines in 2008 and 2009 were good news, but the security situation remains a serious problem and it is very uncertain if this positive trend will continue.

The solution to the transnational trade in Afghan opiates requires a response that reaches well beyond the opium producing provinces of Afghanistan. Clear steps in that direction have been made by the international community, particularly through what has come to be known as the "Paris Pact". In 2003, representatives of 55 nations and 13 international organizations met in Paris with the aim of develop-

ing a "comprehensive, balanced and coordinated national and international response" to the Afghan opium problem. The "Paris Pact" members, with the support of UNODC, created a consultative framework for the exchange of information on drug trafficking trends, piloted an automated donor assistance mechanism and helped to develop the "Rainbow Strategy". The strategy is made of a set of distinct components that address various issues, such as border control between Afghanistan and its neighbors, the illicit trade in precursors, opiate-related financial flows to and from Afghanistan and preventing and treating opiates addiction and HIV/AIDS in the region.

While progress in international collaboration has been made, more needs to be done. The history of drug control has shown that disjointed efforts could turn local successes into global failures. Opiate production and trafficking have been displaced from one area to another, and often to places where geography, instability and other obstacles to governance made it particularly intractable. When reduced in one country, heroin has increased in another and unabated world demand has continued to stimulate global supply.

National and international drug control agencies have long been familiar with the heroin problem. Despite that experience, they could not stop its growth during the last three decades. Eliminating or significantly reducing the world heroin market would thus require developing a more effective approach than in the past.

What can be done? The first thing is to identify and remedy the biggest shortcomings of past approaches. Governments have recognized an essential one: the lack of integrated approaches. In a 2009 Political Declaration, United Nations Member States decided to make decisive progress by 2019 and acknowledged "the importance of promoting, in order to enhance the effectiveness of drug control measures, an integrated approach in drug policies".²⁵ The associated Plan of Action stressed the need to address "supply and demand reduction together": "While drug trafficking is a multifaceted issue than can be effectively tackled only by reducing both supply and demand, this interlinkage is often not taken into account".²⁶ The international community needs to strengthen the link between supply and demand reduction measures and to better integrate national efforts in the framework of an international strategy on the scale of the market. To do both, getting a better understanding of the transnational heroin economy is a matter of urgency.