

KEY DATA – MONITORING OF COCA CULTIVATION 2017

	2016	Variation %	2017
Net area with coca in production ¹ , calculated up until the 31 of December ²	43,900 ha	14%	49,900 ha
Average yield of sun dried coca leaf	2,415 kg/ha	-	2,352 kg/ha ³
Potential production of sun dried coca leaf	105,960 TM	11%	117,292 TM ⁴
Potential production of cocaine hydrochloride	n.d.		n.d. ⁵
Arithmetic average farm-gate price of sun dried coca leaf ⁶	3.1 USD/kg	10%	3.4 USD/kg
Weighted average farm-gate price on sun dried coca leaf ⁷	2.2 USD/kg	23%	2.7 USD/kg
Value of the potential production in sun dried coca leaf plots ⁸	USD 328 million	22%	USD 399 million
Eradication of coca crops reported by CORAH ⁹	30,151 ha	-14%	25,784 ha
Seizure of cocaine paste reported by PNP	14,035 kg	9%	15,358 kg
Seizure of cocaine hydrochloride reported by PNP	13,958 kg	53%	21,408 kg

¹ Refers to coca bush older than 1 year

² Area with coca crops calculated as of December 31, resulting from the analysis of satellite images, considering the eradication information provided by CORAH (see the methodology chapter).

³ The difference between years is the result of applying a different weight for each production area and does not refer to the real changes measured in the field (see chapter in methodology)

⁴ Potential production does not include the eradicated areas that were productive during the evaluation period and is therefore considered a minimum estimate (see production and methodology chapters). It includes 10,728 MT of coca leaf for traditional consumption, as reported in the document "Analysis of the Results of the Household Survey on Demand of the Coca Leaf 2013", INEI 2015. It also includes 163 MT of coca leaf for industrial use, as reported in the "Annual Report of ENACO 2013".

⁵ Not determined. A study to determine coca-cocaine conversion factors is planned but has not been implemented yet

⁶ The arithmetic average of the price was calculated with values for five production zones (data compiled by DIRANDRO and reported by DEVIDA).

⁷ The weighted average price was based on production by area, considering prices for five production zones (price data provided by DEVIDA).

⁸ Based on the arithmetic average and the potential production of sun-dried leaf.

⁹ The figure reported by CORAH includes the fields eradicated several times in the same year, coca in production, newly planted crops and elimination of seedlings. Eradication data were not verified by UNODC.

EXECUTIVE SUMMARY

The Coca Crop Monitoring Report 2017 is the product of joint work between the Government of Peru, represented by the National Commission for Development and Life without Drugs (DEVIDA), and the United Nations Office on Drugs and Crime (UNODC) through its Integrated Illicit Crops Monitoring System (SIMCI).

The results of the sixteenth report are based on the visual interpretation of 65 satellite images with high spatial resolution, verified by means of both terrestrial ground truthing and aerial overflights. The report includes a descriptive analysis of the situation of the coca-growing activity, the illicit drug trafficking and the actions that the State carries out to combat it.

These processes are based on a methodology validated by UNODC following international standards and, approved by the Peruvian Government and jointly implemented by UNODC and DEVIDA.

The area with productive coca cultivation in 2017 increased by 14% compared to 2016, from 43,900 ha to 49,900 ha.

In the entire Andean Region, there was a 15% increase from 2016 to 2017, resulting in a total global coca cultivation area of 245,400 ha. Bolivia (Plurinational State) and Colombia also showed increases in their area of coca production in 2017 (6% and 17% respectively).

At the national level, the most important coca-growing areas continue to be Valleys of the Apurímac, Ene and Mantaro Rivers (VRAEM), La Convención y Lares and Inambari-Tambopata, which represented 75% of the productive coca area. It should be noted that none of these three areas was subjected to interventions from the annual plan to reduce illegal coca growing areas with a social responsibility as implemented by the Special Project for Control and Reduction of Illegal Crops in the Alto Huallaga (CORAH). The areas with the largest increases in absolute terms are VRAEM and Inambari- Tambopata with 1,342 ha and 1,095 ha, respectively. In relative terms, the areas of Pichis-Palcazú-Pachitea (554%) and San Gabán (226%) showed the greatest increases in cultivated areas with productive coca compared to 2016.

In thirteen departments coca crops were identified; of these, four departments contained 81% (40,287 ha) of the total area under coca cultivation: Cusco had the largest area with 17,282 ha, followed by Ayacucho with 12,906 ha, Puno with 6,492 ha and Junín with 3,607 ha. These departments include six production zones: La Convención and Lares, Kcosñipata, VRAEM, Mazamari, San Gabán and Inambari-Tambopata.

The area under coca cultivation in Protected Natural Areas (PNA) shows an increase of 36% with respect to 2016, going from 168 ha to 228 ha. Likewise, coca cultivation affected 6,466 ha within the buffer zones surrounding the PNA, 15% more than in 2016 (5,628 ha).

Another analysis identified 3,366 ha affecting Native Communities Lands, showing an increase of 22% compared to 2016 (2,757 ha); of which 1,382 ha are located within the coca-growing area of VRAEM. As in the previous year, the Native Communities of Shimpenchariato and Gran Shinongari, were most affected with 702 ha and 279 ha of coca, respectively.

An additional analysis of satellite images led to the detection of clandestine landing strips that are part of the infrastructure used by illicit drug traffickers. During the evaluation period, 65 strips were detected in Pichis-Palcazú-Pachitea (57), VRAEM (4), Inambari-Tambopata (2) and Aguaytía (2). This information shows that similar to previous years the number of landing strips has increased in Pichis-Palcazú-Pachitea, where the coca area under production has risen by 554%.

The estimate of potential production of sun-dried coca leaf is 117,292 MT in 2017 (11% higher than the 2016 figure). Of this total, at least 106,401 MT would be linked to drug trafficking, considering that the volume of coca leaf destined for traditional consumption was 10,728 MT and industrial use was 163 MT¹⁰. The production of coca leaf from VRAEM represents 67% of the total production. The production figures were calculated using the results of coca leaf yield studies carried out by UNODC-SIMCI in 2004.

The price of coca leaf showed increase of 10%. For the evaluation period, the average dry leaf price in the illegal market was recorded at 3.4 USD / kg in 2017, 10% more than in 2016. The coca leaf price in the VRAEM showed an increase from 2.1 USD /kg to 2.6 USD /kg.

In the context of the National Drug Control Strategy (ENLCD) 2017-2021, the authorities have specifically designed the Intervention Strategy for the Development of the VRAEM (Strategy VRAEM 2021), which includes three components: Sustainable VRAEM, (coherent use of the territory's potential), VRAEM with opportunities (to overcome the barriers of poverty and exclusion) and VRAEM Governable (generation of solid institutional conditions).

On the other hand, the actions implemented by the Special Project for the Control and Reduction of Illegal Crops in Alto Huallaga (CORAH), comprise demand reduction interventions agreed in the National Anti-Drug Strategy 2017-2021.

¹⁰ Survey on the household on production demand of coca leaf 2013 – Analysis results, INEI 2015 and Annual Report of Enaco 2013.

CORAH's operational efforts during the evaluation period included interventions in the coca-growing areas of Aguaytía, Alto Huallaga, Callería, Pichis-Palcazú-Pachitea and Contamana. This resulted in 25,784 ha of eradication as reported by CORAH.

The data derived from the satellite imagery interpretation were adjusted for coca eradicated after the date of the satellite image which resulted in a reduction of 662 ha of coca, based on CORAH eradication data¹¹.

DEVIDA has been implementing activities in line with Integrated and Sustainable Alternative Development (DAIS), promoting integrated rural development based on social inclusion, the sustainable use of natural resources, the care of the environment and the sustainable provision of public services that contribute to linking the population to a lawful life, without the influence of criminal activities related to drug trafficking.

In this regard, in 2017 DEVIDA delivered 3,820 property titles and trained 10,387 farmers in field schools. Likewise, technical assistance was provided to farms covering 78,324 ha (coffee, cocoa and other crops), and 9,420 ha were reforested. Moreover, achievements included 166 strengthened grassroots organizations and 63,526 people that were trained, as well as 10,182 families who benefited from pre¹²- and post¹³-eradication programmes and the creation of infrastructures, for instance 266 km of rural roads (improved or rehabilitated).

UNODC and DEVIDA are committed to strengthen their collaboration for achieving better results. Therefore, starting in 2019 and with the financial support of the European Union, UNODC-SIMCI, as part of the monitoring of coca crops, will implement complementary studies that will update basic information, in relation to the amount of coca leaf production per hectare (yield study), and the amounts of coca leaf and chemical inputs necessary for the production of cocaine paste and cocaine hydrochloride. This new stage includes technical assistance for the generation of field data collection protocols (especially on prices of coca leaf and its derivatives), along with a transversal component of capacity transfer to the counterparts who will be part of the Technical Monitoring Committee.

¹¹ See chapter Methodology, Pg. 100

¹² Interventions that precede coca crop eradication, which are implemented in zones that are included in the Annual Plan for Reduction of Coca Crop. (induction process to licit economies)

¹³ Individual, family, or community integration in the alternative development process in pursuit of licit economies.