Independent project evaluation of the

INCB Databank for Precursor Control

Project number GLO 565

Thematic Area: Transnational Organized Crime and Illicit Trafficking

Independent Evaluation Unit
April 2012
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This publication has not been formally edited.
ACKNOWLEDGEMENTS

The evaluators wish to express their appreciation to all the interviewees and others who kindly gave of their time by providing information and assistance during this process.

ABBREVIATIONS AND ACRONYMS

ATS  Amphetamine-Type Stimulants
CARICC Central Asian Regional Information and Coordination Centre
CCP  Container Control Programme of UNODC/WCO
CNA  Competent National Authority
CND  Commission on Narcotic Drugs
ECOSOC Economic and Social Council
EUROPOL European Police Office
ICPO-INTERPOL International Criminal Police Organization
IDS  International Drug Control System
INCB International Narcotics Control Board
ISSL International Special Surveillance List
ITS  Information Technology Section of UNODC
HONLEA Heads of National Drug Law Enforcement Agencies
JPCU Joint Port Control Unit
LSS  Laboratory and Scientific Section of UNODC
NDS  National Drug Control System
PAAD Phenylacetic Acid and its Derivatives
PEN Online Pre-Export Notification Online System
PRE Precursors Control Section
SELEC Southeast European Law Enforcement Centre
SINCB Secretariat of the International Narcotics Control Board
TARCET Targeted Anti-trafficking operation in the Region that will enhance Communication, Expertise and Training
UNDCP United Nations International Drug Control Programme
UNODC United Nations Office on Drugs and Crime
UNGASS United Nations General Assembly Special Session
WCO World Customs Organization
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Summary matrix of findings, supporting evidence and recommendations

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<td><strong>Findings and recommendations regarding the Databank</strong></td>
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<tr>
<td>1. The databank (IDS) established under the project is generally functioning satisfactorily. But it is a relatively old system which cannot provide the level of services now required by PRE officials. Further IT needs have been identified which will require support from the UNODC IT Section. What is clear is the need for dedicated IT resources in PRE (and possibly SINCB) as IT is now a significant component of PRE work.</td>
<td>Information acquired through interviews with PRE and ITS staff and practical demonstration of the IDS. Significantly the analytical capacity in the system is inadequate for the needs of PRE staff.</td>
<td>Consideration should be given by the Secretariat of INCB to the IT report attached at Annex G which provides options and recommendations to improve/upgrade or replace the IDS system and include an analytical capacity, which will result in enhanced information being made available more efficiently to the Board in the performance of its functions. Further investment in IT should be made. Due to the significant IT support required, it is recommended that SINCB and ITS assess how best to provide the necessary IT resources required by the PRE and whether this should include creating a post to recruit and appoint a dedicated IT staff member.</td>
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<td>2. While the databank and the PEN filter (as part of IDS) were fit for purpose when they were designed and developed several years ago, new requirements have emerged.</td>
<td>Interviews with PRE and ITS staff. Reference to 2010 and 2011 INCB Annual Precursor Report.</td>
<td>To keep pace with the improvements in the international precursor control environment, the IDS and PEN Online systems should be further developed with a focus on improving efficiency. Routine processes should be further automated to allow more time for analytical work. Specific details of the technical issues that require attention are identified in the IT report attached at Annex G.</td>
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<td>3. A number of countries are still not completing and returning Form D, the annual reporting questionnaire for precursors. This is resulting in an ‘information gap’ which hampers the ability of SINCB staff to analyse and identify emerging trends in trafficking in precursors and illicit manufacture of drugs.</td>
<td>Interviews with PRE and ITS staff. Reference to 2010 and 2011 INCB Annual Precursor Report. Whilst some countries are not completing Form D, in other cases the form is being submitted but with incomplete information.</td>
<td>Further efforts should be made by the Board to remind States of their reporting obligations under the 1988 Convention and the importance of submitting Form D in a complete and timely manner. Consideration should be given by SINCB to conducting a review of Form D with a view to possible streamlining and making it more user friendly and easier to complete.</td>
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<td><strong>Findings and recommendations regarding Assistance to Governments</strong></td>
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<td>4. Developing good liaison with the chemical industry is an important element of an effective precursor control strategy. Useful ‘Guidelines for a Voluntary Code of Practice for the Chemical Industry’ were developed on behalf of the Board, yet many countries have still not established the necessary focal point contacts and arrangements with the industry.</td>
<td>Interviews with PEN Online users, PRE staff, Project Prism/Cohesion Task Force members and UNODC staff. Reference to INCB Guidelines for a Voluntary Code of Practice for the Chemical Industry.</td>
<td>Governments should be further encouraged by SINCB to develop professional working arrangements with the chemical industry as part of their national efforts to maintain effective precursor control. In this respect, the INCB Guidelines for a Voluntary Code of Practice for the Chemical Industry provide the practical steps required.</td>
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<td>5. The training material which was published by INCB in 2003 is in need of updating. Further action to raise awareness of precursor control to national authorities and deliver appropriate training, particularly to front-line operational police and customs officials and those with specific responsibility for drug control, is required.</td>
<td>Review made of training material. It is more of a reference document than a training manual. Under the framework of the UNODC/WCO Container Control Programme (CCP), training material regarding precursor control was recently developed. It is suggested that reference to this could be useful in any review by INCB.</td>
<td>The INCB Precursor training material should be reviewed and modified by a qualified training expert. Consideration should be given by SINCB to work closely with organizations such as WCO, Interpol and UNODC in the design, development and delivery of training packages which should include e-learning material. The inclusion of ‘Train the Trainers’ courses as part of an overall training strategy is advised.</td>
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<td><strong>Findings and recommendations regarding support and backstopping to UNODC</strong></td>
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<td>6. There have been only isolated examples of support and backstopping to UNODC projects. Working arrangements could and should be improved to strengthen the respective efforts of SINCB and UNODC and maximise the potential opportunities of greater cooperation.</td>
<td>Information from interviews with PRE and UNODC staff. Between 2005 and 2009, it is understood that INCB stopped providing any comments or support to UNODC precursor projects. Since 2009 there have been some occasions where the PRE has provided advice and comments. There is room for</td>
<td>In recognising the differing roles and responsibilities of INCB and UNODC, it is recommended that senior management of the SINCB and UNODC explore ways to develop a more integrated approach to precursor control activities. This should take into account changes in the use of precursors, especially those not under control, but increasingly used in illicit drug manufacture. UNODC can benefit from SINCB expertise in developing precursor control projects. These same UNODC projects support and contribute to developing an enhanced global precursor control regime.</td>
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<td>Further improvement.</td>
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7. Whilst the roles of INC and UNODC are distinct their work is complementary. Both INC and UNODC have a shared aim of achieving effective precursor control. But currently there appears to be a ‘disconnect’, an absence of ‘middle ground’ and practical collaboration which is resulting in a gap between the regulatory and the technical assistance efforts.

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<th>Findings and recommendations regarding the PEN Online system</th>
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<td>8. The PEN Online system is proving to be a useful, effective tool and regarded highly by users. It is now a major component in the global regime to monitor international trade in scheduled chemicals and in assisting in the identification of suspicious transactions. But, there are a number of areas where the system can be improved.</td>
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<td>Interviews with PEN Online users, PRE staff, Project Prism/Cohesion Task Force members, representatives of project donors.</td>
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<tr>
<td>That modifications be made to the PEN Online system by the ITS as identified in the IT report attached at Annex G. Issues that need to be addressed include providing a mechanism which will automatically remind the recipient of PENs of the deadline for response and the addition of further details of Competent National Authorities (CNAs) and other relevant information which will assist the export authority to make follow-up enquiries. An analytical mechanism should also be built into the PEN Online system to assist in identifying patterns, trends and performing a risk analysis of proposed shipments.</td>
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<p>| 9. Although the PEN Online system has been available since 2006, a number of countries have still not registered to use it. Additionally, many others, although registered to use the system, are not using it. |
| Interviews with PEN Online users, PRE staff, Project Prism/Cohesion Task Force members. Reference to INC annual precursor reports 2010 and 2011. |
| Further measures should be taken by SINC to promote the PEN Online system and encourage Governments to use it. As part of these efforts it is suggested that the regional UNODC facilitated HONLEA meetings should be used to promote the use of PEN Online together with other INCB precursor control activities. |</p>
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<td><strong>Findings and recommendations regarding Project Prism and Project Cohesion</strong></td>
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<td>10. Operations under Project Cohesion have identified diversions from domestic distributions channels to be a major source of seized acetic anhydride. More action is required by Governments to take action to prevent diversion taking place at national level.</td>
<td>Interviews with PRE staff, Project Prism/Cohesion Task Force members and UNODC staff.</td>
<td>A renewed emphasis should be placed by SINCB on raising the awareness of Governments and their relevant authorities to stimulate and prioritise action to develop/strengthen effective regulatory and control measures at national level to prevent the diversion of precursors.</td>
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<td>11. The specific roles and responsibilities of the Task Force members in their respective regions would benefit by being more clearly defined. Several of those interviewed commented that they had no authority to direct counterparts in the region and had little contact with them.</td>
<td>Interviews with Project Prism/Cohesion Task Force members</td>
<td>Action should be taken by SINCB and Project Prism/Project Cohesion Task Force members to clarify the roles and responsibilities of Task Force members, especially with regard to their regional role.</td>
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<td>12. Communication about Task Force initiatives could be better. For example, it is understood that UNODC staff are not always made aware of Prism/Cohesion Task Force activities and other relevant precursor control activities. Having a representative of UNODC on the Task Force would help in improving communication and dissemination of relevant information. It could also assist in mobilising support from UNODC Field Office staff and using their resources in Prism/Cohesion initiatives. Moreover, the strengthening of cooperation with regional organizations could prove helpful in supporting specific Prism/Cohesion activities.</td>
<td>Interviews with Project Prism/Cohesion Task Force members, PRE staff, UNODC staff, coordinator of CARICC and representative of EUROPOL.</td>
<td>SINCB should look at how dissemination of information from Task Force activities, particularly to the field, could be improved. Consideration should be given to inviting a representative from UNODC to become a member of the Task Force in an observer capacity. Consideration should be given by SINCB and the Prism/Cohesion Task Force to strengthening cooperation and developing partnerships with regional organizations, for example, the Southeast European Law Enforcement Centre (SELEC), the Central Asian Regional Information and Coordination Centre (CARICC) and EUROPOL.</td>
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### Findings: problems and issues identified

| 13. The INCB led Projects Prism and Cohesion have proved valuable in improving information exchange and promoting well coordinated law enforcement operations which have resulted in the detection of suspicious consignments and substantial seizures of chemicals which would otherwise have reached the illicit market. The Prism/Cohesion Task Force is a useful communication platform with leading experts from around the world instigating and participating in well coordinated precursor control initiatives. | Interviews with Project Prism/Cohesion Task Force members, Interpol, Europol, PRE staff, UNODC staff and CARICC coordinator. | That the valuable work and activities of the Project Prism and Project Cohesion Task Force in contributing to maintaining effective precursor controls and providing a flexible, operational response to changes in trends and patterns should continue. Moreover the SINCB should maintain the crucial facilitation and support role for the Task Force. |

### Findings and recommendations regarding Project GLO565 strategy

| 14. The project serves a valuable and quite unique role. The strategic approach of the project has been successful in introducing a range of measures which have contributed significantly to the well coordinated global precursor control regime established by the Board. However, serious challenges remain and criminal organizations will continue to exploit loopholes and weaknesses in the system. There is a need for project GLO 565 to continue and have the flexibility and capacity to respond to future challenges and threats. A major concern is sustainability of funding for the project. | Interviews with Project Prism/Cohesion Task Force members, Interpol, Europol, PRE staff, UNODC staff and representatives of donors to the project. Reference to INCB Annual Precursor Reports 2010, 2011. | The activities under project GLO 565 should be supported and continued. To ensure sustainability and address concerns about long term funding viability, consideration should be given to institutionalising the project and moving some project posts to Regular Budget. Efforts should also be made to broaden the donor base. Consideration should be given by SINCB to arranging a briefing for the diplomatic representatives of the Member States in Vienna, to raise awareness of the importance of precursor control and inform them about the project activities. |
EXECUTIVE SUMMARY

Description of the project

The International Narcotics Control Board (INCB) is an independent, impartial body responsible for monitoring implementation of the international drug control conventions. Core activities of the INCB include the monitoring of the licit trade of chemicals listed in Table I and II of the United Nations Convention against Illicit Trafficking in Narcotic Drugs and Psychotropic Substances, 1988 (1988 Convention) and preventing their diversion into illicit channels. Ensuring that effective precursor controls are in place is a key component of international efforts to counter illicit drug manufacture and trafficking.

The project GLO 565 ‘INCB Databank for Precursor Control’ was designed and established with the overall objective of assisting the Board and its Secretariat to introduce and manage an effective global regime for the monitoring and control of precursor chemicals and to prevent their diversion into criminal markets, as envisaged under the 1988 Convention. The project is implemented and managed by the Precursors Control Section (PRE) of the Secretariat of the International Narcotics Control Board (SINCB).

The project commenced in January 1992. In the twenty years since its inception, the project has been subject to various changes and expanded significantly. It has not previously been subject to an evaluation. The focus of the evaluation was on the period 2007-2011, i.e. since the latest substantive revision of the project in December 2006, which introduced new objectives in addition to four ongoing objectives. The evaluation covers the project concept/design, implementation, activities, results and outputs.

A key objective of the project was the establishment of a functional databank on precursors and other chemicals used in the illicit manufacture of drugs, to provide the Board with a basis for its examination of the world situation related to precursor chemical control. The project also encompasses a range of other activities which are important elements of the global regime for precursor control.

Activities undertaken within the framework of the project are part of the core activities of INCB in accordance with the Board’s treaty functions mandated under the 1988 Convention and have been undertaken to achieve six specific objectives. These are: (1) the establishment of a functional databank on precursors and other chemicals used in the illicit manufacture of drugs; (2) providing assistance to Governments to prevent the diversion of precursors and other chemicals from licit international trade; (3) the organization and assessment of available information relating to substances not yet under international control for the Board’s examination for possible scheduling, re-scheduling or de-scheduling of substances under the 1988 Convention; (4) providing advice and other substantive backstopping to UNODC technical assistance projects on, or including, precursor chemical control; (5) development of the global electronic pre-export notification system (PEN Online) and simplified estimates system for the provision of annual legitimate requirements of four ATS precursors and (6) to provide support and guidance to international initiatives addressing diversions of precursors such as Project Prism, for
amphetamine-type stimulant (ATS) precursors, and Project Cohesion, for the chemicals used in the illicit manufacture of heroin and cocaine.

Major findings of the evaluation

The evaluation found that the project has been successful in introducing a range of measures which have contributed significantly to the well coordinated global regime established by the Board for the monitoring and control of precursor chemicals. The regime is assisting in preventing the diversion of precursors into illicit channels, whilst minimising disruption to and protecting the licit trade, as envisaged under the 1988 Convention.

The databank (IDS) established under the project is generally functioning satisfactorily. But the IDS is a relatively old system which cannot provide the level of services now required by PRE officials. Significantly the analytical capacity in the system is inadequate for the needs of PRE staff. Other technical needs have also been identified which will require additional funding and investment in IT and the support of the UNODC IT Section.

The PEN Online system is proving to be a useful, effective tool and regarded highly by users. It is increasingly being used as the standard method for information exchange for shipments in licit international trade. It is now a major component in the global regime to monitor international trade in scheduled chemicals and proving useful in assisting in the identification of suspicious transactions. But a number of areas have been identified where improvements can be made to further assist authorities using the system. This includes development of an analytical mechanism.

The INCB led Projects Prism and Cohesion have proved valuable in promoting well coordinated law enforcement operations which have resulted in the detection of suspicious consignments and substantial seizures of chemicals which would otherwise have reached the illicit market. These operational activities have also led to improved information exchange, greater cooperation between law enforcement and regulatory authorities and the gathering of intelligence for strategic and operational use. The establishment of the Project Prism and Project Cohesion Task Force has resulted in a communication platform with leading experts from around the world instigating and participating in effective precursor control initiatives.

An area of concern relates to the project objective of providing support and backstopping to UNODC precursor projects. Between 2005 and 2009, it is understood that INCB stopped providing any comments or support to UNODC precursor projects. Since 2009 there have been a number of occasions where the PRE has provided advice and comments, but working arrangements are in need of further improvement. Whilst the roles of INCB and UNODC are distinct their work is complementary. Both INCB and UNODC have a shared aim of achieving effective precursor control. But currently there appears to be something of a ‘disconnect’ and absence of ‘middle ground’ and practical collaboration which is resulting in a gap between the regulatory and the technical assistance efforts. A ‘Working Arrangements’ document was drawn up in 1991 between the INCB and the United Nations International Drug Control Programme (UNDCP), the predecessor organization of UNODC, to set out some of the practical work functions. It is understood that this document has not since been revisited. It would benefit both SINCB and UNODC to review their respective areas of work and agree on more cooperative working practices on precursor control issues to ensure more efficient, cohesive and effective working.
Lessons learned and best practices

Lessons learned

Close monitoring helps to prevent diversion of precursors from legitimate channels. The activities under INCB led Project Prism (focus on chemicals used in the illicit production of amphetamine-type stimulants) and Project Cohesion (focus on chemicals used in the illicit manufacture of cocaine and heroin) have led to distinct changes in overall trafficking patterns with traffickers seeking new routes and alternatives in the use of non-scheduled substances. Both operations DICE and DICE 2 identified the diversions from domestic distributions channels to be a major source of acetic anhydride seized during these operational activities.

Projects Prism and Cohesion have proved valuable in promoting well coordinated law enforcement operations resulting in the identification of suspicious consignments and substantial seizures of chemicals. Initiatives have been most successful when conducted over a time limited period, for example 6 or 9 months. Evaluation at the conclusion of each initiative has proved beneficial and should always be conducted by the Task Force.

Initiatives under Project Prism and Project Cohesion have led to improved information exchange, greater cooperation between law enforcement authorities and the gathering of intelligence for strategic and operational use.

Best practices

The INCB precursors databank is central to INCB’s analytical functions. It assists PRE staff to conduct the analyses required by the Board to fulfil its mandates in identifying weaknesses in the precursor control system, preventing diversion and analysing precursor trends for publication in its annual precursor report.

The PEN Online system is an extremely worthwhile, useful and effective tool. It facilitates the swift exchange of information between exporting and importing countries. It assists Governments to ensure the legitimacy of individual consignments of precursor chemicals and identify suspicious transactions, thus preventing diversions which can be used in the illicit manufacture of drugs.

The establishment of the Project Prism and Project Cohesion Task Force has resulted in a useful communication platform with leading global experts from police, customs, regulatory authorities and other agencies instigating and participating in well coordinated precursor control initiatives.

The coordination and secretariat role performed by the SINCB PRE is regarded by Task Force members as a crucially important function in facilitating the Project Prism and Project Cohesion Task Force meetings and activities. There is a high degree of trust in INCB (and SINCB) as the focal point for the exchange of confidential data (re: trade data) and in the facilitation of international operations. Without the pivotal role of INCB then some Governments may not have been prepared to participate as fully in Prism/Cohesion activities.
Recommendations and conclusions

Recommendations

Recommendation: Consideration should be given by the Secretariat of INCB (SINCB) to the IT report, attached at Annex G, which provides options and recommendations to improve/upgrade or replace the IDS system and include an analytical capacity, which will result in enhanced information being made available more efficiently to the Board in the performance of its functions. Further investment in IT should be made.

Recommendation: Due to the significant IT support required, it is recommended that SINCB and ITS assess how best to provide the necessary IT resources required by the PRE and whether this should include creating a post to recruit and appoint a dedicated IT staff member.

Recommendation: To keep pace with the improvements in the international precursor control environment, the IDS and PEN Online systems should be further developed with a focus on improving efficiency. Routine processes should be further automated to allow more time for analytical work. Specific details of the technical issues that require attention are identified in the IT report attached at Annex G.

Recommendation: Further efforts should be made by the Board to remind States of their reporting obligations under the 1988 Convention and the importance of submitting Form D in a complete and timely manner.

Recommendation: Consideration should be given by SINCB to conducting a review of Form D with a view to possible streamlining and making it more user friendly and easier to complete.

Recommendation: Governments should be further encouraged by SINCB to develop professional working arrangements with the chemical industry as part of their national efforts to maintain effective precursor control. In this respect, the INCB Guidelines for a Voluntary Code of Practice for the Chemical Industry provide the practical steps required.

Recommendation: The INCB Precursor training material should be reviewed and modified by a qualified training expert. Consideration should be given by SINCB to work closely with organizations such as WCO, Interpol and UNODC in the design, development and delivery of training packages which should include e-learning material. The inclusion of ‘Train the Trainers’ courses as part of an overall training strategy is advised.

Recommendation: In recognising the differing roles and responsibilities of INCB and UNODC, it is recommended that senior management of the SINCB and UNODC explore ways to develop a more integrated approach to precursor control activities. This should take into account changes in the use of precursors, especially those not under control, but increasingly used in illicit drug manufacture. UNODC can benefit from SINCB expertise in developing precursor control projects. These same UNODC projects support and contribute to developing an enhanced global precursor control regime.

Recommendation: That the Working Arrangements document drawn up in 1991 between INCB and UNDCP (predecessor organization of UNODC) should be reviewed by senior management
of SINCB and UNODC, particularly in respect of technical assistance and, where appropriate, be revised and updated. It would benefit both institutions to review their respective areas of work and agree on more cooperative working practices on precursor control issues to avoid any areas of potential friction and ensure more efficient, cohesive and effective working.

**Recommendation:** That modifications be made to the PEN Online system by the ITS as identified in the IT report attached at Annex G. Issues that need to be addressed include providing a mechanism which will automatically remind the recipient of PENs of the deadline for response and the addition of further details of Competent National Authorities (CNAs) and other relevant information which will assist the export authority to make follow-up enquiries. An analytical mechanism should also be built into the PEN Online system to assist in identifying patterns, trends and performing a risk analysis of proposed shipments.

**Recommendation:** Further measures should be taken by SINCB to promote the PEN Online system and encourage Governments to use it. As part of these efforts it is suggested that the regional UNODC facilitated HONLEA meetings should be used to promote the use of PEN Online together with other INCB precursor control activities.

**Recommendation:** A renewed emphasis should be placed by SINCB on raising the awareness of Governments and their relevant authorities to stimulate and prioritise action to develop/strengthen effective regulatory and control measures at national level to prevent the diversion of precursors.

**Recommendation:** Action should be taken by SINCB and Project Prism/Project Cohesion Task Force members to clarify the roles and responsibilities of Task Force members, especially with regard to their regional role.

**Recommendation:** SINCB should look at how dissemination of information from Task Force activities, particularly to the field, could be improved. Consideration should be given to inviting a representative from UNODC to become a member of the Task Force in an observer capacity.

**Recommendation:** Consideration should be given by SINCB and the Prism/Cohesion Task Force to strengthening partnerships with regional organizations, for example, the Southeast European Law Enforcement Centre (SELEC), the Central Asian Regional Information and Coordination Centre (CARICC) and EUROPOL.

**Recommendation:** That the valuable work and activities of the Project Prism and Project Cohesion Task Force in contributing to maintaining effective precursor controls and providing a flexible, operational response to changes in trends and patterns, should continue. Moreover the SINCB should maintain the crucial facilitation and support role for the Task Force.

**Recommendation:** The activities under project GLO 565 should be supported and continued. To ensure sustainability and address concerns about long term funding viability, consideration should be given to institutionalising the project and moving some project posts to Regular Budget. Efforts should also be made to broaden the donor base.

**Recommendation:** Consideration should be given by SINCB to arranging a briefing for the diplomatic representatives of the Member States in Vienna, to raise awareness of the importance of precursor control and inform them about the project activities.
Conclusions

Through the GLO 565 Databank project, Governments have been provided with systems and a range of tools to cooperate more effectively in efforts to prevent the diversion of precursor chemicals. Whilst minimising disruption to legitimate trade, the project has contributed significantly to the overall INCB global precursor control regime and in the facilitation of stronger international precursor control efforts. In particular, through the introduction of the PEN Online system and the initiatives Project Prism and Project Cohesion, positive results have been achieved.

But serious challenges remain. Criminal organizations are increasingly turning to the use of non-scheduled substances which are not subject of control measures, to by-pass existing regulatory frameworks. They will continue efforts to exploit loopholes and weaknesses in the system. The project serves a valuable and quite unique role. It has proved to be an important and effective part of overall INCB efforts and remains highly relevant today. There is a need for project GLO 565 to continue and have the flexibility and capacity to respond to future challenges and threats. A major concern is sustainability of funding. The bulk of project funding is used for staff posts. Ideally the project should be institutionalised and consideration given to moving some project posts to the Regular Budget. Efforts should also be made to broaden the donor base.
I. INTRODUCTION

A. Background and context of the project

The International Narcotics Control Board (INCB) is an independent, impartial body responsible for monitoring implementation of the international drug control conventions. Core activities of the Board include the monitoring of the licit trade of chemicals listed in Table I and II of the United Nations Convention against Illicit Trafficking in Narcotic Drugs and Psychotropic Substances, 1988 (1988 Convention) and preventing their diversion into illicit channels. Ensuring that effective precursor controls are in place is a key component of international efforts to counter illicit drug manufacture and trafficking.

The project GLO 565 ‘INCB Databank for Precursor Control’ was designed and established with the overall objective of assisting the Board and its Secretariat to introduce and manage an effective global regime for the monitoring and control of precursor chemicals and to prevent their diversion into criminal markets, as envisaged under the 1988 Convention. It is implemented and managed by the Precursors Control Section (PRE) of the Secretariat of the International Narcotics Control Board (SINCB). Activities undertaken within the framework of the project are part of the core activities of INCB in accordance with the Board’s treaty functions mandated under the 1988 Convention.

The project commenced in January 1992. In the twenty years since its inception, the project has been subject to various changes and expanded significantly. A key objective was the establishment of a functional databank on precursors and other chemicals used in the illicit manufacture of drugs. The databank was introduced to provide the Board with a basis for its examination of the world situation related to precursor chemical control. Although specifically known as the ‘INCB Databank for Precursor Control’ the project also encompasses a range of other activities which are important elements of the global regime for precursor control. In addition to the databank other objectives of the project are as follows:

- Assistance to Governments in preventing the diversion of precursors and other chemicals from licit international trade;

- Organization and assessment of available information relating to substances not yet under international control for the Board’s examination for possible scheduling, re-scheduling or de-scheduling of substances under the 1988 Convention;

- Provision of advice and other substantive backstopping to technical assistance projects on, or including, precursor chemical control as formulated and executed by other services of UNODC;
• Development of the global electronic pre-export notification system (PEN Online) and simplified estimates system for the provision of annual legitimate requirements of four ATS precursors;

• Development, support and guidance to international initiatives addressing diversions of precursors such as Project Prism, for amphetamine-type stimulant (ATS) precursors, and Project Cohesion, for the chemicals used in the illicit manufacture of heroin and cocaine.

B. Purpose and scope of evaluation

The purpose of the evaluation was to assess how the INCB Secretariat has facilitated the establishment and maintenance of a global regime for the monitoring and control of precursor chemicals as envisaged under the 1988 Convention, and how the relevance and effectiveness of activities can be further improved. To put the evaluation into context, it is important to acknowledge that actions undertaken under project GLO565 are part of the core activities of INCB and they cannot easily be separated from other activities performed by the PRE staff funded from regular budget.

As the project had not previously been subject to an evaluation since it started in 1992, the scope of the evaluation was restricted to the period 2007-2011, i.e. since the latest substantive revision of the project in December 2006, which introduced new objectives in addition to four ongoing objectives.

As a core element of the project is the Precursors Databank, a specific focus of the evaluation was placed on the analysis, structure and functionalities of the databank and its main data entry mechanisms, the PEN Online system. In addition, a principal part of the evaluation was placed on the development and facilitation of international initiatives launched under GLO 565, Project PRISM and Project COHESION, which address the diversion of precursors. The evaluation addressed the impact and effectiveness of the project, how specific objectives under the project had been addressed and whether they had been achieved. The evaluation covers the project concept/design, implementation, activities, results and outputs. The Terms of Reference (TOR) can be found at Annex A.

C. Execution modalities

Responsibility for the overall implementation and execution of the project remains with the Precursor Control Section (PRE) of the Secretariat of the International Narcotics Control Board (SINCB). The PRE project staff work closely with other PRE staff and other members of the SINCB as part of the overall monitoring responsibilities undertaken by the Board.

D. Evaluation methodology

The evaluation commenced in February 2012 with a thorough desk review of the significant documentation associated with the project. This provided the evaluators with details about the aims, activities, implementation, achievements and limitations of the project and served as a foundation for the evaluation. The desk review included the project document and its revisions, semi-annual and annual project progress reports, Projects Cohesion and Prism special Alerts,
meeting reports of Projects Cohesion and Prism, relevant CND Resolutions, Security Council resolution, UNGASS report, INCB Annual Precursor Reports, the PEN Online User Guide and the SINCB Corporate Business Plan (A list of the documents can be found at Annex H).

Based on issues identified in the desk review, a number of questionnaires were prepared. The evaluators then carried out semi-structured interviews, based on the questionnaires. These were mainly conducted by telephone or in person at UNODC Headquarters, Vienna over a five day period in mid-February 2012. Subsequent follow-up enquiries were made and further telephone interviews conducted. In March 2012, the evaluators returned to UNODC Headquarters during the annual meeting of the Commission on Narcotic Drugs (CND) where, in the margins of the CND, they conducted some additional interviews, attended a meeting of the Project Prism/Cohesion Task Force, and presented the draft findings of the evaluation to stakeholders.

Key informants included the project staff of the PRE, other INCB secretariat staff, ITS personnel, representatives of several of the governments with access to and using the PEN Online system, other UNODC stakeholders and key external stakeholders such as Project Prism and Project Cohesion Task Force members and representatives of donors to the project. One of the evaluators, a specialist IT consultant, made a study of the issues regarding the operation and maintenance of the PEN Online computer system and databank and prepared a detailed technical report about the systems (Annex G). The focus of the lead evaluator was on the overall impact and effectiveness of the project with an emphasis on the development and facilitation of international initiatives addressing the diversion of precursors such as Project Prism and Project Cohesion. The detailed terms of reference (TOR) for the evaluation can be found at Annex A. A list of persons interviewed can be seen at Annex B.

E. Limitations to the evaluation

The project commenced in January 1992. Having not previously been evaluated, the scope of the evaluation was restricted to the period 2007-2011 i.e. since the latest substantive revision in December 2006, which at that time introduced new objectives in addition to four ongoing objectives. Due to the scale and longevity of the project, the evaluation should be viewed as the first part in a longer term evaluative process. The lessons learned and recommendations of the evaluation report will be taken into account during the revision of the project document which is due at the end of 2012. An evaluation element will be built into the project revision by SINCB, in accordance with standard project management requirements.

A focus of the evaluation was placed on two major parts of the project. Firstly, the structure and functionalities of the precursors databank and its main data entry mechanisms, the PEN Online system and secondly, on the development and facilitation of international initiatives Project Prism and Project Cohesion which address the diversion of precursors. There were no major limitations to the evaluation but the allocation of only 20 days to the evaluation process proved a restriction considering the need to review a five year period of project activity.
II. MAJOR FINDINGS AND ANALYSIS

A. Relevance of the project

The global cultivation, production and trafficking in illicit drugs remains at a high level. As part of overall international efforts to counter the drug problem, preventing the diversion of precursor chemicals from licit supply which can be used in the manufacture of illicit drugs is of crucial importance.

The project has proved valuable in the facilitation of international precursor control efforts and remains highly relevant in 2012. Indeed, in the Vienna Declaration resulting from the Third Ministerial Conference of the Paris Pact Partners on Combating Illicit Traffic in Opiates Originating in Afghanistan, held in Vienna on 16 February, 2012, one of the four main areas identified for strengthening international cooperation related to preventing the diversion of chemicals used in illicit opiate manufacturing in Afghanistan.

B. Attainment of the project objectives

The overall objective of the project is to assist the INCB Board and its Secretariat to introduce and manage an effective global regime for the monitoring and control of precursor chemicals and to prevent their diversion into illicit channels, as envisaged under the 1988 Convention. This has been achieved through the introduction of a range of measures which can be summarised under the six specific objectives of the project:

1. Establishment of a functional databank on precursors and other chemicals used in the illicit manufacture of drugs to provide the Board with a basis for its examination of the world situation related to precursor chemical control:

The core activities of the INCB to monitor the licit trade of Narcotic Drugs, Psychotropic Substances and precursor chemicals are supported by the International Drug Control System (IDS). Information on the licit trade of precursor chemicals is recorded in the IDS, which is also known as the INCB Databank for Precursors Control (the title of the project GLO 565). The databank also contains information from the annual precursor questionnaire (Form D) submitted by Governments, along with information from a range of other sources. In addition to use by members of the PRE, the IDS is regularly used by other INCB secretariat staff members as it contains a wide source of other drug control information. The IDS was developed and is supported by the UNODC Information Technology Section (ITS) staff. It became operational in 2004 and contains information to assist the INCB to:

• Submit an annual report to the Commission on Narcotic Drugs (CND) on the implementation of control measures by signatories.

• Investigate apparent failures to meet the aims of the Conventions.

• Publish and maintain a directory containing information on the regulatory controls that apply in each country and the list of national administrative (competent authorities) and law enforcement authorities responsible for enforcing these controls.

• Collect annual information on substances frequently used in the illicit manufacture of Narcotic drugs and Psychotropic substances (Form D).

• Provide an overview and analysis of illicit traffic & trade in Narcotic drugs, Psychotropic substances and Precursor chemicals.

• Publish information on licit trade data related to Narcotic drugs, Psychotropic substances and Precursor chemicals.

A National Drug Control (NDS) computer system developed by the United Nations International Drug Control Programme (UNDCP), the predecessor organization of UNODC, was made available to Member States in 1996. Although not developed under project GLO 565, it is one of several tools available to assist individual Member States and is used in the automation of their drug control activities (import/export permits, licensing of companies, domestic transactions, company management); automate compliance with drug control conventions on narcotics, psychoactive substances and precursor chemicals and enable exchange of data electronically at national and international levels. Currently 40 countries use the NDS. The system interfaces with the INCB Pre-Export Notification Online (PEN Online) system.

Initially PEN was introduced as a paper based system. An automated, web-based online system (PEN Online) was introduced by INCB in March 2006. This was designed to provide Member States with an efficient tool to deal with pre-export notification of shipments of controlled chemicals, to expedite communications between exporting and importing countries regarding shipment notifications and provide for the necessary rapid verification of the transaction in question (for further details about the PEN Online system please see II.B.5). Governments can use the NDS to upload national information into the PEN Online system. But, at present, less than 10 countries are uploading data into PEN Online, and no country uploads Form D data, as the latter is currently not supported by NDS.

One of the main data entry mechanisms for the IDS is the PEN Online system and the part of the IDS system known as the PEN Filter. This allows PRE staff to examine pre-export notifications submitted through PEN Online and record this information in the IDS database. Through the use of the PEN Online system, IDS and the use of other sources, the Board has developed a useful system to collect, organize and analyze information on the international precursor situation.

The evaluators conducted interviews with members of the PRE staff who use the systems on a daily basis. With regard to the IDS, the precursors part of the system generally functions well. There are, however, issues that need to be addressed. The system should be made more efficient in supporting routine operations thus allowing PRE staff to concentrate more on conducting analysis of the information available on precursors in the database. Moreover, the IDS precursors
analysis tools provide unreliable information and PRE staff have to perform considerable manual, time consuming work, downloading data into Excel spreadsheets, ‘cleaning’ them before being able to make a correct analysis. Another issue relates to the entry of information from Form D into IDS. Although the information is, in some cases, provided by Governments in electronic format (either in the NDS system or entered into an Excel spreadsheet) there is currently no mechanism to upload Form D data either from the NDS or from an Excel spreadsheet. Currently this is being done manually by PRE staff. It is time consuming and inefficient. Developing a mechanism for the automated upload of data into the IDS will eliminate the problem. This issue, along with other specific problem areas, is addressed in more detail in the IT technical report which can be found at Annex G.

Basically the IDS, introduced in 2004, is a relatively old system in IT terms. It cannot provide the level of services now required by PRE officials. Significantly the analytical capacity in the system is inadequate for the needs of PRE staff. They require an appropriate analytical capacity and tools to assist them in revealing patterns, anomalies and issues such as regular importers/exporters, potentially suspicious companies and also be able to chart analysis processes, flows, connections and transactions.

The PEN Online system and PEN filter would also benefit from some modifications and improvements. There are difficulties with information transfer between systems, an inability to retrieve information swiftly and to carry out detailed analytical work, as well as maintenance of PEN Online and IDS by ITS staff. During discussions with ITS officials, a number of possibilities were explored with a view to improving the current computer systems. Details of the problem areas and the options and recommendations for consideration to improve the systems are outlined in the IT technical report.

**Recommendation:** Consideration should be given by the Secretariat of INCB (SINCB) to the IT report, attached at Annex G, which provides options and recommendations to improve/upgrade or replace the IDS system and include an analytical capacity, which will result in enhanced information being made available more efficiently to the Board in the performance of its functions. Further investment in IT should be made.

As there is no IT specialist staff member based within SINCB, then any action to respond to the findings in the technical report will require substantial support from the UNODC IT Section. An option for consideration is to create a new post for a specialist staff member in SINCB to address the IT issues arising from this evaluation and also provide wider support to the IT needs of the Secretariat. But whether the work involved is sufficient to justify a full post will need to be carefully assessed. What is clear is the need for dedicated IT resources in PRE (and possibly SINCB) as IT is now a significant component of PRE work. This “resource” would be expected to liaise and work with UNODC-ITS to address the technical issues arising from the evaluation and ensure adequate day-to-day functioning and maintenance of IT systems in PRE.

**Recommendation:** Due to the significant IT support required, it is recommended that SINCB and ITS assess how best to provide the necessary IT resources required by the PRE and whether this should include creating a post to recruit and appoint a dedicated IT staff member.

While the databank and the PEN filter (as part of IDS) were fit for purpose when they were designed and developed several years ago, new requirements have emerged as more countries are
using PEN Online more systematically and are submitting more detailed Form D data. Modifications are required to make the systems more efficient.

**Recommendation:** To keep pace with the improvements in the international precursor control environment, the IDS and PEN Online systems should be further developed with a focus on improving efficiency. Routine processes should be further automated to allow more time for analytical work. Specific details of the technical issues that require attention are identified in the IT report attached at Annex G.

In relation to the use of Form D, the annual reporting questionnaire for precursors, it was noted that a number of countries are not completing and returning the Form to INCB. In some cases the form is being provided but with incomplete information. This is resulting in an ‘information gap’ which hampers the ability of SINCB staff to analyse and identify emerging trends in trafficking in precursors and illicit manufacture of drugs. Form D is lengthy, currently 22 pages. It might benefit from being reviewed to establish if it can be streamlined. A more user friendly form may serve to encourage more Government officials to complete and return the report in a timely way.

**Recommendation:** Further efforts should be made by the Board to remind States of their reporting obligations under the 1988 Convention and the importance of submitting Form D in a complete and timely manner.

**Recommendation:** Consideration should be given by SINCB to conducting a review of Form D with a view to possible streamlining and making it more user friendly and easier to complete.

2. **Assistance to Governments in preventing the diversion of precursors and other chemicals from licit international trade:**

A range of useful systems and tools to assist Governments and promote international cooperation in efforts to prevent the diversion of precursor chemicals from licit supply have been introduced by the Board. The previously mentioned Pre-Export Notification Online (PEN Online) system is simple to operate and is proving to be useful and effective. Examples of other INCB assistance provided includes:

**The International Special Surveillance List (ISSL)**

The ISSL was introduced in 1998 in response to increasing concern about the use of substitute chemicals. Whilst taking into account the need to balance the requirements of the legitimate trade, this assists Governments in flexibly targeting non-scheduled substances which are considered to be the most likely to be at risk of diversion from legitimate trade. The list, which now includes 52 substances, is distributed to regulatory authorities.

**Annual Report on Precursors**

An annual Report on Precursors and other chemicals used in the illicit manufacture of narcotic drugs and psychotropic substances is published, circulated and also made available on the INCB website.
Working with the Chemical Industry

Developing good liaison with the chemical industry is an important element of an effective precursor control strategy. In this respect useful ‘Guidelines for a Voluntary Code of Practice for the Chemical Industry’ were developed by experts on behalf of the Board and published in 2009. The Guidelines contain helpful advice, yet many countries have still not established the necessary focal point contacts and arrangements with the industry. Some countries have appointed law enforcement staff to be liaison officers with chemical companies. This is good practice and has led to professional working relationships between law enforcement and the industry which has resulted in the identification of criminal acts and suspicious transactions at an early stage. Measures to stimulate action by Governments to develop more effective liaison and working arrangements with the chemical industry are necessary.

Recommendation: Governments should be further encouraged by SINCB to develop professional working arrangements with the chemical industry as part of their national efforts to maintain effective precursor control. In this respect, the INCB Guidelines for a Voluntary Code of Practice for the Chemical Industry provide the practical steps required.

Awareness raising/Law enforcement training

An issue that featured regularly in interviews conducted during the evaluation is the importance of raising awareness of precursor control to national authorities and delivering appropriate training, particularly to front-line operational police and customs officials and those with specific responsibility for drug control. Many have little knowledge of the type of chemicals used in illicit manufacture or the potential dangers involved in dealing with seized chemicals and the action necessary for their safe storage and disposal.

The Board provides training material which was published in 2003. This appears to be more of a reference document rather than a training manual and is in need of review and updating. For example, it still retains information about Operations Topaz and Purple which were merged to become Project Cohesion in 2005. There is no reference to Project Cohesion. It should be noted that under the framework of the UNODC/WCO Container Control Programme (CCP), training material regarding precursor control was recently developed. It is suggested that reference to this could be useful in any review by INCB.

The specialist expertise and technical knowledge of PRE staff in the training of officials both at a national and regional level can be of great assistance in helping develop capacity. Recently the PRE assisted Interpol in delivery of training to a regional group in the Caribbean. This is a good example of where precursor control can be integrated into wider police training and the support that PRE can provide. Having regard to the limited resources of SINCB, it is suggested that consideration be given to closer partnership working with other agencies such as WCO, Interpol and UNODC in the design, development and delivery of appropriate training packages. The development of training packages should include e-learning based material.

Consideration should also be given to including the subject of precursor control as part of ‘Train the ‘Trainers’ courses. The training of national staff as professional trainers has the benefits of building training capacity, developing self-reliance and ensuring sustainability. It also offers the potential for these ‘in-house’ trainers to deliver professional training to far more officers than could be achieved by ‘one-off’ courses by international trainers. It should also prove to be more...
cost-effective in the longer term, providing better value for donor funding. However a key issue will be to ensure that those selected to be trained as trainers meet certain qualifying standards. They must have experience and credibility. Agreement must be reached that after being trained they will be retained in the training role for a specified period.

**Recommendation:** The INCB Precursor training material should be reviewed and modified by a qualified training expert. Consideration should be given by SINCB to work closely with organizations such as WCO, Interpol and UNODC in the design, development and delivery of training packages which should include e-learning material. The inclusion of ‘Train the Trainers’ courses as part of an overall training strategy is advised.

**International initiatives**

The Board has supported a number of international initiatives under Project Prism and Project Cohesion, to counter the diversion of precursor chemicals and launch backtracking investigations (further details about Project Prism and Project Cohesion can be found at II.B.6). Multilateral operations under Prism and Cohesion have resulted in improved intelligence exchange and analysis which has led to the identification of suspicious shipments and substantial seizures of precursors being made. The Board provides Governments with detailed reports on patterns, trends, seizures and other information on precursors gathered from activities under Prism and Cohesion under a system of ‘Alerts’, and in its annual precursors report.

In recent years, as controls have strengthened, the Board has identified the increasing use of non-scheduled chemicals being used in illicit manufacture of amphetamine-type stimulants (ATS). The Board has brought this to the attention of Governments and continues to closely monitor the situation and undertakes specific initiatives through Project Prism.

**3. Organization and assessment of available information relating to substances not yet under international control for the Board’s examination for possible scheduling, re-scheduling or de-scheduling of substances under the 1988 Convention:**

The scheduling process under the 1988 Convention may be initiated by a party or by the Board, when they have information which in their opinion may require a substance to be included in Table I or Table II. (The same procedure also applies for the deletion of a substance from Table I or Table II, or the transfer of a substance from one Table to the other). The information gathered by the Board from countries and other sources on substances being used for the illicit manufacture of drugs is subject to careful analysis. Where it becomes evident that there is a need for the scheduling, re-scheduling or even de-scheduling, the Board convenes an Advisory Expert Group (AEG) meeting to engage in a detailed study of the substances and make findings and recommendations to the Board. If approved by the Board a proposal is sent for consideration by the CND. Subject to approval by the CND, all Member states are informed by the UN Secretary General and the scheduling/rescheduling will be effective 180 days after this communication.

In the recent years only norephedrine has been scheduled as a new substance into Table I. This took place in 2000 when it emerged that norephedrine was being used in the manufacture of ATS. Since that time potassium permanganate (2001), acetic anhydride (2001) and phenylacetic acid (January 2011) have been re-scheduled from Table II to Table I.
It is noteworthy that INCB led initiatives such as Project Prism contributed to identifying the use of non-scheduled substances. For example, information gained during Operation PAAD (Phenylacetic Acid and its Derivatives) which took place between March and August 2011, confirmed that trafficking and illicit use of phenylacetic acid and its derivatives were being increasingly used in illicit manufacture of methamphetamine.

4. Provision of advice and other substantive backstopping to technical assistance projects on, or including, precursor chemical control as formulated and executed by other services of UNODC:

With regard to this specific objective, the provision of advice and backstopping generally takes the form of the PRE providing practical advice and comments in the development of UNODC project ideas and project documents. There have been only isolated examples of this taking place during the period under review (2007-2011). Between 2005 and 2009, it is understood that INCB stopped providing any comments or support to UNODC precursor projects. However since 2009 there have been a number of occasions where the PRE has provided advice and comments.

It is understood that in recent years the project approval process within UNODC changed to give more authority to the field by introducing the “direct approval procedure” of projects. As a result, there is no longer a mandatory requirement to obtain approval from substantive offices prior to project approval, as the focus is now placed more on “consultations”. As a consequence it appears that the PRE is not always consulted or made aware of new projects/revisions in respect of precursor control. The situation remains less than satisfactory. Working arrangements between INCB and UNODC could and should be improved.

An example where support could have been provided is in an important UNODC initiative in Afghanistan, the leading global producer of illicit opiates and heroin. This project (AFG 185 - Regional cooperation in Precursor Control between Afghanistan and Neighbouring Countries - (2006 – 2013) aims to counter the flow of chemicals used in the illicit manufacture of heroin into Afghanistan, and to intensify regional cooperation with neighbouring and potential transit countries for these chemicals. A substantial amount of the opium cultivated in Afghanistan is being refined into heroin inside Afghanistan before being trafficked to other countries. Several hundred tons of acetic anhydride along with large amounts of other non-controlled chemicals, including solvents, acids and bases, which are part of the cleaning/purification process, are required to facilitate the refinement process. Afghanistan is not a producer or legitimate user of acetic anhydride and the chemicals are being smuggled into the country.

The AFG 185 project strategy has several components including developing information exchange mechanisms, provision of specialist equipment and the establishment and training of mobile teams. Whilst it should be noted that the senior UNODC law enforcement adviser in Afghanistan is an expert on precursor control issues, it is disappointing that no support has been provided or offered by INCB PRE to this project, especially when considering the importance of preventing the flow of these chemicals which are destined for use in the refinement of heroin. The principal should be, from both INCB and UNODC, that a more ‘joined-up’, integrated approach would be more effective, especially in the implementation of such a key project.
There is considerable expertise in the PRE and a willingness by the Chief and members of the Section to support UNODC project counterparts but a reluctance to engage more fully due to the possible conflict between the regulatory role of INCB (especially the confidential information on legitimate trade transactions) and the more technical assistance-related aspects of precursor control work being undertaken by UNODC. It is, however, important to point out that the PRE role also involves some limited technical assistance work, primarily relating to the facilitation and support of the Project Prism and Project Cohesion Task Force activities (this is dealt with in detail in Section II.B.6). But, in general, the issue of possible conflict between regulatory and technical assistance work has resulted in an unsatisfactory, rather dysfunctional situation and what can best be described as ‘silo working’ between INCB and UNODC in this specialised area.

Under Article 12 of the 1988 Convention the INCB regulatory role in precursor control is defined. The CND resolution 1991/48 outlines arrangements to ensure the full technical independence of INCB and the role of UNDCP (predecessor organization to UNODC) to assign staff to assist and support the Board in performing its functions. In the 20 years since that resolution an efficient regulatory regime has been established, but it is understood that the Board has made it clear that this should not extend to the provision of technical assistance.

The UNODC has a mandate to provide technical and legislative assistance to State Parties with regard to precursor control in order to promote implementation of the drug Conventions. The ECOSOC resolution 1993/40 requested UNDCP (predecessor organization of UNODC) ‘to provide technical assistance, including training, and to coordinate assistance that international and regional organizations or Governments may provide, in implementation of chemical control regimes’. Care is required by UNODC not to intrude, duplicate or overlap on areas of work undertaken by INCB.

Whilst the roles of INCB and UNODC are distinct their work is complementary. Both INCB and UNODC have a shared aim of achieving effective precursor control. But, currently, there appears to be a ‘disconnect’ in their mutual efforts. This absence of ‘middle ground’ and practical collaboration is resulting in a gap between the regulatory and the technical assistance efforts. When considering the scale of the global drug problem and the importance of maintaining effective precursor controls a more collaborative and integrated approach with improved, more flexible working arrangements would seem to be mutually beneficial. Both INCB and UNODC would be stronger by increased cooperation with the result that the international community would benefit.

**Recommendation:** In recognising the differing roles and responsibilities of INCB and UNODC, it is recommended that senior management of the SINCB and UNODC explore ways to develop a more integrated approach to precursor control activities. This should take into account changes in the use of precursors, especially those not under control, but increasingly used in illicit drug manufacture. UNODC can benefit from SINCB expertise in developing precursor control projects. These same UNODC projects support and contribute to developing an enhanced global precursor control regime.

The broader issue of cooperation between INCB and UNODC needs to be taken into account. A ‘Working Arrangements’ document agreed in 1991 between INCB and UNDCP set out some of the practical work functions. It is understood that this document has not since been revisited. Considering the many changes which have taken place in the dynamics of the drug situation and
in the variety of precursor chemicals being used for criminal purposes over recent years, it would seem appropriate for INCB and UNODC to review and update this document.

**Recommendation:** That the Working Arrangements document drawn up in 1991 between INCB and UNDCP (predecessor organization of UNODC) should be reviewed by senior management of SINCB and UNODC, particularly in respect of technical assistance and, where appropriate, be revised and updated. It would benefit both institutions to review their respective areas of work and agree on more cooperative working practices on precursor control issues to avoid any areas of potential friction and ensure more efficient, cohesive and effective working.

It is noteworthy that the Vienna Declaration resulting from the Third Ministerial Conference of the Paris Pact Partners on Combating Illicit Traffic in Opiates Originating in Afghanistan, held in Vienna on 16 February, 2012, identified strengthening international cooperation to prevent the diversion of chemicals used in illicit opiate manufacturing in Afghanistan as one of the four main areas for action. This presents an opportunity for improved cooperation between INCB and UNODC.

**Examples of potential areas for collaboration between INCB and UNODC**

In addition to the project in Afghanistan, UNODC is currently implementing other precursor control projects. These provide an opportunity for the SINCB PRE to consider the possibility of providing support, particularly with regard to regulatory issues and possibly in a training capacity.

An area of mutual interest relates to a major global project (GLO U98) which is currently being developed by UNODC under the leadership of the Chief of the Laboratory and Scientific Section (LSS). The project is being designed to help build capacity in the field of precursor control in a number of countries. The objective is to provide assistance to Member States to (a) build relevant law enforcement and forensic capacity for precursor control, (b) use platforms to launch regional investigations, and (c) design and use information/intelligence collection and sharing mechanisms to allow for rapid responses. It is understood that some helpful input has been given by SINCB PRE staff in the early stages of development of the project. Further collaboration and support from PRE staff for the project is encouraged.

A current project which could benefit from INCB expertise is the UNODC/World Customs Organization (WCO) Container Control Programme (CCP). The programme is now operating in 13 countries including several in West Africa, Central Asia and Latin America. Joint Port Control Units (JPCU) have been established and their work has resulted in a number of significant seizures of precursor chemicals as well as illicit drugs, firearms, counterfeit goods and other contraband. Precursor seizures include 245 kg of ephedrine at the port of Karachi, Pakistan in April 2011, smuggled inside spice packages in a sea container bound for Australia. In addition, although the CCP is not yet operational in Guatemala, JPCUs in the region reported that 22 containers of PAAD chemicals were seized during the Project Prism instigated Operation PAAD (Phenylacetic Acid and its Derivatives).

The Units are proving effective and offer the possibility of being used to assist the INCB facilitated Project Prism/Cohesion Task Force in their operational initiatives. The various national Units do not have access to the PEN Online system. It could therefore be beneficial for the PRE to ensure that the Units are put in contact with their respective CNAs operating the pre-export notification system. This should ensure that the Units are informed in a timely way of
suspicious transactions by the respective CNA. With regard to the training of Unit staff, this is generally delivered by international experts with experienced mentors providing support. The contribution of PRE expertise in the training of staff would be valuable and should be considered. As previously mentioned in point II.B.2, training material regarding precursor control was recently developed and published under the framework of the CCP. This should prove useful in assisting INCB should a decision be taken to review and update their current training material, as recommended. It is understood that PRE staff were not made aware by UNODC of the development of the CCP precursor training material. Their expertise and input would undoubtedly have been helpful and this is another example where a more integrated approach would have been to the advantage of both institutions.

Another project being implemented by UNODC in association with Interpol and WCO is the AIRCOP project in Africa. A significant trend during the past decade has been the increasing prominence of Africa, notably of West and Central Africa, as transit points for cocaine shipments from South America destined for the European markets. The objective of the project is to build drug-interdiction capacities at 10 selected international airports in West Africa, Morocco and Brazil, to promote intelligence and information sharing between services at national and international level as well as taking an intelligence-led approach to countering drug trafficking. Joint Airport Interdiction Task Forces are being established and provided with connections to international law enforcement databases and networks to enable the transmission in real time to other international airports of operational information aimed at intercepting illicit shipments. There have been cases of smuggling of precursors in air freight so, as with the CCP JPCUs, the AIRCOP Units are resources that could be used in strengthening precursor control efforts, especially in support of Prism/Cohesion operational activities.

A UNODC facilitated initiative, Operation TARCET (Targeted Anti-trafficking operation in the Region that will enhance Communication, Expertise and Training), has been developed to assist in coordinating international and Afghan efforts to prevent the smuggling of acetic anhydride and other chemicals into Afghanistan. Where seizures of chemicals are made then professional law enforcement investigation and methodical backtracking is necessary to identify the source of these consignments and the criminals involved in their supply. TARCET aims to educate law enforcement officers in the region in ways to identify and intercept smuggled consignments, including through the use of advanced methods such as controlled deliveries. Further TARCET activities are planned for 2012 and the support of INCB to this initiative is encouraged.

The annual regional Heads of National Drug Law Enforcement Agencies (HONLEA) meetings facilitated by UNODC are valuable in promoting cooperation and intelligence exchange between law enforcement agencies. They are held in Africa, East Asia and the Pacific, Europe, Latin America and the Caribbean, together with the Sub-commission on Illicit Drug Traffic and related matters in the Near and Middle East. The meetings bring together senior, experienced professionals from many countries and agencies and provide a platform for the exchange of information, operational cooperation, sharing of good practice and lead to practical recommendations. The HONLEA meetings offer a useful opportunity to INCB PRE staff to emphasise to participants the importance of precursor control measures, to provide updates on the work of the Prism/Cohesion Task Force activities, encourage the use of the PEN Online system and raise other relevant issues. It is understood that in 2011, PRE staff participated in two HONLEA meetings where precursors were on the agenda.
5. **Development of the global electronic pre-export notification system (PEN Online) and simplified estimates system for the provision of annual legitimate requirements of 4 (four) ATS precursors:**

An important measure to prevent the diversion of precursors from international trade is through the use of the Pre-Export Notification Online (PEN Online) system. Under Article 12 of the 1988 Convention, exporting countries are obliged to inform importing countries of proposed chemical shipments once a country has invoked the right to request this information under the same Article. To assist in facilitating the pre-export process, the Pen-Online automated computer system, developed by ITS and INCB staff, was introduced in 2006 by the Board. The system provides for the swift exchange of information between exporting and importing countries. It assists Governments to ensure the legitimacy of individual consignments of precursor chemicals and identify suspicious transactions, thus preventing diversions which can be used in the illicit manufacture of drugs. Those authorities that have not yet registered with the Board or do not possess an e-mail account receive pre-export notifications by facsimile that are automatically generated by the PEN Online system.

The system is simple to operate. The pre-export notification form is completed online by the exporting country and sent electronically to alert the Competent National Authority (CNA) of the importing country of the export transaction. The form includes details of the chemicals being exported, the company exporting, details of the importer and a request for the transaction to be verified with the importing country by a specified date. The deadline given for a response typically varies between 5 and 14 days. This allows the importing country a reasonable period for enquiries to be made. A response is sent to the exporting country to object to a shipment or highlight any suspicions about the consignment or the importer; the system does not – by default – require confirmation that a transaction can proceed but exporting countries can make individual shipments dependent on receipt of a confirmation of its legitimacy. The system provides for easy, efficient and rapid exchange of export and import information of the 23 chemicals under international control that can be used in the manufacture of illicit drugs such as heroin, cocaine and ATS. A copy of every PEN form is sent to INCB where they are scrutinised by PRE staff as an independent, central authority based on information available to the Board which may not be available to individual competent national authorities. Any concerns arising results in the relevant authorities being contacted by PRE staff to put in chain the necessary enquiries. The introduction of the PEN Online system was recognised with a UN 21 Award in 2007.

According to the INCB 2011 Precursors Report published in February 2012, some 126 countries and territories are now authorized to access the PEN Online system. In 2011, a total of 21,406 pre-export notifications were sent to 169 countries and territories. The number of pre-export notifications submitted through the system has increased from a monthly average of 600 in 2007 to more than 1,800 in 2011.

The evaluators made contact with a number of users of the system and conducted telephone interviews based on a prepared questionnaire (Annex D). In addition, a visit was also made to see the PEN Online system in use at the Ministry of Health in Vienna, Austria. Those contacted included active and regular PEN Online users, periodic and infrequent users and some who did not use the automated system. All the users interviewed expressed positive opinions about the system indicating that it was an effective and useful tool and had greatly assisted their work. It has resulted in the identification of suspicious shipments and bogus companies. Users of the system were complimentary about the efforts made by INCB PRE staff in dealing with any issues
relating to the system and assisting them with follow-up enquiries arising from potentially suspicious transactions. Users felt the PEN Online Training Manual was helpful and appreciated the training made available during the annual Commission on Narcotic Drugs (CND).

The interviewees were specifically asked by the evaluators about weaknesses, problems and concerns about the system and for potential areas where improvements could be made. Some of the users said that the system could be time consuming when there were many transactions to process. Several expressed frustration that a number of countries are still not using the PEN Online system and this is leading to delays in obtaining responses to pre-export notifications. Another concern was the failure by some users to respond in a timely way following receipt of a pre-export notification. Currently there is no mechanism to automatically remind the importing country that a PEN has not been replied to and that the deadline for the reply is approaching. This is especially important in cases where the PEN states that export will not proceed if a reply is not received by a specific date/deadline.

A frequent point raised during interviews was the difficulty in making follow-up enquiries and identifying an appropriate person to contact when no response had been received or there had been an inadequate response to a PEN Online pre-export notification. Several suggested that the inclusion in the system of more details of the Competent National Authorities (CNAs) and other relevant contact persons would be useful in helping them identify the appropriate person to contact in these situations. Other issues raised included:

- The provision on the system of advice, guidance or Standard Operational Procedures, regarding the action to take in cases of suspicious transactions and in backtracking investigations;

- Having more detailed information in the system about the buyer/importer. A list of companies registered as importers was also mentioned as being useful. But some of this information may present problems for some PEN users due to the issues of confidentiality and data protection;

- Some of the individual country exit points shown on the system are incorrectly shown and need to be removed;

- The system is only compatible with the Internet Explorer browser. Some users experience difficulties and would wish to see PEN Online also made available through other browsers, such as the Mozilla Firefox browser.

Although the PEN Online system has proved a useful tool for the identification of suspicious transactions during operational activities launched under Prism and Cohesion, it was evident during interviews with both system users and INCB PRE staff, that there is a need to further develop the system to include an analytical capacity but to be sensitive not to overload the system and maintain its user-friendliness that is so valued by users. Such a system upgrade would further assist in identifying patterns, trends and performing a risk analysis of proposed shipments.

The PRE staff interviewed also identified a number of issues where efficiency could be improved. These included:
• The need for a mechanism to alert the exporting country that the amount of chemicals pre-notified in a single PEN exceeded a country's requirements. PEN Online users (exporters) may not always be aware that their single export exceeds the legitimate requirements of the importing country;

• The introduction of a mechanism to show to INCB that a reply to a PEN has been made;

• Introduction of an 'alert' when a specific consignment has been subject to an objection.

These, and additional issues and problem areas, together with potential solutions and proposals are outlined in more detail in the IT technical report (Annex G). Whilst there are a number of areas where the system can be further improved it is clear that it is regarded as an extremely worthwhile, useful and effective tool. The PEN Online system is now an important component in the global regime to monitor international trade in scheduled chemicals and is contributing to the identification of suspicious transactions.

Recommendation: That modifications be made to the PEN Online system by the ITS as identified in the IT report attached at Annex G. Issues that need to be addressed include providing a mechanism which will automatically remind the recipient of PENs of the deadline for response and the addition of further details of Competent National Authorities (CNAs) and other relevant information which will assist the export authority to make follow-up enquiries. An analytical mechanism should also be built into the PEN Online system to assist in identifying patterns, trends and performing a risk analysis of proposed shipments.

It is a matter of concern that, whilst the system is regarded highly by users and proving to be useful and effective, a number of countries have still not registered to use it. This issue arose during the interview process when one CNA focal point interviewed was unaware of the PEN Online system and he was still using a paper based system. Additionally, many others, particularly in Africa, although registered to use the system, are not doing so. This is particularly frustrating considering the various efforts made by SINCB to promote the use of the system and the fact that these countries are often the focus for criminal activities and the transit or destination of illegal consignments of precursor chemicals.

Moreover, there have been various Resolutions recommending the use of PEN Online. Of particularly significance is the UN Security Council Resolution 1817 which calls upon Member States to strengthen the monitoring of the international trade in chemical precursors and prevent their diversion for illicit use in Afghanistan. The Resolution urges States to register and use the PEN Online system. It is evident that further efforts are required to encourage the use of this useful and effective system. The regional HONLEA meetings could prove useful in this regard.

Recommendation: Further measures should be taken by INCB to promote the PEN Online system and encourage Governments to use it. As part of these efforts it is suggested that the regional UNODC facilitated HONLEA meetings should be used to promote the use of PEN Online together with other INCB precursor control activities.

6. Development, support and guidance to international initiatives addressing diversions of precursors such as Project Prism, for amphetamine-type stimulant (ATS) precursors, and Project Cohesion, for the chemicals used in the illicit manufacture of heroin and cocaine:
The importance of creating an environment of closer cooperation and collaboration between Governments and particularly law enforcement authorities to counter the diversion of precursor chemicals and mount backtracking operations led to the Board launching two major international initiatives, Project Cohesion and Project Prism. Project Cohesion evolved from the merger in 2005 of the Board’s Operation Purple (1999 – 2005) and Operation Topaz (2001 – 2005) and focuses on the trafficking of potassium permanganate and acetic anhydride, the main precursor chemicals used in the illicit manufacture of cocaine and heroin, respectively. Project Prism, which commenced in 2002, focuses on a number of precursors used in the manufacture of amphetamine-type stimulants (ATS) - ephedrine, pseudoephedrine, P-2-P and phenylacetic acid. Prism and Cohesion provide a platform and mechanism for cooperation and intelligence sharing in two areas: the monitoring of international trade through the system of pre-export notifications, and the undertaking of targeted, time-limited operations and investigations into suspicious shipments and illicit trafficking.

Project Prism/Cohesion Task Force - A group of senior professionals with particular expertise in this specialized field from police, customs, regulatory authorities and other agencies have been appointed as members of the Project Prism/Cohesion Task Force. This acts as the strategic and coordinating body for the various operational initiatives and activities. Over 120 countries participate in activities under Project Prism and around 90 in Project Cohesion. The Task Force members play an important role in evaluating each specific initiative. They have regional responsibilities and communicate details of activities to counterparts within their respective region. In addition the Task Force also has representatives from two global organizations, Interpol and WCO with observer status. Meetings of the Task Force generally take place bi-annually with the SINCB PRE facilitating the meetings, acting as secretariat and also acting as the international focal point for information exchange.

The lead evaluator made contact with a number of Task Force members and conducted telephone and personal interviews based on a prepared questionnaire (Annex E) about the value and effectiveness of Project Prism and Project Cohesion and other aspects of the INCB project GLO 565. Representatives of UNODC and EUROPOL were also interviewed together with SINCB staff. The evaluators also attended a meeting of the Task Force held in March 2012 during the Commission on Narcotic Drugs (CND).

All those interviewed expressed positive comments about the value of Cohesion, Prism and the operational initiatives conducted under their framework. The initiatives have produced some noteworthy results. Precursor control has been strengthened. There has been improved international cooperation to track scheduled substances, from ports of origin to destination. Improved intelligence exchange and analysis has led to the identification of suspicious shipments. Large seizures of precursors have been made. These seizures have effectively prevented the illicit manufacture of substantial amounts of drugs. Although backtracking investigations to identify the origin of intercepted consignments are difficult, there have been some successes which have led to the source being identified and arrest of the persons responsible for diverting the substance. Several time-limited operational initiatives have taken place under Cohesion and Prism as follows:

Between January and June 2007, within the framework of Project Prism, Operation Crystal Flow, was conducted. This focused on exchanging intelligence on suspicious transactions and backtracking investigations relating to ephedrine and pseudoephedrine. A similar initiative,
Operation Ice Block, took place between January and September 2008. In both operations the primary tool used for the identification of suspicious transactions was the PEN Online system.

Between July 2009 and March 2010, the INCB launched Operation Pila. This was carried out to monitor the trade in ephedrine, pseudoephedrine, P-2-P and phenylacetic acid. It generated intelligence and led to the suspension of 40 suspicious shipments of ephedrine and pseudoephedrine, totalling 12.8 tonnes and 199 million tablets. Information gathered through Operation Pila indicated that traffickers were increasingly using substances not under international control, including esters of phenylacetic acid.

Operation PAAD (Phenylacetic Acid and its Derivatives) took place between March and August 2011. The purpose was to gather information on the trade, trafficking and illicit use of phenylacetic acid and its derivatives which are increasingly being used in illicit manufacture of methamphetamine. It should be noted that for the first time an international initiative monitored non-controlled substances. The operation resulted in significant seizures of chemicals being made along with the generation of intelligence used for strategic and operational purposes.

Under the framework of Project Cohesion, INCB launched two time-bound operations in the period 2008 - 2010, namely DICE (Data and Intelligence Collection and Exchange) and DICE-2, focusing on the exchange of information on seizures, identified diversion attempts and suspicious shipments of chemicals used in the illicit manufacture of heroin, in particular acetic anhydride. Operation DICE was undertaken between April and September 2008 with DICE 2 taking place between July 2009 and April 2010. Suspicious transactions involving acetic anhydride were identified and significant seizures made. Both operations identified the diversions from domestic distributions channels to be a major source of the seized acetic anhydride. It is evident from the interviews conducted with Task Force members, PRE staff and others, that more action is required by Governments to take action to prevent diversion taking place at national level. There is a concern that in some countries the authorities lack an understanding and awareness of the importance of precursor control in efforts to counter illicit manufacture and trafficking.

**Recommendation:** A renewed emphasis should be placed by SINCIB on raising the awareness of Governments and their relevant authorities to stimulate and prioritise action to develop/strengthen effective regulatory and control measures at national level to prevent the diversion of precursors.

It is evident that the Task Force provides a useful platform for senior professionals to exchange information about the situation in their region, contribute to the global picture and work with INCB staff to develop appropriate responses to the developments and changes in the precursor situation. A wide professional network of experts has been created and this has led to improved operational cooperation at international level and the implementation of several practical initiatives. These initiatives have succeeded in achieving the principal aims of enhanced monitoring of international trade through the pre-export notification system, and the undertaking of targeted, time-limited operations and investigations into suspicious shipments and illicit trafficking. They have also helped identify the significant changes in patterns, trends and use of precursors. Initiatives have been most successful when results focused and conducted over a limited time period, for example 6 or 9 months. Evaluation at the conclusion of each initiative by the Task Force has proved valuable and should always be conducted.
The coordination and secretariat role performed by the INCB PRE is regarded by Task Force members as a crucially important function in facilitating the Project Prism and Project Cohesion Task Force meetings and activities. Those interviewed expressed their appreciation for the efforts of INCB PRE staff in acting as secretariat, facilitating the meetings and supporting operational activities. Several interviewees commented on the high degree of trust that they have for INCB staff in this role and that without the pivotal role of INCB then some Governments may not have been prepared to participate as fully in Prism/Cohesion activities.

Despite the largely positive comments, some interviewees felt that the Task Force has not reached its potential. The challenge was to ensure that operations remained relevant, focused and appropriate to new trends. In this respect it was felt that the remit of Project Prism should be expanded. There has been a huge increase in analogue, designer drugs and more could be done by Prism in this area. It was proposed that a follow-up to Operation PAAD is necessary.

A concern was raised that reductions being made to a number of law enforcement budgets could affect the ability of members to travel to Task Force meetings. The meetings are clearly valuable and wherever possible personal attendance should be made. In cases of difficulty, consideration should be given by SINCb to the use of video conferencing. An issue arose about the differing levels of commitment from Task Force members. It is important that all members are committed to taking an active role and contribute fully to Task Force meetings and activities.

Several of those interviewed commented that the specific roles and responsibilities of the Task Force members in their respective regions would benefit by being more clearly defined. It was mentioned that they had no authority to direct counterparts in the region and had little contact with them. There are often difficulties in ensuring effective communication with participants in large multilateral initiatives such as those mounted under Prism and Cohesion, so a clear role/job description together with guidance to help promote better communication in their respective regions, could be helpful to the individual Task Force representatives. At the outset of each Task Force initiative there should be agreement on the responsibilities of the regional representative in support of overall SINCb coordinating efforts.

**Recommendation:** Action should be taken by SINCb and Project Prism/Project Cohesion Task Force members to clarify the roles and responsibilities of Task Force members, especially with regard to their regional role.

Communication about Task Force initiatives with other organizations, particularly regional organizations such as the Southeast European Law Enforcement Centre (SELEC), the Central Asian Regional Information and Coordination Centre (CARICC) and EUROPOL, could be better. SINCb should look at how dissemination of information particularly to the field could be improved. For example, it is understood that UNODC staff are not made aware of Prism/Cohesion Task Force activities and other relevant precursor control activities. UNODC is not represented on the Prism/Cohesion Task Force and no information about the findings of initiatives under Prism and Cohesion appears to be communicated to UNODC staff. It is appreciated that some of this information may be of a confidential nature and needs to be of restricted circulation. But, it would be of particular value to the UNODC law enforcement advisers and those working on precursor projects to have, at least, an update about activities.

To address this issue, consideration should be given to inviting a representative from UNODC to become a member of the Task Force and act as focal point for the organization. This should help
in improving communication and dissemination of relevant information to UNODC Field Offices, especially those with precursor projects or those directly affected by Task Force activities. It could also assist in mobilising support from Field Office staff and using their resources in Prism/Cohesion initiatives. UNODC can also benefit by receiving Task Force support for their precursor control activities such as Operation TARCET (see section II.B.4) The Field Office network of UNODC can also prove useful in helping the Task Force disseminate information and generally improve communication with operational counterparts in their respective areas of responsibility.

Organizations such as SELEC, CARICC and EUROPOL offer communication platforms which could prove helpful in supporting specific Prism/Cohesion activities and also in the dissemination of INCB Alerts and other information about the work of the Task Force in their respective regions. They also offer access to other sources of information which could be helpful to SINCB and the Task Force.

**Recommendation:** SINCB should look at how dissemination of information from Task Force activities, particularly to the field, could be improved. Consideration should be given to inviting a representative from UNODC to become a member of the Task Force in an observer capacity.

**Recommendation:** Consideration should be given by SINCB and the Prism/Cohesion Task Force to strengthening partnerships with regional organizations, for example, the Southeast European Law Enforcement Centre (SELEC), the Central Asian Regional Information and Coordination Centre (CARICC) and EUROPOL.

In summary, it is clear that the INCB led Projects Prism and Cohesion have proved valuable in improving information exchange and promoting well coordinated law enforcement operations which have resulted in the detection of suspicious consignments and substantial seizures of chemicals which would otherwise have reached the illicit market. These operational activities have also led to improved information exchange, greater cooperation between law enforcement and regulatory authorities and the gathering of intelligence for strategic and operational use. The coordination and secretariat role performed by the INCB PRE is crucially important in facilitating the Project Prism and Project Cohesion Task Force meetings and activities and should be continued.

**Recommendation:** That the valuable work and activities of the Project Prism and Project Cohesion Task Force in contributing to maintaining effective precursor controls and providing a flexible, operational response to changes in trends and patterns, should continue. Moreover the SINCB should maintain the crucial facilitation and support role for the Task Force.

**Summary of project GLO 565 activities:**

The preceding section describes activities taking place under the six specific project objectives. A range of measures are now in place within the framework of the project which all contribute to a well coordinated international response to preventing the diversion of precursor chemicals into the illicit market, whilst minimising disruption and protecting the licit trade. New threats continue to emerge. In recent years, as controls have strengthened, the Board has identified the increasing use of non-scheduled chemicals being used in illicit manufacture of amphetamine-type stimulants (ATS) and the diversion of acetic anhydride taking place at national level. Criminal
organizations are resourceful and flexible. They will continue efforts to exploit loopholes and weaknesses in the system.

Project GLO 565 serves a valuable and quite unique role. There is a need for the project to continue with the flexibility and capacity to respond to future challenges and threats. A major concern is sustainability of funding. The bulk of project funding is used for staff posts. Ideally the project should be institutionalised and consideration given to moving some project posts to the Regular Budget. Efforts should also be made to broaden the donor base. In this respect a briefing about the project activities to the diplomatic representatives of the Member States in Vienna should be considered.

**Recommendation:** The activities under project GLO 565 should be supported and continued. To ensure sustainability and address concerns about long term funding viability, consideration should be given to institutionalising the project and moving some project posts to Regular Budget. Efforts should also be made to broaden the donor base.

**Recommendation:** Consideration should be given by SINCB to arranging a briefing for the diplomatic representatives of the Member States in Vienna, to raise awareness of the importance of precursor control and inform them about the project activities.

C. Achievement of project outputs

The Work and Monitoring Plan for GLO 565 lists six main outputs under the six objectives of the project which have been dealt with at length in Section II.B. The outputs are as follows:

1. Reports to ECOSOC and CND on the world situation related to precursor chemical control.
2. Weaknesses in international control mechanisms identified and remedial action introduced.
3. Amendments made to the scope of control of the 1988 Convention and the limited international special surveillance list (ISSL).
4. UNODC precursor project activities operating in accordance with the drug control conventions and international precursor initiatives.
5. PEN Online increasingly used as the standard method for information exchange for shipments in licit international trade.
6. Specific international initiatives used to guide and direct both regulatory and law enforcement related precursor control activities.

All the project objectives and outputs have been achieved although some issues, particularly in respect of point II.B.4, regarding the support and backstopping to UNODC precursor projects, need to be addressed. Recommendations for appropriate action are incorporated into the narrative of Section II.B.
D. Institutional and management arrangements and constraints

As highlighted in Section II.B.4 the evaluation has identified concerns relating to the level of support and backstopping being provided to UNODC precursor control activities. Between 2005 and 2009, it is understood that INCB stopped providing any comments or support to UNODC precursor projects. Since 2009, there have been a number of occasions where the PRE has provided advice and comments. But the situation remains less than satisfactory. Working arrangements could and should be improved to strengthen their respective efforts and maximise the potential opportunities of greater cooperation.

Under Article 12 of the 1988 Convention the INCB regulatory role in precursor control is defined. An efficient regulatory regime has been established but the Board has made it clear that this should not extend to the provision of technical assistance. The UNODC has a mandate to provide technical and legislative assistance to State Parties with regard to precursor control in order to promote implementation of the drug Conventions. Care is taken not to intrude on areas undertaken by INCB.

Whilst the roles of INCB and UNODC are distinct, they are also complementary. They have a shared aim of achieving effective precursor control. But there currently appears to be an absence of ‘middle ground’ and lack of practical collaboration which is resulting in a gap between the regulatory and the technical assistance efforts. A more collaborative and integrated approach would be mutually beneficial. Both INCB and UNODC would be stronger by increased cooperation, with the result that the international community would benefit.

A ‘Working Arrangements’ document agreed in 1991 between INCB and UNDCP set out some of the practical work functions. It is understood that this document has not since been revisited. One of the recommendations in this report is that the document be reviewed, particularly in respect of technical assistance and, where appropriate, be revised and updated. It would be of benefit to both institutions to agree on more cooperative working practices on precursor control issues to avoid any potential friction and ensure more efficient, cohesive and effective working.
III. OUTCOMES, IMPACT AND SUSTAINABILITY

A. Outcomes

The strategic approach of the project has been successful in introducing a range of measures which have contributed significantly to a well coordinated global regime for the monitoring and control of precursor chemicals. The regime is assisting in preventing diversion of precursors into illicit channels whilst minimising disruption and protecting the licit trade.

The databank (IDS) established under the project is generally functioning satisfactorily. But the IDS is a relatively old system which cannot provide the level of services now required by PRE officials. Significantly the analytical capacity in the system is inadequate for the needs of PRE staff.

The PEN Online system is proving to be a useful, effective tool and regarded highly by users. It is increasingly being used as the standard method for information exchange for shipments in licit international trade and is now a major component in the global regime to monitor international trade in scheduled chemicals and assist in the identification of suspicious transactions.

The INCB led Projects Prism and Cohesion have proved valuable in promoting well coordinated law enforcement operations which have resulted in the detection of suspicious consignments and substantial seizures of chemicals which would otherwise have reached the illicit market. These operational activities have also led to improved information exchange, greater cooperation between law enforcement authorities and the gathering of intelligence for strategic and operational use. The establishment of the Project Prism and Project Cohesion Task Force has resulted in a communication platform with leading experts from around the world instigating and participating in effective precursor control initiatives.

B. Impact

The impact of the project has been significant and positive. The overall activities of the project GLO 565 have resulted in stronger international controls and improved cooperation mechanisms being put in place. The results are evidence that close monitoring significantly contributes to preventing the diversion of precursors from legitimate channels. This tightening of controls has led to changes in overall trafficking patterns with traffickers seeking alternatives in the use of non-scheduled substances for illicit manufacture highlighting the need for continued vigilance and flexibility.
C. Sustainability

International efforts will need to be continued at a high level if the controls to prevent and detect the diversion of precursors are to be maintained and strengthened to counter new and emerging challenges. The project is an important component in overall INCB measures to stimulate and coordinate international action. It is fully funded until the end of December 2012.

A major concern is sustainability of funding. The bulk of project funding is used for staff posts. Ideally the project should be institutionalised and consideration given to moving some project posts to Regular Budget. Efforts should also be made to broaden the donor base as continued donor funding will be essential to maintain the project. Additional funding will also be required for investment in IT as recommended in the technical report (Annex G).

IV. LESSONS LEARNED AND BEST PRACTICES

A. Lessons learned

Close monitoring helps to prevent diversion of precursors from legitimate channels. The activities under INCB led Prism and Cohesion have led to distinct changes in overall trafficking patterns with traffickers seeking new routes and alternatives in the use of non-scheduled substances. Both operations DICE and DICE 2 identified the diversions from domestic distributions channels to be a major source of acetic anhydride seized during these operational activities.

Projects Prism and Cohesion have proved valuable in promoting well coordinated law enforcement operations resulting in the identification of suspicious consignments and substantial seizures of chemicals. Initiatives have been most successful when conducted over a limited period, for example 6 or 9 months. Evaluation at the conclusion of each initiative has proved beneficial and should always be conducted by the Task Force.

The various initiatives conducted under Project Prism and Project Cohesion have led to improved information exchange, greater cooperation between law enforcement authorities and the gathering of intelligence for strategic and operational use.

B. Best practices

The INCB precursors databank is central to INCB’s analytical functions. It assists PRE staff to conduct the analyses required by the Board to fulfil its mandates in identifying weaknesses in the
precursor control system, preventing diversion and analysing precursor trends for publication in its annual precursor report.

The PEN Online system is an extremely worthwhile, useful and effective tool. It facilitates the swift exchange of information between exporting and importing countries. It assists Governments to ensure the legitimacy of individual consignments of precursor chemicals and identify suspicious transactions, thus preventing diversions which can be used in the illicit manufacture of drugs.

The establishment of the Project Prism and Project Cohesion Task Force has resulted in a useful communication platform with leading global experts from police, customs, regulatory authorities and other agencies instigating and participating in well coordinated precursor control initiatives.

The coordination and secretariat role performed by the SINCB PRE is regarded by Task Force members as a crucially important function in facilitating the Project Prism and Project Cohesion Task Force meetings and activities. There is a high degree of trust in INCB (and SINCB) as the focal point for the exchange of confidential data (re: trade data) and in the facilitation of international operations. Without the pivotal role of INCB then some Governments may not have been prepared to participate as fully in Prism/Cohesion activities.

V. RECOMMENDATIONS

A. Actions recommended

_In this section the findings and recommendations are presented thematically, whereas in the summary matrix they are shown in chronological order as they appear in the body of the report._

Finding and recommendation regarding Project GLO 565 Strategy

Finding: The strategic approach of the project has been successful in introducing a range of measures which have contributed significantly to the well coordinated global precursor control regime established by the Board. Whilst positive steps have been taken in international precursor control, serious challenges remain. Criminal organizations are increasingly turning to the use of non-scheduled substances which are not subject of control measures, to by-pass existing regulatory frameworks. They will continue to exploit loopholes and weaknesses in the system. The project serves a valuable and quite unique role. There is a need for project GLO 565 to continue and have the flexibility and capacity to respond to future challenges and threats. A major concern is sustainability of funding. As the bulk of project funding is used for staff posts then ideally the project should be institutionalised and consideration given to moving some project posts to Regular Budget. Action is also required to broaden the donor base.
**Recommendation:** The activities under project GLO 565 should be supported and continued. To ensure sustainability and address concerns about long term funding viability, consideration should be given to institutionalising the project and moving some project posts to Regular Budget. Efforts should also be made to broaden the donor base.

**Recommendation:** Consideration should be given by SINCB to arranging a briefing for the diplomatic representatives of the Member States in Vienna, to raise awareness of the importance of precursor control and inform them about the project activities.

**Findings and recommendations regarding the Databank**

**Finding:** The databank (IDS) established under the project is generally functioning satisfactorily. But the IDS is a relatively old system which cannot provide the level of services now required by PRE officials. Significantly the analytical capacity in the system is inadequate for the needs of PRE staff. Other IT needs have also been identified which will require support from the UNODC IT Section. The appointment of a dedicated IT staff member within the SINCB would be useful to address the IT issues arising from the evaluation and also provide wider support to the IT needs of the Secretariat. But whether the work involved is sufficient to justify a full post will need to be carefully assessed. What is clear is the need for dedicated IT resources in PRE (and possibly SINCB) as IT is now a significant component of PRE work.

**Recommendation:** Consideration should be given by the Secretariat of INCB (SINCB) to the IT report, attached at Annex G, which provides options and recommendations to improve/upgrade or replace the IDS system and include an analytical capacity, which will result in enhanced information being made available more efficiently to the Board in the performance of its functions. Further investment in IT should be made.

**Recommendation:** Due to the significant IT support required, it is recommended that SINCB and ITS assess how best to provide the necessary IT resources required by the PRE and whether this should include creating a post to recruit and appoint a dedicated IT staff member.

**Finding:** While the databank and the PEN filter (as part of IDS) were fit for purpose when they were designed and developed several years ago, new requirements have emerged as more countries are using PEN Online more systematically and are submitting more detailed Form D data.

**Recommendation:** To keep pace with the improvements in the international precursor control environment, the IDS and PEN Online systems should be further developed with a focus on improving efficiency. Routine processes should be further automated to allow more time for analytical work. Specific details of the technical issues that require attention are identified in the IT report attached at Annex G.

**Finding:** In relation to the use of Form D, the annual reporting questionnaire for precursors, it was noted that a number of countries are not completing and returning the Form to INCB. In some cases the form is being provided but with incomplete information. This is resulting in an ‘information gap’ which hampers the ability of INCB staff to analyse and identify emerging trends in trafficking in precursors and illicit manufacture of drugs.
Recommendation: Further efforts should be made by the Board to remind States of their reporting obligations under the 1988 Convention and the importance of submitting Form D in a complete and timely manner.

Recommendation: Consideration should be given by SINCB to conducting a review of Form D with a view to possible streamlining and making it more user-friendly and easier to complete.

Finding and recommendations regarding Assistance to Governments

Finding: Developing good liaison with the chemical industry is an important element of an effective precursor control strategy. Useful ‘Guidelines for a Voluntary Code of Practice for the Chemical Industry’ were developed by experts on behalf of the Board. The guidelines contain helpful advice, yet many countries have still not established the necessary focal point contacts and arrangements with the industry. Measures to stimulate action by Governments to develop more effective liaison and working arrangements with the chemical industry are necessary.

Recommendation: Governments should be further encouraged by SINCB to develop professional working arrangements with the chemical industry as part of their national efforts to maintain effective precursor control. In this respect, the INCB Guidelines for a Voluntary Code of Practice for the Chemical Industry provide the practical steps required.

Finding: The training material which was published by INCB in 2003 is more of a reference document rather than a training manual and is in need of updating. Further action to raise awareness of precursor control to national authorities and deliver appropriate training, particularly to front-line operational police and customs officials and those with specific responsibility for drug control, is required.

Recommendation: The INCB Precursor training material should be reviewed and modified by a qualified training expert. Consideration should be given by SINCB to work closely with organizations such as WCO, Interpol and UNODC in the design, development and delivery of training packages which should include e-learning material. The inclusion of ‘Train the Trainers’ courses as part of an overall training strategy is advised.

Findings and recommendations regarding Support and Backstopping to UNODC

Finding: There have been only isolated examples of support and backstopping to UNODC projects. Between 2005 and 2009, it is understood that INCB stopped providing any comments or support to UNODC precursor projects. Since 2009 there have been some occasions where the PRE has provided advice and comments. But the situation remains less than satisfactory. Working arrangements could and should be improved to strengthen their respective efforts and maximise the potential opportunities of greater cooperation.

Recommendation: In recognising the differing roles and responsibilities of INCB and UNODC, consideration should be given by the senior management of the SINCB and UNODC to explore ways to develop a more integrated approach to precursor control activities. This should take into account changes in the use of precursors, especially those not under control, but increasingly used in illicit drug manufacture. UNODC can benefit from SINCB expertise in developing precursor control projects. These same UNODC projects support and contribute to developing an enhanced global precursor control regime.
**Finding:** Whilst the roles of INCB and UNODC are distinct their work is complementary. Both INCB and UNODC have a shared aim of achieving effective precursor control. But, currently, there appears to be a ‘disconnect’, an absence of ‘middle ground’ and practical collaboration which is resulting in a gap between the regulatory and the technical assistance efforts. A ‘Working Arrangements’ document was drawn up in 1991 between INCB and UNDCP (predecessor organization of UNODC) to set out some of the practical work functions. It is understood that this document has not since been revisited.

**Recommendation:** That the Working Arrangements document drawn up in 1991 between INCB and UNDCP (predecessor organization of UNODC) should be reviewed by senior management of the SINCB and UNODC, particularly in respect of technical assistance and, where appropriate, be revised and updated. It would benefit both institutions to review their respective areas of work and agree on more cooperative working practices on precursor control issues to avoid any areas of potential friction and ensure more efficient, cohesive and effective working.

**Findings and recommendations regarding the PEN Online system**

**Finding:** The PEN Online system is proving to be a useful, effective tool and regarded highly by users. It is now a major component in the global regime to monitor international trade in scheduled chemicals and in assisting in the identification of suspicious transactions. But, there are a number of areas where the system can be improved. For example, there is a failure by some users to respond in a timely way following receipt of a PEN. Currently there is no mechanism to automatically remind the importing country that a PEN has not been dealt with. This is especially important in cases where the PEN states that export will proceed if a reply is not received by a specific date/deadline. Where no reply has been received or there has been an inadequate response to a PEN the exporting authority often experience difficulties in making follow-up enquiries due to an inability to contact an appropriate counterpart so additional contact details in the system would be helpful. There is also a lack of analytical capacity.

**Recommendation:** That modifications be made to the PEN Online system by the ITS as identified in the IT report attached at Annex G. Issues that need to be addressed include providing a mechanism which will automatically remind the recipient of PENs of the deadline for response and the addition of further details of Competent National Authorities (CNAs) and other relevant information which will assist the export authority to make follow-up enquiries. An analytical mechanism should also be built into the PEN Online system to assist in identifying patterns, trends and performing a risk analysis of proposed shipments.

**Finding:** Although the PEN Online system has been available since 2006, a number of countries have still not registered to use it. Additionally, many others, notably in Africa, although registered to use the system, are not using it. These countries are often the focus for criminal activities and the transit or destination of illegal consignments of precursor chemicals. The inclusion of precursor control as a regular agenda item at the HONLEA meetings would help raise awareness of the importance of precursor control and serve to encourage support for activities under Project Prism and Project Cohesion.

**Recommendation:** Further measures should be taken by SINCB to promote the PEN Online system and encourage Governments to use it. As part of these efforts it is suggested that the regional UNODC facilitated HONLEA meetings should be used to promote the use of PEN Online together with other INCB precursor control activities.
Findings and recommendations regarding Project Prism and Project Cohesion

Finding – Operations under Project Cohesion have identified diversions from domestic distributions channels to be a major source of seized acetic anhydride. More action is required by Governments to take action to prevent diversion taking place at national level. There is a concern that in some countries the authorities lack an understanding and awareness of the importance of precursor control in efforts to counter illicit manufacture and trafficking.

Recommendation: A renewed emphasis should be placed by SINCB on raising the awareness of Governments and their relevant authorities to stimulate and prioritise action to develop/strengthen effective regulatory and control measures at national level to prevent the diversion of precursors.

Finding - The specific roles and responsibilities of the Task Force members in their respective regions would benefit by being more clearly defined. Several of those interviewed commented that they had no authority to direct counterparts in the region and had little contact with them.

Recommendation: Action should be taken by SINCB and Project Prism/Project Cohesion Task Force members to clarify the roles and responsibilities of Task Force members, especially with regard to their regional role.

Finding: Communication about Task Force initiatives with participants and other organizations could be better. For example it is understood that UNODC staff are not always made aware of Prism/Cohesion Task Force activities and other relevant precursor control activities. Having a representative of UNODC on the Task Force would help in improving communication and dissemination of relevant information to UNODC Field Offices, especially those with precursor projects or those directly affected by Task Force activities. It could also assist in mobilising support from UNODC Field Office staff and using their resources in Prism/Cohesion initiatives. Moreover, the strengthening of cooperation with regional organizations such as SELEC, CARICC and EUROPOL could prove helpful in supporting specific Prism/Cohesion activities. Their communication platforms can assist in the dissemination of INCB Alerts and other information about the work of the Task Force in their respective regions. They also offer access to other sources of information which could be helpful to SINCB and the Task Force.

Recommendation: SINCB should look at how dissemination of information from Task Force activities, particularly to the field, could be improved. Consideration should be given to inviting a representative from UNODC to become a member of the Task Force in an observer capacity.

Recommendation: Consideration should be given by SINCB and the Prism/Cohesion Task Force to strengthening partnerships with regional organizations, for example, the Southeast European Law Enforcement Centre (SELEC), the Central Asian Regional Information and Coordination Centre (CARICC) and EUROPOL.

Finding: The INCB led Projects Prism and Cohesion have proved valuable in improving information exchange and promoting well coordinated law enforcement operations which have resulted in the detection of suspicious consignments and substantial seizures of chemicals which would otherwise have reached the illicit market. They have also served to gather intelligence for strategic and operational purposes. The Prism/Cohesion Task Force is a useful communication platform with leading experts from around the world instigating and participating in well
coordinated precursor control initiatives. The coordination and secretariat role performed by the SINCB PRE is crucially important in facilitating the Project Prism and Project Cohesion Task Force meetings and activities.

**Recommendation:** That the valuable work and activities of the Project Prism and Project Cohesion Task Force in contributing to maintaining effective precursor controls and providing a flexible, operational response to changes in trends and patterns, should continue. Moreover the SINCB should maintain the crucial facilitation and support role for the Task Force.
VI. CONCLUSIONS

In our increasingly interdependent and rapidly changing world far greater international focus and cooperation is needed to combat cultivation, production and trafficking in illicit drugs. The existing market provides a strong economic incentive for criminal organisations to continue to engage in illicit manufacture, refine smuggling methods, seek new routes, widen their customer base and identify profitable new markets. Whilst demand persists at current levels then the trade in illicit drugs will remain high, with the consequence that criminal organizations will continue efforts to acquire the necessary precursor chemicals to engage in illicit drug manufacture.

Through the GLO 565 Databank project, INCB has provided Governments with systems and a range of tools in a regime to cooperate more effectively in efforts to prevent the diversion of precursor chemicals. The project has contributed significantly in the facilitation of stronger international precursor control efforts, whilst minimising disruption to legitimate trade. In particular, through the introduction of the PEN Online system and the initiatives Project Prism and Project Cohesion, positive results have been achieved.

Whilst significant steps have been taken in international precursor control, serious challenges remain. Criminal organizations are increasingly turning to the use of non-scheduled substances which are not subject of control measures, to by-pass existing regulatory frameworks. They will continue efforts to exploit loopholes and weaknesses in the system. The project serves a valuable and quite unique role. It has proved to be an important and effective part of overall INCB efforts and remains highly relevant today. There is a need for project GLO 565 to continue and have the flexibility and capacity to respond to future challenges and threats.
Annex A – Terms of Reference

EVALUATION
TERMS OF REFERENCE

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<thead>
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<th>Project title:</th>
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<td>Duration:</td>
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I. BACKGROUND INFORMATION

Activities under Project GLO565 are part of the core activities of the International Narcotics Control Board (the Board) to monitor the licit trade of chemicals listed in Table I and II of that Convention and prevent their diversion into illicit channels.

The project was designed to assist the Board and its Secretariat in establishing and managing a global regime for monitoring and control of precursor chemicals as envisaged under the United Nations Convention against Illicit Trafficking in Narcotic Drugs and Psychotropic Substances, 1988 (1988 Convention). The tasks carried out included: providing the Board with a basis for its examination of the world situation related to precursor chemical control; assisting Governments in preventing diversion of such substances; providing the Board with a basis for its assessment of substances for possible scheduling (i.e., the inclusion of substances into Table 1 and 2 of the 1988 Convention), removal or transfer between Tables; and providing advice and other substantive backstopping to technical assistance projects on, or including, precursor chemical control as formulated and executed by other services of UNODC. In addition, the Board has been called upon to collect and utilize a wider range of information than article 12 of the 1988 Convention specifically requires Governments to submit. Support is also being provided to an ever-increasing number of Governments that are also requesting the Board’s assistance in verifying the legitimacy of individual transactions involving scheduled and non-scheduled substances to prevent their diversion, and in identifying other non-controlled substances actually used in illicit drug manufacture.
The project inception was in January 1992 and has since been revised several times. The last major revision took place in December 2006, introducing additional activities in response to relevant ECOSOC and CND resolutions and the continued extension of the Board’s activities. Subsequent revisions incrementally extended the project duration, with the latest revision dating back to September 2010. The project revision document of December 2006 and its subsequent revisions are available for the evaluation team’s review (Note: It is proposed that the present evaluation cover the period 2007 to to-date).

The **overall objective** of the project has been to assist INCB and its Secretariat in establishing a global regime for the monitoring and control of precursor chemicals as envisaged under the 1988 Convention. Immediate objectives have included:

- Establishment of a functional databank on precursors and other chemicals used in the illicit manufacture of drugs to provide the Board with a basis for its examination of the world situation related to precursor chemical control;
- Assistance to Governments in preventing the diversion of precursors and other chemicals from licit international trade;
- Organization and assessment of available information relating to substances not yet under international control for the Board’s examination for possible scheduling, re-scheduling or de-scheduling of substances under the 1988 Convention;
- Provision of advice and other substantive backstopping to technical assistance projects on, or including, precursor chemical control as formulated and executed by other services of UNODC;
- Development of the global electronic pre-export notification system (PEN Online) and the simplified estimates system for the provision of annual legitimate requirements of 4 (four) ATS precursors; and
- Development, support and guidance to international initiatives addressing diversions of precursors such as Project Prism, for amphetamine-type stimulant (ATS) precursors, and Project Cohesion, for the chemicals used in the illicit manufacture of heroin and cocaine.

The **expected results** have been:

- Enhanced exchange of information between Governments, INCB and other relevant regional and international partners on legitimate trade and trafficking trends, including intelligence on suspicious transactions, identified diversion attempts and to facilitate backtracking investigations and controlled deliveries;
- Weaknesses in international precursor control mechanisms identified and remedial action introduced;
- Governments supported to enable them to comply with treaty provisions;
- Infrastructure provided to enable the exchange of pre-export notifications for precursor shipments in international licit trade;
- Improved knowledge base on the nature and extent of licit trade in precursors, on the sources and modus operandi of diversions of precursors and their actual use in illicit drug manufacture; and
- Specific international initiatives launched and coordinated to guide and direct both regulatory and enforcement related precursor control activities.

**Performance indicators** of the project are the following:

- Reports to ECOSOC and CND by the Board on the world situation related to precursor chemical control;
- Amendments made to the scope of control of the 1988 Convention and to the limited international special surveillance list;
- UNODC precursor project activities operating in accordance with the drug control conventions and international precursor initiatives;
- PEN Online increasingly used as the standard method for information exchange for shipments in licit international trade;
• PEN Online increasingly used for the constant real-time monitoring of the legitimacy of international trade in precursors and other essential chemicals to identify suspicious shipments and prevent diversions; and
• Specific international initiatives used to guide and direct both regulatory and enforcement related precursor control activities.

The Precursors Control Section (PRE) of the Secretariat of the International Narcotics Control Board (SINCB) has been responsible for project implementation.

II. PURPOSE OF THE EVALUATION

The present evaluation was initiated by the implementing office, the Precursors Control Section of the INCB Secretariat, and will be managed jointly by the project coordinator and HQ focal person. The purpose of the evaluation is to assess how the INCB Secretariat has facilitated the establishment and maintenance of a global regime for the monitoring and control of precursor chemicals as envisaged under the 1988 Convention, and how the relevance and effectiveness of activities can be further improved. The evaluation has been foreseen as part of GLO565 project activities. The final evaluation report is for internal consumption, to re-adjust project activities. Specifically, the purpose of the evaluation is to:
• assess and analyze the different project components outlined under objectives in section I above, and gather information on the activities undertaken, taking into consideration the elements highlighted below, under section III. Evaluation scope;
• report on observations, findings, and conclusions; and
• capture lessons learned and best practices employed, and make recommendations of practical relevance to INCB Secretariat and its global facilitating role in the area of international precursor control, which is linked to UNODC thematic programme area “Transnational Organized Crime and Illicit Trafficking”.

III. EVALUATION SCOPE

This evaluation covers the project concept/design, implementation, activities and results and outputs of project GLO565 with a focus on the period 2007-2011, i.e. since the latest substantive revision in 2006, which introduced new objectives in addition to four ongoing objectives. Activities remain the same over the years because they are core activities of the Board. The geographical coverage is global, however, for practical reasons a subset of countries (see list of PEN Online users in Annex 2) will be selected, representing the different regions and types / levels of precursor control capacity and role in international precursor trade. As the core element of the project is INCB’s Precursors Databank, focus will be on the analysis of the structure and functionalities of this databank and one of its main data entry mechanisms, the PEN Online system (the automated online system for the exchange of pre-export notifications), in the context of increased use of PEN Online by competent national authorities.

The evaluation scope is expected to include, but is not limited to, findings, lessons learned and recommendations in the following areas:

1. Relevance (i.e., whether the project contributes to a priority area or comparative advantage for INCB, and whether it addresses the identified needs/problem. This includes an assessment of the value of the project in relation to other priority needs and efforts, and whether the problem addressed is still a major problem), specifically:
   • The project alignment with INCB’s role and mandate in precursors control. This includes an assessment of the relevance of the project to:
     o The 1988 Convention;
     o Relevant precursor-related GA, ECOSOC and CND Resolutions.
   • The project alignment with countries’ policies and strategies.
• The relationship and complementarities of the project with INCB’s normative work.
• The relationship and complementarities of the project with other similar projects / activities at the national and regional level and activities of national and international agencies, e.g. Interpol, WCO.

2. **Impact** (i.e., what difference the project has made to beneficiaries – either short-, medium-, or long-term; intended or unintended; positive and negative; on a micro- or macro-level), specifically:
   • What are the effects on the institutions involved (competent national authorities, law enforcement and regulatory authorities), including:
     o The contribution of the project to identify and address weaknesses in international precursor control;
     o The contribution of the project to implement a global system of licit international precursors trade monitoring;
     o The contribution of the project to assist governments in preventing diversion and identifying diversion attempts of precursor chemicals from the licit international trade;
     o The contribution of the project to raise awareness among relevant counterparts about the requirements of precursors control both domestically and internationally, and from both a regulatory and law enforcement perspective.

3. **Effectiveness** (i.e., whether the results have been achieved, and if not, whether there has been some progress made towards their achievement). This includes an assessment of:
   • The functionality of the PEN Online system and its interface with the precursors databank;
   • Whether competent national authorities increasingly make use of available tools, e.g. active use of PEN Online;
   • Whether the recipients’ knowledge base has been improved on available tools in precursors control;
   • Whether recipients cooperate with each other, domestically (regulatory and law enforcement authorities) and internationally;
   • Whether joint investigations are carried out internationally.
   • Whether INCB Secretariat is able to actively monitor and identify suspicious shipments;
   • Whether INCB Secretariat is able to collect, assess and disseminate useful / actionable operational information to facilitate improved precursor control.

4. **Efficiency** (i.e., whether the effects have been achieved at an acceptable cost, compared with alternative approaches to accomplishing the same objectives). This includes an assessment of:
   • Whether the strategy and approach of the project, have been optimal (best possible) or whether other approaches could have improved the results;
   • The efficiency of activities carried out.

5. **Sustainability** (i.e., whether the activity is likely to continue after the project ends, i.e., do the beneficiaries accept the programme, are they willing to continue, and are relevant institutions in the region developing the capacity and motivation to continue it; Can the activity become self-sustaining, including financially?). This relates specifically to:
   • The capacity of Governments to maintain and improve licit international precursor trade monitoring, such as the use of PEN Online and other tools;
   • The continued involvement of competent national authorities in international operations and national interagency activities
   • The continued support, guidance and facilitation by INCB of international operations addressing diversions of precursors (e.g. Project Prism and Project Cohesion);
• The continued operation and maintenance of PEN Online and INCB’s precursors databank. Specific focus should therefore be placed on the analysis of the structure and functionalities of INCB’s precursors databank in the context of increased use by competent national authorities of the PEN Online system, with a view to making conceptual and technical recommendations for improvement. Activities in this connection should include the following activities, to be carried out in close cooperation with staff of INCB’s Precursors Control Section (PRE) responsible for the databank and the PEN Online system and relevant ITS staff:

(i) Analyse the current structure and functionalities of the databank, including the interface with the PEN Online system (PEN filter);
(ii) Analyse INCB’s precursor data collection, retrieval and analysis requirements in light of the Board’s mandate under article 12 of the 1988 Convention and the operational initiatives under Project Prism and Cohesion;
(iii) Hold in-depth discussions with relevant staff of PRE and ITS;
(iv) Prepare a summary report on observations and recommendations for use by PRE as management tool; and
(v) Prepare a detailed technical report with requirements specifications and cost indications (to the extent possible) for an improved version of the databank / PEN filter, in a prioritized manner, for immediate use by ITS.

6. Partnership
This includes an assessment of:
• Whether coordination and cooperation mechanisms between INCB and other relevant partners, including UNODC, have been successfully established;
• The lessons that can be drawn from the coordination / cooperation efforts and working arrangements between INCB, counterparts, and partners; and
• The comparative advantages of INCB and whether the project was implemented with these in mind.

7. Other
Finally, the scope of the evaluation should also include issues of:
• Government Inputs/Pre-requisites in relation to project objectives, i.e., an assessment of priority and/or resource allocations by the recipient countries;
• Problems and constraints encountered during project implementation;
• Best practice experiences by stakeholders triggered by the project.

Recommendations

In line with the present terms of reference and the established format for the evaluation report, the evaluator shall make recommendations of practical relevance to INCB’s role in precursors control. This should include recommendations and proposals for concrete actions to extend, improve or rectify outcomes, and resolve any problem, as appropriate, as well as recommendations for any necessary further activity or assistance. Where appropriate, recommendations should be made as best practices that have been demonstrated in the implementation of this project or negative lessons learned through project implementation, which are valid beyond the project itself, and can be applied in a wider context.

IV. EVALUATION METHODS

The evaluation will be conducted by a team of (two) independent experts, identified and recruited by INCB Secretariat, Vienna, in consultation with the UNODC IEU. The evaluation will be based on the study of documents and reports, followed by interviews with selected key persons, and (web-based) questionnaire(s) for other beneficiaries and stakeholders at different levels (competent national authorities, regulatory and law enforcement authorities, PEN Online users), as necessary.
The evaluation team will study the relevant documents, meet INCB and IT staff, make telephone interviews with staff of competent national authorities and other relevant counterparts in selected project countries, as appropriate. Interviews will be based on a core set of questions and will be planned by the parties to the project. During the course of the evaluation, it might be necessary to add or remove interviews, if the evaluation team deems it necessary. Where needed, questions may also be clarified in writing. The IT component of the evaluation may also include supervised access to specified components of the databank.

V. EVALUATION TEAM COMPOSITION

The evaluation will be carried out by a team of independent experts. The evaluators will not be considered in any respect as a regular staff member of the UNODC project and should not have prior involvement in the activities and intended outcome as well as will not act as a representative of any party. S/he should use his/her independent expert judgment in the process of this evaluation and should remain impartial, guided by professional standards and ethical and moral principles, in accordance with UNEG Standards for Evaluation in the UN System. The evaluators will be nominated by the implementing office in consultation with UNODC’s IEU.

Qualifications and expertise of the evaluator team

Evaluator 1
- Degree in computer science, information systems, mathematics, statistics or related field.
- A minimum of five years of experience in planning, design, development, implementation and maintenance of computer information systems or related area.
- Knowledge of a range of computer languages and development paradigms, including Java /J2EE, ApacheTomcat Application Server, Apache Struts MVC Framework, Apache Cayenne ORM, Oracle DBMS (version 10 and 11), Oracle PL/SQL, Internet Explorer Javascript Extensions / AJAX, Powerbuilder;
- Experience in analyzing large centralized institutional systems and business operational issues and needs;
- Experience in drafting conceptual and technical documents on complex computer systems issues;
- Knowledge of the information infrastructure of INCB’s precursor databank and the overall IT strategy is an asset;
- Fluency in English (oral and in writing). Knowledge of other UN official languages is an advantage.

Evaluator 2
- Bachelor university-level degree in international relations, law, political science, economics, statistics, public administration, chemistry or pharmacy, policing, or other related field (relevant professional experience may substitute for university degree).
- Five years of professional experience and practical experience in drug and precursor control at the national or international level including project evaluation
- Substantive knowledge of, and experience with governmental control mechanisms in respect of drugs/precursor chemicals. Experience in law enforcement and/or regulatory matters is an asset.

1 http://www.uneval.org/papersandpubs/documentdetail.jsp?doc_id=22
• Familiarity with the drug control conventions, especially the 1988 Convention, and INCB’s role in international precursor control; Knowledge of the information infrastructure of INCB’s precursor databank is an asset.

• Fluency in English (oral and in writing). Knowledge of other UN official languages is an advantage.

VI. PLANNING AND IMPLEMENTATION ARRANGEMENTS

The evaluation will take a total of 38 working days (18 and 20 for consultant 1 and 2, respectively), tentatively, between 6 February and 27 April 2012. The evaluation will take place in Vienna, Austria, and home-based.

The evaluation team will be briefed by staff of the Precursors Control Section of the INCB Secretariat and the IT Section, both in Vienna. A meeting with IEU will also be arranged.

Substantive and administrative support to the evaluation team will be provided by the INCB Secretariat. This includes assistance with arrangements for travel and for meetings with relevant staff.

To facilitate the evaluation, where necessary, the concerned Governments shall ensure that the evaluation team has access to any person that might be considered relevant for the purpose of the evaluation. A contact list of these persons and details of the beneficiary agency counterparts will be provided to the evaluation team.

Working arrangements

Evaluator 2 will act as lead evaluator, where required, ensuring overall coordination of the evaluation, preparation of the draft report and its finalization on the basis of comments received and in line with UNODC evaluation policy. As required, the lead evaluator will also include a management response in the final report. Evaluator 1 will perform the specific tasks related to the evaluation of the IT component and assist the lead evaluator in all stages of the evaluation process, as per the respective TOR.

Expected deliverables

The evaluation team shall provide a detailed description of evaluation methods at the outset of the assignment. Questionnaires and check list of questions for interviews shall also be designed, at the outset, by the evaluation team in consultation with INCB Secretariat.

The evaluation team shall submit an evaluation report following the attached format (see Annex 3), including a detailed technical report on the IT segment, in electronic form (MSWord), to INCB’s Precursors Control Section. Submission of the draft report is expected following the timeline below. Submission of the final reports is due two weeks after receipt of INCB comments. The Project coordinator will be responsible for distributing the final report to the concerned parties, including the UNODC Independent Evaluation Unit at HQ.

As part of finalizing the evaluation report, the evaluation team may be required to discuss with a number of parties, and may take into account for the final report any observations and comments received. It is stressed however that although the evaluation team should take the views expressed into account, his/her own independent judgement should be used in preparing the final report.

Similarly, during the course of the evaluation, the evaluation team will consult with a variety of personnel from the beneficiary agencies to discuss issues relating to the project. S/he should clearly identify his/her role and advise that s/he is not authorised to make any commitments on behalf of INCB project management.
All relevant project-related documents and information (including project documents, progress reports, mission and meeting reports and other publications that resulted from the project implementation) will be made available to the evaluation team for review, to allow him/her to satisfactorily fulfil these Terms of Reference (see Annex 1).

**Timetable**

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<th>Consultant 2 (Who and for how many days)</th>
<th>What tasks/deliverables</th>
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</tr>
<tr>
<td>6-10 Feb-12</td>
<td>5 work days</td>
<td>5 work days</td>
<td>Briefing of evaluators by PRE and ITS staff</td>
<td>Headquarters</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Interviews/discussions with staff of selected agencies / authorities benefiting from the project, interviews and discussions with relevant counterparts, see Annex 2</td>
<td>Headquarters</td>
</tr>
<tr>
<td>13 Feb-12 to 2 Mar-12</td>
<td>5 days</td>
<td>6 days</td>
<td>Preparation of the draft report</td>
<td>Home</td>
</tr>
<tr>
<td>12 Mar-12</td>
<td></td>
<td></td>
<td>Project Manager comments on draft report and presents it to the IEU and CLP for final comments</td>
<td>Home</td>
</tr>
<tr>
<td>31 Mar-12</td>
<td>3</td>
<td>4 days</td>
<td>Finalization of the report on the basis of comments received. Submission to IEU for final clearance and posting to website.</td>
<td>Home</td>
</tr>
<tr>
<td><strong>Total working days</strong></td>
<td><strong>18</strong></td>
<td><strong>20</strong></td>
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</table>

*The exact timetable of the evaluation shall be decided as soon as the evaluation team is appointed*

**Evaluation report and follow-up**

The evaluation team should submit a comprehensive report on evaluation results, lessons learnt and recommendations, to be easily considered by INCB’s Precursors Control Section and all counterparts in planning of future activities at international level. In particular, it should facilitate INCB PRE’s efforts in identifying and developing best practices, and ensuring their integration into a future extension of the activities under project GLO565 (or a successor project).
The evaluation report should follow the UNODC standard format and guidelines for the preparation of project evaluation reports (see Annex 3), and should not exceed 25-30 pages excluding technical annexes on the IT segment. The evaluator should also fill out the summary assessment questionnaire. Copies of the UNODC standard format and guidelines for the preparation of project evaluation reports and the summary assessment questionnaire are attached in Annex 3.

7. PAYMENT

Consultants will be issued consultancy contracts and paid in accordance with United Nations rules and procedures. The consultants will be paid as per the contract.

Annex 1. Desk review (list of documents)

- Project documents and its revisions
- Semi-Annual and Annual Project Progress reports
- Projects Cohesion and Prism special Alerts
- Meeting Reports of Projects Cohesion and Prism
- Annual Precursors Reports (web links)
- Relevant CND Resolutions, Security Council resolution, UNGASS Report
- PEN Online User Guide
- Lists of Project Cohesion and Prism members and task force members

Annex 2. Core Learning Partners (CLP) Members (names and titles)

- **INCB PRE staff**: Mr. Rossen Popov, Chief, Precursors Control Section, INCB & team
- **UNODC ITS staff**: Mr. Maurizio Gazzola, Chief, Corporate Software Solutions Section; Mr. Gert Eidherr, Global Project Manager, INCB Solutions Team & team; Mr. Tobias Schoessler, Team Leader, Web Development Team
- **PEN Online users (tentative list)**: Bangladesh, Brazil, Canada, Chile, China, Cuba, Egypt, Germany, Guatemala, India, Jordan, Kazakhstan, Kenya, Mexico, Pakistan, Paraguay, Singapore, South Africa, Switzerland, UAE, United States (plus some who have been invited to but are not yet registered)
- **Project Prism and Cohesion Task Force members**: list provided (see Annex 1)
- **International partners**: Mr. Berthold Back, Interpol; Mr. Ulrich Meiser, WCO; Ms. Paola Mazzarini, EC, DG Taxation and Customs Union

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2 I.e. major stakeholders, e.g. project team, implementing partners, government counterparts, donors; list not comprehensive.
- **UNODC staff**: Mr. Ketil Otterson, Project manager, Global Container Programme; Mr. Ian Munro, Programme Officer; Mr. Mark Colhoun, Law Enforcement Advisor

- **Donors**: Canada, France, United States (donors since 2006)

**Annex 3. UNODC standard format and guidelines for evaluation reports**

- The model evaluation report contained in this Annex is intended to assist the evaluation team in drafting its evaluation report. The evaluation report should contain the findings (clearly supported by evidence), conclusions and recommendations of the evaluation.

- Although the structure of the report may be adapted to the particular circumstances of an evaluation exercise (for example, several projects may be covered by a joint report), major headings should be retained, while sub-headings may be added, as necessary.

- Information should only be included in the report if it significantly affects the analysis and serves to clarify issues. Rather than repeating information already provided, references should be made to annexes, other parts of the report or documents used to obtain information. Sources of information used should be referenced in a consistent manner throughout the report.

- A standard evaluation report starts with a sample cover page, a table of contents, a list of abbreviations and acronyms and an executive summary.

- The main body of the report should not exceed 25-30 pages. Annexes should be kept to an absolute minimum (no longer than 15 pages), with the exception of the technical annex on the IT segment, as appropriate. Only those annexes that serve to demonstrate or clarify an issue related to a major finding should be included. Existing documents should be referenced but not necessarily annexed.

- The report should be typed. Text lines should be spaced at 1.5 and be formatted top fit A4 paper. Pages should be numbered consecutively using Arabic numerals, with the numbers appearing in the lower right hand corners of the pages. Paragraphs should be numbered.

- The report should be submitted in electronic format.

**Annex B – List of persons interviewed, interview schedule**

**Friday 10 February 2012**

Mr. Ketil OTTERSEN, Senior Programme Coordinator, UNODC/WCO Global Container Programme *(telephone interview)*

**Monday 13 February 2012**

Mr. Rossen POPOV, Chief, Precursors Control Section (PRE)
Ms. Barbara REMBERG, Senior Technical Adviser, PRE
Mr. Reiner PUNGS, Drug Control Expert, PRE
Mr. Mathew NICE, Drug Control Officer, PRE

**Tuesday 14 February 2012**

Ms. Katharina KAYSER, Chief, Independent Evaluation Unit (IEU)
Ms. Fiona HLAVKA, Programme Assistant, IEU
Ms. Barbara REMBERG, Senior Technical Adviser, PRE
Mr. Reiner PUNGS, Drug Control Expert
Ms. Nadya BADR, Statistics Assistant, Precursors Control Section
Mr. Maher ABU GHALI, Officer-in-Charge, Chief, Software Services Unit, Information Technology Section
Mr. Tobias SCOESSLER, Team Leader, Web Development Team, ITS
Mr. Ilya LAZAREV, Software Engineer, Web Development Team, ITS
Mr. Gert EIDHERR, Global Project Manager, INCB Solutions Team, ITS

**Wednesday 15 February 2012**

Mr. Sujit ROY, Central Bureau of Narcotics, India (*PEN Online user - telephone interview*)
Mr. Aamir SULIMAN, Head of Narcotics and Precursor Control Section, UAE (*PEN Online user - telephone interview*)
Mr. Wolfgang PFONEISL, Consultant, Drugs, Psychotropic Substances and Precursors, Ministry of Health, Austria (*PEN Online user – meeting at Ministry of Health, Vienna*)
Mr. Stephen BROWN, Admin Officer (Licensing) Drugs Licensing and Compliance Department, Home Office, UK (*PEN Online user - telephone interview*)
Mr. Justice TETTEY, Chief, Laboratory and Scientific Section, UNODC
Mr. John FARMER, Senior Programme Analyst, Synthetic Drugs and Chemical Section, Office of Diversion Control, Drug Enforcement Administration, USA (*Project Prism/Cohesion Task Force member - telephone interview*)
Mr. David CORTES, The Federal Commission for the Protection against Sanitary Risk, Mexico (*PEN Online user - telephone interview*)

**Thursday, 16 February 2012**

Mrs Jagjit PAVADIA, Narcotics Commissioner, Central Bureau of Narcotics, India (*Project Prism/Cohesion Task Force member - telephone interview*)
Mr. Khalid ABDUL SHAKOOR, General Secretary of the Drug Regulation Committee, Ministry of Counter Narcotics, Afghanistan (*PEN Online user - telephone interview*)
Mr. Muhammad ISHPIAQ AHMED, Joint Director Enforcement, Headquarters Anti Narcotics Force, Pakistan (*PEN Online user - telephone interview*)
Mr. Ian MUNRO, Law Enforcement Adviser, UNODC
Mr. Wilberforce GACHOKI, Head of Pharmacy Practice, Ministry of Medical Services, Kenya (*PEN Online user - telephone interview*)
Mr. Mathew WILMOTT, Staff Coordinator, Drug Enforcement Administration, USA (*PEN Online user - telephone interview*)

**Friday, 17 February 2012**
Mr. Leif KNUDSEN, European Anti-Fraud Office (OLAF) - (Project Prism/Cohesion Task Force member - telephone interview)
Mr. Hans HENDRIKS, Liaison Expert, Precursors, Fiscal Intelligence and Investigation Service, Ministry of Finance, The Netherlands (Project Prism/Cohesion Task Force member - telephone interview)
Mr. Murat EGENBAEV, Chief, Department of Licensing, Committee For Fight against Drug Abuse and Illicit Drug Traffic, Ministry of Interior Affairs, Kazakhstan (Competent National Authority - telephone interview)
Mr. Les FIANDER, Precursor Expert, Organised Crime Networks, Europol.
Mr. Andres FINGUERUT, Secretary of the International Narcotics Control Board
Mr. Sandeep CHAWLA, Deputy Executive Director, UNODC.

Sunday, 19 February 2012

Mr. Mark COLHOUN, UNODC Law Enforcement Adviser, Afghanistan (telephone interview)

Monday, 20 February 2012

Mr. Craig LINDSAY, Australian Customs and Border Protection Service, (Project Prism/Cohesion Task Force member - telephone interview)
Mr. Chris GARDNER, Senior Policy Advisor, Australian Customs and Border Protection Service (participated in telephone interview with Craig LINDSAY)
Mr. Imrich BETKO, Drug Control Officer, INCB PRE (telephone interview)
Mr. Berthold BACK, INTERPOL (Project Prism/Cohesion Task Force member - telephone interview)
Mr. Philip KRUSS – Chief of ITS, UNODC

Tuesday, 21 February 2012

Mr. Tofik MURSHUDLU, Senior Project Coordinator for the CARICC Project, UNODC, Kazakhstan (telephone interview)

Thursday, 23 February 2012

Mr. Akira FUJINO, former Special Advisor to the Executive Director, UNODC (telephone interview)

Tuesday, 13 March 2012
Ms. Barbara REMBERG, Senior Technical Adviser, PRE
Mr. Reiner PUNGS, Drug Control Expert, PRE
Mr. Ulrich MEISER, World Customs Organization (Project Prism/Cohesion Task Force member - telephone interview)
Attended Project Prism/Project Cohesion Task Force meeting, CND, Vienna

Wednesday, 14 March 2012

Ms. Paola MAZZARINI, European Commission, Directorate-General for Taxation and Customs Union (Project Prism/Cohesion Task Force member)
Superintendent Eric SLINN, Director Drug Branch, Royal Canadian Mounted Police, Ottawa
Ms. Johanne BEAULIEU, Director of Controlled Substances, Health Canada *(Representatives of Donor Government to the project – Canada)*

**Thursday, 15 March 2012**

Attended CND Side Event – Precursors Control – Including the launch of the Precursors Incident Communication System (PICS)  
Project Stakeholders Meeting with Representatives of PRE and IEU  
Mr. Peter GERZ – Joint Customs and Police Precursor Monitoring Unit, Bundeskriminalant, Germany *(Project Prism/Cohesion Task Force member)*  
Mr. Wolfgang SCHREIBER – Joint Customs and Police Precursor Monitoring Unit, Bundeskriminalant, Germany *(participated in interview along with Peter GERZ)*  
Mr. Jerome AUDIN, First Secretary, French Permanent Mission, Vienna *(Representative of Donor Government to the project – France)*

**Friday, 16 March 2012**

Ms. Kathleen PALA, Senior Advisor, Bureau of International Narcotics and Law Enforcement Affairs (INL), US Department of State *(Representative of Donor Government to the project – USA)*

**Annex C – IT Questionnaire**

**ITS – Technical Issues Questionnaire**

Please provide a brief description of the systems shown below (the purpose, platform, dates of implementation etc.) and the flow of information between them.

- INCB Precursors Databank
- Pre-export notification system (PEN Online)
- National Drug Control System (NDS)
- International Drug Control System (IDS)

Please provide a detailed description of the ITS activities (with the emphasis of the activities in the period 2007 - 2011) behind “expansion” and “integration” of PEN Online with IDS mentioned below? Which modifications / enhancements were introduced? What was the effect of modifications? Were there any limitations preventing ITS from achieving planned results?

- Expansion of INCB Precursors Databank
- Expansion of Pre-export notification system (PEN Online)
• Integration of PEN Online with IDS

Please provide the breakdown of the IT related costs of the project in the period 2007 – 2012 (budgeted versus real costs)

Which security mechanism does PEN Online system use?

Does the PEN Online system have an Audit Trail capability? If so then could you please provide the following statistics: number of active users and number of transactions processed by the system during each year in the period 2007 – 2011?

Are there Backup / Restore procedures for the PEN Online system? If so then to what extent are they automated?

What is the level of PEN Online availability for the users?

Which technical documentation (in addition to the PEN Online Manual) is available? Is the PEN Online Notification Manual (user guide) an effective tool? Are there opportunities to simplify and improve this or is it adequate for the job?

Are there, or have there been, any practical operational or user problems with the system? If so, what?

Is the necessary support available? The PEN Online manual mentions that online support is available at pen@incb.org. How useful and effective is that support?

Are the systems being used regularly and effectively? If not, why not?

Is the PEN Online Notification Manual (user guide) an effective tool? Are there opportunities to simplify and improve this or is it adequate for the job?

What training has been provided to the user? Is the training adequate? Is further training needed?

What opportunities exist to refine and further improve the system? Are there obstacles to further progress and development?

Finally, do you have any other comments about PEN Online or other issues that can help with the evaluation?
Annex D – Pen-Online System User Questionnaire

PEN Online Users – Questionnaire and topics for discussion

The INCB has established a global regime for managing and control of precursor chemicals. An important component of that regime is the Pre-Export Notification system - PEN Online. Your country is registered to access and use the PEN Online facility. What was the date of registration? Is your country using the system on a regular basis? What is the frequency of use? For example, how many times on average each month do you use the system?

If the system is not being used, why is that?

Is PEN Online efficient and working well? If not, why not?

Is it user friendly? Are there any problems with the system? If so, what are they? What can be done to overcome problem areas?

Is it effective? Has information exchanged by your country through PEN Online led to the carrying out of international law enforcement operations? What results have been achieved? Number of suspicious consignments intercepted/seizures made? Number of traffickers arrested?

Can PEN Online be improved to become more practical and easier to use?

What do you consider to be the most significant changes that could be made to improve its overall effectiveness?

Is the necessary support available? The PEN Online manual mentions that online support is available at pen@incb.org How useful and effective is that support?

Is the PEN Online Notification Manual (user guide) an effective and useful effective tool? Are there areas to simplify and improve this or is it adequate for the job?

What training has been provided to the user? Is the training adequate? Is further training needed?

Finally, do you have any other comments about PEN Online or other issues that can help with the evaluation?

Annex E – Questionnaire Project Prism/Cohesion Task Force

Prism/Cohesion Task Force Members – Questionnaire and topics for discussion

The INCB has established a global regime for managing and control of precursor chemicals. What are your views about the system? Is it effective? What are the strengths of the system? What are the weaknesses? What are the successes/achievements?
What do you consider to be the most significant changes that could be made to improve its overall effectiveness?

The INCB provides assistance to Governments and facilitates global activities in preventing the diversion of precursors and other chemicals from licit international trade. Please give examples of the type of assistance your country has received from INCB and / or the activities you participated.

What do you consider to be the most important benefits of the international initiatives Project Cohesion and Project Prism?

What are your views on the value and effectiveness of operational activities under Prism and Cohesion such as DICE 2 (focus on acetic anhydride), Operation PILA (focus on ephedrene and pseudoephedrene) and PAAD (phenylacetic acid)?

What has resulted from the Project Cohesion Task Force action plan to tackle the problem of trafficking of chemicals used in the illicit manufacture of cocaine?

Is there a formal feedback mechanism from Cohesion/Prism Task Force members to the INCB Precursors Control Section towards achieving further improvement of project activities?

Should Project Prism and Project Cohesion continue? Are they still relevant and needed? If not, why not? If so, are there plans for further operational activities such as DICE 2, PILA and PAAD? What opportunities are there to introduce further operational initiatives under Prism and Cohesion?

How effective has been the overall role of INCB in Project Prism and Project Cohesion and their operational activities? Do you have any suggestions for changes/amendments?

What is your view about the role of Project Prism/Cohesion to foster communication between 1) TF members, 2) with Project participants generally and 3) and with INCB? Have you any comments about communication mechanism during operations?

Do you have any suggestions about dissemination of information – TF communications and alerts?

What do you feel would be the potential outcome if the INCB global precursors control efforts in respect of Prism and Cohesion ceased?

What do you consider to be the overall impact of these operational activities?

What are the lessons to be learned? What examples are there of good practice? The INCB has developed Guidelines to assist Governments develop a Voluntary Code of Practice with the Chemical Industry to prevent diversion of precursors. How useful are these guidelines? Has your country established a Voluntary Code of Practice with the industry?

Is the information made available to you by INCB on precursors and other chemicals used in the illicit manufacture of drugs adequate? Is there further information you require?
Are you familiar with the Pre-Export Notification Online system - PEN Online? If so, is it efficient and working well? Is it user friendly? Are there any problems with the system? If so, what are they? Do you have any suggestions for improvement of the system?

What are the challenges and threats to maintaining an effective precursor control regime?

Is the current INCB global strategic approach to precursor control appropriate or is there a need for change? Where can improvements be made to keep pace with new challenges?

Finally, do you have any other comments that can help with the evaluation?

Annex F – General questionnaire including topics for discussion

General Questionnaire and topics for discussion

General issues – outcomes, impact and sustainability/lessons learned and best practices

The INCB has established a global regime for managing and control of precursor chemicals. What are your views about the system? Is it effective? What are the strengths of the system? What are the weaknesses? What are the successes/achievements?

A key objective was to establish a functional databank on precursors and other chemicals used in the illicit manufacture of drugs. When did the databank become operational? How is the information in the databank being used? What reports are prepared? Are there any problem areas? For example, are there any information gathering problems? Is it effective in providing the Board with the required information?

A further project objective relates to the provision of advice and other substantive backstopping to UNODC technical assistance precursor control projects. Please give examples of this work and the estimated number of projects involved (2007-2011).

The project also requires the provision of assistance/guidance/advice to Governments in preventing the diversion of precursors and other chemicals from licit international trade. Please give examples of the type of assistance provided to Governments.

What are the benefits and results of international initiatives instigated under the project such as Project Cohesion and Project Prism?

- Precursor seizures/Drug seizures;
- Operations;
- Information/Intelligence;
- Analytical product;
- Sources of Information.

What are the results of other operational activities under the project such as DICE 2 (focus on acetic anhydride), Operation PILA (focus on ephedrine and pseudoephedrine) and PAAD (phenylacetic acid)?
- Precursor seizures/Drug seizures;
- Operations;
- Information/Intelligence;
- Analytical product;
- Sources of Information.

It is understood that there have been difficulties implementing the Project Cohesion Task Force action plan to tackle the problem of trafficking of chemicals used in the illicit manufacture of cocaine. Please could you give your views about this situation.

Is there a formal feedback mechanism from Cohesion/Prism Task Force members to the INCB PRE towards achieving further improvement of project activities? Have these initiatives been formally evaluated as to value and cost-effectiveness?

Should Project Prism and Project Cohesion continue? Are they still relevant and needed? If not, why not? If so, are any modifications required and what, if any, should there be? Are there plans for further operational activities such as DICE 2, PILA and PAAD? What opportunities are there to introduce further operational initiatives under Prism and Cohesion?

Which other project activities/initiatives of INCB have proven successful in achieving a global regime for the monitoring and control of precursor chemicals? Are there any important areas/gaps in the regime which are not sufficiently covered? If so, what are they?

What liaison/partnership work takes place between PRE and UNODC substantive units, Interpol, Europol, WCO and other law enforcement institutions and chemical manufacturers and suppliers? Are there opportunities to work more effectively with these organizations to improve cooperation, exchange of information and develop initiatives?

How does the GLO 565 integrate with other international precursor control initiatives (such as Europol’s Project Synergy)? Can lessons be learned from other precursor initiatives?

Is the project fulfilling all its objectives? What is the overall impact?

Is the project still relevant? Is it still needed? Is it sustainable and cost-effective to continue?

Is donor funding likely to be made available for the project after December 2012?

What are the weaknesses in the present system? What are the barriers to the success of the project?

What functions well? What are the successes/achievements?

Could you comment on the communication channels between INCB and Project Prism and Project Cohesion Task Force members and participants, to include INCB’s information dissemination tools (e.g., Alerts, TF communications, Annual Precursor Report) and channels for contacting Competent National Authorities (CNAs) when planning and conducting operations.

What do you consider to be the most significant changes that could be made to the project to improve its overall effectiveness?
What are the lessons to be learned? What examples are there of good practice?

The INCB has developed Guidelines to assist Governments develop a Voluntary Code of Practice with the Chemical Industry to prevent diversion of precursors. How useful are these guidelines? Are they being used in practice? How many countries have established Voluntary Codes of Practice with the industry?

What opportunities are there to further develop the INCB precursor project? For example, is it feasible to develop a new phase in the project by expanding the system to deal with other precursor chemicals? What opportunities are there to introduce further operational initiatives?

What are the challenges and threats to maintaining an effective international precursor control regime?

Is the current INCB global strategic approach to precursor control appropriate or is there a need for change? Where can improvements be made to keep pace with new challenges?

What would be the potential outcome to INCB global precursor control efforts if the project is discontinued at the end of the current funding cycle in December 2012?

**PEN – Online system**

As of February 2012, there are 126 countries registered to use the system. Yet several countries with access to use PEN Online are not actually using it on a regular basis. Why is that? What can be done to overcome this problem?

In practice, how many of the 126 registered are regularly using the system?

Some countries have still not registered to use the PEN Online system. African countries account for half the countries not registered yet traffickers continue to target those countries due to weak controls. What exactly is the problem? What can be done to encourage these countries to register and use the system?

Is PEN Online efficient and working well? If not, why not? For example, is it due to a lack of awareness of the system, lack of an appropriate focal point, inadequate computer equipment, internet not accessible, the lack of trained staff or other reason? Is it user friendly? Are there any problems with the system? If so, what are they?

Is the system proving effective? Achieving good results? What are the results?

Can PEN Online be improved to become more practical and easier to use? What else do you consider priority issues to facilitate communication between exporting and importing CNAs and further develop PEN Online?

Is the necessary support available? The PEN Online manual mentions that online support is available at pen@incb.org How useful and effective is that support?

Is the PEN Online Notification Manual (user guide) an effective and useful tool? Are there areas to simplify and improve this or is it adequate for the job?
What training has been provided to the user? Is the training adequate? Is further training needed? Has the UNODC Computer Based Training (CBT) system been considered for use?

**Finally, do you have any other comments that can help with the evaluation?**

**Annex G – IT technical report**

This is an internal technical document for use by INCB and ITS. A copy is available upon request from the Independent Evaluation Unit.

**Annex H – Desk Review – List of documents**

Project documents and project revision documents for GLO 565  
Semi-annual and Annual Project Progress reports  
Project Cohesion and Prism special Alerts  
Meeting Reports of Projects Cohesion and Prism  
INCB Annual Precursors Reports 2010 and 2011  
Relevant CND Resolutions, Security Council Resolution, UNGASS Report  
SINCB Corporate Business Plan (2011 – 2014)  
Guidelines for a Voluntary Code of Practice for the Chemical Industry – INCB - 2009  
PEN Online User Guide  
Vienna Declaration resulting from the Third Ministerial Conference of the Paris Pact Partners on Combating Illicit Traffic in Opiates Originating in Afghanistan held on 16 February, 2012.  
Amphetamines and Ecstasy – 2011 Global ATS Assessment – UNODC  
The Global Afghan Opium Trade – A Threat Assessment, 2011 – UNODC