Strategic Programme Framework
UN Drug control activities in Myanmar

“The proliferation of drugs over the past 30 years is an example of the previously unimaginable
becoming reality very quickly. … It is my hope that they will record this as the time when the
international community found common ground in the mission to create momentum towards a drug-free
world in the twenty-first century.”

Kofi Annan, UN Secretary-General (New York, June 1998)
Table of contents

List of acronyms 2

Executive Summary 3

Drug control overview and situation update 4

The role of the UN and drug control 9

Past and present activities 12
I. Internal fighting hinders effective drug control (1976 to 1988)
II. National unification dominates drug control (1988 to 1996)
III. Drug control successes (1996 to 2001)
IV. Funding shortfall (2001 to 2003)

Discussion 17
I. Drug control fits within the wider UN agenda for Myanmar
II. Financial constraints hold back the ongoing interventions
III. Strategic alliances
IV. Innovation through involvement of the civil society

Proposed strategy 23

Resource requirements 25

Annexes
A Map of Myanmar
B Map of ongoing UN drug control interventions in Myanmar
C Map of Shan State – Special regions
D Map of Shan State – Opium cultivation
E Map of alternative development pilot project in Special Region 2 of the Shan State
F Letter of the UN Country Team in Myanmar
G ODCCP 2001 Country Profile
H UNDCP programme in Myanmar - Matrix 1976 to 2005

Opium poppy flower (Southern Wa)  
Picture: UNDCP Yangon
## List of acronyms

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACC</td>
<td>Administrative Committee for Co-ordination (UN)</td>
</tr>
<tr>
<td>ACCORD</td>
<td>ASEAN + China Co-operative Operations in Response to Dangerous Drugs</td>
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<tr>
<td>AD</td>
<td>Alternative Development</td>
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<tr>
<td>AFP</td>
<td>Australian Federal Police</td>
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<tr>
<td>ASEAN</td>
<td>Association of South East Asian Nations</td>
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<td>ATS</td>
<td>Amphetamine-type Stimulants</td>
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<tr>
<td>BDA</td>
<td>Borders Development Association (NGO Myanmar)</td>
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<tr>
<td>CCDAC</td>
<td>Central Committee for Drug Abuse Control (Myanmar government)</td>
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<td>DEA</td>
<td>Drug Enforcement Administration (USA)</td>
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<tr>
<td>ECOSOC</td>
<td>Economic and Social Council (UN)</td>
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<tr>
<td>FAO</td>
<td>Food and Agriculture Organisation (UN system)</td>
</tr>
<tr>
<td>HIV/AIDS</td>
<td>Human Immunodeficiency Virus/Acquired Immunodeficiency Virus</td>
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<tr>
<td>ICMP</td>
<td>Illicit Crop Monitoring Programme (UNDCP programme)</td>
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<td>IDU</td>
<td>Injecting Drug Use(r)</td>
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<tr>
<td>ILO</td>
<td>International Labour Organisation (UN system)</td>
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<tr>
<td>INCB</td>
<td>International Narcotics Control Board (UN)</td>
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<tr>
<td>INCSR</td>
<td>International Narcotics Control Strategy Report (USA)</td>
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<td>MANA</td>
<td>Myanmar Anti-narcotics Association (NGO Myanmar)</td>
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<td>MdM</td>
<td>Medicins du Monde (international NGO)</td>
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<td>MoU</td>
<td>Memorandum of Understanding</td>
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<td>NGO</td>
<td>Non-governmental Organisation</td>
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<td>ODCCP</td>
<td>Office for Drug Control and Crime Prevention (UN)</td>
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<td>PSI</td>
<td>Population Services International (international NGO)</td>
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<td>UNAIDS</td>
<td>United Nations AIDS Programme (UN)</td>
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<td>UNCT</td>
<td>United Nations Country Team (UN)</td>
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<td>UNDAF</td>
<td>United Nations Development Assistance Framework (UN)</td>
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<td>UNDP</td>
<td>United Nations Development Programme (UN)</td>
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<td>UNDCP</td>
<td>United Nations Drug Control Programme (part of ODCCP/UN)</td>
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<td>UNESCO</td>
<td>United Nations Educational, Scientific and Cultural Organisation (UN system)</td>
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<tr>
<td>UNFDAC</td>
<td>United Nations Fund for Drug Abuse Control (UNDCP predecessor/UN)</td>
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<td>UNICEF</td>
<td>United Nations International Children’s Fund (UN)</td>
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<td>WADP</td>
<td>Wa Alternative Development Programme (UNDCP project)</td>
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<td>WFP</td>
<td>World Food Programme (UN)</td>
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<td>WHO</td>
<td>World Health Organisation (UN system)</td>
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Executive Summary

United Nations system organisations operating in Myanmar alerted their respective headquarters by letter of 30 June 2001 to Myanmar’s growing humanitarian crisis. Based on a humanitarian assessment, three priority areas were selected for consultation and common action. These were: HIV/AIDS (where common action was already underway through a UN Joint Action Plan); illicit drugs; and food security.

The present Strategic Programme Framework was discussed in the local UN Working Group on Illicit Drugs and endorsed by the UN Country Team on 9 September 2002. Also involved in the process of consultation were the Government, the National League for Democracy (NLD) and international and local non-governmental organisations. The proposed Strategic Programme Framework on UN Drug Control Activities in Myanmar (2003-2007) entails the following objectives:

♦ Objective monitoring of the drug situation in the country and evaluation of interventions.
♦ Provision of holistic alternatives for opium poppy farmers living in areas accounting for about 70% of nation-wide opium production.
♦ Intensive cross-border co-operation with emphasis on halting production and trafficking in Amphetamine-Type Stimulants (ATS) and trade in its precursor chemicals.
♦ Effective implementation of the 2002 money laundering legislation and the pending mutual legal assistance act.
♦ Introducing targeted demand reduction activities, including prevention focussed on the needs of youth, and treatment and rehabilitation for addicts.
♦ Introduction of solutions to drug use and HIV transmission through co-ordination, scaling-up and implementation of innovative initiatives.

In mid-2002, UNDCP estimated that 2002 production of opium would be about 828 metric tonnes, approximately 25% less than the estimated 1,097 tonnes produced in 2001. Although still the second largest illicit opium producer in the world, opium cultivation and production in Myanmar have in fact declined rapidly in the recent past. The area under cultivation fell from 163,000 ha in 1996 to 105,000 ha in 2001 and to 81,400 ha in 2002. Despite progress made in reduction of opium cultivation and heroin production, Myanmar is struggling with the increasing production of ATS. Between 1996 and 2001, seizures of ATS tablets rose more that six-fold, from 5 million to 34.2 million.

Cross-border trafficking is an important characteristic of the drug trade in Myanmar, both for incoming precursor chemicals and outgoing illicit drugs. The vast majority of opium cultivation and heroin and ATS production in Myanmar takes place in the Shan State, in northeastern Myanmar. This state borders China, Lao PDR and Thailand, and forms part of the notorious Golden Triangle. The border areas are home to a number of ethnic minorities, who received various degrees of autonomy in so-called “Special Regions”, as part of cease-fire agreements with the Government concluded in the late 1980s.

Myanmar’s drug control situation is of major international, regional and national concern. At the humanitarian level, food insecurity and the rapid spread of HIV/AIDS are significant factors. For instance, of the officially reported HIV cases, 30% are attributed to injecting drug use. At the political level, drugs are causing regional instability and hinder a sound domestic political transition. The UN’s drug control activities as outlined in the present document fit within the wider UN agenda in Myanmar, both on humanitarian and political grounds.
Myanmar is one of the largest countries in Southeast Asia, with 676,552 km$^2$. With a population of 50 million, its population density (73 inhabitants per km$^2$) is relatively low in comparison to Viet Nam (225) and Thailand (117). Almost half of the surface area is covered with forests and rugged hilly terrain. It has long borders with India, China and Thailand, as well as shorter borders with Bangladesh and Lao PDR. It ranks 127 on UNDP’s 2002 Human Development Index, and is considered a Least Developed Country.

The consequences of the drug control situation in Myanmar are far-reaching: the opium and heroin produced in the country are consumed in and distributed through China and Thailand as well as the rest of Asia, reaching destinations as far away as Australia, North America and Europe. ATS produced in Myanmar, meanwhile, has fuelled drug abuse of epidemic proportions in Thailand. Addressing the drug problem in Myanmar is important not only for its international and regional ramifications, however, but also for the effects it has domestically at both the humanitarian and political levels.

In 2001, due to the opium ban imposed by the Taliban regime in Afghanistan, Myanmar ranked as the world’s largest producer of opium, with a domestic value of opium produced in the country estimated at US$244 million, valued at farm-gate prices. Overall, Myanmar accounted for 67% of the opium produced world wide, and about 90% of that in south east Asia.

Because of the recent sharp increase in opium poppy cultivation in Afghanistan, Myanmar is no longer the largest illicit opium producer in the world, as it was in 2001. This was certified by UNDCP in mid-2002 following the first-ever comprehensive opium poppy survey for Myanmar, which also indicated that the estimated 2002 production of about 828 metric tonnes of opium would be approximately 25% less than the estimated 1,097 tonnes produced in 2001. However, opium cultivation and production have in fact declined rapidly in the recent past. The area under cultivation fell from 163,000 ha in 1996 to 105,000 ha in 2001 and to 81,400 ha in 2002. Between 1996 and 2002, production levels fell by just over 50%, from 1,760 to 828 tonnes, a sign of success for the increased control efforts on the

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1 Global Illicit Drug Trends – 2002, ODCCP Studies on Drugs and Crime, United Nations Office for Drug Control and Crime Prevention, page 64. “In the case of plant-based drugs, an average of less than 3 to 5% of the income generated from the final retail sales of illicit drugs returns to the country of origin. In countries where illicit trafficking in drugs is entirely dominated by nationals of other countries from the point of export, the percentage is even lower.”, World Drug Report, United Nations International Drug Control Programme, Oxford University Press, 1997.

part of the government and local authorities, as well as a result of adverse weather conditions.\[^{3}\]

Despite the progress made in reduction of opium poppy cultivation, Myanmar also struggles with significant production of amphetamine-type stimulants (ATS). The vast majority of opium and ATS production in Myanmar takes place in the Shan State, in northeastern Myanmar. This state, one of the seven states and seven divisions constituting the Union of Myanmar, covers some 155,000 km\(^2\), making it roughly equal in size to Bangladesh or the US state of Texas. The Shan State borders China, Laos and Thailand and forms part of the notorious Golden Triangle (please see map in Annex A).

The border areas are home to a number of ethnic minorities, who received various degrees of autonomy in so-called “Special Regions”, as part of cease-fire agreements with the government concluded in the late 1980s. In some of these Special Regions, the central government in Yangon has to ask permission to the local authorities before entering the zones. (Please see Annex B for a map of the Special Regions.) Opium poppy cultivation is concentrated in these Special Regions, and to a lesser extent in other parts of the Shan State. The Shan State accounts for an estimated 90% of Myanmar’s opium cultivation.

Between 1996 and 2001, seizures of ATS tablets rose more than six-fold, from 5 million to 34.2 million tablets. In 2001, the domestic value of ATS production was estimated at US$200 million\[^{4}\]. Notably, ATS manufacturing in Myanmar is destined for export, implying a high level of cross-border complicity and lawlessness. Cross-border trafficking is an important characteristic of the drug trade in Myanmar, both for incoming precursor materials and outgoing illicit drug exports. The country has no chemical industry of importance. As such, most precursor chemicals required for the processing of drugs (refinement of opium into heroin and production of ATS) have to be imported. Both acetic anhydride required for the production of heroin, and ephedrine required for production of ATS are imported from China and India.

Despite the large-scale illicit drug production and trafficking, the overall incidence of drug use in Myanmar is low compared to surrounding countries. The number of officially registered drug users in Myanmar reached 71,439 people in March 2001, although UNDCP estimates that up to 300,000 people might use illicit drugs. The 2002 Opium Poppy Survey also showed that in Shan State, opium prevalence had reached 2.4% of the population group aged 15 and above. This is relatively low when compared with the 4.4% prevalence in the opium-producing states of northern Laos, but high when compared with an estimated 0.3% prevalence for opiates abuse in the

\[^{3}\] Based on results of the 2002 opium survey undertaken by the Illicit Crop Monitoring Programme of UNDCP.

\[^{4}\] In 2001, the average price per tablet was estimated at US$ 0.59 based on street-price reports received regularly from CCDAC. Not surprisingly, the price is much lower in production zones (US$ 0.35 per tablet) and increases as it moves down to the urban areas (US$ 1 in Yangon). US$ 0.59 represents the national average US$ 0.59 X 32,400,000 (number of tablets seized nationwide in 2001) = 19,116,000. UNDCP has always assumed that seizures represent no more than 10-15% of actual production, hence: 19,116,000 X 10 (lowest extreme) = 191,160,000, that can be rounded up to US$ 200 million.
same age group at the global level. However, as observed with neighbouring countries, drug consumption rises in locations of production and along trafficking routes. This is of particular significance for ATS use, which, while currently low in Myanmar, is already on the rise in the country’s urban areas. (For a more complete description of the drug control situation in Myanmar, please refer to the UNDCP 2001 Country Profile in Annex G, as well as to the 2002 Opium Survey released in August 2002, which has more up-to-date information.)

Of the registered drug users in Myanmar, 85% are registered for the use of opiates, with 40% registered for opium and 45% for heroin use. There is a trend away from traditional opium smoking and towards the injection of heroin. This pattern has serious implications for the spread of HIV/AIDS, which is expanding in Myanmar at an alarming rate. After prostitution, injecting drug use is the main channel for HIV/AIDS transmission. Overall, 30% of officially reported HIV cases are attributed to injecting drug use.

During the past few years, a sharp drop in hospital admissions has been observed in all the major drug treatment centres across Myanmar. This has not been taken as a sign of reduced drug use among young people, but has rather been attributed to the relatively high costs involved in receiving treatment at these centres. Other factors may be a loss of trust in the treatment system to maintain confidentiality of drug users who seek treatment in the official centres; a lack of funding for basic hospital equipment; and the lack of development of new and modern innovative approaches in treatment modalities.

Moreover, since the drug use trends and patterns are changing, with ATS use emerging alongside with opiate use, the clinical profile of those being admitted for drug treatment has also started to change. Since the drug treatment centres were established with opiate users in mind, there is the need to redress treatment services and treatment protocols to respond more effectively to the needs of ATS users. The same can be said for treatment services for female addicts, which hitherto did not exist and are thus also largely lacking.

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Recent steps

In 1999, the Government of Myanmar stepped up its drug control activities through alternative development programmes combined with eradication and law enforcement efforts designed to disrupt production and trafficking. The Central Committee for Drug Abuse Control (CCDAC) is tasked with implementing the government’s 15-year plan to completely eliminate cultivation and production of illicit drugs in Myanmar by 2014.7

In addition, during the last year the Government has actively encouraged regional co-operation in the fight against drugs. In January 2001, a Memorandum of Understanding on drug control issues between Myanmar and China was signed. In April, the leader of one of South China’s biggest drug smuggling and money laundering syndicates, Tan Xiaolin, was arrested by Myanmar police and handed over to Chinese authorities.

In June 2001, Myanmar and Thailand signed a Memorandum of Understanding aimed at enhancing co-operation and exchange of intelligence. In October 2001, two major drug-traffickers, Nyein Kyaw and Kyaw Hlaing, were arrested and sentenced. They were linked to a record seizure of 116 kg of heroin and 7.6 million ATS tablets carried out by Thai authorities in the Andaman Sea earlier in the year.

In August 2001, the governments of China, Laos, Myanmar and Viet Nam deepened their co-operation efforts in signing the Beijing Declaration. The meeting paved the way for the establishment of a more effective and co-ordinated sub-regional and regional mechanism to cope with drug problems in East and South East Asia, particularly through cross-border law enforcement co-operation.

In November 2001, Myanmar declared its intention to participate in and financially contribute to the ACCORD (ASEAN + China Co-operative Operations in Response to Dangerous Drugs) Plan of Action. ACCORD is the outcome of a conference held in Bangkok in October 2000 of 11 countries (ASEAN + China), plus a number of regional institutions and donor countries. It is a political agreement "in pursuit of a drug-free region by 2015". UNDCP supports this initiative through a regional coordination mechanism project. It encompasses a number of national and regional drug control initiatives, and aims at advocating, i.a., civic awareness on the dangers of drugs, sharing best practices on reducing drug use, strengthening the rule of law by improving law enforcement co-operation, and eliminating the supply of illicit drugs by promoting alternative development.

In May 2002, the six signatory countries to the UNDCP-facilitated 1993 Memorandum of Understanding on Drug Control in the Greater Mekong Region – China, Vietnam, Laos, Cambodia, Thailand and Myanmar – met in Beijing to review

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7 The national opium eradication programme was accelerated in 2002 with the launch of “Project New Destiny”, encouraging farmers to exchange opium cultivation for licit alternatives such as rice, wheat, maize and corn.
progress and update its Subregional Action Plan. At this meeting, Myanmar emphasised that it was upgrading domestic legislation to international standards. As part of this effort, Myanmar enacted its first ever anti-money laundering law on 17 June 2002.

Finally, despite non-certification by the U.S. government in early 2002, Myanmar continues to co-operate with the US Drug Enforcement Administration (DEA) and with US agencies conducting opium poppy surveys. It also co-operates closely with the Australian Federal Police (AFP).

Based on the above and despite the fact that the drug situation in Myanmar remains extremely critical, consensus exists among drug control experts that the Government as an institution is committed to drug control. Furthermore, the magnitude of the problem, its complexity, and the regional and international implications warrant external support.

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8 “Throughout 2001, the Burmese government demonstrated a new commitment to effective counter-narcotics measures. It has continued its poppy eradication program, has initiated actions against drug traffickers and some drug trafficking organizations, has drafted new money-laundering legislation, and has begun to work closely and cooperatively with neighboring and regional countries.”, International Narcotics Control Strategy Report – 2002, Bureau for International Narcotics and Law Enforcement Affairs, US State Department.

9 In this context, the following principle was adopted at the Special Session of the UN General Assembly in 1998: “The success of alternative development programmes depends on the long-term political and financial commitment of both the governments of the affected countries and the international community to supporting integrated rural development involving local communities”, Special Session of the UN General Assembly Devoted to Countering the World Drug Problem Together, New York, 8-10 June 1998.
The role of the UN and drug control

As noted above, the drug problem in Myanmar is important not only for its international and regional ramifications, but also for the effects it has domestically on both the humanitarian and political levels. In June 2001, the United Nations Country Team (UNCT) in Myanmar made an assessment and warned of a “humanitarian crisis in the making”. It identified three priority areas requiring immediate common action: HIV/AIDS, illicit drugs and food security (please see Annex F). While illicit drugs are central to the mandate of UNDCP, the other two areas, HIV/AIDS and food security, have equally close connections. The former since injecting drug use is a significant mode of HIV/AIDS transmission and the latter because the vast majority of opium poppy farmers cultivate the crop to offset chronic rice deficits.

Myanmar retains a special status vis-à-vis the international community. Sanctions imposed by several important donor Governments include limitation of external assistance to basic humanitarian needs and a ban on travel for senior government officials. In addition, unlike in many other developing countries, the United Nations system, albeit operating under a restricted mandate, is the main provider of official development assistance to the country.

Yet while the humanitarian aspects of the drug problem are recognised, its political dimensions are often ignored. A common line of argument holds that the drug control problem should only be addressed after significant political reforms have taken place, for fear of delaying or hindering political development in the country.

Indeed, action against drug production, trafficking and consumption should not supersede the need for reform in Myanmar. Yet there is no contradiction here. In discussing drug policy in Myanmar it is important to recognise that the current drug situation actually hinders the transition process. In fact, the drug business strengthens those sectors of society with the least interest in establishing effective mechanisms for the rule of law or democratic governance. As such, activities undertaken to address the drug problem lay important foundations for future political change. This can be seen in several areas:

First, drugs erode civil society. The existence of large-scale crime and its ensuing web of corruption, both locally and regionally, enrich criminals and their cronies. In contrast, those with the potential and desire to change the country’s political path towards transparency and accountability are further marginalised.

Second, the same is true at the economic level. With a domestic annual turnover estimated roughly at US$540 million\(^{10}\), the drug business strengthens the country’s

\(^{10}\) In 2001, potential heroin production was 110,000kg (Global Illicit Drug Trends 2002) The CCDAC estimates that the average national value of one kg of heroin is US$ 3,140 (The street price data is collected at strategic transit/border locations such as Lashio, Muse, Taungyi, Tachileik and Keng Tong) Hence, 110,000 X US$3,140 = US$ 345,400,000, rounded down to US$ 340 million. This is the
informal economy, which relies on the political status quo. Unlike in many other developing countries, the informal economy in Myanmar is not an actor of political change. The same individuals who oversee the drug trafficking have no incentive to see transparent economic regulations in place, a more effective and accountable government, or any of the other changes required for the country’s political development. Instead, they are likely to use their substantial resources to perpetuate the status quo, since it provides the underpinnings of their business.

Finally, the production and trade of illicit drugs has always been closely linked with ethnic struggle in border areas. The policy of peaceful unification advocated by the government since 1988 was an attempt to bring relative stability to the country. To a large extent the government succeeded, entering in 17 cease-fire agreements with different insurgent groups. Yet as a direct outcome, some ethnic minority groups were granted substantial autonomy, allowing them self-governance and maintenance of their traditional lifestyles. Several of the groups still maintain their own armies. As such, they pose an added risk for the future of political transition in Myanmar. Instead of more isolation, they require more exposure to internationally accepted standards and values and inclusion in the transition process.\(^{11}\)

It is for these reasons that the UN agencies operational in Myanmar consider addressing drug control problems as an immediate priority for joint action, serving the interests of the international community as well as of the country itself. Dealing with drug control in Myanmar is thus not only required from a humanitarian perspective but is also part of national and regional conflict prevention and management (see Annex B).

Unfortunately, and despite the sharp decline of opium poppy cultivation since 1996, financial constraints have constrained the UN’s drug control efforts since 2000. The main reason for this setback was the reluctance of the donor community to continue supporting activities in Myanmar without evidence of tangible prospects for political change.

The programme responsible for co-ordinating and providing effective leadership for all UN drug control activities, the United Nations Drug Control Programme (UNDCP) was equally affected. Its project budget for Myanmar dropped from US$4.3 million in 1999 to US$1.2 million in 2001. To adapt to this drastic decline, UNDCP not only put its plans for future expansion on hold, but also scaled-down its presence in the

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estimated export value, which is a bit lower than US$ 345 million as it doesn't include the value of heroin meant for domestic consumption. The US$ 540 million referred to constitutes the domestic annual turnover of both heroin and ATS (the calculation of ATS value is shown in foot note 4 on page 5).

\(^{11}\) Despite Chinese being the official written language of the United Wa State Party (UWSP), administering Special Region 2, few Bureau members are actually able to read and write it and only a minority are educated up to acceptable levels. Not surprisingly, the UWSP civilian administration is weak and decision-making depends on strong leadership of a handful of senior, powerful military leaders combined with delicate “wheeling and dealing” between all different fractions. (Source: UNDCP)
country. Project activities and expected outcomes were restructured; the number of international staff in the field was reduced from eleven to two; and in Yangon the total number of posts went from twelve to six (inclusive of project support staff). Despite these cost-saving efforts, UNDCP is currently in a next-to-impossible position to fulfil its mandate in Myanmar. Moreover, the uncertainty surrounding funding makes it impractical to engage in long-term strategic planning.12

12 “Based on experience in dealing with significant narcotics-trafficking problems elsewhere in the world, the USG recognizes that large-scale and long-term international aid, including development assistance and law-enforcement aid, will be needed to curb drug production and trafficking in Burma. Recurring human rights violations and political concerns, however, have limited international support of all kinds, including support for Burma’s law enforcement efforts.”. International Narcotics Control Strategy Report – 2002, Bureau for International Narcotics and Law Enforcement Affairs, US State Department.
Past and present activities

I. Internal fighting hinders effective drug control (1976 to 1988)

The United Nations Fund for Drug Abuse Control (UNFDAC) – the predecessor agency to UNDCP – began activities in Myanmar in 1976 (please see Annex H). Between 1976 and 1988, through co-operating UN agencies such as FAO, WHO, ILO and UNESCO, UNFDAC allocated about US$12 million to a nation-wide programme covering activities in the fields of agriculture, livestock breeding, preventive education in schools, public information, and treatment and rehabilitation of addicts.

Notwithstanding this investment, the main emphasis of drug control efforts in the country during this period was on law enforcement and suppression. However, despite an additional US$86.6 million provided bilaterally by the USA between 1974 and 1988, opium poppy eradication proceeded with only moderate success. The reason was that the opium-plagued border areas were heavily contested between the government and insurgent ethnic groups and the scene of frequent military operations, making these hardly accessible. Moreover, drug profits were used to finance the fighting and to provide lucrative income with which alliances could be bought.13

II. National unification dominates drug control (1988 to 1996)

The drug control context changed with the military hand-over of 1988. The new government sought to establish its legitimacy by bringing stability to the Union of Myanmar, and pursued cease-fire agreements with the insurgent ethnic groups. In order to consolidate the Union, the government signed 17 agreements between 1988 and 1996 with various ethnic groups, which were granted a degree of autonomy and self-governance in return. The majority of the opium poppy fields were located in these autonomous areas. Hence, opium production escalated by no less than 56% during the same period.14

The 1988 political turmoil interrupted UN’s third five-year drug control plan, valued at US$10.5 million (1986 to 1991), which proceeded on a reduced scale. In late 1990, a UN mission visited the country to evaluate ongoing drug control projects and define the future extent and types of support. Following consultations with China, Myanmar

13 “Armed conflict is another important political dynamic with implications for alternative development activities. Illicit drug production in Afghanistan and Myanmar, for example, has evolved alongside military conflict: in Afghanistan, sudden economic upheaval has forced many farmers to search for new income sources; in Myanmar, opium poppy cultivation has provided ethnic insurgents with a source of military funding. The cases of Afghanistan and Myanmar, in particular, demonstrate with unusual clarity that wartime may under certain conditions minimize the costs while raising the benefits of illicit drug production; conflict can act as a catalyst which converts traditional, small-scale drug production into a large-scale, income-generating enterprise.”. World Drug Report 2000, United Nations Office for Drug Control and Crime Prevention, Oxford University Press, 2000.

and Thailand, a 3-year programme started in 1993 embracing small activities along the Myanmar-China and the Myanmar-Thailand borders. In 1992, Special Region 4 in Shan State embarked on a 6-year plan for opium poppy eradication with assistance from UNDCP.

III. Drug control successes (1996 to 2001)

The defeat of the notorious drug lord Khun Sa and his Mong Tai Army by government forces in 1996 turned the tide positively. As the early fragile stability between the government and ethnic groups improved over the years, the UN’s chances to implement effective crop substitution activities also increased. After the declaration of Special Region 4 as opium poppy-free in 1997, UNDCP moved to Special Region 2, also in Shan State, drafting plans for a pilot project. The pilot project in Special Region 2 (the Wa Alternative Development Programme) was initially budgeted at US$15.5 million and began operations in late 1998. It was hoped that once the pilot activities were successfully implemented, additional activities could extend to other parts of the Special Region 2 and of Shan State.

The pilot project, still ongoing and scheduled to close at the end of 2003, focuses on alternative income-generation for opium poppy farmers through the provision of substitute seeds and introduction of new farming techniques. At the same time, the project takes a holistic approach to development in this isolated area, with activities in the fields of education, healthcare and infrastructure beyond the agricultural realm.
IV. Funding shortfall (2001-2003)

The sharp drop in funding in late 2000 led to adoption of a new pragmatic approach. The same year that Myanmar became the world’s main opium producer, UNDCP saw its resources for Myanmar severely cut back. As a result, the UNDCP Field Office revised its country strategy in early 2001 and restructured its activities around four pillars, aiming primarily to consolidate the gains made in the past, to search for alternative means of funding and to demonstrate tangible results in targeted areas. The four pillars are meant to be mutually reinforcing, creating synergies between and among the interventions of each of the components.

The first pillar of UNDCP’s drug control strategy in Myanmar is advocacy. It includes objective monitoring of the drug control situation in the country and evaluations of interventions. As such, it aims to provide and disseminate objective and reliable data on the drug control problem in Myanmar. To this end, UNDCP surveys poppy fields and tracks changes in production, demand and prices of drugs. So far, this component has been entirely funded through UNDCP’s general purpose resources.

In May 2001, a small unit for Press, Information and Analysis was established by the UNDCP Field Office in Yangon. UNDCP’s Illicit Crop Monitoring Programme (ICMP) carried out a pilot ground survey in 11 townships of the Shan State during the growing season 2000-2001 to explore the feasibility of establishing an opium poppy monitoring system. Drawing upon the positive experience and lessons learned from this pilot survey, the first full-scale ground survey took place in 2001-2002.

The second pillar of UNDCP’s drug control strategy in Myanmar is supply reduction through alternative development and income-generation. Over 96% of opium poppy farmers cite chronic rice shortages as the reason for farming the illicit crop. As such, alternative income-generation has the potential to greatly reduce opium poppy cultivation in Myanmar. With such cultivation concentrated mainly along the isolated border areas, UNDCP currently has one pilot activity ongoing in the southern zone of Special Region 2 (the Wa Alternative Development Project, mentioned above). This project, downsized in 2001 to US$11.6 million due to funding constraints, is funded by the USA and Japan, including UN Human Security Funds made available by the Japanese Government.

The project covers the District of Mong Pawk (please see Annex E), which comprises the southern portion of the Wa Region, a mountainous area in the northeast of Eastern Shan State, adjoining the Chinese border. Kyaing Tong, the nearest significant town in Myanmar, lies about 100 km to the south (eight hours drive by road). Mong Pawk District has five townships and while the project initially targeted only three towns, under a recent agreement between UNDCP, the Government of Myanmar and the Wa Authorities, the project’s scope was extended to all five. The project now covers about 2,000 km$^2$, 335 villages and about 8,000 households. It provides the only development aid available to this isolated border area.
The third pillar of UNDCP’s drug control strategy in Myanmar is demand reduction, encompassing prevention, treatment and rehabilitation. Especially given the poor state of the country’s healthcare system and the social stigma associated with drug addiction, these activities have proven successful, despite being limited in scope.

Special Region 2 benefits from demand reduction activities within the framework of the Wa Alternative Development Programme. A separate project started in Northern Shan State in late 2000, with US$300,000 from the Australian government. Apart from the traditional demand reduction approach, the project also provides and monitors revolving loans for community-based demand reduction and social development activities to villages within the targeted townships. The project carefully addresses the issues of financial and institutional sustainability to ensure that the programme can be continued by local institutions after UNDCP assistance ends in late 2003.

Addressing the correlation between injecting drug use and HIV/AIDS forms the fourth pillar of UNDCP’s drug control strategy in Myanmar. UNDCP’s efforts in this area are part of the Joint UN Action Plan against HIV/AIDS in Myanmar. Beyond its own interventions at the field level, UNDCP’s project infrastructure provides an enabling environment in which its partners can implement their activities, under often demanding circumstances. Small-scale activities have already been implemented in the northern Kachin State through NGOs such as World Concern and Medicins du Monde for a total of US$440,000 funded by the USA and UNAIDS. This project came to an end mid-2002. A new proposal of about US$1 million, which also covers townships in other critical areas, is nearing finalisation and will shortly be submitted to the European Commission for funding.

In light of the difficult domestic political situation, UNDCP has limited its post-1988 support in fields such as judicial strengthening and law enforcement, which are considered too closely connected with the military government. Technical assistance provided in these fields mainly focuses on regional co-operation and trust-building pursuant to the provisions of the 1993 Greater Mekong Region Memorandum of Understanding and the 2000 ACCORD Plan of Action. With the help of this regional support, draft anti-money laundering legislation was finalised and approved on 17 June 2002. Furthermore, the drafting of a Mutual Legal Assistance Act is in process and four border liaison offices have become operational. These have been established in, respectively, Lweje and Chin Shwe Haw (to increase border co-operation with China); Myawady (to increase border co-operation with Thailand), and Tachilek (to increase border co-operation with Laos and Thailand).
EPI health activities in the Wa
Pictures: WADP/UNDCP
I. Drug control fits within the wider UN agenda for Myanmar

The drug control problems in Myanmar and their effects at the domestic, regional and international levels require decisive action. However, such action in many ways lies beyond the capabilities of any single national government acting alone. As such, the role of the UN in the field of drug control remains vital, both from a humanitarian and from a political perspective.

The goal of a drug-free society is to accord to each of its members the dignity and freedom that drugs too often claim from their victims. But despite its focus on this goal, UNDCP is well aware that drugs are not the only obstacles to such fundamental rights. The UN drug control activities are just one element in the wider array of UN efforts in Myanmar ranging from promoting political dialogue and human rights issues, to provision of primary health care and economic reform. However, UNDCP is careful to plan its activities in Myanmar to make sure that attaining one goal does not come at the expense of the other.

Ordinarily, UNDCP would address the challenges outlined in Chapter One using a wide range of tools. The guiding practice of UNDCP activities around the world is to work as closely together as possible with national governments. Specifically, part of UNDCP’s mandate is “to provide technical assistance through expertise and training to help governments in setting up adequate drug control structures”. However, given the current domestic political situation in Myanmar, the UN has so far refrained from providing substantial support in sensitive areas such as law enforcement. Only assistance in cross-border drug law enforcement co-operation and trust-building is being extended, and that is taking place not in national interventions but within the context of the 1993 Greater Mekong Region Memorandum of Understanding and its Subregional Action Plan, together with the 2000 ACCORD Plan of Action.

The question is, at what point of the political transition the UN should start providing the wider range of tools required for an effective drug control policy? This would include strengthening the judiciary and law enforcement services with information and training on all aspects of good governance, but also assistance in such fields as money laundering investigation and intelligence gathering and, one step further, the provision of vehicles and other law enforcement equipment. From a technical perspective, such support is warranted.15

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15 As an example, the 1,000-kilometer long border between India and Myanmar is nearly unprotected. Indian officials pinpoint this as one of the reasons for the influx of drugs and the rise of HIV/AIDS in the northeast of that country. The seven northeasters Indian states have, nation-wide, the highest concentration of injecting drug users. A second example, related to corruption, is the following quote from a US official document: “There is no evidence that the Burmese Government, on an institutional level, is involved in the drug trade. However, there are persistent reports that officials, particularly army police personnel posted in outlying areas, are either directly involved in the drug business or are paid to allow the drug business to be conducted by others. The Burmese government is aware of this
II. Financial constraints hold back ongoing interventions

The above-noted restraints on UNDCP’s work in Myanmar are voluntary, but the reduction in external funding experienced since late 2000 has impeded implementation of mainstream on-going drug control projects such as the Wa pilot project in Special Region 2, despite a positive external project evaluation undertaken that year.\textsuperscript{16}\ The immediate impact on the project was the loss of synergy (holistic approach) due to the sharp reduction of infrastructure works and other activities benefiting the townships that had to be taken as a cost-saving measure. For example, a farmer might be able to produce a second crop (i.e. summer rice) thanks to UN interventions but finds it difficult to bring his produce to market because of the lack of suitable road access.

Besides this loss of synergy within the pilot project, the reduction of funding has wider implications. The border area of Shan State is culturally, historically and economically directed towards the Yunan province of China. The Wa capital, Pangsan, and the closest significant city in Myanmar are separated by a 10-hour drive on almost impassable roads. Access might even be impossible during the rainy season. The exclusive use of both Chinese currency and a number of languages other than Burmese, are indicative of an internal cultural barrier, in addition to the administrative one. To integrate Special Region 2, with its feudal structure of governance, in the Union of Myanmar, substantial investment in infrastructure is required as well as exposure to the economic and administrative realities of “Burma proper”.\textsuperscript{17}

As a third negative outcome of the decline in funding, plans to expand alternative development activities to other zones have had to be put on hold. Even with a successful pilot project, the impact on the national drug control situation would have remained limited. In fact, the pilot covers only one of the three geographic zones that have been identified as priority areas for intervention, due to their high concentration of opium poppy cultivation. The other two zones are the northern Wa (also part of Special Region 2) and the Kokang Region (Special Region 1) in the Shan State (please see Annex C). UNDCP had always expected to build on the success of its pilot project in the southern Wa (Special Region 2) and raise the necessary funds to


\textsuperscript{16} In a recent report, the International Narcotics Control Board (INCB) spoke out against this. “\textit{The Board further notes that the limited resources and the low level of external assistance provided to Myanmar have had a negative impact on the Government’s ability to achieve the goals set out in its eradication programme and to consolidate the gains already made. The Board therefore calls upon the international community to provide the necessary assistance to Myanmar as long as its efforts to fight drug use and illicit trafficking are sustained.},” International Narcotics Control Board - Report 2001, United Nations, New York, 2002.

\textsuperscript{17} As late as 1973, the Wa were still practising head-hunting. Human heads were displayed on posts at the entrance to each village in order to ward off evil spirits and ensure good harvests. (Source: UNDCP)
establish similar projects in the other two priority areas. This strategy is now in doubt.\textsuperscript{18}

\begin{center}
\textit{Basic facts: the Wa Alternative Development Project (WADP)}
\end{center}

- Six languages are spoken in the project area. These are Chinese, Lahu, Akha, Shan, Wa and Myanmar. This variety reflects the ethnic fragmentation of the Eastern Shan State. Lahu, Akha, Shan, Lee Saw, Wa, Loi and Chinese minorities with significantly different cultural heritages share the same land. The ruling Wa represent only 7\% of the population residing in the project area. This is one of the reasons why UNDCP implements the WADP project adopting a bottom-up approach.
- The Lahu and Akha minorities are the poorest and the most reliant on poppy cultivation. Ironically, the profits of the drug trade only marginally benefit the opium farmers. In 2001, in the project area the average opium-based income per household was estimated at US$185\textsuperscript{19}. An impressive 96\% of the respondents indicated that they were involved in opium poppy cultivation to offset chronic rice deficiencies. Farmers in the project zone rely on one rice crop only (monsoon rice).
- These communities are not only isolated due to the miserable state of roads and communication, but they also suffer from a lack of any basic healthcare, further reducing their economic productivity. Illustrative of this is the case of leprosy. In late 1998 when UNDCP initiated its activities, the leprosy rate in the intervention zone was four times as high as the national average. Despite the fact that healthcare is not central to UNDCP’s mandate, it was thanks to the activities of the Wa pilot project that by the end of 2001 leprosy had been eradicated in the project zone.

\textbf{III. Strategic alliances}

To maximise the impact of UN efforts, UNDCP is seeking to establish strategic alliances with other development organisations to address the problems faced by the local population in as holistic a manner as possible. At the same time, the holistic alternative development approach, underpinning the ongoing pilot project, will become increasingly difficult on a larger scale. UNDCP simply is not a development agency, and areas such as education, infrastructure and health are not within its mandate or immediate fields of expertise.\textsuperscript{20}

\begin{footnotes}
\item[18] The Dublin group meeting held in Brussels on 11 July 2002 supported the need for expansion. The conclusions of the meeting call for “strong and urgent support to Myanmar.” Areas indicated for eventual external assistance are (a) alternative development in the border areas; (b) reduction of drug use; (c) immediate international support for HIV/AIDS prevention related to injecting drug use; and (d) treatment and rehabilitation of addicts and former addicts.
\item[19] This figure is based on calculation done in the Wa Alternative Development Project. Average opium poppy cultivation per household is 0.18 hectares; average opium yield is 9.63 kg/ha, and opium price per kg is US$ 105.
\item[20] On these grounds, the ECOSOC resolution 1999/30 recommends that the UN Administrative Committee for Coordination ensures that drug issues be considered in the formulation of the United Nations Development Assistance Framework (UNDAF).
\end{footnotes}
To explore the possibilities for strategic alliances in drug control, the UNDCP Representative in Myanmar chairs the local UN Theme Group on Drugs. This group was established as a follow-up to the assessment by the UNCT in Myanmar, which identified three priority areas requiring common action: HIV/AIDS, illicit drugs, and food security. Theme Groups have been formed for each of the areas, with the objective of developing an overall Joint Plan of Action, bringing together UN agencies and NGOs. The Joint Action Plan on HIV/AIDS in Myanmar is the first result. The Theme Group on Drugs aims to finalise its part of the Joint Action Plan later this year.

In working on the Action Plan on Drugs, particular importance is being given to a set of recommendations formulated by the now-defunct Subcommittee on Drug Control, of the Administrative Committee for Coordination (ACC). The latter, a subsidiary body of the UN Economic and Social Council, has emphasised the inter-linkages between the drug problem and more general socio-economic development problems, as well as other health issues. As a result, it has urged all agencies, both at the headquarters and country levels, to consider the following modalities:

1. Insertion of a drug control component into ongoing or planned activities.
2. Formulation of development activities in support of ongoing or planned drug control activities.
3. Joint projects planned and formulated by two or more agencies to address their individual concerns simultaneously.
4. Joint planning by two or more agencies of parallel or complementary activities.

In evaluating which mode of collaboration is most productive, two criteria are used: mandate of the agency(ies) concerned, and geographical proximity. Geographical proximity is important especially in supply reduction, which by necessity is geographically confined to areas where opium cultivation and ATS production take place.

In contrast, geographical proximity is less important in demand reduction, since drug use is not restricted to particular areas. As such, in demand reduction, the challenge lies in maximising synergy between UN agencies. For example, WHO is undertaking activities to address the problem of mental health and substance use. Under this component, WHO holds national seminars on strategies for prevention and management of substance use, supports drug use research and supplies some essential equipment. These activities to some degree mirror UNDCP’s drug demand reduction efforts. Enhanced co-ordination in conducting the above activities would thus amplify the impact of these measures, which are characterised by common objectives and target groups.

The holistic nature of alternative development as implemented by the UN offers many access points for such inter-agency co-operation. The UNCT is actively pursuing

strategic alliances, thereby making the most effective use of the limited resources available to development agencies in Myanmar.

**Emerging potential for strategic alliances**

- At present, even “nation-wide” programs, such as immunisation and health projects undertaken by WHO or UNICEF, do not cover the remote and isolated Special Region 2, leaving UNDCP to provide these vital services. Extending such programs fits within the larger efforts to integrate the region more deeply within the Union of Myanmar.
- Beyond the extension of such existing programs, there are other ways in which other partners could mutually reinforce their efforts. For example, UNDCP is currently in the process of constructing a canal to irrigate the Mong Kar valley. The expertise of FAO staff on this project would eliminate the need for finding and hiring outside agronomists.
- At the same time, some of the problems in the Special Region 2 are found in other parts of the country as well. For example, despite new schools being built by local authorities, UNDCP and NGOs, attendance remains a problem since parents often cannot afford to forego their children’s labour in the field. The World Food Programme faced similar problems in other parts of Myanmar and came up with an innovative solution: an incentive-driven program to increase school attendance called “Food for Education,” rewarding school attendance with food. Sharing such experiences will benefit others.

**IV. Innovation through involvement of the civil society**

The Political Declaration adopted by the UN General Assembly at its 1998 Special Session on the World Drug Problem, recognised that action is a common and shared responsibility. It also stressed that to promote a society free of drug use, a greater role has to be played by, i.a., communities, families, political, religious, educational, cultural, sports, business and union leadership, non-governmental organisations and the media. In essence: by civil society.

It is in this context that UNDCP is nurturing a civil society initiative against drugs. Pursuing the goal of an all-round youth-targeted drug awareness campaign, the idea was advanced by networking with a group of local celebrities who shared the concern over the threat posed by drugs in their communities. In October 2001, over fifty singers, actors, models and athletes signed a pledge against drugs and agreed to work to this aim under the “Stars against Drugs” initiative. A second drive came in January 2002 when eight NGOs agreed to jointly pursue their common goal of a drug free society under the name “Rainbow”.

Following a media campaign, the business sector got involved in June 2002, sponsoring “Amazing life without drugs – The Concert”, with five popular rap and rock bands and thirty singers performing for a sold-out audience. Information
(pamphlets, cartoons, condoms, key chains, etc.) was made available by partner NGOs and distributed to the young people. A few days later, the sports event “Amazing life without drugs – The Marathon” kicked off. With continued support of the private sector, a billboard campaign and a video clip for television broadcasting are currently under production. In all the above awareness activities, reference is made to HIV/AIDS in general, and to the link with injecting drug use in particular.

The innovative character of these activities lies in their initiation and organisation by the people and for the people, under UN aegis yet with marginal or no government control. As in many countries, also in Myanmar the public has started to regard the drug problem as a social malaise that is deeply rooted in people’s behaviour, and for this reason they no longer see the government as the only party responsible for drug control. The same can be said of the government, which is slowly moving away from seeing drugs as a purely criminal matter requiring only a counter-crime response.²²

²² See also Sandro Calvani, “People’s power against drugs – adaptive changes in Southeast Asia”, Harvard Asia Quarterly, Summer 2002.
Proposed strategy

Objectives

Objectives for the coming 5-year period (2003 to 2007) include:

- Objective monitoring of the drug situation in the country and evaluation of interventions.
- Provision of holistic alternatives for opium farmers living in areas accounting for about 70% of the nation-wide opium production.
- Intensive regional cross-border co-operation with emphasis on halting ATS and precursors.
- Effective implementation of the 2002 money laundering legislation and the pending mutual legal assistance act.
- Introducing adapted demand reduction activities, encompassing prevention focussed on the needs of youth, and treatment and rehabilitation for addicts.
- Introduction of solutions to drug use and HIV transmission through coordination, orientation, scaling up and implementing innovative initiatives.

Strategy

The four pillars of the existing country strategy will be expanded in scope and strengthened. Law enforcement and judicial issues will be dealt with, pursuant to the provisions of the 1993 Greater Mekong Region Memorandum of Understanding and the 2000 ACCORD plan of action.

When implementing the joint UN drug control programme in Myanmar, particular attention must be attached to the following principles:

First, inclusion of the ethnic minority groups engaged in drugs within the wider Union of Myanmar context, and introducing them to good governance.

Second, active involvement of civil society and community-led development.

Third, strong synergy with the wider UN agenda for Myanmar such issues as political reform, human rights and labour.

Finally and related to the above, co-operation with UN agencies and international and national NGOs within the framework of the UN Review on Humanitarian Issues in Myanmar. This in particular for topics such as food security and natural resources management, gender, geographical disparities, HIV/AIDS, trafficking in women and children, and governance.

Key activities

(1) Objective monitoring of the drug situation in the country and evaluation of interventions.

- Participatory assessment into drug use behaviour, risk patterns and environmental elements leading to an increased risk of drug use and HIV infection.
- Undertaking annual opium surveys.
- Undertaking epidemiological surveys.
- Undertaking of legal assessment of national drug control legislation.
- Strengthening of the Information, media and analysis unit in order to compile and process the respective project evaluations.
- Success indicator: a reliable and comprehensive picture of the drug situation in Myanmar.

(2) Provision of holistic alternatives for opium farmers living in areas accounting for about 70% of the nation-wide opium production.

- Reinstituting the holistic approach benefiting the southern Wa alternative development activities (Special Region 2).
- Alternative development activities in the northern Wa (Special Region 2).
- Alternative development activities in the Kokang Region (Special Region 1).
Success indicator: Significant opium poppy reduction in Special Regions 1 and 2 by end of project cycles.

(3) Intensive regional cross-border cooperation with emphasis on halting ATS and precursors.
- Implementing the provisions and activities of the 1993 MoU and the 2000 ACCORD plan of action.
- Success indicator: well functioning cross-border mechanism for halting precursor and drug trade (subregional projects).

(4) Effective implementation of the 2002 money laundering legislation and the pending mutual legal assistance act.
- Training in investigation and prosecution of money laundering cases and in mutual legal assistance with neighbouring countries.
- Strengthening drug analysis and profiling capabilities of forensic laboratories.
- Success indicator: first successful judicial cases.

(5) Inducing adapted demand reduction activities, encompassing drug use and HIV/AIDS prevention focussed on the needs of the youth, and treatment and rehabilitation for addicts.
- Combined demand reduction and community development activities in the Lashio-Muse-Kutkai area (northern Shan State).
- Substance use activities in the workplace with specific emphasis on the mining zones (Kachin and Shan States).
- Supporting demand reduction activities initiated by the Civil Society Initiative (“Stars against Drugs” and “Rainbow – Amazing life without drugs”).
- Success indicator: a reduction of the number of opiates addicts and the containing the ATS problematic.

(6) Introduction of solutions to drug use and HIV transmission through co-ordination, orientation, scaling up and implementing innovative initiatives.
- Co-ordination, management and support mechanisms in place to respond to HIV/AIDS and drug use.
- Provide advocacy, orientation and on-going information to policy-makers, implementers and key stakeholders to design and implement programmes to reduce harm among injecting drug users.
- Reaching drug users (IDUs) with HIV prevention and drug treatment in institutional and non-institutional settings.
- Provision of available and appropriate counselling, care and support for IDUs and their families and communities affected by HIV/AIDS.
- Success indicator: the proportion of IDUs among HIV/AIDS cases will have declined.
<table>
<thead>
<tr>
<th>Total resource Requirements 2003 to 2007. (Estimates)</th>
<th>Monitoring of the drug situation and evaluation of interventions.</th>
<th>2,935,000</th>
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</thead>
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<tr>
<td></td>
<td>Alternatives for opium farmers.</td>
<td>18,000,000</td>
</tr>
<tr>
<td></td>
<td>Regional cross-border co-operation.</td>
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</tr>
<tr>
<td></td>
<td>Money laundering and Mutual legal assistance Legislation.</td>
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<td></td>
<td>Demand reduction activities.</td>
<td>1,600,000</td>
</tr>
<tr>
<td></td>
<td>Introduction of solutions to drug use and HIV transmission.</td>
<td>2,846,000</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>25,581,000</strong></td>
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The estimates are taking in consideration the existing short-term absorbing capacity within the country, and do not reflect the real financial needs in the field of drug control interventions in Myanmar.
### Resource requirements (US$) - detail

#### Monitoring of the drug situation and evaluation of interventions.

<table>
<thead>
<tr>
<th>Key activities</th>
<th>Partners</th>
<th>Cost Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessment into drug use behaviour, risk patterns and environmental elements.</td>
<td>WHO, UNAIDS</td>
<td>85,000</td>
</tr>
<tr>
<td>Undertaking annual opium surveys.</td>
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<td>2,600,000</td>
</tr>
<tr>
<td>Undertaking of epidemiological surveys.</td>
<td>WHO, UNAIDS</td>
<td>120,000</td>
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<tr>
<td>Undertaking of legal assessment of national drug control legislation.</td>
<td>UNDP</td>
<td>30,000</td>
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<td>Strengthening of the Information, media and analysis unit</td>
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<td>100,000</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
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<td>2,935,000</td>
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#### Alternatives for Opium farmers.

<table>
<thead>
<tr>
<th>Key activities</th>
<th>Partners</th>
<th>Cost Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reinstating the holistic approach benefiting the southern Wa</td>
<td>ADB, FAO, WFP, WHO, CARE, PSI, BDA</td>
<td>4,000,000</td>
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<tr>
<td>Alternative development activities in the northern Wa (Special Region 2).</td>
<td></td>
<td>8,000,000</td>
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<tr>
<td>Alternative development activities in the Kokang Region (Special region 1).</td>
<td></td>
<td>6,000,000</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
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<td>18,000,000</td>
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#### Regional Cross-border Co-operation.

<table>
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<tr>
<th>Key activities</th>
<th>Partners</th>
<th>Cost Estimate</th>
</tr>
</thead>
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<tr>
<td>Implementing the provisions and activities of the 1993 MoU and the 2000 ACCORD plan of action.</td>
<td>UNDCP Regional Centre</td>
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<tr>
<td><strong>SUBTOTAL</strong></td>
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<td>n/a</td>
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</table>

#### Money laundering legislation and Mutual legal assistance Act.

<table>
<thead>
<tr>
<th>Key activities</th>
<th>Partners</th>
<th>Cost Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training in investigation and prosecution of money laundering cases and in mutual legal assistance with neighbouring countries.</td>
<td>UNDCP Regional Centre</td>
<td>70,000</td>
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<tr>
<td>Strengthening drug analysis and profiling capabilities of forensic laboratories.</td>
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<td>130,000</td>
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<tr>
<td><strong>SUBTOTAL</strong></td>
<td></td>
<td>200,000</td>
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#### Demand reduction activities.

<table>
<thead>
<tr>
<th>Key activities</th>
<th>Partners</th>
<th>Cost Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Combined demand reduction and community development activities in the Lashio-Muse-Kutkai area (northern Shan State).</td>
<td>FAO, World Concern, PSI, CARE</td>
<td>950,000</td>
</tr>
<tr>
<td>Substance use activities in the workplace with specific emphasis on the mining zones (Kachin and Shan States).</td>
<td>WHO, UNAIDS, UNDP, MdM, CARE, MANA</td>
<td>650,000</td>
</tr>
<tr>
<td>Supporting demand reduction activities initiated by the Civil Society Initiative</td>
<td>“Stars against Drugs”, Private sector Rainbow</td>
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</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td></td>
<td>1,600,000</td>
</tr>
<tr>
<td>Introduction of solutions to drug use and HIV transmission.</td>
<td>Key activities</td>
<td>Partners</td>
</tr>
<tr>
<td>-----------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------</td>
<td>--------------------------------</td>
</tr>
<tr>
<td></td>
<td>Co-ordination, management and support mechanisms in place</td>
<td>UN Joint Action Plan HIV/AIDS</td>
</tr>
<tr>
<td></td>
<td>Advocacy, orientation and on-going information to policy-makers, implementers and key stakeholders</td>
<td>UN Joint Action Plan HIV/AIDS</td>
</tr>
<tr>
<td></td>
<td>Reaching drug users (IDUs) with HIV prevention and drug treatment in institutional and non-institutional settings.</td>
<td>UN Joint Action Plan HIV/AIDS</td>
</tr>
<tr>
<td></td>
<td>Counselling, care and support for IDUs and their families and communities affected by HIV/AIDS.</td>
<td>UN Joint Action Plan HIV/AIDS</td>
</tr>
</tbody>
</table>

**SUBTOTAL** 2,846,000

Kids (Wa)
Pictures: WADP/UNDCP
UN drug control interventions

Legend

1 = Myitkyinar
2 = Lwe Je
3 = Muse
4 = Kuikaiaw
5 = Chinshwe Haw
6 = Nantit
7 = Lashio
8 = Mong Hket
9 = Mong Pauk
10 = Ho Tao
11 = Mong Phen
12 = Mong Kar
13 = Tachileik
14 = Myawady
Map of Special Regions

Special Regions in the Shan State

Legend
1 = Kokang Region
2 = Wa Region
3 = Shan Region
4 = East Kyaing Tong Region
5 = North East Kachin Region
6 = Pa O Region
7 = Palaung Region

Boundary representation is not necessarily authoritative.
Map of Opium Cultivation

Shan State 2002
Opium Poppy Cultivation

NOTE: BOUNDARY REPRESENTATION IS NOT NECESSARILY AUTHORITATIVE.

Source: CCDAC - UNDCP/ICMP
Myanmar Opium Poppy Survey 2002
Myanmar: a silent humanitarian crisis in the making

Myanmar is on the brink of a humanitarian crisis. At a time when economic sanctions against Iraq are being rediscussed and when the world is reaching out to intensify North Korea into the wider international community, we, the members of the UN Country Team (UNCT) in Myanmar, wish to bring to your attention our deep concern over Myanmar’s humanitarian situation. We summarise our critical concerns below:

- Estimates in the UNAIDS “Report on the Global HIV/AIDS Epidemic” of June 2000 reveal a figure of over 300,000 HIV infected persons in Myanmar as of the end of 1999. During the past twelve years, over 20,000 HIV sero positive cases have been identified of which 3,500 were confirmed as AIDS. A recent analysis of data available in the country covering the last three years indicates that the Human Immunodeficiency Virus has moved into the general population.

- Official figures of net enrolment and retention rates of school-age children reveal that only half of the Myanmar children aged 5 to 15 years old complete the primary cycle. Based on these figures, it is estimated that 25% of children never enrol and, out of those who do, only one third are able to complete the full 5-year cycle of primary schooling. Furthermore, approximately one quarter of the children in the 10-14 age group (about 1.25 million children) are engaged in unpaid work and there is a growing number of “street children” concentrated in urban areas. This is further aggravated by the plight of thousands of children and women who have become the victims of cross-border human trafficking with neighbouring countries.

- Maternal health, tuberculosis and malaria are major concerns in the country. The Maternal Mortality Ratio (MMR) is high with estimates ranging between 230 and 580 per 100,000 live births. It is estimated that about half of maternal deaths are due to complications resulting from unsafe abortions. Almost one quarter of Myanmar babies are born underweight, with long-term nutritional implications. By the time children reach the age of 5, one in three is moderately to severely malnourished. This is compounded by the fact that about 3.6 million children and 1.1 million pregnant women live in areas considered to be at high or moderate risk for malaria transmission. Furthermore, the country is estimated to have no less than 81,000 new cases of tuberculosis annually. To date only a limited proportion of the population has had access to drugs for proper treatment.
- Economic activity has slowed down - with high inflation and wide fluctuations in the value of the local currency since January 2001, as well as contraction of real public expenditure on basic services. This inflicts further hardship on the poor.

Under these critical circumstances, humanitarian assistance to Myanmar is a moral and ethical necessity, as well as an obligation of the international community. To deny the people of Myanmar basic humanitarian assistance not only causes unnecessary suffering in the short-term, it also has long-term negative implications.

The cost of neglecting assistance will be substantially higher if delayed, as the magnitude of problems escalates (e.g. HIV/AIDS), human capital disintegrates (e.g. increasing illiteracy, low completion rates in primary school), natural resources diminish and disparities widen (e.g. among geographical regions and among ethnic minorities). Delayed assistance may also have an escalating effect on the illicit narcotic business, resulting in negative social impact within Myanmar and in the region, as well as on other transnational problems, such as human trafficking, illegal migration and population displacements. The current peripheral or piecemeal assistance provided to Myanmar is not adequate to reverse or even slow down certain negative trends. Nor is it sufficient to decrease economic and social disparities, which pose a potential threat to internal and regional peace and security.

While recognising that fundamental change of domestic policies is necessary to fully address the above challenges, accelerated and efficient delivery of humanitarian assistance will have positive short-term effects by alleviating suffering and maintaining a minimum standard of well-being. It will also be conducive to longer-term fundamental change in Myanmar. Indeed, strengthening human capital, developing leadership capacity, and encouraging a more dynamic civil society will contribute to laying the foundations for democratic processes.

However, the fact remains that Myanmar has very limited access to Official Development Assistance (ODA) and does not benefit from assistance from the International Financial Institutions. As a result, the population's needs are only marginally addressed by restricted humanitarian assistance mostly provided through the UN system. The total annual ODA currently provided to Myanmar is about US$1 per capita compared with US$35 for Cambodia and US$68 for Laos (1997 figures). This very low level of ODA fails to uphold the minimum threshold to cover basic humanitarian needs.

In addition, governing bodies of some UN organisations have laid down specific caveats that limit their ability to deliver full assistance in accordance with their global mandates and their assessment of the country's needs. Nevertheless, UN organisations operating in Myanmar make the utmost effort to address the most crucial humanitarian issues in a co-ordinated and collaborative manner, within the above-mentioned financial and other constraints.

As an immediate response to the above, we, the members of the UN Country Team, have selected three important areas for consultation and common action based on our assessment of the country situation. These areas are HIV/AIDS (where action is already underway through the UN Joint Plan of Action), illicit drugs and food security. They are by no means exclusive of future joint action in other areas. Furthermore, this initiative is part of a larger process that includes a continued UN humanitarian assessment of the country, and dialogue with the international community.

This common approach must be viewed in the context of Myanmar's political environment that forms the backdrop for all humanitarian assistance to this country. However, the nature and magnitude of the humanitarian situation does not permit delaying until the political situation evolves.
Country Profile on

*Myanmar*
TABLE OF CONTENTS

GENERAL SETTING
1.1 Summary Statistics 1
1.2 Major Socio-economic Characteristics of the Country 2

OVERVIEW OF THE DRUG AND CRIME SITUATION
2.1 Background 3
2.2 Summary statistics: drugs 4
2.3 Summary statistics: crime 5

THE YEAR IN REVIEW: MAIN EVENTS
3.1 Major Political and Economic Events 6
3.2 Drugs 6
3.3 Crime 8

DRUG SITUATION
4.1 Production and Cultivation 9
4.2 Manufacture 11
4.3 Trafficking 12
4.4 Diversion of Drugs and Precursors 14
4.5 Drug Prices 15
4.6 Demand 16
4.7 Costs and Consequences 18
4.8 Money Laundering 19

POLICY
5.1 Conventions Adherence 21
5.2 National Legislation 21
5.3 Drug Control Institutions 22
5.4 Main Characteristics of National Drug Control Policy 23
5.5 Licit Control (Drugs and Precursors) 23
5.6 Supply Reduction 25
5.7 Demand Reduction 26
5.8 Money Laundering Control Measures 26
5.9 International Cooperation 26
5.10 Crime and Terrorism 27

REFERENCES 29
GENERAL SETTING

1.1 Summary Statistics

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Country value</th>
<th>Comparative aggregate average:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Developed Countries</td>
</tr>
<tr>
<td>Human Development Index Rank (2001)</td>
<td>118 out of 162</td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Size of country, (sq.km)(1999)</td>
<td>676,580</td>
<td></td>
</tr>
<tr>
<td>Arable land, (sq.km)(1999)</td>
<td>95,480</td>
<td></td>
</tr>
<tr>
<td>Population</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Population (million)(2000)</td>
<td>50.1</td>
<td></td>
</tr>
<tr>
<td>Population growth, (%)(2000)</td>
<td>2.0</td>
<td>0.30</td>
</tr>
<tr>
<td>Life-expectancy at birth (2001)</td>
<td>55.0</td>
<td>77.00</td>
</tr>
<tr>
<td>Population age 15 and above, (%)(2000)</td>
<td>72.0</td>
<td>80.50</td>
</tr>
<tr>
<td>Population age 15 to 24, (%)</td>
<td>21.0</td>
<td>13.60</td>
</tr>
<tr>
<td>Economic Development</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GDP Growth, (%)(1999)</td>
<td>5.0</td>
<td>1.00</td>
</tr>
<tr>
<td>GDP per Capita, PPP $ (1999)</td>
<td>1,027.0</td>
<td>23410.00</td>
</tr>
<tr>
<td>Trade: Exports as share of GDP, (%)</td>
<td>0.4</td>
<td>22.7(1998)</td>
</tr>
<tr>
<td>Total external debt, % of GNP (1998)</td>
<td>....</td>
<td>42.80</td>
</tr>
<tr>
<td>Poverty and Unemployment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Population living on less than US$1/day (%)(1997)</td>
<td>26.0</td>
<td></td>
</tr>
<tr>
<td>Income distribution ratio, (20% richest / 20% poorest)</td>
<td>....</td>
<td>7.0(OECD)(98)</td>
</tr>
<tr>
<td>Unemployment rate (1997)</td>
<td>....</td>
<td>7.0(OECD)(98)</td>
</tr>
<tr>
<td>Youth unemployment rate</td>
<td>....</td>
<td>12.8(OECD)(98)</td>
</tr>
<tr>
<td>Health</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public expenditure on health, (% of GDP)(1998)</td>
<td>0.2</td>
<td>6.2</td>
</tr>
<tr>
<td>Population with access to health services, (%)(1999)</td>
<td>60.0</td>
<td></td>
</tr>
<tr>
<td>Doctors per 100,000 people (1992-1995)</td>
<td>30.0</td>
<td>246.0</td>
</tr>
<tr>
<td>AIDS cases per 100,000 people (1997)</td>
<td>3.9</td>
<td>99.1</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adult literacy rate (2000)</td>
<td>90.0</td>
<td>98.5</td>
</tr>
<tr>
<td>Combined enrolment ratio (primary, secondary, tertiary)(1999)</td>
<td>55.0</td>
<td>91.0</td>
</tr>
<tr>
<td>Radio per 1,000 people (1995)</td>
<td>89.0</td>
<td>1,005.0</td>
</tr>
<tr>
<td>Television per 1,000 people (2001)</td>
<td>8.5</td>
<td>621.0</td>
</tr>
<tr>
<td>Telephone lines per 1,000 people (1999/2000)</td>
<td>5.0</td>
<td>524.0</td>
</tr>
<tr>
<td>Internet hosts per 1,000 people (2000)</td>
<td>0.00</td>
<td>4.97</td>
</tr>
</tbody>
</table>

Source: World Bank, UNDP, DESA, FAO, UNCT Myanmar
1.2 Major Socio- Economic Characteristics of the Country

Myanmar is the largest country in Southeast Asia with 676,552 sq. km. Its population density, 73 inhabitants per square kilometre, is relatively low in comparison to Vietnam, 225, and to Thailand, 117 (2000 data). Almost half of the surface area is covered with forests and rugged hilly terrain.

The vast majority of opium and ATS production in Myanmar takes place in the Shan State, in the north-eastern part of Myanmar. This state, one of the seven states and seven divisions constituting the Union of Myanmar, covers some 155,000 km², making it roughly equal in size to Bangladesh. The Shan State borders China, Laos and Thailand and forms part of the notorious Golden Triangle. In 1983, about 11% (3.7 million) of the country’s population lived in the Shan State, against 9.4% (4.7 million people) today.

While official statistics report an economic growth rate of 8.4% for the year 2000-2001, the basic economic indicators are less positive. After peaking in 1996-1997 at US$2.8 billion, foreign investment has dried up to US$55.6 million in 1999-2000. As most foreign investment to Myanmar comes from the region and many of these countries continue to face economic problems, economic projections remain dim. Foreign currency reserves are limited, inflation high and the use of import and administrative controls increasing. Public expenditure on health and education is equally low.

Myanmar’s overall politico-economic situation furthers the underground economy. Based on price distortions alone, the incentives are tremendous for private initiative to avoid the formal economy and conduct trade and foreign exchange transactions in the informal economy. The permeability of most of Myanmar’s border areas is an important feature of the workings of the unrecorded economy. Informal barter and cross border trade is especially extensive in the areas bordering Thailand, China and India, and not to such a great degree along Laos and Bangladesh borders. It involves the trade of natural resources in exchange for consumer goods, as well as the drug trade. Myanmar shares a 2,401 km-long border with Thailand, and nearly as much with China.
OVERVIEW OF THE DRUG AND CRIME SITUATION

2.1 Background

The Union of Myanmar (Union of Burma, prior to 1989) is the second largest producer of illicit opiates in the world after Afghanistan, and is increasingly becoming a source of illicit amphetamine-type-stimulants (ATS) since the mid-1990s. Relatively high levels of addiction and HIV-AIDS prevalence are some of the direct consequences of the illicit drug industry for Myanmar’s population.

From 1996 to 1999 opium poppy cultivation in Myanmar steadily declined by almost 46% (163,000 ha against 89,500). In 2000 and 2001, opium production levelled off and even slightly increased from an estimated 895 metric tons in 1999 to respectively 1,087 and 1,097 metric tons of opium. This illustrates the difficulty to consolidate and sustain sharp reductions over a limited period of time.

Due to the opium ban in Afghanistan, Myanmar became by default the largest opium producing country in the world in 2001, accounting for some 67% of global production. Indeed, Afghanistan’s opium production dropped from 3,276 metric tons in 2000 to 185 metric tons in 2001. This sudden drastic decline in Afghanistan, alarmed drug control experts in South East Asia – afraid that the global demand for illicit opiates would put upwards pressure on the opium poppy cultivation in the Golden Triangle and, eventually, undo the gains made since 1996. Except the record crops over recent years had allowed opium and heroin traffickers in Afghanistan — and along the production-trafficking chain — to build up substantive stocks compensating for the shortfall in production in 2001.

The decline in Myanmar’s opium production has coincided with a dramatic rise in the production of amphetamine-type stimulants (ATS). Between 1996 and 2001, seizures of ATS tablets in Myanmar rose more than six-fold, from 5 million tablets to 32.4 million tablets. Notably, ATS manufacturing in Myanmar is destined for export, implying a high level of cross-border complicity and lawlessness on both sides of the borders along Myanmar.

This cross-border complicity is an important characteristic of the drug trade in Myanmar, both for precursor materials and export markets. The country has neither a huge local demand for drugs – compared to the enormous volumes produced – nor a chemical industry of importance. As such, the vast majority of the drugs produced are destined for export and precursor chemicals required for the processing of drugs – refinement of opium into heroin and production of ATS – have to be imported. Acetic anhydride, required for the production of heroin, and ephedrine required for ATS are imported from China and, increasingly, India.
2.2 Summary statistics: drugs

**Table 1.** Cultivation: area in hectares, potentially harvestable after eradication

<table>
<thead>
<tr>
<th></th>
<th>1997</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>as % of global</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opium poppy</td>
<td>155,150</td>
<td>130,300</td>
<td>89,500</td>
<td>108,700</td>
<td>105,000</td>
<td>72%</td>
</tr>
<tr>
<td>Coca bush</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Cannabis</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Source: Global Illicit Drug Trends 2002, UNDCP

**Table 2.** Production (in metric tons)

<table>
<thead>
<tr>
<th></th>
<th>1997</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>as % of global</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opium</td>
<td>1,676</td>
<td>1,303</td>
<td>895</td>
<td>1,087</td>
<td>1,097</td>
<td>67%</td>
</tr>
<tr>
<td>Coca leaf</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Cannabis</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Source: Global Illicit Drug Trends 2002, UNDCP

**Table 3.** Potential manufacture (in metric tons)

<table>
<thead>
<tr>
<th></th>
<th>1997</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>as % of global</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heroin</td>
<td>167</td>
<td>130</td>
<td>89</td>
<td>109</td>
<td>110</td>
<td>67%</td>
</tr>
<tr>
<td>Cocaine</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: Global Illicit Drug Trends 2002, UNDCP

**Table 4.** Seizures (in kg)

<table>
<thead>
<tr>
<th></th>
<th>1997</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opium</td>
<td>7,884</td>
<td>5,706</td>
<td>1,760</td>
<td>1,773</td>
<td>1,629</td>
<td>-6.6%</td>
</tr>
<tr>
<td>Heroin</td>
<td>1,401</td>
<td>404</td>
<td>273</td>
<td>158</td>
<td>97</td>
<td>-39%</td>
</tr>
<tr>
<td>Low grade opium</td>
<td>194</td>
<td>312</td>
<td>314</td>
<td>245</td>
<td>141</td>
<td>-42%</td>
</tr>
<tr>
<td>ATS (tablets)</td>
<td>5,028,600</td>
<td>16,026,688</td>
<td>28,887,514</td>
<td>26,759,772 + 6,398Kg</td>
<td>32,438,981</td>
<td>21%</td>
</tr>
<tr>
<td>Marijuana</td>
<td>288</td>
<td>381</td>
<td>274</td>
<td>602</td>
<td>284</td>
<td>-53%</td>
</tr>
</tbody>
</table>

Source: Global Illicit Drug Trends 2002, UNDCP - * Source: Government of the Union of Myanmar
### Table 5. Annual prevalence of drug abuse (as % of pop. 15 and above), 2000

<table>
<thead>
<tr>
<th></th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cannabis</td>
<td>N/A</td>
</tr>
<tr>
<td>Cocaine</td>
<td>N/A</td>
</tr>
<tr>
<td>Opiates</td>
<td>between 0.18 and 0.98%¹</td>
</tr>
<tr>
<td>ATS</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Source: Global Illicit Drug Trends 2002 (Draft), UNDCP

### 2.3 Summary statistics: crime

#### Table 6. General crime statistics

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total crime</td>
<td>75,861</td>
<td>55,008</td>
<td>49,027</td>
<td>46,913</td>
<td>48,455</td>
</tr>
<tr>
<td>Homicide (cases)</td>
<td>1,506</td>
<td>1,225</td>
<td>965</td>
<td>570</td>
<td>1,041</td>
</tr>
<tr>
<td>Violent crime (cases)</td>
<td>878</td>
<td>482</td>
<td>351</td>
<td>261</td>
<td>215</td>
</tr>
<tr>
<td>Property crime (cases)</td>
<td>15,377</td>
<td>9,078</td>
<td>6,983</td>
<td>5,543</td>
<td>4,666</td>
</tr>
</tbody>
</table>

Source: Government of the Union of Myanmar

#### Table 7. Organised Crime

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total cases brought to justice for organized crime activity</td>
<td>513</td>
<td>451</td>
<td>334</td>
<td>301</td>
<td>758</td>
</tr>
<tr>
<td>Total police personnel assigned to the policing of organized crime</td>
<td>2,021</td>
<td>2,062</td>
<td>2,179</td>
<td>2,254</td>
<td>2,256</td>
</tr>
<tr>
<td>Total prosecution officials assigned to the prosecution of organized crime</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Total convicted persons for organized crime activity</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Source: Government of the Union of Myanmar

¹ The number of officially registered drug abusers reached 71,439 people in March 2001, or 0.17% of the population age 15 and above, out of which 85% are addicted to opiates. According to UNDCP, the total number of addicts is estimated at 300,000.
THE YEAR IN REVIEW: MAIN EVENTS

3.1 Major Political and Economic Events


On the political level, a dialogue between the leader of the opposition, Mrs. Aung San Su Kyi, and the military regime started in October 2000 and continued during 2001. The Special Envoy of the UN Secretary-General, Mr. Ismael Razali has visited Myanmar six times between November 2000 and January 2002 and continued to be instrumental in facilitating talks between the two parties. One of the crucial challenges for political transition is the question of the ethnic minorities and their future status in the Union of Myanmar.

In November 2000, the ILO took the unprecedented step to urge the ILO’s member states, private companies and other institutional bodies "to review their relations" with Myanmar and to take "appropriate measures". The ILO fielded two missions during 2001, one of which was composed of a High Level Team of experts who came to assess the situation of forced labour. The High Level Team concluded that forced labour still existed in the country despite measures adopted by the government to eliminate the practice. The Team recommended to have a permanent presence of the ILO in the country to monitor the situation.

The UN Special Human Rights Rapporteur on Myanmar, Prof. Paulo Sergio Pinheiro, visited Myanmar twice in 2001 and made a report to the General Assembly after his fact-finding mission in October 2001. Professor Pinheiro’s assessment acknowledged some positive developments, while remaining critical about the overall human rights situation.

Finally, significant changes took place within the regime both in structure and in people at the central and the regional level. The third secretary of the State Peace and Development Council (SPDC), and the Deputy Prime Minister who acted also as the Military Affairs Minister, were dismissed. In addition two Deputy Prime Ministers and three Ministers were allowed to retire, and ten out of the twelve powerful regional commanders were recalled to Yangon and replaced by military personnel with a lower military rank. Since the positions left vacant by the dismissal of Secretary-3 and the accidental death of Secretary-2, were not filled, the SPDC was de facto managed by a troika of generals.

3.2 Drugs

The cease-fire agreements, concluded with different insurgent groups since 1989, remained unchanged providing different degrees of autonomous administration in the form of “Special Regions”. As an illustration, government officials are not allowed entrance without previous clearance from the leadership of the ethnic group in charge.

Drug production and trafficking is highly concentrated in two of these Regions. In particular the United Wa State Army (UWSA – Special Region 2) and the Myanmar National Democratic Alliance
Army (MNDAA, Kokang Chinese – Special Region 1) are singled out. Next comes a splinter group of former opium warlord Khun Sa’s Mong Tai army, the Shan State Army south (SSA), also called the Shan United Revolutionary Army (SURA), followed by a fourth group, the Chinese Haw. The fifth and small but wealthy group is composed of remnants of the Burmese Communist Party (BCP) who has entered in joint ventures with the Wa and the Chinese-Kokang.

Advancing its 15-year drug control plan, the government had hoped to declare the Kokang region (Special Region 1), opium free by 2000. While early indications were that a significant amount of the total acreage was freed of opium poppy, it was decided that this initial effort was insufficient and not sustainable. Therefore the deadline was extended to 2005.

On June 26, 2001 Secretary-1 of the SPDC, Lt. Gen. Khin Nyunt, inaugurated the Drug Elimination Museum located in Yangon. In his opening address, he remarked that, “…the Union of Myanmar, with or without the international community’s assistance, is firmly resolved to strive with our own resources for the total elimination of drugs in the country within 15 years.”

Regional co-operation was an important issue throughout 2001. In January, a Memorandum of Understanding on drug control issues between Myanmar and China was signed. In April, the leader of one of South China’s biggest drug smuggling and money laundering syndicates, Tan Xiaolin, was arrested by Myanmar police and handed over to Chinese authorities.

Relations with Thailand were more volatile. The Thai government repeatedly accused Yangon of turning a blind eye to the drug production. In turn, the Myanmar government accused Bangkok of supporting insurgents – equally involved in drug operations. The tension resulted in skirmishes along the border between the Thai army and the United Wa State Army (UWSA), leading to the temporary closure of the border between both countries.

The violent clashes were followed by a war of words between Thailand and Myanmar before the situation again improved by a series of diplomatic initiatives. In June, Thai Prime Minister Thaksin paid a courtesy visit to Myanmar promising assistance to help eradicate opium cultivation, leading to a pledge of 20 million Baht (US$450,000) for a crop-substitution project in the Wa region close to the Thai border. On the occasion, a Memorandum of Understanding on drug control was signed by the respective competent Ministers. The courtesy was reciprocated later in September, when Secretary-1 of the SPDC, Lt.-Gen. Khin Nyunt, visited Thailand. In October, the improved relations between Myanmar and Thailand led to the exchange of intelligence and the ensuing arrest and sentencing of two major drug-traffickers, Nyein Kyaw and Kyaw Hlaing. They were linked to a record seizure of 7.6 million ATS tablets and 116 kg of heroin, carried out by Thai authorities in the Andaman Sea early last year.

In August, the governments of China, Laos, Myanmar and Vietnam deepened their co-operation efforts with the Beijing Declaration. The meeting paved the way for the establishment of a more effective and co-ordinated sub-regional and regional mechanism to cope with the drug problems in East and South East Asia, particularly through cross-border law enforcement co-operation.

In November 2001, Myanmar declared its intention to participate in and financially contribute to the ACCORD – ASEAN and China Co-operative Operations in Response to Dangerous Drugs – plan. The ACCORD plan of action serves as an encompassing umbrella for the other regional and national initiatives. It is globally endorsed and aims at advocating civic awareness on the dangers of drugs, sharing best practices on reducing drug abuse, strengthening the rule of law by improving law.
enforcement cooperation, and eliminating the supply of illicit drugs by promoting alternative development.

3.3 Crime

Since general crime figures for 2001 are not available, no conclusions can be drawn. Nonetheless, a distinction needs to be made between the government-controlled zone of the Union and the border areas where central control is poor to nearly non-existent. Drug related crimes in the area directly controlled by the government remained stable and relatively low.

Table 8. Drug arrests (number of persons)

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons arrested</th>
<th>M</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>7,521</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1994</td>
<td>7,599</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1995</td>
<td>5,783</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1996</td>
<td>5,540</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>5,361</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1998</td>
<td>4,845</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>6,413</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>4,881</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2001</td>
<td>4,256</td>
<td>3,430</td>
<td>826</td>
</tr>
</tbody>
</table>

Source: Government of the Union of Myanmar

No crime figures exist related to the “Special Regions” who are self-administrated and organised along feudal lines. These sanctuaries are the centre of many criminal activities ranging from active involvement in the illegitimate economy, including money laundering, gambling, prostitution, drug cultivation, production and trade, logging of tropical hard wood and human trafficking. Not all of the above, however, is locally considered illegal, even if national legislation would prohibit these activities. The historical and geographical absence of any central or international authority allowed the creation of an indigenous set of norms and values.

With regard to trafficking in human beings, Myanmar is a country of origin for women and girls trafficked to Thailand, China, Taiwan, Malaysia, Pakistan, and Japan for sexual exploitation, domestic and factory work. In addition, ethnic Thai and Chinese criminal networks play a major role in Myanmar as brokers, financial backers and transporters in the heroin trade.
DRUG SITUATION

4.1 Production and Cultivation

Most of the opium poppy crop, grown and harvested during the September-March dry season, is found in the mountainous areas of the Shan plateau predominantly east of the Salween (Thanlwin) River. It extends almost the entire length of the Shan State, running alongside the Chinese border south to Laos and finally the Thai border. Autonomous administrative entities – “Special Regions” – of the Shan State govern this border zone covering mainly the ethnic Kokang-Chinese, the Wa and Shan but also other tribes such as Lahu and Akha. Together, it is estimated that the Wa (Special Region 2) and the Kokang (Special Region 1) areas now account for about 70% of Myanmar’s opium production. Apart from the Shan State, poppy fields are also found to a lesser extent in the Kachin, Chin and Kayah States and in the Sagaing Division.

The 2001 UNDCP Opium Survey, which was conducted across 1/6 of the Shan State, revealed that opium poppy fields average 0.17 hectare in size and are cultivated by small-scale farmers belonging to various hill-tribes. Cultivation techniques and facilities are still rudimentary. One township, Pin Laung, where more sophisticated irrigation facilities were available, revealed evidences of annual double cropping. The government estimates that about 300,000 people depend on opium poppy cultivation as a cash-crop for their livelihood.

Figure 1: Opium Production in Myanmar, in metric tons

Source: Global Illicit Drug Trends 2001, UNDCP
The biggest opium producer in the world during the 1980s (with an average quantity of about 700 metric tons of opium per year for the period 1981-1987), Myanmar’s illicit opium production continued to increase during the following ten years (1988-1996), reaching an annual average of 1,600 metric tons (figure 1). However, Afghanistan’s production grew even faster, overtaking Myanmar as the biggest opium producer in the world in 1991.

**Table 9. Eradication figures (opium poppy)**

<table>
<thead>
<tr>
<th></th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hectares destroyed</td>
<td>49,960</td>
<td>9,800</td>
<td>10,970</td>
<td>7,374</td>
</tr>
</tbody>
</table>

*Source: Government of the Union of Myanmar*

From 1996 to 1999, opium poppy cultivation and opium production declined steadily in Myanmar as a result of increased eradication and control efforts from the government and local authorities, as well as unfavourable weather conditions. Even though the decline was halted in 2000, with an estimated 1,087 metric tons, Myanmar’s 2000 opium output returned to levels recorded about a decade earlier (1988: 1,125 metric tons). In 2000, the total area under opium poppy cultivation in Myanmar was 108,700 hectares, higher than the area cultivated in Afghanistan (82,171 hectares). Nonetheless, the differences in opium poppy varieties, growing methods and climatic conditions, results in better yields for Afghanistan (figure 2). The effective implementation of the Taliban's opium poppy cultivation ban in 2001, led to Myanmar regaining the lead as the world's biggest opium producer.

**Figure 2: Opium Yields in Afghanistan & Myanmar, in kg/ha**

*Source: Global Illicit Drug Trends 2001, UNDCP*
4.2 Manufacture

Table 9. Seizure of illicit laboratories by drug categories

<table>
<thead>
<tr>
<th>Year</th>
<th>opium and heroin</th>
<th>ATS (tablets)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1994</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>1995</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>1996</td>
<td>11</td>
<td>0</td>
</tr>
<tr>
<td>1997</td>
<td>33</td>
<td>0</td>
</tr>
<tr>
<td>1998</td>
<td>32</td>
<td>0</td>
</tr>
<tr>
<td>1999</td>
<td>23</td>
<td>6</td>
</tr>
<tr>
<td>2000</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>2001</td>
<td>6</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Source: Government of the Union of Myanmar

The reduction of opium production is counterbalanced by the expanding production of amphetamine-type stimulants (ATS). ATS manufacturing in Myanmar is mainly produced in the border zones and destined for export, implying two elements. First, it demonstrates the failure of law and order in the self-administering Special Regions. Criminal elements take advantage of the situation and shifted from the illicit trade in opiates to the illicit trade in stimulants. Secondly, since the ATS is not destined for the domestic market and precursor chemicals need to be imported, it implies a high level of cross-border complicity within Myanmar and Thailand, and, to an extend, also China, Laos and India.

In 2000, Thai army sources accused Myanmar of having 87 heroin or methamphetamine production plants operational in the border areas, most on autonomous UWSA territory stretching from Pang Sang to Mong Yawn. Still according to the Thais, just under a third, 23 of the 87 factories, mix the chemicals first for methamphetamine production. The chemicals are then passed to the other plants to be molded in tablet form and receive the “WY” trademark. Each of the 64 tablet-making plants have two machines each that produce seven tablets per second, or 25,200 an hour, and can be run for six consecutive hours. Without free access to the border areas for independent evaluators, it is difficult to confirm the above statistics. Nevertheless, regional intelligence sources agree on the significance of the ATS production in the border areas of Myanmar. The record ATS seizures (over 32.4 million tablets) carried out by Myanmar authorities in 2001, substantiates this.

![Figure 3: ATS Seizures, in units](source: Government of the Union of Myanmar and UNDCP)
4.3 Trafficking

As Myanmar produced on average about 80% of the opium produced annually in Southeast Asia during the 1980s and about 90% during the 1990s, trends in Southeast Asian heroin trafficking can essentially be identified with Myanmar’s production (figure 4).

![Figure 4: Opium seizures in East and Southeast Asia 1980-1999](source: Global Illicit Drug Trends 2001, UNDCP)

However, the overall trend masks an important change in regional trafficking patterns. In 1994-95, the increased military pressure put on the rebellious Mong Tai Army in Myanmar resulted in the surrender of its leader Khun Sa in 1996. As Khun Sa and his troops controlled most of Myanmar’s heroin production, the southeast Asian heroin trade was temporarily disorganized and trafficking lines cut. This was reflected by heroin seizures data, which shows a large drop in 1995 in east and Southeast Asia (figures 5 and 6). This fall was also reflected by the heroin seizures in the USA. Southeast Asian heroin represented 68% of the heroin seized in the USA in 1993; 58% in 1994 and only 17% in 1995.

Khun Sa was linked with Hong Kong-based trafficking rings which used Thailand as a transit country. With the dismantling of Khun Sa’s organization, trafficking was increasingly reoriented through China and taken over by smaller and less organized Chinese groups. The level of heroin seizures in Thailand remained relatively low since then. In 1993, Thailand represented 33% of all heroin seizures in east and Southeast Asia, compared to only 6% five years later in 1998. During the same period, China’s share grew from 58% to 83%.

About 60% of Myanmar’s opiate production are now trafficked through China, while less than 30% still enter Thailand. From China illicit opiates move overland to Hong Kong,
Macao and other regional commercial air and maritime centers for forwarding to Australia, Taiwan, Europe and North America via maritime and air means. Three to four tons of heroin - equivalent to 30 to 40 metric tons of opium - are estimated to enter Australia every year, with more than 80% coming from southeast Asia. Elaborated networks conducted by triads located in Hong Kong, China and Taiwan are responsible for trafficking Myanmar’s illicit opiates overseas.
Meanwhile another phenomenon occurred. Since the mid-1990s, Thailand has become one of the most buoyant markets for ATS. With cross-border technical and financial investment, the boundary areas in Myanmar developed over a period of five-years in a major regional centre for ATS production. The distribution channels across the border are solidly in the hands of Thai crime organizations, making the most of the ATS business.

In November 2001, a survey conducted by the Thai Health Ministry found that 2.65 million Thais, or 4.3% of the population, were addicted to drugs. Out of these, 91% were using methamphetamine. Furthermore, during the first semester of 2001, Thailand witnessed its first ever seizure of crystallized ATS. ATS abuse is now considered by Thai authorities a more serious problem than heroin use.

This led to tensions between Thailand and Myanmar causing strict border controls and temporary closure of vital border passes. Therefore, alternative routes opened through Lashio, Mandalay and Yangon. In 2000, this new trend was evident through several record seizures carried out along the Lashio-Mandalay-Yangon axis. It is also worth underlining the significant increase of maritime trafficking within the region.

In December 2001, the Australian Federal Police stressed the increasing importance of the trafficking route by sea from Myanmar to Singapore and Malaysia and, thereafter on to other parts of the world. ATS arrives in Thailand mainly via the west coast from Ranong down to Satun. It is then shipped southward to Malaysia or taken by trucks to Bangkok. Some of the heroin and a certain amount of high-end methamphetamine called “blue angel” also heads for international markets such as Taiwan, North America, Australia and Europe through Thai criminal connections. Cumulative figures for the period August 2000 to August 2001 reveal that 450,000 methamphetamine pills were seized in Switzerland carrying the "WY" trademark, one of the “brands” produced in Myanmar.

4.4 Diversion of Drugs and Precursors

Myanmar has no chemical industry of importance. The vast majority of precursor chemicals required for the processing of drugs have to be imported. Because of the extensive and highly developed chemical industry in China, large amounts of acetic anhydride (required for the production of heroin) and ephedrine (required for ATS production) are imported from the latter. Additionally, India, as a major world producer of these two key precursors, is a source country. In the last three years, significant quantities of ephedrine originating from India have been seized with increasing frequency. Acetic anhydride seizures in particular increased by some 400% in 2001. Solvents and other essential reagents for illicit drug manufacture are also produced in both China and India.
Table 10. Seizures of precursor chemicals

<table>
<thead>
<tr>
<th></th>
<th>1997</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ephedrine (kg)</td>
<td>2,420</td>
<td>3,819</td>
<td>6,485</td>
<td>2,670</td>
<td>3,922</td>
<td>47%</td>
</tr>
<tr>
<td>Acetic anhydride (lit)</td>
<td>647</td>
<td>424</td>
<td>1,620</td>
<td>2,429</td>
<td>12,318</td>
<td>407%</td>
</tr>
<tr>
<td>Chemical liquid (lit)</td>
<td>4,552</td>
<td>4,968</td>
<td>57,019</td>
<td>86,756</td>
<td>174,191</td>
<td>101%</td>
</tr>
</tbody>
</table>

Source: Government of the Union of Myanmar.

As an outcome of the UNDCP workshop on precursor control in May 1998, the Myanmar government recently added thirteen (13) precursors to an existing list of eight (8) regulated by the Narcotic Drugs and Psychotropic Substances Act 1993. Myanmar has also established a 15-member Precursor Control Committee responsible for overseeing matters related to precursor control. During another UNDCP facilitated event - the cross border meeting in Ranong of August 1999 - caffeine was identified as routing into Myanmar from Thailand. Caffeine is a cut agent utilised as a main component of methamphetamine. It was decided to take common action and Thailand imposed regulations to control caffeine in the northern districts. After the Ranong meeting, Thailand seized more than 22 tons of caffeine. Another 15 tons were seized during 2001. The Myanmar government enacted similar regulations and recorded its first seizure of 2 tons of the substance in October 2000. An additional 3 tons were seized on 28 January 2001, in the village of Haung Leik, north of Tachilek. No other significant caffeine seizures were made during 2001.

4.5 Drug Prices

According to 2000 Thai sources, the factory price of one tablet is between 18 to 27 US cents. Smugglers are given 2 to 6 cents for each tablet they carry across the border. Those providing protection earn between 2 to 4 cents per tablet and those who allow storing the tablets at their homes earn about 2 cents per tablet. Because of this “value-added system” the price of every methamphetamine tablet is based on the distance it has been carried. The wholesale price at a location three kilometers across the Thai border, is about 34 to 40 US cents. When reaching distributors in northern Thailand the price has gone up to between 45 to 56 US cents. It is retailed at 68 to 90 US cents in the northern provinces and at US$1.2 to US$1.6 a tablet in Bangkok. In 2001, the UNDCP office in Thailand reported that the street price of 1 ATS tablet equals US$1.
### Table 11. Drug prices (in US$)

<table>
<thead>
<tr>
<th></th>
<th>Eastern Shan (Kyaing Tong)</th>
<th>Central Myanmar (Mandalay)</th>
<th>Lower Myanmar (Yangon)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Opium (1 kg)</td>
<td>Heroin (1 kg)</td>
<td>ATS (1 tab)</td>
</tr>
<tr>
<td>May 2001</td>
<td>257</td>
<td>1,428</td>
<td>0.35</td>
</tr>
<tr>
<td>March 2001</td>
<td>360</td>
<td>2,000</td>
<td>0.4</td>
</tr>
<tr>
<td>Dec. 2000</td>
<td>450</td>
<td>2,500</td>
<td>0.5</td>
</tr>
<tr>
<td>Nov. 2000</td>
<td>450</td>
<td>2,500</td>
<td>0.5</td>
</tr>
<tr>
<td>Oct. 2000</td>
<td>450</td>
<td>2,500</td>
<td>0.5</td>
</tr>
<tr>
<td>Sept. 2000</td>
<td>450</td>
<td>2,500</td>
<td>0.5</td>
</tr>
<tr>
<td>Aug. 2000</td>
<td>450</td>
<td>2,500</td>
<td>0.5</td>
</tr>
<tr>
<td>July 2000</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>June 2000</td>
<td>450</td>
<td>2,500</td>
<td>0.5</td>
</tr>
<tr>
<td>May 2000</td>
<td>450</td>
<td>2,500</td>
<td>0.5</td>
</tr>
<tr>
<td>April 2000</td>
<td>175</td>
<td>2,500</td>
<td>0.5</td>
</tr>
<tr>
<td>March 2000</td>
<td>175</td>
<td>2,500</td>
<td>0.5</td>
</tr>
<tr>
<td>Febr. 2000</td>
<td>175</td>
<td>2,500</td>
<td>0.5</td>
</tr>
<tr>
<td>Jan. 2000</td>
<td>175</td>
<td>2,500</td>
<td>0.4</td>
</tr>
</tbody>
</table>

Source: UNDCP and the Government of the Union of Myanmar

### 4.6 Demand

The number of officially registered drug abusers in Myanmar reached 71,439 people in March 2001 or 0.17% of the population age 15 and above. Data showed that 85% of the registered abusers were opiates addicts; opium accounted for 45% and heroin for 40% of all people registered. However, these figures do not represent the actual prevalence of drug abuse in the strict epidemiological sense since it cumulates registration which began in the mid-1970s and do not take in account the hidden addicts who avoid registration.

Given the far higher prevalence rates reported from neighbouring states and very high levels of opiate abuse reported from some of the hill-tribes (allegedly reaching 10% and more) in the producing areas close to the Chinese border where government control is limited, the overall levels of opiate abusers in Myanmar is probably significantly higher than reflected in drug registry data. UNDCP estimates that up to 300,000 people might abuse illicit drugs.

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2 May prices only, have been calculated by utilizing drug prices provided by the Central Committee for Drug Abuse Control (CCDAC) in local currency (Kyats) and by applying the unofficial exchange rate of that month (US$1 equal to 700 Kyats)
A small-scale Drug Abuse Epidemiologic Catchment Area project (DECA) conducted a cross-sectional survey on a sample population of 2,211 males with ages ranging from 10 to 40 years in Thingangyun Township, Yangon Division. Extrapolation of the findings towards the whole population should not be done but, nonetheless, the community-based information that this survey generated provides an insight of the drug abuse situation in an urban community (figure 7), unlike the treatment centre-based information that had been available previously.

Figure 8: Annual prevalence of drug use by socioeconomic status

Almost 7% in the age group of 20-24 use drugs and almost 4% of youths in the age group 10-14 use alcohol. While drug abuse more than doubled among school drop-outs versus those attending classes, overall prevalence increased with the higher level of education. The importance of socio-economic status for the prevalence of drug use is presented in figure 8. ATS and cough syrup were the drugs of choice in the Thingangyun Township for the high-income groups, whereas middle-income groups preferred marijuana and diazepam. Heroin, opium oil and raw opium were the least popular drugs for this urban township - a situation very much different from the rural areas.

Source: 1999 DECA project, UNDCP.
A preliminary overview of the drug abuse situation at grassroots level in three townships of the Northern Shan State (Lashio, Kuktaik, and Muse) where the UNDCP community-based demand reduction project is currently ongoing, led to the following insights for the areas concerned:

(i) Traditional use of opium is prevalent among the older generation while heroin injecting appears to be more prevalent among the younger age groups.
(ii) A lack of recreational facilities for the youth tends to favour the use of drugs.
(iii) Youth who inject heroin learned how to use this method while working in Muse or Lashio, which indicates the differences in the preferences of drug types as well as in mode of use among the various regions.
(iv) The presence of different drug use subcultures within different townships needs to be taken into account when designing prevention and education.

In September 2000, UNDCP carried out a survey (23,159 students took part) to assess the drug abuse situation among high school students in Myanmar. A total of 27 high schools were randomly chosen across 4 cities: Yangon, Monywa, Taunggyi, Mawlamyine. These sites were chosen due to their close proximity to drug trafficking routes with neighboring countries such as China, Thailand, and India. The students who reported using at least one type of drug in their lifetime were asked about the supposed positive effects of drug use. About 24% reported having heard about the good effects of using drugs and 23.6% reported that drugs can make them feel happy. In addition, 25.5% reported that drugs make them feel relaxed, 33.8% reported that drugs can make them feel sleepy or dreamy and 27.2% said that drugs can help them out of pain or sadness. Out of the respondents, 71.5% of students reported that they heard about the supposed positive effects of drugs from media; 66.8% from peers; 52.2% from school.

Table 12. Use and frequency of substance abuse per 1,000 people

<table>
<thead>
<tr>
<th></th>
<th>OPIUM</th>
<th>COUGH SYRUP</th>
<th>AMPHETAMINES</th>
<th>HEROIN</th>
<th>MARIJUANA</th>
<th>DIAZAPAM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tried once in their Life-time</td>
<td>5.3</td>
<td>130</td>
<td>6.9</td>
<td>4</td>
<td>42</td>
<td>63</td>
</tr>
<tr>
<td>Used in the last 12 months</td>
<td>1.8 per</td>
<td>63.3 per</td>
<td>2.2</td>
<td>2</td>
<td>32</td>
<td>47</td>
</tr>
<tr>
<td>Used in the last month</td>
<td>1.4</td>
<td>33</td>
<td>1.9</td>
<td>1</td>
<td>12</td>
<td>20</td>
</tr>
</tbody>
</table>

Source: 2000 Survey, UNDCP

4.7 Costs and Consequence

The cost to the society is significant. Drug abuse can reach as high as 10% in the zones where drugs are cultivated and produced. Injecting drug use (IDU) is one of the leading causes of spreading the HIV/AIDS epidemic in the country with 30% of the national HIV positive cases attributable to intravenous drug use. Moreover, the drug situation causes political problems, both domestically and regionally.
The production and trade of illicit drugs has always been closely linked with ethnic struggle in border areas. The policy of peaceful unification advocated by the government since 1988, was an attempt to bring relative stability to the country. Yet as a direct outcome some ethnic minority groups received substantial autonomy allowing them to maintain their traditional feudal lifestyle and governance. Several groups still keep their own army operational and de facto control some of the border zones. Criminal elements abuse this complex network of governance and relative autonomy. Their activity destabilises regional security, as demonstrated by the military skirmishes alongside the Thai border early 2001.

The drug situation has also severe domestic political implications. The drug trade enforces the feudal structure of many ethnic groups, hence hindering their integration. Moreover, the existence of large-scale crime and its ensuing web of corruption - both locally and regionally - enrich criminals and their cronies. In contrast, those with the potential and desire to change the country’s political path towards transparency and accountability are further marginalised. Beyond this, drug business strengthens the country’s informal economy, which abides by a political status quo. The same individuals who oversee the drug trafficking have no incentive to see transparent economic regulations in place, a more effective and accountable government, or any of the other changes required for the country’s political development. Instead, they are likely to use their substantial resources to perpetuate the status quo, since it provides the underpinnings of their business.

4.8 Money Laundering

Trafficking in narcotics is an essential part of the informal economy and thus falls outside the recorded exports or GDP. No estimates exist to account for the informal sector. It is thus difficult to appraise the relative importance of the narcotic business for the Myanmar economy.

The potential farmgate value of the national opium production in 2001, is estimated at US$243.5 million3. The estimated value of heroin exports (2001 figures) ranges between US$310 and US$345.4 million4. This export value equals to about 14% to 38% of the registered exports and to between 0.7% and 1.8% of the national GDP in 1998. The above figures are based on an export wholesale price at the border of US$3,000 to US$4,000 per kg of heroin (around 10 to 12 kg of opium are required to obtain one kg of heroin HCl). To these figures has to be added the local revenue derived from the production of ATS with an estimated turnover varying between US$157.5 million (factory price) to US$259 million (price 3 km across Thai border).5 It should be noted that the Myanmar drug producers are rarely involved in trading or distribution deeply within Thai or Chinese territory. The macro profits are thus generated by the Thai, Chinese and other external criminal organisations.

The mass of the narco-profits accumulated inside Myanmar, remain in the hands of the middle-level traffickers and processors. The farmers gain very little out of the activity. In this context, the results of a 1999 survey of the UNDCP project in the southern Wa area are enlightening. About 97% of the interviewed farmer households stated rice shortage as reason for growing opium, while 94% of them indicated interest in alternatives to opium cultivation to offset rice deficiencies. Farmers are thus

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3 These estimates have been calculated by multiplying the following data: opium price at the farm-gate level, US$222 per kilo and 2001 opium production of 1,097 metric tones.
4 Average price of one kilo of heroin at the border (prices collected at strategic transit/border locations such as Lashio, Muse, Taunggyi, Kengtong and Tachileik): US$ 3,140 (according to the most recent figures – May 2001 – calculated applying the current black-market exchange rate). The mentioned price has been multiplied by the amount of heroin potentially extractable (110,000Kg) from the 2001 opium production. UNDCP data (60% of the Myanmar-produced heroin is trafficked through China, 30% enters Thailand and the reminder is meant either for local consumption or for further external traffic via sea) has also been taken into account. (Source: UNDCP, Government of Myanmar).
5 Based on Thai estimates of 700 million tablets at an average factory price of 22.5 US cents and sold 3 kilometers across the Thai border at an average 37 US cents.
involved in opium cultivation to obtain food security or to offset poverty. The first tangible profits are not made by the farmers, but by the traders, processors and the local authorities who levy opium taxes and extend protection in return. Also authorities who are not involved in production or processing, but on whose territory the drugs are transported, traditionally charge a fee for safe transit. This explains the recurring problems with local authorities in the southern Wa region where UNDCP drug control activities aim to generate alternative income for the farmers, but do not compensate for the loss of revenue of neither traders nor local authorities.

The underdevelopment of the financial system in Myanmar does not allow for a high level of money laundering through the banking sector inside the country. The cross-border personal and economic relations with neighbouring countries, especially Thailand and China, provide opportunities for money laundering through business ventures and banking institutions in these countries. The remainder is invested in legitimate and illegitimate business ventures and infrastructure.

Some of these investments are intended to supplement government expenditures on development projects in areas under control of former insurgent groups now abiding by the “peace for development” cease-fire agreements. With public resources falling short of the needs, the income generated through the informal sector has, to a certain extent, compensated this shortfall. Roads, hydropower, schools and hospitals have been constructed over the most recent years. The result is that whereas a decade ago the border zones drastically lagged behind in economic terms, the gap with lower Burma (the axis Yangon/Mandalay/Lashio) has since narrowed, particularly within the fast expanding townships yet much less in the rural areas, chronically plagued by poverty and food insecurity.
POLICY

5.1 Conventions Adherence

Myanmar became party to the 1961 Single Convention on Narcotic Drugs in July 1963. The country also acceded to the 1971 Convention on Psychotropic Substances and the 1988 UN Convention Against Narcotic Drugs and Psychotropic Substances. However, it has not yet ratified the 1972 Protocol to the 1961 Single Convention.

5.2 National Legislation

1950 - Opium Dens Suppression Act
1955 - Compulsory Registration of Drug Addicts Act
1974 - Narcotics and Dangerous Drugs Act
   The Act embraces thirteen chapters and prohibits the cultivation, production, processing, trafficking, and sale of drugs. Minimum sentence for production, sale or trafficking is 10 years imprisonment and maximum is the death sentence.
1975, October 28 - Parliament Resolution to enable the entire nation to participate in the combat against drug abuse. In accordance with this the following is prepared:
1976, February 3 - Notification No.18 of the Ministry of Home and Religious Affairs to create the Central Committee for Drug Abuse Control (CCDAC) at State, Division and Township levels.
1985, February 8 - Amendment to the 1974 Narcotics and Dangerous Drugs Act
   Addicted people who fail to register in order to receive treatment, receive a heavier penalty.
1988 - Amendment to the 1974 Narcotics and Dangerous Drugs Act
   Traffickers get heavier penalty, plus corresponding rules and regulations issued to better implement the 1974 Act.
1989 - Notification No. 11/89 of the State Law and Order Restoration Council to bring CCDAC in line with the new administrative system.
1993, January 27 - Narcotic Drugs and Psychotropic Substances Law (No. 1/93).
   All encompassing legislation is brought in harmony with the 1988 UN Convention. Empowered by the Law, the Minister of Health issued a notification prohibiting the use of 126 types of narcotic drugs, 41 types of psychotropic substances, 3 types of narcotic plants and 21 types of precursor chemicals (ephedrine and semi-ephedrine were added in 1996). The drug addicts are allowed to receive medical treatment not only at public hospitals but also at private clinics approved by the government. Precursor and money laundering stipulations are included.
1993, August 13 - Law on Development of Border Areas and the National Races.
   One of its main purposes is the total elimination of poppy growing through the creation of alternative economic activities.
1995, July 17 - Narcotic Drugs and Psychotropic Substances Rules under Notification No.1/95 following the Act No. 1/93.
5.3 Drug Control Institutions

1- The Central Committee for Drug Abuse Control (CCDAC)

Created in 1976 by Notification No.18 of the Ministry of Home and Religious Affairs, at the State, Division and Township levels, the CCDAC is the coordinating and implementing body for all drug control activities in the Union of Myanmar.

1993, January 7 - Narcotic Drugs and Psychotropic Substances Law. The Minister of Home Affairs confirmed as chair of CCDAC. Two vice chairmen appointed: the Minister for the Development of Border Areas and National Races and the Minister for Foreign Affairs.

1995, March 1 - Notification No. 1/95 creating eleven (11) working committees under CCDAC

1998, September 4 - Notification No. 11/98 adds the Monitoring Committee and the Committee on Control of Precursor Chemicals to the eleven (11) CCDAC working committees, bringing the total to thirteen (13). The Deputy Ministers of the Ministries concerned are appointed chairmen of the respective working committees.

CCDAC continues to suffer from a lack of adequate resources and relies, in part, on military personnel to execute law enforcement duties.

2- Anti-narcotic Task Force Units

The Anti-narcotics Task Force Units depend on CCDAC and embraces staff from several security agencies such as Army, Intelligence, Police, Customs and Immigration and are mainly focussed on law enforcement issues.

A total of twenty-one (21) Anti-narcotic Task Force Units have been established covering all major cities and key transit routes.

3- Central Committee for the Development of Border Areas and National Races

Created on 25 May 1988, the Central Committee reflects the new drug control strategy adopted in 1988 that not only all-round national efforts are required to accelerate the drug control efforts, but also to gradually eliminate the practice of opium cultivation through the improvement of the economic and social life of the national races living at the border areas.

On 24 September 1992, the Ministry for the Development of Border Areas and National Races was created and transformed into the Ministry for the Development of Border Areas and National Races (NATALA) on 30 January 1994. Up to now, the Ministry has invested about twenty (20) billion kyats (US$45 million) in the border areas. The Minister for the Development of Border Areas and National Races acts as one of the two deputy chairmen to the CCDAC.
5.4 Main Characteristics of National Drug Control Policy

The government considers the narcotics issue and the issue of the national ethnic groups in the border areas as closely interrelated. In reality, the territorial integrity and stability is deemed priority number one, and narcotics an important second issue. This flows from the assumption that economic development is not possible without political stability, and no sustainable drug control without economic development.

Before 1988, the Armed Forces annually launched military operations to quell armed insurgent groups in the border areas. Drug production fuelled the conflict. The government received technical and financial support from external sources (mainly the USA), valued at US$86 million. After the military hand-over in 1988, external drug control assistance was difficult to get. At that time the government also acknowledged the correlation between drugs, armed conflict and poverty.

In 1988, the government decided to give priority to national unity and to the development of the hitherto underdeveloped border areas. To this end, two strategies were conceived to realize the above aim:

(1) The designation of narcotic drug elimination as a national duty and the comprehensive implementation of that strategy;

(2) The development and enhancement of the standard of living of the national races in the border areas and the total elimination of opium cultivation.

In the same year the Central Committee for the Development of Border Areas and National Races was established and in 1994 the predecessor of the Ministry of Progress for the Border Areas and National Races and Development Affairs created. Instead of confrontation, the government pursued “peace for development” agreements with most of the insurgent groups, giving the latter differing levels of autonomy and self-administration.

On 31 March 1989, the MNDA (Kokang – Special Region 1) was the first to sign a cease-fire agreement, followed by the UWSA (Wa – Special Region 2) on 9 May 1989. Other groups followed over the years, until the surrender of Khun Sa’s Mong Tai Army in 1996. Between 1988 and 1996, opium production expanded by 37%. Between 1996 and 1999, the trend was reversed and production was halved. It should be noted that both the Wa and Kokang zones account for about 70% of the actual opium poppy cultivation.

In 1999 the 15-year Narcotics Elimination Plan was approved, incorporating the two 1988 strategies. An integrated action-plan was designed covering demand reduction and prevention, treatment and rehabilitation, supply reduction, law enforcement and international co-operation. The objective was to have the Union of Myanmar narcotic free by the year 2014. The Kokang zone was to become opium free in the year 2000 (later revised to 2005) and the Wa region by 2005.

5.5 Licit Control (Drugs and Precursors)

Legally manufactured drugs can be imported by three institutions, the ministries of Health, Trade and Defence. Drugs used in the country include those locally manufactured by the Myanmar Pharmaceutical Industry (MPI). MPI manufactures morphine and pethidine from seized opium purchased from CCDAC. Drugs imported (or locally manufactured) are approved by the Drug
Advisory Committee and there is a control mechanism which limits the use of narcotic drugs and psychotropic substances for medical and scientific purposes. There are 110 government owned stores dispensing medicines including narcotic drugs and psychotropic substances. The prices at these shops are low and a prescription is required for every drug. These official distribution stores cannot adequately serve a population of some 50 million and it is estimated that medicines in the parallel open markets account for approximately 70 percent of all distributed drugs.

Privately owned drug stores are well stocked with different kinds of medicine including codeine, diazepam, phenobarbitone, etc. which mainly originate from China, India and Thailand. Medicines, including a number of officially controlled drugs, flow virtually unchecked across the borders. Regulations in place to control the importation of drugs are not applied to drugs distributed at the open markets. Consignments at the border gates are rarely checked and if so the custom officials rely on the label contents believed to accurately describing the content and quality of the imported drugs. Samples of seized drugs analysed at the Institute for Pharmacy and other laboratories have repeatedly revealed fake or sub-standard substances. Although there is no formal information available on the diversion of licit drugs, the inefficient inspection system encourages the belief that diversion is a widespread phenomenon.

As an outcome of the UNDCP workshop on precursor control in May 1998, the Myanmar government added thirteen (13) precursors, including caffeine, to the previously existing list of eight (8). To-date the Narcotic Drugs and Psychotropic Substances Act 1993 provides for 126 narcotic drugs, 41 psychotropic substances and 21 precursor chemicals. In so doing, only one (1) precursor under the 1988 Convention remains to be placed under national control. Benzodiazepine is not included in the list of drugs controlled by law. The registration and categorization of drugs is the responsibility of the Food and Drug Administration (FDA) established in July 1995. Beyond this, the Precursor Control Committee under the CCADC, in conjunction with the Office of the Attorney-General, is in the process of streamlining procedures on the control of precursor chemicals. The same CCDAC Committee is establishing a precursor database to monitor, control and prevent diversion of chemicals from licit to illicit channels. This is done with the assistance of a regional UNDCP project.

5.6 Supply Reduction

As explained before, the government has adopted a two-pronged approach towards the narcotics issue since 1988.

(1) The designation of narcotic drug elimination as a national duty and the comprehensive implementation of that strategy;

(2) The development and enhancement of the standard of living of the national races in the border areas and the total elimination of opium cultivation.

Instead of confrontation with the insurgent groups, most often operating in the border areas and involved in narcotic production, the government pursued “peace for development” in which supply reduction through development has been at the core. Since then the government engaged in cease-fire agreements with 17 rebel groups. The Ministry for the Development of Border Areas and National Races (NATALA) has invested about twenty (20) billion kyats (US$45 million) in the border areas to make its promise good on development. This and other factors resulted in a reduction of the opium cultivation by about 46% between 1996 to 1999. Nonetheless, the escalating ATS problem potentially offsets the gains made in opium control.
5.7 Demand Reduction

Prevention programmes focus on education at school and public information via the media. Special seminars and workshops were conducted for over 360 high school teachers around the country in 2001. Another course designed for teachers from border areas was conducted in the same year at which 940 teachers participated. On 26 June 2001, a Drug Museum was opened in Yangon aimed towards the general public. Two other drug museums are already functioning in Laukkai (Shan State, Special Administrative Region 1) and Mong La (Shan State, Special Administrative Region 4).

Since its independence in 1948, the government of Myanmar initiated steps to treat and rehabilitate opium addicts by opening special hospitals and the Ministry of Social Welfare prepared the first scheme to eradicate opium addiction. Nonetheless, before the 1974 Narcotics and Dangerous Drugs Act was promulgated, the treatment of drug users, most of whom were opium users, was mostly in the hands of traditional healers, indigenous physicians and monks who used herbal medicines and tincture of opium to detoxify their patients.

From 1974 onwards, Myanmar has further developed treatment, rehabilitation and prevention activities in the field. The Ministry of Health provides treatment for addicts at six (6) major Drug Treatment Centres (DTC). Social reintegration is carried out by the Ministry of Social Welfare rehabilitation in the main centers. In addition to this, twenty-two (22) small treatment centers were planned in all States and Divisions. Unfortunately, due to lack of resources this could not be realised so far. Under the 15-year Narcotics Elimination Plan, which started in 1999, an additional four (4) major Centers are to be established. During 2000, forty-nine (49) medical detoxification programmes were created within the general hospitals.

During the past few years, a sharp drop in hospital attendance in all the major drug treatment centres across Myanmar was observed. This was not taken as a sign of reduced drug use among the youths but was contributed to the costs involved in receiving treatment at these centres. Since these hospitals were constructed during the period when drug users were regarded as almost equivalent to a common criminal, the structural setting of the DTCs were prison-like. Loss of trust in the treatment system to maintain confidentiality of drug users who have sought treatment, the poor basic hospital equipment and lack of development of new and modern innovative approaches in treatment modalities, may have also played a part.

Moreover, since the drug use trends and patterns are changing, with ATS use emerging alongside with opiate use, the clinical presentation of the hospital attendees has equally changed. Cases of Amphetamine Psychosis are slowly emerging. However, since the DTCs were constructed with the comparatively docile opiate user in mind, this creates difficulties in the management of the usually violent ATS-induced psychotic patient.

As a consequence, it is assumed that a substantial number of addicts hesitate to come forward despite the fact that drug users in Myanmar are obliged by law to register for treatment or else to be penalized by imprisonment (Section 15 of the 1993 Narcotics Drugs and Psychotropic Substance Law).

From 1988 to August 2001, law enforcement agencies arrested 21,561 drug addicts and abusers who failed to register at government hospitals and clinics. There are two Correctional Centers under the Central Committee for Drug Abuse Control (CCDAC), which provide treatment, social rehabilitation and training in life skills for convicted drug users who failed to register and undergo treatment.
Nonetheless, the relapse rates of both voluntary and obligatory treatment are extremely high. Estimates are at 60 to 70 percent relapse within a month of discharge.

The CCDAC has shown interest in reconsidering its treatment policy by diversifying treatment options, moving away from the criminal approach. The 1993 Law allows for re-admission to treatment while previously those who relapsed were dealt with in the courts. UNDCP pilot activities of community-based treatment and social reintegration are allowed without strictly enforcing the 1993 Law of registration. High-impact drug demand reduction activities in Myanmar require more international exposure and enhanced knowledge. Apart from this, the treatment and rehabilitation programme is in need of additional financial and qualified human resources.

5.8 Money Laundering Control Measures

The 1986 Law for Cognisance of Possession, Purchasing and Sale of Property obtained by Illegal Means, allows the government to pass and order for the confiscation of property. Such decision is to be issued by a higher political authority and is rarely applied. However, both, the 1986 Law and the 1993 Narcotic Drugs and Psychotropic Substances Law fall short of explicitly criminalizing money laundering for all crime proceeds.

The number of money laundering prosecutions is minimal and the relevant authorities profess a lack of expertise in this area. This, together with an underdeveloped banking system, created an environment conducive to the use of drug-related proceeds in legitimate commerce.

Myanmar was put on the list of the FATF non-cooperative countries in 2001 and 2002. Myanmar has since enacted legislation that curbs money laundering and establishes a financial intelligence unit.

5.9 International Cooperation

Bilateral Agreements of Drug Trafficking and Drug Abuse Control were respectively signed with India (30 March 1993), Bangladesh (1 December 1994), Vietnam (12 March 1995), the Russian Federation (22 January 1997), Laos (29 March 1997), the Philippines (15 October 1997), China (21 January 2001) and Thailand (20 June 2001).

As part of the UNDCP facilitated Sub-regional Action Plan of Drug Control, Myanmar became a signatory to a six (6) nations Memorandum of Understanding (MOU), including China, Laos, Myanmar and Thailand (1993), and in 1995 also Cambodia and Vietnam. In the framework of the MOU, senior level officials and the Ministers responsible for drug control of the respective countries meet in principle annually.

As member of ASEAN, Myanmar signed the Joint Declaration on a Drug Free Zone in the ASEAN by the year 2020 (Manila, 25 July 1998). The 23rd ASEAN Ministerial Level Meeting held in Bangkok (July 2000) expressed its concern for the rapidly escalating drug threat, and agreed to advance the target year from 2020 to 2015. Myanmar instead set an earlier target date as 2014.

Myanmar participated at the International Congress “In pursuit of a drug free ASEAN 2015” facilitated by UNDCP in Bangkok, October 2000. Myanmar is one of the signing parties to the ensuing Political Declaration and part of the ASEAN and China Cooperative Operations in Response to Dangerous Drugs (ACCORD).
In January 2001, a Memorandum of Understanding on drug control issues between Myanmar and China was signed. In April, the leader of one of South China’s biggest drug smuggling and money laundering syndicates, Tan Xiaolin, was arrested by Myanmar police and handed over to Chinese authorities.

In June 2001, Myanmar and Thailand signed a Memorandum of Understanding aimed at enhancing co-operation and exchange of intelligence. Later in October, two major drug-traffickers, Nyein Kyaw and Kyaw Hlaing were arrested and sentenced. They were linked to a record seizure of 116 kg of heroin and 7.6 million ATS tablets, carried out by Thai authorities in the Andaman Sea early last year.

A few months later, on 28 August 2001, the governments of China, Laos, Myanmar and Thailand deepened their co-operation efforts in the Beijing Declaration. The meeting paved the way for the establishment of a more effective and co-ordinated sub-regional and regional mechanism to cope with the drug problems in East and South East Asia, particularly through cross-border law enforcement co-operation.

In November 2001, Myanmar declared its intention to participate in and financially contribute to the ACCORD – ASEAN and China Co-operative Operations in Response to Dangerous Drugs – plan. The ACCORD plan of action serves as an encompassing umbrella for the other regional and national initiatives. It is globally endorsed and aims at advocating civic awareness on the dangers of drugs, sharing best practices on reducing drug abuse, strengthening the rule of law by improving law enforcement cooperation, and eliminating the supply of illicit drugs by promoting alternative development.

Despite non-certification by the USA government, Myanmar continues to cooperate with the Drug Enforcement Administration (DEA) and with the US agencies conducting opium surveys. It also closely cooperates with the Australian Federal Police (AFP). The government hosted several important drug and crime control meetings, organised by INTERPOL and UNDCP. Finally, Myanmar actively participates in several UNDCP (sub-) regional projects and programmes.

Myanmar does not have any specific legislation on mutual legal assistance. An extradition act dates back from 1903 but has two major flaws. First, it has not been updated since it was promulgated and secondly, it does not consider drug-related offences as extraditable. Hence, without extradition treaties or mutual legal assistance agreements, legal assistance is currently provided to requesting countries and jurisdictions on a case specific basis.

5.10 Crime and Terrorism

To date, the Government of Myanmar has not signed the Transnational Organized Crime Convention or any of its protocols. Myanmar did, however, participate in the Regional Training Seminar for the Promotion of the Ratification of the United Nations Convention against Transnational Organized Crime and its Protocols, held in Osaka, Japan, 22 to 23 August 2002. The country also participated in the second session of the Ad Hoc Committee on the negotiations of the UN Convention against Corruption. CICP has no technical assistance projects in Myanmar.
On 1 August 2002, ASEAN (of which Myanmar is a member) signed an agreement with the United States and other members of the ASEAN Regional Forum (ARF) calling for tighter border controls and enhanced intelligence sharing, and recognized the need to stem the flow of material, money and people which can be used by terrorist groups. Myanmar is party to five of the twelve universal treaties pertaining to the subject of international terrorism. Myanmar has signed, but not ratified, the International Convention for the Suppression of the Financing of Terrorism (1999).
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