

3.1.5 Myanmar

Fact Sheet - Myanmar Opium Survey 2006¹²

	Year 2005	Variation on 2005	Year 2006
Opium poppy cultivation in Myanmar ¹³	32,800 ha	-34%	21,500 ha
Opium poppy cultivation in Shan State	30,800 ha	-33%	20,500 ha
Opium yield (weighted by area)	9.5 kg/ha	+54%	14.6 kg/ha
Potential production of opium in Myanmar (including the Shan State)	312 mt	+1%	315 mt
Opium poppy eradication in the Union of Myanmar ¹⁴	3,907 ha	+ 2%	3,970 ha
Average farm-gate price of opium ¹⁵	US\$ 187/kg	+23%	US\$ 230/kg
Total potential farm-gate value of opium production	US\$ 58 million	+25%	US\$ 72 million
Estimated number of households involved in opium poppy cultivation in Myanmar	193,000	-34%	126,500
Number of persons involved in opium poppy cultivation in Myanmar	965,000	-34%	632,500
Estimated number of households involved in opium poppy cultivation in the Shan State	181,000	-34%	120,000
Household average yearly income in opium producing households (Shan State)	US\$ 292	+50%	US\$ 437
Of which from opium sale	US\$ 152 (or 52%)	+ 43%	US\$ 217 (or 50 %)
Per capita income in opium producing households (Shan State)	US\$ 58	+50%	US\$ 87
Household average yearly income in non-opium poppy producing household (Shan State)	US\$ 364		US\$ 318
Per capita income in non-opium producing households (Shan State)	US\$ 73	-12%	US\$ 64
Addiction rate in Shan State and Kachin (Population aged 15 and above)	0.57% (including Wa)	n.a.	0.60% (excluding Wa)

Cultivation and eradication

In 2006, the total area under opium poppy cultivation was estimated at 21,500 hectares, representing a decrease of 34 per cent compared to 2005 (32,800 hectares). The largest cultivation areas were found in South Shan State, where 72 per cent of the national cultivation took place. While other cultivation areas such as Kachin, North Shan and Wa were on the decline, the

area under opium poppy increased sharply in South and East Shan. Opium poppy cultivation practices seemed to change in South Shan, where farmers prolonged the cultivation season by using multi-stage cropping, or planting outside the typical opium poppy season. Signs of intensification such as irrigation and application of fertilizer were also observed.

¹² The information in this section comes from the report on Opium Poppy Cultivation in the Golden Triangle (UNODC/Governments of Lao PDR, Myanmar, and Thailand, October 2006), and can also be found on the internet: (http://www.unodc.org/unodc/en/crop_monitoring.html).

¹³ In 2006, an additional four townships in Kachin State and two in Kayah State were included into the survey.

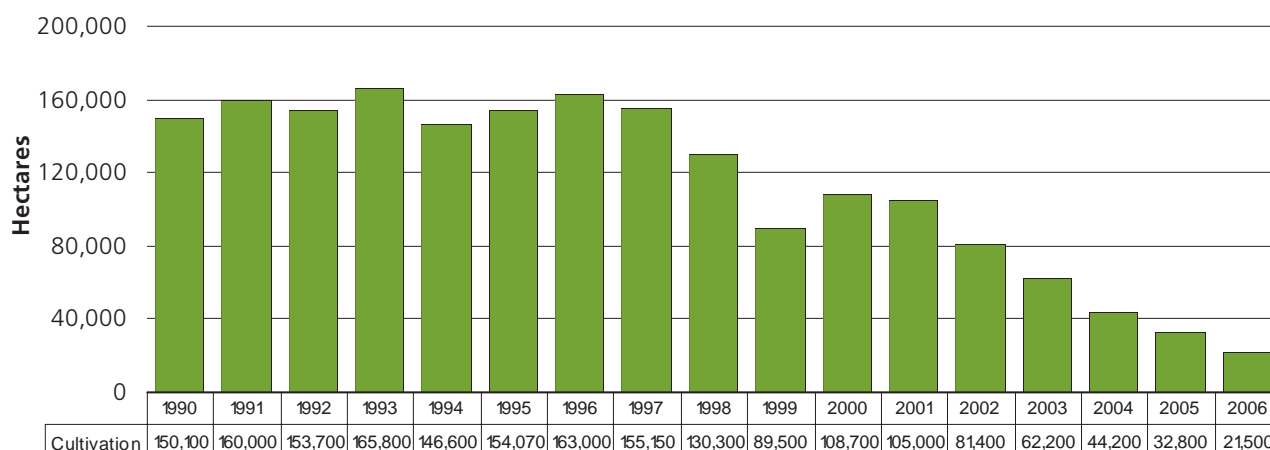
¹⁴ Source: Central Committee for Drug Abuse Control (CCDAC), Government of Myanmar.

¹⁵ For 2006: price at harvest time.

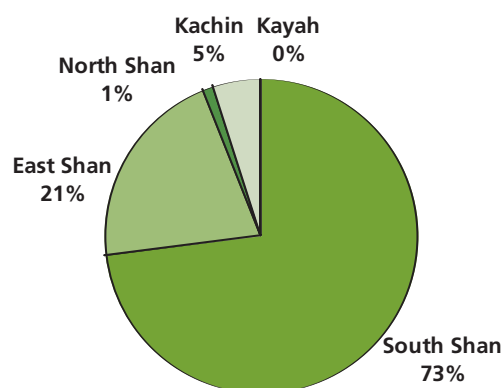
Official reports from the Government indicated that the level of opium poppy eradication in 2006 (3,970 hectares) was similar to 2005 levels. The Government increased its eradication activities specifically in South Shan, where an upsurge of cultivation was observed, while eradication decreased in the other regions. Overall, the decrease in cultivation can be largely attributed to the observance of the opium ban in Wa and North Shan, and not to an increase in eradication.

Opium cultivation in Myanmar continues to decline. Since 2002, the year of the first joint GoUM/UNODC survey, opium poppy cultivation has fallen 73 per cent. Remarkably, no opium cultivation was observed in the Wa region in 2006. In 2005, this region contributed to 30 per cent of the national opium poppy cultivation. The decline in cultivation poses serious challenges for the rural population in the remote areas of this region, who do not have viable alternative income strategies.

Myanmar, opium poppy cultivation (hectares), 1990 to 2006



Myanmar, distribution of opium poppy cultivation by state, 2006



Opium poppy eradication as reported by the Government of the Union of Myanmar (hectares), 2002 to 2006

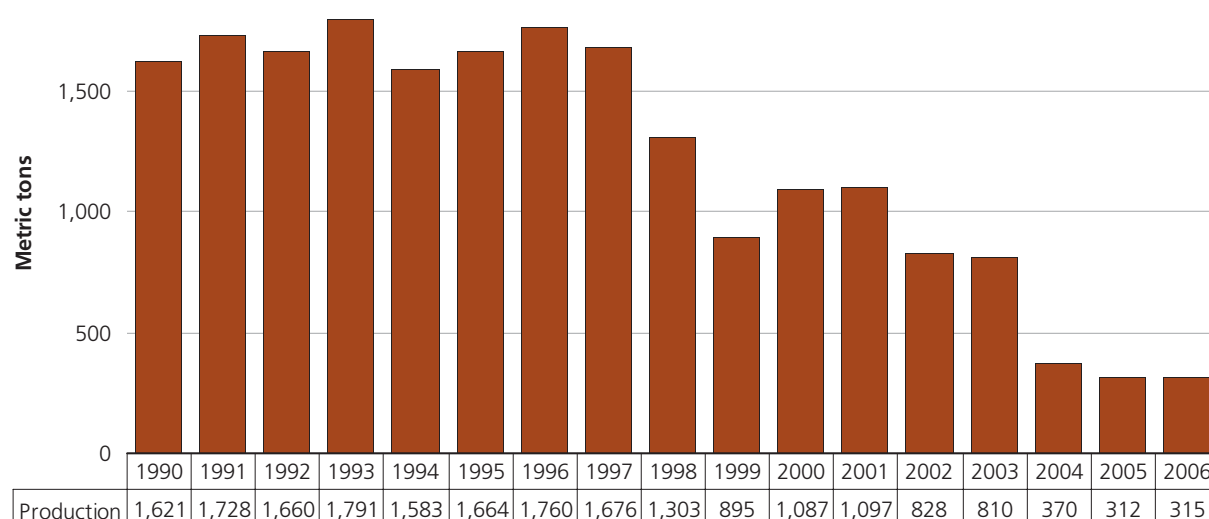
Administrative Unit	2002	2003	2004	2005	2006
North Shan State	6,223	235	172	1,211	76
South Shan State	511	182	2,170	1,203	3,175
East Shan State	14	91	195	124	32
S. R. 2 (Wa)	94	55	0	0	0
Shan State	6,842	563	2,537	2,538	3,283
Kachin State	97	56	126	1,341	678
Kayah State	527	9	83	8	0
Other States	3	8	74	20	9
Total	7,469	638	2,820	3,907	3,970

Production

In 2006, weather conditions were favourable for opium poppy cultivation. In addition, improved cultivation practices in the main cultivation area led to higher yields, which increased to 14.6 kg/ha in 2006 as

opposed to only 9.5 kg/ha in 2005. With 315 metric tons of dry opium, the level of opium production in 2006 remained therefore at about the 2005 level, despite the cultivation decreases.

Myanmar, potential opium production (metric tons), 1990 to 2006



Prices

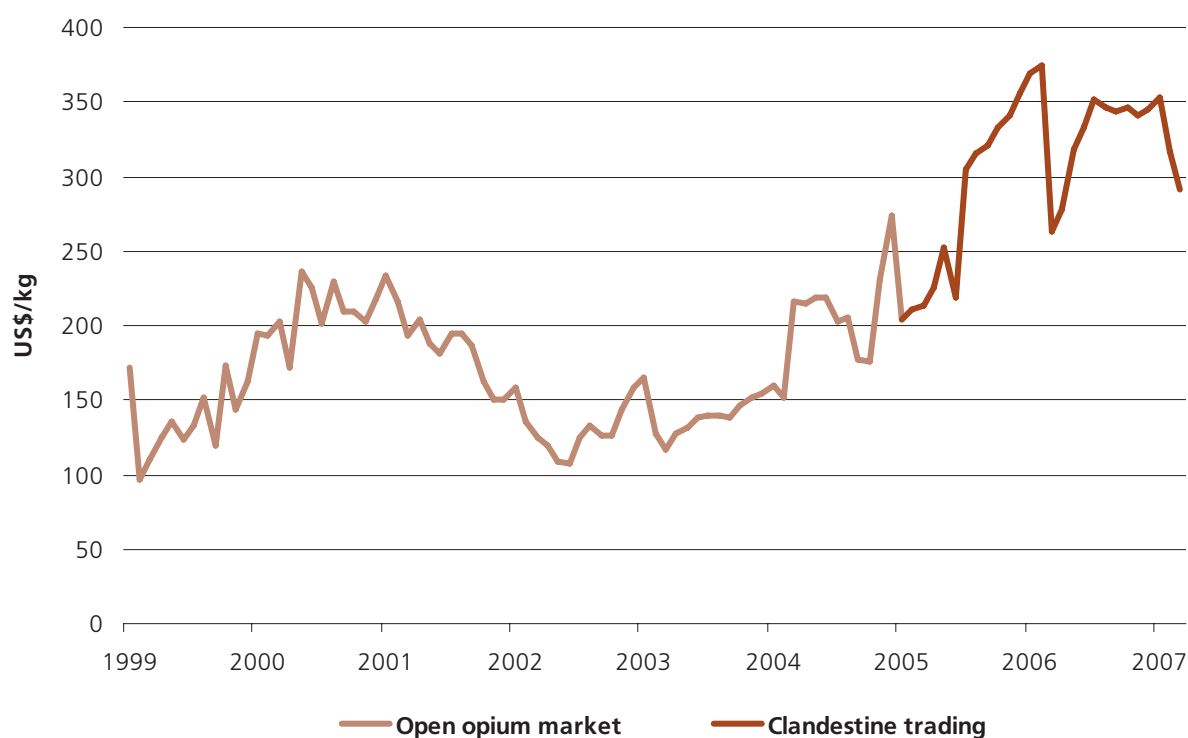
The average farm gate price of opium at harvest time was estimated at US\$ 230 per kg. This represents an increase of 23 per cent compared to 2005. Regional price differences were pronounced with the highest prices in low cultivation areas of Kachin and North

Shan and the lowest prices in the main cultivation areas South and East Shan. The regional price differences seem to reflect well the scarcity or availability of opium in different regions, as well as the fragmentation of the opium market caused by opium bans in some regions.

Myanmar, average opium poppy prices at harvest time (US\$/kg), 2005 to 2006

Region	2005		2006	
	Non-growing villages	Growing villages	Non-growing villages	Growing villages
East Shan	327	205	464	217
North Shan	276	309	447	383
South Shan	188	169	230	210
Kachin	366	256	715	258
Weighted National Average	187		230	

Wholesale prices for dry opium at Mong Pawk, Wa Special Region 2, Eastern Shan State (US\$/kg), 1999 to 2007



Household income and strategies

In 2006, a much smaller number of households (minus 34 per cent) produced the same amount of opium due to higher yields and sold it for a much higher price compared to 2005. As a consequence, the total value of the national opium production, which increased considerably, was distributed among fewer households. This concentration led to an unusually high average household cash income of US\$ 437 in opium cultivating households in 2006, an increase by 50 per cent compared to 2005.

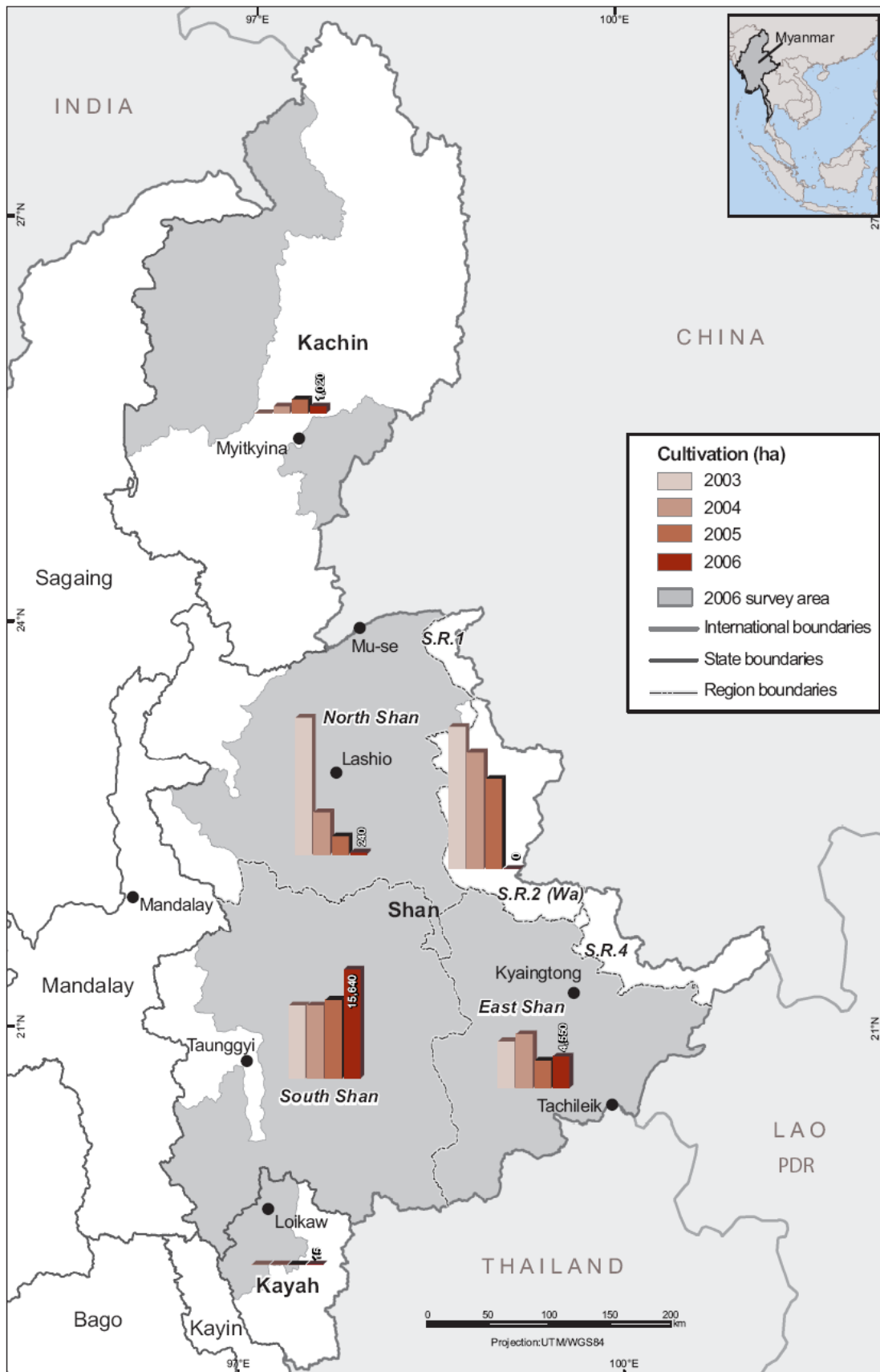
In 2006, the cash income of households in villages that never grew opium poppy was higher than in villages that stopped cultivation, as these villages could not find adequate ways of substituting the lost income from opium.

The most common strategy for farmers who had stopped opium poppy cultivation was to grow more (upland) rice or maize and sell livestock. Villages with access to paddy land were less likely to cultivate opium poppy as households generally achieved a higher degree of food self-sufficiency.

Addiction

In the Shan State (excluding Wa region), opium addiction affected 0.60 per cent of the rural adult population in 2006. Within the survey area, the average level of addiction was 2.16 per cent in villages with opium poppy cultivation, which is significantly higher than in villages where opium poppy was not cultivated (0.25 per cent).

Myanmar, opium poppy cultivation, 2003 - 2006



Source: Government of Myanmar - National monitoring system supported by UNODC. The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations.