



**UNODC**

United Nations Office on Drugs and Crime

# Supporting the Integration of Asia Through Effective Public Security: Views from Regional Leaders - 2014





**UNODC**

United Nations Office on Drugs and Crime

Telephone: +6622882100

Fax: +6622812129

Email: [fo.thailand@unodc.org](mailto:fo.thailand@unodc.org)

Website: [www.unodc.org](http://www.unodc.org)

### **Acknowledgement**

This report is the result of the regional conference: 'Supporting the integration of Asia through effective public security', which took place on 31 October 2014 in Bangkok, Thailand. It was developed by a UNODC team consisting of Nadja Holfelder, Akara Umapornsakula, Richard Priem and Zoey Tung.

UNODC would like to specifically recognize the contribution of the Department of Immigration and Border Protection, Australia.

On 31 October 2014, the United Nations Office on Drugs and Crime organised an interactive conference: ‘Supporting the Integration of Asia through Effective Public Security’. The conference included remarks on behalf of the Parliamentary Secretary for Foreign Affairs of Australia, Senator Brett Mason, as well as by Special Advisor to the Prime Minister of Thailand, Dr. Kittipong Kittayarak.



From left: Mr. Shervin Majlessi, Mr. Jeremy Douglas, Ms. Sarah Roberts and Mr. Kittipong Kittayarak during the opening ceremony

In addition to high-level panellists, over 100 participants from international agencies and ministries responsible for trade, transport, justice and law enforcement from around the region attended the conference.

**“With the right focus on the rule of law as an essential building block, regional integration will ultimately be positive for all people concerned”, Dr. Kittipong Kittayarak, Special Advisor to the Prime Minister of Thailand**

The two key messages that came out of the gathering were that 1) positive effects of regional integration are threatened by transnational organised crime, and 2) that there needs to be an integration of trade, transport and security agendas. As pointed out by Dr. Kittayarak, “With the right focus on the rule of law as an essential building block, regional integration will ultimately be positive for all people concerned”.

Representatives from ministries of trade and transport approached regional integration more from a growth perspective, while law enforcement and justice officials viewed integration from a security perspective. Participation in three interactive panel discussions and networking activities marked the first time so many people from these fields came together to find solutions to the threat of transnational organised crime for the regional integration process.

## **The trade, transport and integration agenda**

Southeast Asia is committed to far-reaching change in the management of its borders as the integration process towards the ASEAN Community in 2015 proceeds. From the perspective of trade and transport facilitation, the blueprint for the ASEAN Economic Community (AEC), states that:



*“An ASEAN single market and production base shall comprise five core elements: (i) free flow of goods; (ii) free flow of services; (iii) free flow of investment; (iv) freer flow of capital; and (v) free flow of skilled labour”.<sup>1</sup>*

To achieve that goal, Southeast Asia is increasing the connectivity between economic actors, aiming to redefine border management from ‘control’ to ‘facilitation’. In the first panel session of the day, participants discussed the economic and transport agendas of regional integration.

A central element of that agenda is to implement new approaches to border management. Mr. Yuwei Li, director of UN ESCAP Transport Division, pointed to a recognized need to ensure more practical, flexible, secure, efficient and reliable options for cross-border transport. UN ESCAP developed two tools to this end, the Secure Cross-border Transport Model, providing real-time monitoring of transportation en-route, and the Model on Integrated Controls at Border Crossings, encompassing simplified and streamlined procedures at border crossings.

These changes in border management will lead to an increase in the cross-border movement of people, goods and capital. Ms. Mia Mikic, Chief of Trade Policy and Analysis for UN ESCAP, pointed out 150 active regional trade agreements (RTAs) concerning Asian and Pacific economies with more in the pipeline for the future. 80% of the existing RTAs are bilateral agreements and 52% of the bilateral agreements are intra-Asia-Pacific in nature. Despite the numerous RTAs in the region, intra-regional trade still remains below potential.

---

<sup>1</sup> Roadmap for an ASEAN Community 2009-2015, p.22

Reasons behind the lagging of this trade can be found in the fact that the RTAs are often not signed between the most relevant partners, they do not cover key economic sectors nor do they create enough trading space. In many instances the trading rules are too complicated and costly for businesses to follow. When proper measures are taken, there are plenty of opportunities for regional trading blocs in Asia (such as ASEAN or South Asian Free Trade Area) to create cohesive policies and facilitate growth.

Therefore, the regional integration process will have to focus on creating a convergence between the 'soft' and 'hard' infrastructure development projects in the region, making sure that regulatory opportunities for firms are increased in addition to physical connectivity. This requires continuation of ongoing efforts to facilitate more mobility for capital, goods and people, as well as more investments in the regulatory frameworks and the expansion of infrastructure projects in Asia.

Senior Advisor for the Asian Development Bank (ADB), Georges Heinen, emphasised that the ADB is aiming to strengthen the connectivity in Asia. The ADB has invested over USD \$5 billion in infrastructure projects in the Greater Mekong sub-Region over the past 20 years, and remains focused on turning and expanding transport corridors into full-fledged economic centres of activity. Efforts from ADB will accelerate with regional integration and continue to boost trade within and between regions in Asia.

The Asian Highway and the Trans-Asian Railway Network are examples of projects that aim to physically knit the region together while supporting a platform for freer movements across borders. The ASEAN Single Window Initiative (ASW) is an example of a 'soft' infrastructure project, meant to harmonize data and information processing with a single decision-making point for customs clearance in order to achieve greater efficiency and transparency in border management.

These pan-regional infrastructure programmes are being developed in partnership with national governments and international partners, forming an interlocking plan for a highly connected and integrated region. Positive expectations of the process were shared by the participants, with 90% agreeing that increasing connectivity in Asia will primarily have benefits for sustainable economic development in the region.

## **Emerging transnational crime trends in Asia**

While regional integration provides ample opportunities for economic growth in Asia, illicit markets tend to develop in parallel with licit economies. In recent years, the rapidly growing volume of transnational crime flows in Asia has become apparent. East Asia and the Pacific region alone already amounts to a staggering value of more than USD \$90 billion per year.<sup>2</sup>

This figure is larger than the GDP of most states in the region. Consequently, these huge money flows are fuelling corruption, inflicting health risks onto the population and

---

<sup>2</sup> UNODC: Transnational Organized Crime in East Asia and the Pacific: A Threat Assessment.



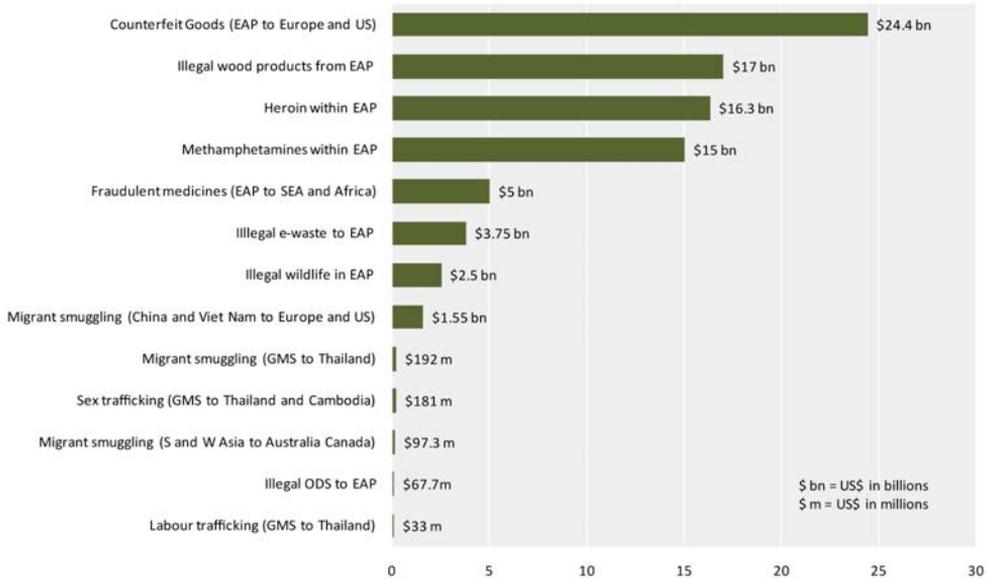
Map of all roads and rail links in Asia

compromising border security. As the region moves towards further integration and connectivity to facilitate more economic growth over the coming years, participants in the second session discussed how transnational crime groups will be able to reap benefits from this process as well.

With regard to drugs and precursors, the production and trade of opiates (primarily heroin and opium) continues to rise, both the largest and second largest market are located in Asia. Afghanistan is the primary producer of opium and heroin in the world, followed by Myanmar and ‘the Golden Triangle’ area, which traditionally also covers Lao PDR and northern parts of Thailand.

UNODC drug and precursor expert Mr. Tun Nay Soe warned that the value associated with the production and trafficking of illicit drugs in Southeast Asia and the Pacific exceeds USD \$31 billion per year, including an estimated USD \$16.1 billion derived from the production and trade in opiates (opium and heroin), and over USD \$15 billion emanating from amphetamine-type stimulants (ATS).

He stressed that trends of methamphetamine pill seizures in Southeast Asia already indicate a seven-fold increase in production and consumption between 2008 and 2012. In addition, while the various types of regular and crystalline methamphetamine pills are mostly found in the Greater Mekong sub-Region, in recent years they have also started to ‘spill over’ into neighbouring countries and regions.

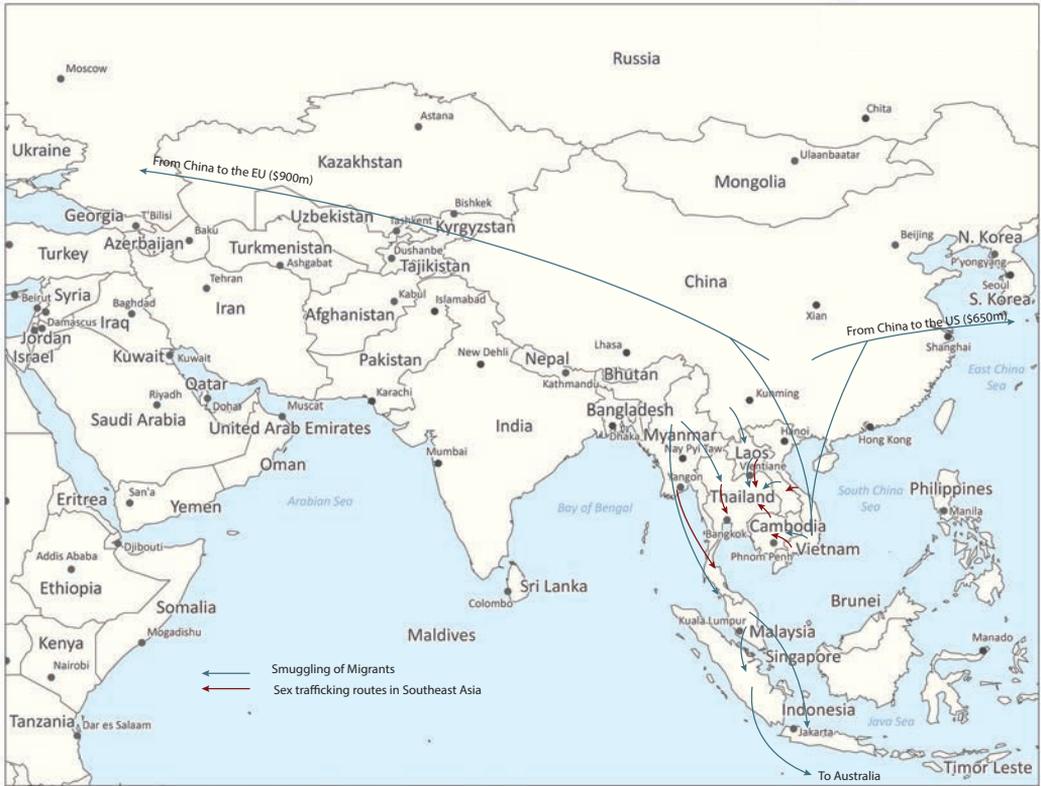


The demand for opiates have also been on a steady rise in Asia, moving beyond the largest market in China to now include almost every country in Southeast Asia. The majority of opium is refined into heroin before being moved across the border, which requires precursor chemicals sourced from outside opium-producing countries. Therefore, trading routes used by drug traffickers are crossing borders in all directions.

Rapid growth is also reported in wildlife and illegal wood trade, and e-waste. Mr. Giovanni Broussard, UNODC expert on environmental crimes and counterfeit goods, said that the trade in illegal timber constitute the majority of the estimated USD \$24 billion generated through environmental crimes in Southeast Asia and the Pacific each year. He said that, “Between 30% to 40% of wood-based products exported from Southeast Asia is illegal, operating in the cracks of the poorly regulated legitimate trade”.

Asia also has a long history of people being displaced by conflict, or migrating in search for jobs and new opportunities. These people form an important clientele for migrant smugglers, and several countries in Southeast Asia have become key source, transit and destination countries for the smuggling of people. Ms. Margaret Akullo, UNODC expert on migration and human trafficking, warned that for many migrants, using smugglers can turn into a deadly business, making migrants vulnerable to abuse, and can easily descend into a situation of exploitation and human trafficking.

“Between 30% and 40% of exports of wood-based products from Southeast Asia are illegal, operating in the cracks of the poorly regulated legitimate trade”, Mr. Giovanni Broussard, UNODC expert on environmental crimes and counterfeit goods



Primary Human Trafficking Routes

The production and trade in counterfeit goods is also increasing in the region, with the value of these crimes in Southeast Asia and the Pacific estimated over USD \$24.4 billion per year. Subsequently, Asia is responsible for a significant and rapidly growing share of the counterfeit goods production in the world. Since these products are mainly moved through containerized shipments and post, they will be able to move more freely as a result of regional integration.

In addition, counterfeit goods such as fraudulent medicines carry significant health risks, and Southeast Asia is emerging as an epicentre for the consumption of fraudulent medicines in the world. According to Mr. Broussard, “Recent forensic testing discovered that between one-third and two-thirds of the samples of medicines tested in Southeast Asia was found to have been falsified”. With the expansion of the pharmaceutical markets in the region, it will become increasingly difficult to protect consumers from the negative health impacts of fraudulent medicines.

The criminal networks responsible for the trafficking of drugs, people, wildlife, counterfeit goods or fraudulent medicines are diverse and increasingly global. Experts point out that criminal groups from Africa, the Middle East and Latin America are found active all over Asia. These groups operate in addition and sometimes together with established criminal organizations in the region.



Primary Drug Smuggling Routes

These groups are already benefiting from new opportunities emanating from globalization and changing border management in Asia. The speakers therefore warned that without safeguards, these crime groups will gain many more opportunities as a result of regional integration in the near future.

Lt. Gen. Sophana Meach from the Cambodian Police recognized these trends and emphasized the importance of convincing political leaders to take action before the negative effects from these groups take a larger toll. He used the example of the rise in the production and trafficking of fraudulent medicines and the potential risks these will pose for the health of the population as a warning on the consequences of inaction. He called for more inter-agency cooperation to effectively combat these crimes.

A similar need was highlighted by Maj. Gen. Monthon Ngerwattana from the Royal Thai Police. He recognized efforts by international partners such as UNODC to improve law enforcement strategies throughout the region and emphasized the need for better international cooperation and information sharing mechanisms. An example of how better cooperation is possible, he explained Thailand's plan to strengthen partnerships with the law enforcement agencies in its neighboring countries.

But despite these positive examples, speakers were unanimous in their assessment that transnational organised crime groups pose a severe and rapidly growing threat to



Primary Illicit Trade Routes

security, good governance and sustainable development in Asia. They acknowledged that no country is immune from the challenges associated with transnational organised crime, and warned that without adequate measures, regional integration carries the risk of making countries more vulnerable to those threats.

This view was also shared by the participants. When asked whether transnational organised crime is threatening to undermine the many economic benefits of sustainable development resulting from integration, almost unanimously, 94% of participants agreed.

## Securing the benefits of the integration agenda

As governments in Southeast Asia are dedicated to economic integration, and transnational crime groups seek to benefit from the opportunities this process creates for them, resources and capacity must be made available to counter this threat. In the third and final panel discussion of the conference, speakers assessed how the right balance should be struck between facilitating increased trade and transport, while simultaneously strengthening the security of states.

Mr. Wanchai Roujanavong from the Attorney General’s Office in Thailand said that drug-related offences are the most serious and well-organized crimes in the region, followed by those related to human trafficking. He warned that these and other transnational crimes

“While regional plans exist in support of moving both agendas forward, national strategies in support of these plans are still being executed without shared planning and coordination. And where such cooperation does exist, strategies are implemented by agencies with vast variations in capacity and expertise.”, Mr. Jeremy Douglas, Regional Representative of UNODC in Southeast Asia and the Pacific

will become more threatening next year, as changing regulation of the ASEAN Economic Community will lead to a dramatic increase in the movements of people, goods and money across borders.

This analysis was shared by Mr. Jeremy Douglas, Regional Representative of UNODC in Southeast Asia and the Pacific, who warned that the institutional agenda for countering transnational crime was not moving at the same speed as the trade and migration side of the integration agenda. “While regional plans exist in support of moving both agendas forward, national strategies in support of these plans are still being executed without shared planning and coordination. And where such cooperation does exist, strategies are implemented by agencies with vast variations in capacity and expertise.”

The need for closing gaps between the capacities of key national agencies in the region was also highlighted by Mr. Tariq Khosa, former Secretary of Interior of Pakistan and INTERPOL delegate to Asia. He pointed out that, “Political will should lead to attention being given to increase the competence, capacity and awareness of the issues at hand among law enforcement officers, as well as communication, coordination and cooperation between relevant agencies in Asia.”

ASEAN was represented by Mr. Periowsamy Otharam, Secretary-General of the ASEAN Inter-Parliamentary Assembly (AIPA) and Ms. Khine Myat Chit from the Secretariat. They emphasised that political will to tackle these issues have been established within Member States, for example in its efforts to counter transnational organised crime through four priority areas (drug trafficking, human trafficking, arms smuggling and terrorism). However, they warned that the organization still lacked the necessary legally binding instruments to be more effective.

All speakers therefore agreed that as the integration debate now focuses primarily on trade and migration facilitation in Asia, more attention should be given on how good governance is needed to ensure economic benefits of integration are safeguarded. The rapidly growing challenge of transnational crime groups operating at great speeds – crossing borders and finding loopholes in legislative frameworks – requires tools and resources to be made available in order to provide a rapid and effective response.

This sense of urgency was also reflected by the audience, as almost half of the participants acknowledged that their countries were not yet prepared to respond to increasing crime threats that accompany regional integration and increased connectivity.

“Political will should lead to attention being given to increase the competence, capacity and awareness of the issues at hand among law enforcement officers, as well as communication, coordination and cooperation between relevant agencies in Asia.”, Mr. Tariq Khosa, former Secretary of Interior of Pakistan

## Recommendations

Participants and panellists concluded the final session by agreeing to the following four key focus areas to safeguard security, prosperity and economic benefits emanating from regional integration:

1. A balance is needed between facilitation and security. This requires both agendas to be moved forward in parallel to achieve a comprehensive integration of security capacities alongside trade and migration facilitation. In other words: **a more concerted effort is needed for considering and planning the integration and security agenda.**
2. An increase in foundational knowledge of the threats and risks of cross-border movements is needed. As flows of people and cargo grow bigger and move faster, it becomes more difficult for law enforcement or justice officials to discharge their duty. Officials lacking knowledge of restricted goods and tariffs have reduced ability to implement control or revenue regimes. In other words, **fundamental knowledge and information among frontline officials needs to be increased, especially those protecting borders.**
3. Networking among key agencies needs to be increased. Before, when trade, migration and crime were locally or regionally contained, there were less risks arising from fragmentation and isolation among agencies. Now, when legal and illegal supply chains span complete countries and regions, massive threats go undetected and are impossible to address without processes to build up and disseminate analysis and capacity through inter-agency work. Therefore, **domestic and regional networking among key agencies needs to be supported.**
4. Finally, cross-border networks need to integrate crime threats. Patterns of illegal logging, drug trafficking, illegal migration, child sex offending and human trafficking have already taken on a well-integrated regional character. There is goodwill among governments, but this is by itself not sufficient enough to compensate for less effective cross-border integration among agencies charged with preventing and responding to these crimes. **Cross-border networking to protect societies and states needs to integrate crime threats in their planning.**

## Keynote speakers and panelists



**Dr. Kittipong Kittayarak**  
Advisor to the Prime Minister of Thailand and is the former Permanent Secretary of the Ministry of Justice of Thailand



**Mr. Tariq Khosa**  
Former Secretary of Interior and National Police Chief of Pakistan



**Hon. Mr. Periowsamy Otharam**  
Secretary-General of the ASEAN Inter-Parliamentary Association (AIPA)



**Ms. Sarah Roberts**  
Charge D’Affaires, The Australian Embassy Bangkok



**Mr. Jeremy Douglas**  
Regional Representative of the United Nations Office on Drugs and Crime for Southeast Asia and the Pacific



**Lt.Gen. Sophana Meach**  
Undersecretary of State, Ministry of Interior, and in charge of international cooperation and ASEAN affairs



**Mr. Georges Heinen**  
Senior Advisor on Financing Partnerships at the Asian Development Bank



**Ms. Khine Myat Chit**  
Senior Officer at the Political and Security Directorate of the ASEAN Secretariat



**Pol.Maj.Gen. Monthon Ngeruwattana**  
Executive Director of the International Law Enforcement Academy in Bangkok



**Mr. Yuwei Li**  
Director of Transport Division at United Nations Economic and Social Commission for the Asia and the Pacific (ESCAP)



**Ms. Mia Mikic**  
Chief of the Trade Policy and Analysis Section of the Trade and Investment Division at United Nations Economic and Social Commission for the Asia and the Pacific (ESCAP)



**Prof. Dr. Bounleuam Sisoulath**  
Advisor to the Minister and Chairman of the Council of Science and Technology under the Ministry of Public Works and Transport of Lao



**Mr. Ngoc Thuyen Nguyen**  
Deputy Director General of the International Cooperation Department of the Ministry of Transport in Viet Nam



**Mr. Wanchai Roujanavong**  
Director-General of the International Affairs Division and the official spokesperson of the Office of the Attorney General of Thailand



**Mr. Giovanni Broussard**  
Regional Coordinator of the UNODC Global Programme on Combatting Wildlife and Forest Crimes in Southeast Asia



**Mr. Tun Nay Soe**  
Programme Coordinator for the East Asia segment of the Global Synthetic Monitoring: Analyses, Reporting and Trends Programme (SMART)



**Ms. Margaret Akullo**  
Programme Coordinator for UNODC, manages the programme on combatting child sex offences



**Mr. Cheikh Toure (Panel Discussion Moderator)**  
Country Manager of UNODC Lao PDR Country Office



**Mr. Troels Vester**  
Country Manager for the UNODC Indonesia and Timor-Leste Country Office





**UNODC**

United Nations Office on Drugs and Crime

**Regional Office for Southeast Asia and the Pacific**

United Nations Building, 3<sup>rd</sup> floor B Block, Secretariat Building,

Raj Damnern Nok Avenue, Bangkok 10200, Thailand

Tel. (66-2) 288-2100 Fax. (66-2) 281-2129 E-mail: [fo.thailand@unodc.org](mailto:fo.thailand@unodc.org)

Website: <http://www.unodc.org/southeastasiaandpacific>