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VIET NAM

2003

Country profile



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UNODC Country Office Viet Nam



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Photo on front cover: Drug and HIV/AIDS prevention campaign among the Black H'mong in northern Viet Nam.

Photos: All photos provided by the UNODC Country Office in Viet Nam.

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1. Abbreviations

| | |
|----------------|---|
| ACCORD | ASEAN and China Cooperative Operations in Response to Dangerous Drugs |
| AIDS | Acquired Immune Deficiency Syndrome |
| ASEAN | Association of Southeast Asian Nations (Brunei, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Viet Nam) |
| ATS | Amphetamine-type Stimulants |
| DESA | Department of Economic and Social Affairs |
| EIU | Economist Intelligence Unit |
| EU | European Union |
| FAO | Food and Agriculture Organisation |
| GDP | Gross Domestic Product |
| HA | Hectares |
| HDI | Human Development Index |
| HIV | Human Immunodeficiency Virus |
| ILEC | International Law Enforcement Community in Viet Nam |
| Lao PDR | The Lao People's Democratic Republic |
| M.T. | Metric Tonnes |
| MOH | Ministry of Health |
| MOLISA | Ministry of Labour, Invalids and Social Affairs |
| MOU | Memorandum of Understanding |
| N.A. | Not Available |
| NCADP | National Committee for Prevention and Control of AIDS, Drugs and Prostitution |
| NGO | Non-Governmental Organisation |
| ODA | Official Development Aid |
| ODCCP | United Nations Office for Drug Control and Crime Prevention |
| PAF | Programme Acceleration Funds |
| PPP | Purchasing Power Parity |
| SODC | Standing Office for Drug Control |
| SOE | State-Owned Enterprise |
| UNDAF | United Nations Development Assistance Framework |
| UNDCP | United Nations International Drug Control Programme |
| UNDP | United Nations Development Programme |
| UNESCO | United Nations Educational, Scientific and Cultural Organisation |
| UNFPA | United Nations Population Fund |
| UNHCR | United Nations High Commissioner for Refugees |
| UNICEF | United Nations Children's Fund |
| UNODC | United Nations Office on Drugs and Crime |
| VBARD | Viet Nam Bank of Agriculture and Rural Development |
| VBP | Viet Nam Bank for the Poor |
| WHO | World Health Organisation |

Executive Summary

The Government of Viet Nam is firmly committed to implementing its comprehensive national drug control programme. However, the country's rapid economic development and increasing cross-border trade have exacerbated some drug-related problems, most noticeably in the areas of drug trafficking and the domestic consumption of illicit drugs.

In terms of cultivation, the Government's continued strong effort to eradicate poppy cultivation has resulted in a significant decrease in land planted with opium poppy. In 2001, official figures indicated that opium poppy cultivation covered 324 hectares, down from 12,199 hectares in 1992. Cultivation takes place mainly in some of the remote central and northern provinces. Typically, these are areas struggling with chronic poverty and lack of socio-economic development alternatives, which has led in some places to re-cultivation of opium poppy. Alternative development projects have been initiated over the past years in some of these areas, but much remains to be done.

Although the Government has made good progress in reducing opium poppy cultivation, drug trafficking has emerged as an important issue for Viet Nam. Heroin and opium come mainly from Myanmar and the Lao People's Democratic Republic (Lao PDR), but seizure statistics also indicate that heroin, amphetamines and cannabis are increasingly flowing in via the borders with China and Cambodia. In fact, trafficking of illicit drugs in the region is unfolding in an ever more complex manner as traffickers take advantage of Viet Nam's extensive and poorly-controlled borders with China, Lao PDR and Cambodia, as well as its long coastline.

With the growing traffic of illicit drugs, an increasing amount is sold domestically. Drug abuse is on the rise in Viet Nam, especially in urban areas. In 2001 there were 113,903 registered drug abusers, up nearly 13 per cent compared with the previous year. An estimated 80 per cent of addicts are below the age of 35. Heroin continues to be the preferred drug among younger addicts, despite the emergence of various types of amphetamines and psychotropic substances. Amphetamines are relatively new on the Vietnamese drug scene, but are gaining in popularity in the major cities. Opium smoking is still prevalent in the countryside, where addicts are often found among the elder population.

Injecting drug use is widespread in Viet Nam, as is sharing of needles. As a result, injecting drug users account for 65 per cent of all registered HIV cases in Viet Nam. Recent evidence shows that HIV/AIDS is starting to spread to the general public, and the country is at risk of a serious epidemic if urgent measures are not introduced. Official estimates put the total number of HIV/AIDS cases at 122,350 in 2001, but unofficial estimates indicate that the figure could be as high as 200,000.

Lack of resources, experience and qualified staff have adversely impacted treatment and rehabilitation efforts, resulting in a very high relapse rate among addicts, reported to be as high as 80 - 90 per cent. The escalation in trafficking and domestic drug consumption is also reflected in crime statistics, where drug-related crimes have increased sharply over the past decade.

In the area of drug control and prevention policy, the Government has taken some important steps to address the increasing complexity of drug-related problems. The National Drug Control Master Plan is currently being formulated by the Government, with the support of UNODC. This second Master Plan will cover a ten-year period stretching from 2001 until 2010. Despite the Government's concern and

determination to fight drugs, the national legislation on drug control and prevention has been fragmented. Nevertheless, the Law on Narcotic Drugs Prevention and Suppression, which came into force on 1 June 2001 as the first of its kind in Viet Nam, is seen as an especially important step towards enhanced drug law enforcement. The Government has furthermore stepped up its international cooperation in the area of drug control and prevention, noticeably with neighbouring countries.

Limited finance and technical expertise hamper the Government's efforts in the area of drug control and prevention. To help fill the gaps, several non-governmental organizations (NGOs) and bilateral donors are supporting activities in these areas under the coordination of UNODC and in close cooperation with the Government.

Given the nature and extent of drug control problems in the sub-region, the Government of Viet Nam recognizes the importance of regional cooperation. In this connection, Viet Nam is an active participant in the Greater Mekong Sub-region Memorandum of Understanding (MOU) on Drug Control Cooperation, through which regional needs are determined and joint efforts are undertaken to address the problems of illicit drug production, trafficking, and abuse. Viet Nam is also a partner, through the Association of Southeast Asian Nations (ASEAN), in the "ASEAN and China Cooperative Operations in Response to Dangerous Drugs (ACCORD)" Plan of Action.

Trafficking in persons, both inter- and in-country, is seen as an increasing phenomenon in Viet Nam. Yet, the legislation to combat trafficking as a phenomenon of organized crime is insufficient and not fully in compliance with the Convention against Transnational Organized Crime and the Protocol to Prevent, Suppress and Punish Trafficking in Persons, particularly Women and Children.

Viet Nam faces numerous challenges affecting the drug and crime situation, among which the lack of financial resources and technical drug control and crime prevention expertise, the possible re-emerging of opium poppy cultivation, the growing drug trafficking and consumption problems, as well as rising crime concerns, including corruption, money-laundering and trafficking in human beings. Yet, the Government has demonstrated its commitment to addressing these issues.

In view of the above, the current and future assistance from the international community including UNODC are a key success factor.

Map 1. Socialist Republic of Viet Nam and its provincial boundaries



1. Background and Overview of the Drug Situation

Production and cultivation

Although Viet Nam has a long history of producing and consuming opium, the Government's strong commitment to enforce a comprehensive national drug control programme has largely succeeded in eradicating the cultivation of opium poppy.

While opium production was systemised under colonial rule and then promoted throughout Indochina till the end of the 1960s. During the war, which lasted till 1975, opium poppy cultivation blossomed, as central control became difficult to enforce. Despite the Government's effort to eliminate opium poppy cultivation in the 1980s, it was still widespread throughout the 1980s, mainly in some central and northern mountainous provinces.

Throughout the 1990s however, the Government increasingly targeted the cultivation of opium with some success. In 2001, the area of land planted with poppy was 324 hectares, as compared to 12,199 hectares in 1992.¹

Despite the Government's effort to eradicate opium poppy cultivation, little focus has been given to socio-economic development alternatives. Isolation, chronic poverty and lack of access to basic services and adequate opportunities have resulted in many remote areas being re-cultivated over time, for poppy planting. Traditional swidden agriculture systems do not ensure adequate household food security and are not suitable for the land.

To prevent re-cultivation of opium poppy, the Government, assisted by UNODC, has launched a number of alternative development projects, mostly in the form of introducing food crops and livestock breeding to the concerned areas. The initial results from these projects have been positive as indicated by a lack of re-cultivation in areas where alternative development support has been available.

Trafficking

Whilst opium poppy cultivation is virtually eliminated, Viet Nam faces increasing threats in other drug-related areas, most noticeably in regard to trafficking and domestic consumption of illicit drugs.

The continuation of the "renovation" (*doi moi*) policy and further integration with the international community is increasingly exposing Viet Nam to the 'negatives of globalisation'. Over the past five years, Viet Nam has witnessed an escalation in the trafficking of illicit drugs. Viet Nam's proximity to the 'Golden Triangle' (Lao PDR, Myanmar, Thailand), combined with its extensive borders with Cambodia, China and Lao PDR, as well as its long coastline, leaves drug traffickers with attractive conditions for smuggling illicit drugs into and out of Viet Nam, including heroin and amphetamine-type stimulants (ATS). Insufficient law enforcement and corruption at all levels of society also contribute to providing a favourable environment for traffickers. Statistics on seizures and drug-related arrests confirm that throughout the 1990s, Viet Nam had become an important drug transit country, especially for heroin

¹ UNDCP Drug Statistics Viet Nam, 2001; and Viet Nam Drug Control Master Plan, 1995

and opium from Myanmar and Lao PDR, bound mostly for North American and Western European markets.

With the growing traffic of illicit drugs flowing through Viet Nam, an increasing amount is finding its way to the domestic market, where drug abuse is posing an increasing threat to social security and the country's development.

Demand

Viet Nam has a long-standing tradition of drug abuse, including opium smoking among a number of the ethnic minority groups. However, throughout the 1990s, the drug abuse scene changed radically. Originally a predominantly rural phenomenon, illicit drug abuse spread to urban areas. In 2001, Ho Chi Minh City had an estimated 17,000 drug addicts and Hanoi an estimated 10,000 addicts, of the officially 113,903 registered addicts nationwide.²

There is still inconsistency between different ministries and agencies on the actual number of addicts, partly explained by the lack of coherence in the different definitions applied by authorities. Some estimates indicate that the number of addicts nationwide could now be as high as 140,000.³

The urban areas are attracting an increasing number of younger people. Rising youth unemployment in the country explains this trend. conducted by UNODC and the Invalids and Social Affairs cent of the country's drug of 35.⁴ The same survey per cent of the total number of this proportion is increasing.⁵

As the seriousness of the regional drug situation becomes increasingly apparent, Viet Nam is stepping up its international cooperation, especially with its neighbouring countries.

According to a survey Ministry of Labour, War (MOLISA), around 80 per addicts are under the age revealed that less than six addicts are women, but

Heroin is the preferred drug among young users, especially in urban areas, whereas opium smoking is still popular among the elderly in rural areas. An increasing number of heroin users are shifting to injecting drug use within the first year of use. The sharing of needles is common in Viet Nam and the risk of contracting HIV/AIDS is therefore extremely high among a large proportion of the country's drug users. The Ministry of Health (MOH) estimates that around 65 per cent of all HIV/AIDS cases are related to injecting drug users.⁶ As the disease spreads to the general population, there is a considerable risk that Viet Nam could face a serious HIV/AIDS epidemic in the coming decade.

The emergence of ATS is causing concern, as this drug is popular among young people and shows signs of quickly spreading in mainly urban areas. The Government has stated that it is committed to preventing a similar spread of this drug as seen in countries such as Thailand and Cambodia. Psychotropic substances are becoming increasingly popular among injecting drug users who mix these substances with, for example, Seduxen (valium) or heroin.

² UNDCP & MOLISA Survey, 2000 and UNDCP Drug Statistics Viet Nam 2001, Viet Nam Drug Control Master Plan 2001-2010, 2002.

³ Viet Nam News, 8 June 2001

⁴ UNDCP & MOLISA Survey, 2000

⁵ UNDCP & MOLISA Survey, 2000

⁶ WHO, 14 August 2001; and Viet Nam News, 23 June 2001

The Government has, over the past years, made significant efforts to prevent drug abuse, especially among young people and students. It has furthermore given serious attention to treatment of existing drug users. However, results have been mixed, as treatment has focused mainly on detoxification, with little focus on rehabilitation, thus resulting in a high relapse rate. To counter this, a more community-based approach has been introduced in which psychological therapy, vocational training and job creation are all components.

Legislation and convention adherence

As drug abuse has spread and caused growing concern, the Government has demonstrated a firm commitment to ensuring that the necessary legislative conditions for efficient law enforcement are in place. Viet Nam's accession, in 1997, to the 1961 UN *Convention on Narcotic Drugs*, the 1971 UN *Convention on Psychotropic Substances* and the 1988 UN *Convention against Illicit Trafficking in Narcotic Drugs and Psychotropic Substances* was an important step. This established the framework for formulating and adopting comprehensive national legislation on drug control and prevention. Although the formulation process for the new *Law on Narcotic Drugs Prevention and Suppression* began in 1993, the law is mainly based on the three aforementioned UN Conventions, providing an important boost to law enforcement in the area of drug control and crime prevention. The law was approved by the National Assembly in December 2000 and came into effect on 1 June 2001. The law provides the Government with instruments to step up the fight against drugs, and especially against drug trafficking. Successful enforcement of the new law will very much depend on whether the coordination among the various authorities, sectors and mass organisations involved is carried out effectively. Insufficient inter-ministerial cooperation and cooperation among other authorities involved in drug control has been identified as one of the key factors in the lack of law enforcement.

International cooperation

As the seriousness of the regional drug situation becomes increasingly apparent, Viet Nam is stepping up its international cooperation, especially with neighbouring countries. Special attention is given to the trafficking of illicit drugs, including the enhancement of border controls, information sharing and training activities. Viet Nam has been acknowledged for its effort in drug enforcement by, among others, the United Nations Office on Drugs and Crime (UNODC) and recently, also by the Government of the United States of America.

International assistance

In its continuous effort to pursue an effective drug control and prevention strategy, the Government will need more assistance from the international community both in terms of finance and expertise.

In order to embark on the National Action Plan on drug control, covering the period 2001 to 2005, the Government is seeking 14 million USD in assistance from the international community, with most funds to be distributed to capacity building, including technical training activities.⁷ The Government also forecasts that it will have to mobilize an additional 80 million USD if all planned activities are to be implemented.⁸ Required funding for drug control therefore is estimated and forecasted to be the total of

⁷ Viet Nam News, 30 May 2001

⁸ Viet Nam News, 30 May 2001

94 million USD. During the previous programme period 1995-2000, the Government allocated around 18 million USD from the national resources to drug control and drug prevention activities. It is not expected that allocations will increase significantly in coming years, leaving a serious shortfall in funding. Neither does it seem realistic that international assistance will fully meet the Government's request.

The UNODC Country Office is currently assisting the Government in the preparation of the second *National Drug Control Master Plan*, which will also serve as a framework to UNODC's strategy and future activities. Consequently, most UNODC-supported activities are currently being developed. UNODC will continue to perform its coordinating role among those in the international donor community active in the areas of drug control and drug prevention (Australia, the European Union, France, Germany, Japan, and the United States).

2. Summary Statistics - Drugs

Table 1. Cultivation in hectares – potentially harvestable after eradication (1996 - 2001)¹

| Drug type | 1997 | 1998 | 1999 | 2000 | 2001 | Change in % | % of global estimate |
|-----------|---------------|---------------|---------------|---------------|---------------|---------------|----------------------|
| Opium | 340 | 442 | 442 | 429 | 324 | -24.47 | Insignificant |
| Cannabis | Insignificant | Insignificant | Insignificant | Insignificant | Insignificant | Insignificant | Insignificant |

¹ The figures are based on Government figures on planted and eradicated area

Source: UNDCP *Drug Statistics Viet Nam*, 2001 (figures for 2001 are based on the Government's official statistics)

Table 2. Production in tonnes (1996 - 2001)

| Drug type | 1997 | 1998 | 1999 | 2000 | 2001 | Change in % | % of global estimate |
|-----------|---------------|---------------|---------------|---------------|---------------|-------------|----------------------|
| Opium | 2 | 2 | 2 | 1.9 | 2 | 5.3 | Insignificant |
| Cannabis | Insignificant | Insignificant | Insignificant | Insignificant | Insignificant | n.a. | Insignificant |

Source: UNDCP *Drug Statistics Viet Nam*, 2001 (figures for 2001 are based on the Government's official statistics), UNDCP *Global Illicit Drug Trends 2001*

Table 3. Potential manufacture in kg (1996 - 2001)

| Drug type | 1997 | 1998 | 1999 | 2000 | 2001 | Change in % | % of global estimate |
|-----------|------|------|------|------|------|-------------|----------------------|
| Heroin | 200 | 200 | 200 | 200 | 200 | 0 | Insignificant |

Source: UNODC *Viet Nam Country Office*

Table 4. Seizures in kg (1996 - 2001)

| Drug type | 1997 | 1998 | 1999 | 2000 | 2001 | Change in % | % of global estimate ¹ |
|-----------------------|--------|--------|---------|---------|---------|-------------|-----------------------------------|
| Opium | 919 | 1,100 | 495 | 567 | 589 | 3.9 | 0.21 |
| Heroin | 24.3 | 60.0 | 66.7 | 60.0 | 40.3 | -32.8 | 0.18 |
| Cannabis herb (kg) | 7,986 | 379 | 400 | 2,200 | 1,272 | -42.2 | 0.01 |
| ATS (units) | 0 | 0 | 6,025 | 17,000 | 43,000 | 152.9 | n.a. |
| Psychotropics (units) | 10,214 | 59,000 | 115,595 | 119,465 | 593,662 | 396.9 | n.a. |

¹ The percentages are based on 2001 figures

Source: UNDCP *Drug Statistics Viet Nam*, 2001; and UNDCP *Global Illicit Drug Trends*, 2002 (figures for 2000 and 2001 are based on the Government's official statistics)

Table 5. Seizures in kg – international comparison (median for 1997 - 1999)

| Drug type | Seizures in absolute figures for Viet Nam 1997-1999 | As % of East and Southeast Asia 1997-1999 | As % of world total 1997-1999 |
|-----------------------|---|---|-------------------------------|
| Opium (kg) | 775 | 10.8 | 0.4 |
| Heroin (kg) | 48.3 | 0.6 | 0.1 |
| Cannabis herb (kg) | 2,922 | 6.6 | 0.1 |
| ATS (units) | 7,675 | n.a. | n.a. |
| Psychotropics (units) | 61,603 | n.a. | n.a. |

Source: UNDCP *Drug Statistics Viet Nam*, 2001; and UNDCP *Global Illicit Drug Trends*, 2002

Table 6. Annual prevalence of drug abuse as a percentage of aged 15 and above (late 1990s)

| Drug type | Viet Nam (%) | Asia (%) | World total (%) |
|------------------------|--------------|----------|-----------------|
| Cannabis | 1.00 | 2.10 | 3.40 |
| Opiates (incl. heroin) | 0.40 | 0.35 | 0.33 |
| ATS | n.a. | 0.70 | 0.60 |

Source: UNDCP *Global Illicit Drug Trends*, 2002

3. The Year in Review: Main Events

Major political and economic events

The Ninth Communist Party Congress was held in Hanoi in April 2001. The Party Congress, held once every five years, provides the opportunity for reviewing the country's development process whilst the Government's future political, social and economic policies are being discussed and refined. The new *Socio-Economic Development Strategy 2001–2010* was presented and approved at the Congress, confirming the Government's commitment to continue to pursue a socialist-oriented market economy.

The Congress also offers an opportunity to reshuffle the Party leadership, although major changes are rarely seen. However, the Congress in April 2001 was an exception, as it brought a surprising change at the highest leadership level of the Party, with General Secretary, Le Kha Phieu replaced by Nong Duc Manh, formerly National Assembly Chairman. This change in leadership signalled a shift in power, from conservative to more reform-friendly factions of the party. It is not believed that the pace of economic reform will change radically under the new General Secretary.

After several years of negotiations, the bilateral trade agreement with the United States was signed in July 2001. The accord will allow Vietnamese exporters access to the US market on equal terms with their regional competitors. It will lower the import tariffs applied on Vietnamese commodities entering the US, from a current average of 42 per cent to an average of just three per cent.⁹

In return, over a three to seven year period, Viet Nam will have to cut tariff rates and reduce non-tariff barriers on a wide range of US products, open up areas of the service sector to greater foreign investment, and generally ease investment regulations. The agreement was passed by the US Congress on 3rd of October 2001 and later on signed by the US President, George W. Bush. Viet Nam's National Assembly ratified the agreement in November 2001. The agreement is seen as a major step towards the full normalisation of bilateral economic and trade relations between the two countries. It will undoubtedly strengthen bilateral ties between the two countries and facilitate growth not only in trade and investment, but also in areas such as tourism and technical cooperation.

The focus of the 10th National Assembly discussions was on the revised laws on organisation of the People's Court and organization of the People's Procuracy as well as on the amendments and supplements to some articles in the Labour Code. Although the laws were finally passed, they were still very controversial, particularly the law on the organization of the People's Court. Some delegates feared the revisions might affect the independence of the local courts.

On 8 August 2002 the National Assembly ratified Prime Minister Phan Van Khai's cabinet, which now comprises 26 ministries and ministerial-level agencies. Three new ministries have been created: Natural Resources and Environment, Post and Telecommunications, and Interior (former Government's Commission of Organization and Personnel). Former Committee for Ethnic Minorities and Mountainous Areas (CEMMA) has now become the Committee for Ethnic Minorities (CEM). Former Trade Minister Vu Khoan has become Deputy Prime Minister while Nguyen Tan Dung and Pham Gia Khiem have been re-appointed. Mr. Le Hong Anh has become the Minister of Public Security.

⁹ World Bank, 2001

Drugs

The new law on narcotic drugs prevention and suppression, passed by the National Assembly in December 2000, came into force on 1 June 2001. The law, which is the first of its kind in Viet Nam, will significantly strengthen the Government's anti-drug efforts, especially combating the increasing trafficking of illicit drugs into the country, primarily via the land borders with Cambodia, China and Lao PDR. The new law considerably strengthens the authority of counter-narcotics police. In relation to addicts, the new law recognises that the prevalence of drugs is a social problem and that addicts are not offenders or criminals. As a consequence, treatment efforts will be stepped up, just as rehabilitation will be made a compulsory component.

The institutional set-up within the areas of drug control, HIV/AIDS and prostitution changed in 2000. A National Committee for Prevention and Control of AIDS, Drugs and Prostitution (NCADP) was established in June 2000, merging the Government Steering Committee for Social Evils, the National Drug Control Committee and the National AIDS Committee. The new Committee is headed by Deputy Prime Minister Pham Gia Khiem. The new arrangement is expected to considerably enhance natural synergies, just as inter-ministerial cooperation will be strengthened.

The Standing Office for Drug Control (SODC), under the Ministry of Public Security, continues to be the coordinating authority for issues related to drug control and will still be UNODC's direct counterpart. For an organizational chart, please refer to page 36.

The first *National Drug Control Master Plan*, launched in 1996 and covering the period to 2000, was successfully completed. The Government, assisted by UNODC is currently in the process of formulating the second master plan, which will set out the guidelines for UNODC assistance until 2010.

The formulation phase has been delayed and the first draft of the plan was finalised in January 2002. Consequently, the master plan is not expected to be ready for Government approval before January 2003.

The preparation of the master plan includes a comprehensive assessment analysis of the current drug situation. The results from the implementation of the first master plan have been reviewed and incorporated. In order to ensure long-term oriented planning, UNODC will include two budget periods in its planning and the master plan will therefore cover a ten-year period (2001–2010). Based on the master plan, UNODC will, in cooperation with the Government, develop project proposals.

Currently, UNODC has identified several project ideas, which focus on alternative development as substitution for opium poppy cultivation, drug demand reduction, drug prevention, HIV/AIDS prevention and law enforcement.

4. General Setting

Major characteristics of Viet Nam

Viet Nam stretches some 1,650 kilometres from the southern border of China, to the southern tip of the Indochina Peninsula, covering an area of over 331,114 square kilometres. Viet Nam is bordered to the north by China, to the west by Lao PDR and Cambodia to the east by the East Sea and Gulf of Tonkin (with 3,260 kilometres of coastline). Mountains and hills cover around 75 per cent of the total land area.

According to the General Statistics Office, arable land comprised about 23.6 per cent of Viet Nam's total land area in 1997 leaving cultivated land a scarce resource.¹⁰ Currently 22 per cent of the total land area is devoted to agriculture and the cultivated area per head is just 0.10 hectares, one of the lowest rates in the world.¹¹ The two rice-producing deltas, the Red River Delta and the Mekong River Delta, cover only 17 per cent of Viet Nam's land area but contain over half the total cultivated land.¹² It is estimated that there is potential to cultivate a further 900,000 – 1.4 million hectares of unused land.¹³ However, much of this land has been degraded by soil erosion. An estimated 70,000 hectares per year of cultivated land are lost to soil exhaustion and urban development.¹⁴

Viet Nam is located in one of the most natural disaster-prone areas in the world, which causes both human losses and great material damage every year.

Viet Nam lies in the tropical East Asia, with distinctive monsoon zone of South diverse climates across the country. Viet Nam is located in one of the most natural disaster-prone areas in the world, which causes both human losses and great material damage every year. In 1999, some of the most severe floods in the past century affected eight provinces in central Viet Nam. In 2000, major flooding hit the Mekong River Delta. Heavy flooding has once again struck the Mekong Delta in 2001, causing significant damage and human casualties.

Viet Nam's population was estimated to be 78.7 million in 2000.¹⁵ Ho Chi Minh City (formerly Saigon) is the largest city, with a population of about five million. Hanoi, the capital, had a population of about 2.7 million.¹⁶ However, the actual number is likely to be higher, as illegal migration to the big cities, especially Hanoi and Ho Chi Minh City, is substantial.¹⁷ Despite increasing migration to the cities, 76 per cent of the population still live in rural areas and a vast majority of them are engaged in some form of agriculture.¹⁸

Viet Nam is one of the most densely populated countries in the world, with 235 people per square

**Table 7. Population structure
(1999 and projection for 2024)**

| | 1999 | 2024 |
|---------------------------------|--------|--------|
| Total population (mill.) | 76,328 | 98,944 |
| Less than 15 years old | 33.2 % | 22.3 % |
| 15 to 64 years old | 61.1 % | 69.5 % |
| More than 65 years old | 5.8 % | 8.2 % |
| Median age in years | 23.3 | 33.8 |

Source: UNFPA, 2000.

¹⁰ FAO Data, 2001

¹¹ EIU, *Country Profile Viet Nam 2001/2002*, 2001

¹² EIU, *Country Profile Viet Nam 2001/2002*, 2001

¹³ EIU, *Country Profile Viet Nam 2001/2002*, 2001

¹⁴ EIU, *Country Profile Viet Nam 2001/2002*, 2001

¹⁵ Viet Nam Drug Control Master Plan 2001-2010, 2002

¹⁶ EIU, *Country Profile Viet Nam 2001/2002*, 2001

¹⁷ EIU, *Country Profile Viet Nam 2001/2002*, 2001

¹⁸ UNDP, *Human Development Viet Nam: Main Indicators*, 2001

kilometre in 2000, compared to just 61 people per square kilometre in Cambodia and 20 people per square kilometre in Lao PDR.¹⁹

Population growth has been decreasing and currently stands at 1.35 per cent, down from 2.2 per cent in 1995, and is expected to decrease even further over the coming decade.²⁰ The age composition has been greatly influenced by the war against the United States, with the median age as low as 23.3 years in 1999.²¹ The proportion of people under fifteen years old accounts for around one third of the total population.²² However, the median age is rising and will continue to do so over the coming decades. As can be seen from the table above, the median age is projected to rise to 33.8 years in 2024.²³

The country is divided into 61 provinces and cities. The provinces are further divided into 540 districts and 9,760 communes and provincial cities.²⁴

The majority of the population is of Kinh ethnicity, accounting for 86 per cent.²⁵ The remaining fourteen per cent is made up of 53 distinctive ethnic minority groups, of which the Tay and Thai groups are the largest.²⁶ A majority of the ethnic minority groups live in the northern and central highlands. Most of the ethnic groups live on both sides of the national borders of Cambodia, China, Lao PDR, Myanmar and Thailand.

Development has come a long way

Viet Nam has experienced dramatic changes in its transition from a centrally-planned system to a market-oriented economy. Since the first economic reforms under the *doi moi* (renovation) policy were launched in

1986, the country has made considerable progress across a broad range of socio-economic development measures.

With annual Gross Domestic Product (GDP) growth averaging 7.3 per cent throughout the 1990s, Viet Nam has seen significant developments in all sectors. The change in the agricultural sector has been particularly remarkable.²⁷ Viet Nam experienced extreme food insecurity just fifteen years ago, yet today

Table 8. Rural-Urban growth in real per capita expenditures by region (1993-1998)

| Region | Growth in urban expenditure (%) | Growth in rural expenditure (%) | Difference in the urban- rural growth rate of expenditure |
|------------------------|---------------------------------|---------------------------------|---|
| All Viet Nam | 60.5 % | 30.4 % | 30.1 % |
| Northern Uplands | 65.8 | 26.9 | 38.9 |
| Red River Delta | 47.2 | 51.4 | -4.2 |
| Northern Central Coast | 86.4 | 37.2 | 49.2 |
| Central Coast | 39.1 | 25.5 | 13.6 |
| Central Highlands | n.a. | 24.8 | n.a. |
| South Eastern | 78.1 | 59.1 | 19.0 |
| Mekong River Delta | 35.7 | 10.6 | 25.1 |

Source: Viet Nam Development Report, 2000

¹⁹ UNDP, *Human Development Viet Nam: Main Indicators*, 2001

²⁰ UNDP, *Human Development Viet Nam: Main Indicators*, 2001

²¹ UNFPA, *Population Projections Viet Nam 1999-2024*, 2000

²² UNFPA, *Population Projections Viet Nam 1999-2024*, 2000

²³ UNFPA, *Population Projections Viet Nam 1999-2024*, 2000

²⁴ EIU, *Country Profile Viet Nam 2001/2002*, 2001

²⁵ UNDP, *Human Development Viet Nam: Main Indicators*, 2001

²⁶ EIU, *Country Profile Viet Nam 2001/2002*, 2001

²⁷ UNDP, *Key Economic Facts in Viet Nam*, 2001

is one of the leading exporters of rice, coffee and other agricultural commodities. Industrial and service sectors are also rapidly developing, contributing to the country's development. As prices of many agricultural products – including some of Viet Nam's main export commodities such as rice and coffee – have fallen drastically, renewed focus on restructuring of the industrial and service sectors is vital.

The Government is firmly focused on continuing the country's rapid socio-economic development to achieve its long-term goal of gradually bringing Viet Nam out of the category of 'underdeveloped' countries, by 2020. Until now, success has been remarkable, as the poverty rate fell from 58 per cent in 1993 to 37 per cent in 1998 (according to the international poverty line) and latest indicators suggest a further decrease in subsequent years.²⁸ The progress is represented quantitatively by rising per capita expenditures and improving social indicators. In 2000, the GDP per capita reached 400 USD, up from 130 USD in 1990.²⁹

Viet Nam felt the effects of the Asian financial crisis, although to a lesser extent than in several other South East Asian countries. In Viet Nam, the immediate effect was a sharp decline in foreign investments that slowed economic growth and consequently resulted in negative GDP per capita growth in 1998. It is generally believed that Viet Nam has now overcome the negative consequences of the crisis and is entering an economic upturn, albeit at a more moderate rate than was recorded in the mid-1990s. In 2000, GDP growth increased to 6.7 per cent, up from 4.7 per cent in 1999.³⁰ However, the current global economic slowdown is also affecting Viet Nam and will result in lower growth than originally forecast of 7 per cent for 2001.³¹

Inequality is on the rise

Despite some development successes, poverty is still widespread and remains a major challenge for the Government. Many households are living just above the poverty line and remain vulnerable, with a high risk of falling back in to poverty. Also of concern is the rising inequality between rich and poor and between regions, gender and ethnic groups.

Three regions currently account for about 70 per cent of Viet Nam's poor.³² These are the Northern Uplands (28 per cent), the Mekong River Delta (21 per cent) and the North Central Coast (18 per cent). Ethnic minorities, who comprise fourteen per cent of the population and mainly inhabit these remote areas, are disproportionately affected by poverty.³³

Poverty is largely a rural phenomenon, with about 90 per cent of the poor living in rural areas.³⁴ Over the last decade, the gap between rural and urban regions has increased (as seen in the table above). The poor typically suffer from possessing only small landholdings, and having limited or no access to cheap credit. Poor infrastructure is another influential factor, as it limits access to basic services such as education and health care. The lack of decent infrastructure is also a major barrier in facilitating new investments in non-agricultural industries, which could provide vital off-farm employment opportunities.

²⁸ UNDP, *IDT/MDG Progress*, 2001

²⁹ UNDP, *Key Economic Facts in Viet Nam*, 2001

³⁰ UNDP, *Key Economic Facts in Viet Nam*, 2001

³¹ World Bank, 2001

³² *Viet Nam Development Report*, 2000

³³ *Viet Nam Development Report*, 2000

³⁴ UNDP, *IDT/MDG Progress*, 2001

A lack of access to the formal banking system in rural areas, especially for the poor, is one of the major obstacles to development in these areas. In recent years the Viet Nam Bank of Agriculture and Rural Development (VBARD) and the Viet Nam Bank for the Poor (VBP) has extended their coverage in rural areas and given a significant number of households the opportunity to obtain loans on very favourable terms. However, the formal banking sector's coverage is still insufficient, as many households, especially in remote areas, do not have access to formal financing institutions and have to rely mostly on informal financial networks, such as relatives and money lenders. The informal financial sector disfavours poor households, as only the most credit-worthy households are able to obtain low-interest loans. Consequently, the poorest and most remote households are often prevented from accessing any kind of micro-financing, leaving these households with little opportunity to improve their standard of living.

Job creation is a major challenge

Job creation is one of the major challenges facing the Government in the coming years. The official unemployment rate stood at 6.5 per cent in 2000, but this figure does not include the significant underemployment that exists in mainly rural areas.³⁵ It is estimated that unemployment plus underemployment comprises more than 30 per cent of the total labour force.³⁶ Viet Nam's skewed age structure applies further pressure to the employment situation. The large proportion of young people results in a rapid natural increase in the labour force, which in coming years will increase by 1.2 to 1.4 million people each year.³⁷ Furthermore, the process of equitizing and restructuring state-owned enterprises (SOEs) is also expected to contribute to further unemployment. The state-owned sector is still playing a dominant role in the economy and due to the possible social consequences, as well as pressure from local authorities and managers, the Government has so far been reluctant to speed up the equitization process of a large number of loss-making SOEs.

Increasing migration to the big cities – especially Ho Chi Minh City, Hanoi, Can Tho and Haiphong – is also a concern, as urban unemployment, particularly among male migrants, is on the rise.

Still hard work to do in the health and education sectors

As mentioned, Viet Nam has made good progress on most socio-economic indicators, which has improved Viet Nam's Human Development Index (HDI) ranking from number 121 out of 174 countries in 1993, to number 101 over 163 countries in 2001, and number 109 over 173 countries in 2002³⁸, with an accompanying higher HDI value.³⁹ However, the Government still faces serious development challenges with regard to the provision of both health and education services – not least in rural areas.

The education sector has traditionally been a priority for the Government and national expenditure on primary education more than doubled from 1.11 per cent to 2.38 per cent of GDP over the past five years.⁴⁰ The Government has made a commitment to increase public spending on education to twenty per cent, equal to around four per cent of GDP, by 2005.⁴¹ Net primary school enrolment rates stood at

³⁵ UNDP, *IDT/MDG Progress*, 2001

³⁶ UNDP, *IDT/MDG Progress*, 2001

³⁷ UNDP, *IDT/MDG Progress*, 2001

³⁸ UNDP, *Human Development Report 2002*

³⁹ UNDP, *IDT/MDG Progress*, 2001

⁴⁰ UNDP, *IDT/MDG Progress*, 2001

⁴¹ UNDP, *IDT/MDG Progress*, 2001

94.8 per cent, with a completion rate of 66 per cent.⁴² The net enrolment rate for lower secondary school was 74 per cent and for upper secondary school, 38 per cent in 2000.⁴³ The adult literacy rate has remained high, reaching 94 per cent in 2000.⁴⁴ It is important to note that there still exist considerable geographical, gender and ethnic disparities. Strengthening the quality of education at all levels, as well as improving access to post-primary education for the rural population and poor people should be a high priority.

In the health sector, Viet Nam has recorded significant progress over the past decade, reflected in the improved HDI ranking. With a life expectancy at birth of 68.3 years, people in Viet Nam live significantly longer than people in countries with a similar income level.⁴⁵ Mortality figures have also improved considerably and according to official data, the under-five mortality rate in 2000 was 42 per 1,000 live births, down from 55.4 per 1,000 live births in 1990.⁴⁶

Viet Nam has an extensive health-care delivery network and well organized national public health programmes. However, data on the utilization of and access to health-care services show that there are increased inequalities between rich and poor in this respect. The poor utilize public health facilities less, are under-represented in health insurance schemes and find that the services are unresponsive to their needs.

Standards of environmental sanitation vary greatly, with only about 44 per cent of rural households having access to safe water supplies in 2000, as compared to 78 per cent of urban households.⁴⁷

Public spending on social services, including the health sector, is very low compared to international standards and has been further decreasing as a consequence of decreasing public revenues. In 1999, the national health budget accounted for an estimated 0.8 per cent of GDP.⁴⁸ As a result of low spending, combined with low salaries and poor management, the quality of health services has deteriorated in recent years.

Decreasing revenues have led the Government to rely more heavily on 'socialization' mechanisms, which implies cost sharing by the private sector and private households, as well as international development assistance. This policy is likely to lead to increased inequalities between the rich and poor in health care.

Corruption to be addressed

One of the major obstacles to development is the ongoing corruption. Although various measures have been implemented in order to cope with increase in corruption, enforcement of these measures has generally been poor. Corruption is found at all levels of society and poses a serious threat to the nation's development. General Secretary, Nong Duc Manh, has emphasized that the government will step up its fight against corruption, including among top-level officials.

⁴² UNDP, *Human Development Viet Nam: Main Indicators*, 2001

⁴³ UNDP, *Human Development Viet Nam: Main Indicators*, 2001

⁴⁴ UNDP, *Human Development Viet Nam: Main Indicators*, 2001

⁴⁵ UNDP, *Human Development Viet Nam: Main Indicators*, 2001

⁴⁶ UNDP, *Human Development Viet Nam: Main Indicators*, 2001

⁴⁷ UNDP, *IDT/MDG Progress*, 2001

⁴⁸ UNDP, *Human Development Viet Nam: Main Indicators*, 2001

Corruption also affects drug control in Viet Nam, as law enforcement officers have been found to be engaged in cases of corruption. Evidence also suggests that they often ignore the widespread trading of illicit drugs, particularly in the larger cities.

Government sets ambitious targets for the coming ten years

During the Ninth Communist Party Congress held in April 2001, the new *Socio-Economic Development Strategy* (2001-2010) was presented and approved. The strategy outlines the Government's socio-economic targets for the coming ten-year period. The main targets of the strategy are listed in the box below. The strategy also confirms the Government's commitment to continue the eradication of poverty and close the gap between the disadvantaged and other groups.

Although Viet Nam has made major progress in socio-economic development, major challenges lie

Box 1. Government targets under the Socio-Economic Development Strategy for 2001–2010

- ✓ Doubling of GDP, which implies a growth rate of 7.2 per cent per annum.
- ✓ Domestic savings to be increased to over 30 per cent of GDP.
- ✓ Exports to grow at more than twice the rate of GDP growth.
- ✓ Substantial rise in the country's Human Development Index.
- ✓ Eradication of hunger and a rapid reduction in the number of poor households.
- ✓ Reduction of urban unemployment to five per cent and reduction of rural underemployment to 15-20 per cent.
- ✓ Universal access to lower secondary education.
- ✓ Malnutrition rate of children to be reduced from around one-third to 20 per cent.
- ✓ Life expectancy to increase from 68 to 71 years.

Source: UNDP IDT/MDG Progress, 2001

ahead if the targets put forward in the ten-year development strategy are to be met. The reform process must continue and crucial reforms will have to be implemented, including reform of the banking and private sectors. This will also force the Government to deal with the sensitive issue of equitizing, divesting and closing a large number of SOEs. Further liberalization of foreign investment regulations is necessary in order to improve the investment climate.

The donor community seems committed to continue its extensive assistance to the Government. Therefore, in the future, support from the international donor community will also play an important factor in the development process. Annual official development assistance

(ODA) disbursements have been increasing and reached an estimated 1.6 billion USD in 2000.⁴⁹

⁴⁹ UNDP, *Annual Report Viet Nam, 2000*

General Statistics

| SUMMARY STATISTICS | | | |
|---|-----------------|--------------------------------|----------------------|
| Indicator | Country Value | Comparative aggregate average: | |
| | | Developed Countries | Developing Countries |
| Human Development Index Rank (2002) | 109/173 | | |
| Land | | | |
| Size of country, (sq.km)(1999) | 331,690 | | |
| Arable land, (sq.km)(1999) | 57,500 | | |
| Population | | | |
| Population (million)(2000) | 78.70 | | |
| Population growth, (1998) | 1.30 | 0.30 | 1.40 |
| Life-expectancy at birth (1999) | 69.00 | 77.00 | 64.70 |
| Population age 15 and above, (2000) | 66.80 | 80.50 | 66.60 |
| Population age 15 to 24, (%) | 30.70 | 13.60 | 18.60 |
| Share of urban population, (1999) | 20.00 | 78.10(1998) | 39.00(1998) |
| Economic Development | | | |
| GDP Growth, (1999) | 6.80 | 1.00 | 2.50 |
| GDP per Capita, current US \$ | 331.00 | 21,770(1998) | 3,260(1998) |
| GDP per Capita, PPP \$ (1999) | 1,860.00 | 23410.00 | 3530.00 |
| Trade: Imports as share of GDP, (%) | 56.90 | 21.70(1998) | 30.20(1998) |
| Trade: Exports as share of GDP, (%) | 43.10 | 22.70(1998) | 31.70(1998) |
| Share of agriculture in GDP, (%) | 24.30 | 2.50(1998) | 13.50(1998) |
| Total external debt, % of GNP (1998) | 82.30 | | 42.80 |
| Poverty and Unemployment | | | |
| Population below national poverty line (1994-1999) | 50.90 | | |
| Income distribution ratio, (20% richest / 20% poorest) | 5.60 | | |
| Unemployment rate (1997) | 6.50 | 7.00(OECD)(98) | |
| Youth unemployment rate | n.a | 12.80(OECD)(98) | |
| Health | | | |
| Public expenditure on health, (% of GDP)(1998) | 0.80 | 6.20 | 2.20 |
| Population with access to essential drugs(1999) | 85.00 | | |
| Doctors per 100,000 people (1992-1995) | 48.00 | 246.00 | 78.00 |
| AIDS cases per 100,000 people (1997) | 1.30 | 99.10 | 28.90 |
| Education | | | |
| Adult literacy rate (1998) | 93.10 | 98.50 | 72.30 |
| Combined enrolment ratio (primary, secondary, tertiary)(1999) | 67.00 | 91.00 | 61.00 |
| Radio per 1,000 people (1995) | 106.00 | 1,005.00 | 185.00 |
| Television per 1,000 people (1998) | 180.00 | 621.00 | 162.00 |
| Telephone lines per 1,000 people (1998) | 26.00 | 524.00 | 58.00 |
| Internet hosts per 1,000 people (1998) | 1.50 | 4.97 | 0.26 |

Sources: World Bank, UNDP, DESA, FAO

5. Drug Situation

Production and cultivation

Viet Nam has recorded marked success in eradicating opium poppy cultivation. Over the past decade, the area of opium cultivation has been decreasing gradually. From an estimated 18,000 hectares in 1990, the cultivated area covered just 324 hectares in 2001.⁵⁰

Cultivation is concentrated in the northern mountainous regions, along the borders with China and Lao PDR, mainly in the provinces of Nghe An, Son La and Lai Chau. According to unofficial estimates of the US Government, the planted area is significantly higher than the official figure. In 2000, the US Government estimated that the area under cultivation covered around 2,300 hectares, with a potential opium output of fifteen metric tonnes.⁵¹ The remote locations where cultivation often takes place makes it difficult to confirm accurate figures on cultivation and it is therefore possible that the area of cultivation is larger than the official figure. However, the US Government's estimate is considered to be too high. The Government of Viet Nam's monitoring activities take place on the ground and are conducted by several ministries in cooperation. Given the high presence of administrative and government structures in all areas, including remote mountainous areas, as well as the strong will and commitment to eradicate if and where required, as proven over the last years, the Government's figures are considered to be more reliable.

Opium cultivation is dominant among poor ethnic minority households, mainly among the H'mong, Thai and Tay, who have traditionally cultivated opium and who experience chronic food shortages.

The Government has paid little attention to alternatives for socio-economic development in its opium eradication strategy and consequently, re-cultivation has been common in many areas. In order to obtain sustainable results, support to eliminate opium cultivation should be integrated with socio-economic development programmes. This includes the introduction of sustainable agriculture, such as food crops and livestock, but also includes the encouragement of other forms of production to eradicate hunger. Improving social infrastructure, including roads, access to electricity, water supplies, education and health care, is another important consideration to prevent re-cultivation in these areas.

UNODC has been supporting a programme in Ky Son district, which has focused on alternative development for the replacement of opium cultivation. The project was finalized in 2000, but a second phase has been initiated in 2002, as one of the activity components under the coming National Drug Control Master Plan.

Minor production of cannabis is found in a number of southern provinces. The cultivation however, is scattered and no organized production is taking place. Due to the insignificant size of cannabis cultivation, no statistics are available. The fact that Cambodia has emerged as a major cannabis producer, and thereby has become the main supplier of cheap cannabis for the Vietnamese market, is discouraging the establishment of any organized production in Viet Nam.

⁵⁰ Viet Nam *Drug Control Master Plan*, 2001; and UNDCP, *Drug Statistics Viet Nam*, 2001

⁵¹ UNDCP, *Drug Statistics Viet Nam*, 2001

Table 9. Estimated cultivation and production of opium poppies in Viet Nam (1991-2001)

| | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|------------------------|--------|--------|--------|-------|-------|-------|------|------|------|------|------|
| Planted area (ha) | 17,000 | 15,442 | 14,319 | 3,738 | 2,357 | 2,885 | 680 | 881 | 442 | 429 | 324 |
| Eradicated area (ha) | n.a. | 3,243 | 10,051 | 672 | 477 | 1,143 | 340 | 439 | n.a. | n.a. | n.a. |
| Potential prod. (m.t.) | 85 | 61 | 21 | 15 | 9 | 8.7 | 2 | 2 | 2 | 1.9 | 2 |

Source: UNDCP *Drug Statistics Viet Nam*, 2001, UNDCP *Global Illicit Drug Trends*, 2002

Manufacture

It is unknown to what extent the manufacture of heroin and ATS is taking place in Viet Nam. The first clandestine laboratory engaged in the production of heroin was discovered in 1999 in Nghe An province, close to the Lao border. One hundred and twenty people operating in fourteen provinces and cities, both in Viet Nam and abroad, were involved in the drug ring. Over a five-year period, the ring engaged in the trafficking of more than one ton of opium and 270 kilograms of heroin.⁵²

Statistics available on the trading in primary chemicals used in the production of both heroin and ATS are very limited. Official control is insufficient and obviously illegal trading in these chemicals is taking place in Viet Nam. The chemicals are smuggled overland, mainly from China or by ship from China, Singapore and Taiwan, just as these same chemicals are likely to be smuggled into Cambodia via Viet Nam. Illegal trading in these chemicals indicates that there is a possibility that heroin and/or ATS are being manufactured in Viet Nam, but the extent and location of such is unknown, although it is believed to be limited.

Trafficking

Over the last five years, the number of drug cases has increased sharply, both in terms of the number of seizures made and people involved in trafficking. In line with several other South East Asian countries, including neighbouring countries, Cambodia and Lao PDR, Viet Nam has emerged as an important transit route for the trafficking of illicit drugs – mainly heroin, opium and cannabis. From both a national and regional perspective, the escalation of trafficking in illicit drugs is cause for great concern.

With opium cultivation nearly eradicated in Viet Nam, it is estimated that as much as 95 per cent of illicit drugs being transported inside Viet Nam, for either transit or domestic consumption, is coming into the country via its land borders.⁵³

Most of the opium and heroin seized in Viet Nam is produced in Myanmar and Lao PDR, respectively the world's second and third largest producers of raw opium.⁵⁴ Statistics confirm that the overland route from Lao PDR to Viet Nam has become the major route for illicit drugs entering Viet Nam. The 2,130 kilometre border that the two countries share passes mostly through remote and inaccessible areas, hindering efficient drug control. Forty-five per cent of all heroin seizures made in the first six months of 2001 apprehended smuggling at the Lao-Vietnamese border, mainly in Lai Chau, Son La, Nghe An, Ha Tinh and Thanh Hoa provinces.⁵⁵ However, seizures of heroin have also been made along the

⁵² UNDCP, *Annual Report Viet Nam*, 1999

⁵³ *Viet Nam News*, 8 June 2001

⁵⁴ UNDCP Office for Myanmar, 2001

⁵⁵ UNDCP, *Monthly Situation Report Viet Nam No. 12*, July 2001

Cambodian and Chinese borders, indicating increasing pressure on Viet Nam's borders and an increase in the divergence of traffic routes.

Viet Nam's "renovation" policy and gradual integration with the world economy is one of the reasons for the increasing trafficking in illicit drugs. Furthermore, law enforcement capacity is insufficient to combat the increasing traffic, which has unfolded in an ever more complicated and professional manner.

The trafficking of opium in Viet Nam has decreased over the past decade, not only as a result of the national eradication programme, but also due to a geographical shift in the cultivation of opium from South East Asia to South West Asia (notably, Afghanistan). From 1990 to 1999, there was a 95 per cent decline in raw opium production in South East Asia, whereas South West Asia recorded an increase of 265 percent over the same period.⁵⁶ This radical change has had a positive influence on drug trafficking in South East Asia as raw opium and heroin produced in Afghanistan is mainly transported via western routes.

The amount of opium seized in Viet Nam increased slightly in 2001, with 589.4 kilograms confiscated, compared to 567 kilograms in 2000.⁵⁷ Improved law enforcement and better cooperation between Vietnamese and Lao border authorities help to explain this improvement.

While trafficking in opium has decreased, seizures made over the past years indicate that there is a growing traffic in heroin and ATS. These drugs are being manufactured at numerous clandestine laboratories located mainly in Myanmar's eastern Shan state, where a significant share of South East Asia's opium is cultivated. As cultivation, production and manufacturing take place in the same geographical area, opium, heroin and ATS tend to be trafficked along the same routes.

Cannabis is also being smuggled into Viet Nam. In 2001, authorities confiscated 1,272.5 kilograms of cannabis, compared to 2,200 kilograms in 2000.⁵⁸ In recent years, Cambodia has emerged as one of the world's major producers of cannabis. For Viet Nam, this has led to the increased trafficking of cannabis, transported overland with Ho Chi Minh City as the main destination from where the greatest proportion is being shipped to North America and Europe.

Table 10. Seizures of illicit drugs in Viet Nam (1994-2001)

| | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|--------------------------------|---------|---------|-------|--------|---------|---------|---------|---------|
| Opium (kg) | 2,019 | 1,418 | 710 | 919 | 1,100 | 495 | 567 | 589.4 |
| Heroin (kg) | 32.3 | 39.4 | 51.5 | 24.3 | 60 | 66.7 | 60.0 | 40.33 |
| Doses of Heroin (units) | n.a. | n.a. | 2,861 | n.a. | 122,649 | 97,335 | 92,329 | 49,369 |
| Cannabis (kg) | 2,364 | 578 | 369 | 7,986 | 379 | 400 | 2,200 | 1,272.5 |
| Amphetamines (units) | n.a. | n.a. | n.a. | n.a. | n.a. | 6,025 | 17,000 | 43,160 |
| Psychotropics (units) | 616,133 | 115,150 | n.a. | 10,214 | 59,000 | 115,595 | 119,465 | 125,328 |

Source: UNDCP, *Global Illicit Drug Trends*, 2001; and UNDCP, *Drug Statistics Viet Nam*, 2001

Due to Cambodia's weak law enforcement with regard to drug control, it is expected that cultivation of cannabis will remain extensive for the coming years. Furthermore, Cambodia is emerging as a hub for

⁵⁶ UNDCP Office for Myanmar, 2001

⁵⁷ UNDCP, *Drug Statistics Viet Nam*, 2001

⁵⁸ UNDCP, *Drug Statistics Viet Nam*, 2001

the transit of heroin and ATS just as the production of ATS is increasing. This naturally poses a threat for increased trafficking at the Cambodian-Vietnamese border, in the Gulf of Thailand and the South China Sea.

Various types of ATS manufactured in Cambodia, China, Lao PDR, Myanmar and Thailand are smuggled into Viet Nam for local consumption. Unlike most of South East Asia, ATS are still a relatively new phenomenon in Viet Nam, but there are signs that consumption is spreading, especially in urban areas. It appears that during an initial period ATS have been sold at low prices in order to establish a market and a demand. The Government has expressed its genuine concern about this particular drug, as experience shows that it spreads quickly and is popular especially among the younger generation, including students, as is the case in for example, Cambodia and Thailand. Different types of ATS are sold, and reports show that ecstasy is now also available on the market. It is believed that ecstasy is smuggled into Viet Nam from Europe and Hong Kong. Whether the Government will be successful in cracking down on ATS very much depends on whether or not urgent and comprehensive preventive initiatives are successfully implemented.

Psychotropic substances have for several years been smuggled into the country, mainly over the Chinese border. There is a substantial black market for medical products, which also feeds the illicit drug market.

Despite serious punishments for drug-related crimes, made even more severe in recent years, the number of people involved in the trafficking of illicit drugs has increased over the past decade. The number of drug-related arrests has grown rapidly in the last half of the 1990s (see table below). From 1996 to 2001, the figure more than tripled, both in terms of arrests made and cases reported involving drugs.

The trafficking of illicit drugs in Viet Nam is becoming increasingly organized and is now largely in the hands of professional criminal organizations. Consequently, law enforcement activities are increasingly focusing on organized drug trafficking and less on smaller couriers. This has resulted in a number of major drug rings being exposed in the past two years. It is therefore likely that smaller cases are less likely to be reported and included in the statistics.

Table 11. Drug cases and related arrests in Viet Nam (1996-2001)

| | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | Change over 2000-2001 |
|-----------------------------|-------|--------|--------|--------|--------|--------|-----------------------|
| Drug cases | 3,634 | 7,205 | 9,110 | 11,768 | 10,300 | 12,811 | 24.37% |
| Drug related arrests | 5,944 | 14,452 | 18,772 | 22,838 | 19,500 | 21,103 | 8.22% |

Source: UNDCP *Drug Statistics Viet Nam, 2001*

High profits are the main incentive luring people into drug trafficking and trading. There are signs that organizations involved in trafficking are becoming increasingly professional in their organization and operations. It is believed that a number of international drug rings with networks both in South East Asia, Europe and North America are exploiting Viet Nam's extensive borders, coastline and islands.

On the domestic drug scene, children (especially street children) and young and unemployed people from poor families are at a high risk of being exploited by drug rings for the selling and delivery of drugs. Children are preferred as 'carriers', as they attract less attention and face less severe punishment if caught.

Viet Nam has become increasingly tough on drug traffickers. In 2000, the People's Court processed 4,839 drug-related cases, involving 8,699 people.⁵⁹ Stiff punishments were handed out, as 65 people received the death penalty. Another 65 people received sentences of life imprisonment, 1,327 were sentenced to between ten and twenty years in prison and 5,296 were imprisoned for up to ten years.⁶⁰

Diversification of drugs and precursors

Viet Nam's proximity to Southern China – a recognised source of precursors – and neighbouring countries with drug laboratories, makes Viet Nam a vulnerable transit country for the diversion of precursors. Being aware of the problem of precursor diversion Viet Nam included a chapter on precursors in the new national Law on Narcotic Drugs Prevention and Suppression. Furthermore, Viet Nam has issued 2 decrees on precursor control.

Despite Government efforts, and although the domestic precursor control legal system is in conformity with the 1971 Convention on Psychotropic Substances, the legal organizational structure is still weak. A National Action Plan for Strengthening Precursor Control in the period 2003-2005 is expected to be approved by the Government in the beginning of 2003.

Drug prices

As is the case for licit drugs, information on prices in the illicit drug market is very limited. No regular survey on drug prices exists, for prices either at farm gate or at wholesale or retail levels. There has not been any systematic data collection related to drug prices in Viet Nam, nor any analysis related to purity. All information is *ad hoc* and usually collected during UNODC project activities.

Opium and heroin, which are the most commonly used drugs, can often be found at relatively cheap prices. One survey conducted in Hanoi in 2001 found that the price per injection was ranging from 2.00–2.50 USD.⁶¹ ATS are relatively expensive and therefore not yet widely used, given the low level of income potential among the average addict. Cannabis is available mainly in the southern regions of Viet Nam and sold at cheap prices given the substantial inflow from Cambodia.

Demand

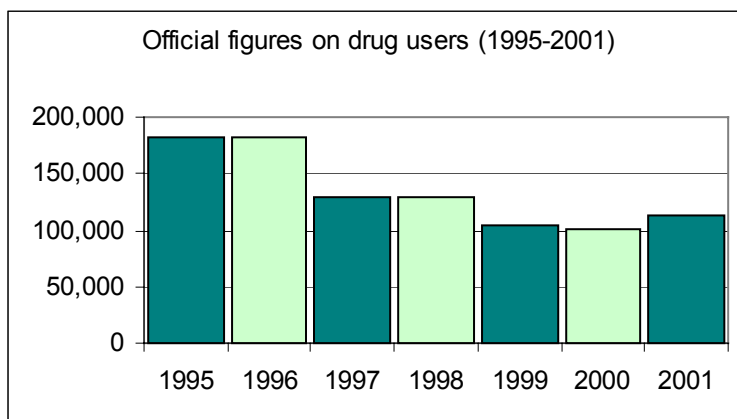
In 2001, the official number of drug users was recorded to be 113,903, 12.73 per cent higher compared to the previous year.⁶² Over the past five years, Viet Nam has been able to reduce the number of addicts considerably.

⁵⁹ UNDCP, *Drug Statistics Viet Nam*, 2001

⁶⁰ UNDCP, *Drug Statistics Viet Nam*, 2001

⁶¹ Doussantousse, Serge & Nguyen Thanh Hoa, 2001

⁶² UNDCP, *Drug Statistics Viet Nam*, 2001



Source: UNDCP, *Drug Statistics Viet Nam*, 2001

However, the results are still not sustainable, as Viet Nam is facing an increasingly complex drug situation as explained below, which could have substantial consequences for social security and the ongoing development process

The pattern of drug abuse has changed significantly over the past decade. From a mainly rural phenomenon, the problem has spread to the urban areas. This tendency was confirmed in a recent survey, conducted by UNODC and the Ministry of Labour, War Invalids and Social Affairs (MOLISA), which showed that in 1999, the vast majority (75.3 per cent) of addicts lived in cities.⁶³ The exception is a number of mountainous provinces where traditional opium smoking is still dominant.

Table 12. Age among drug users (1999)

| | |
|---------------------------|--------|
| Under 17 years old | 5.8 % |
| 18 – 25 years old | 46.2 % |
| 26 – 35 years old | 29.5 % |
| Over 36 years old | 18.5 % |

Source: UNDCP and MOLISA Survey, 2000

Besides the geographical shift in drug consumption, another trend has been observed. The proportion of young people engaging in drug abuse in urban areas has grown at an alarming rate. A survey conducted by UNODC and MOLISA found that around 80 per cent of drug users are under the age of 35.⁶⁴ Youths in the 18 to 25 years old age group dominate the drug abuse scene (see table above). According to the survey the average age of the addicts was 27.8 years.⁶⁵

Drug abuse among the youngest age group – under 17 years old – has increased mainly in the cities. One of the reasons is the growing number of street children living in the big cities, who are particularly vulnerable to become involved in the trade and abuse of illicit drugs. The number of drug cases among students has also caused concern and the Government is making a serious effort to eradicate drug abuse among students. Under the campaign slogan “drug free schools in 2005” the Government has so far had success in reducing the number of students taking drugs, from around 4,000 in 1996 to 822 in 2001.⁶⁶ With students being increasingly exposed to drugs, especially heroin and ATS, it is still too early to say whether the Government will be successful in achieving its goal.

⁶³ UNDCP & MOLISA Survey, 2000

⁶⁴ UNDCP & MOLISA Survey, 2000

⁶⁵ UNDCP & MOLISA Survey, 2000

⁶⁶ UNDCP, *Drug Statistics Viet Nam*, 2001

The average age of drug addicts is generally higher in rural areas where opium smoking is still prevalent among the elder population. While drug addiction has often been thought of as a problem mainly contained to various ethnic minority groups, the UNODC and MOLISA survey showed that this is not the case. According to the survey, the Kinh ethnic group accounts for the vast majority of drug users – 89 per cent in 1999.⁶⁷ Even in provinces, where ethnic minority groups make up a significant proportion of the population, the Kinh ethnic group still comprises the majority. In terms of gender, 94.1 per cent of all drug addicts were male in 1999.⁶⁸ The figure is consistent across all age categories listed in the table above.

Unemployment and drug abuse are generally considered to be interrelated factors, and figures for Viet Nam very much confirm this relationship. About 42 per cent of all drug addicts in 1999 were unemployed, with figures for Hanoi and Ho Chi Minh City exceeding 50 per cent.⁶⁹ In light of the low official unemployment rate these figures appear to be high, but as mentioned earlier, high underemployment, increasing migration to urban areas and rising unemployment among young people are all having a negative impact on the country's drug situation.

Drug addiction is a major problem in many of the country's prisons. Official figures show that there are around 11,000 inmates who are drug addicts, accounting for approximately ten per cent of the total number of addicts.⁷⁰ Although some reports mention that in a number of prisons the proportion of inmates who are addicts is as high as 60 per cent, this is not confirmed.⁷¹ However, addiction among inmates remains a very serious problem.

A significant number of drug users are employed in the public sector. A majority of the estimated 14,000 addicts are working in the transportation, post and telecommunications sectors.⁷² The Government has recognized the problem and has stepped up treatment efforts for this group of users.

Despite the emergence of various types of ATS and psychotropic substances, heroin is still the preferred drug among age groups up to 35 years old.⁷³ According to the UNODC and MOLISA survey, 70.1 per cent of drug users listed heroin as the preferred drug, whereas only 28.3 per cent preferred opium.⁷⁴ The proportion of users who prefer cannabis was very small. It should be stressed that the figures provided in the table below are from 1999 and changes in the abuse pattern may have taken place, although they are not expected to be radical. However, it is believed that amphetamine abuse increased somewhat, as ATS only started to appear on the Vietnamese drug scene in 1999.

⁶⁷ UNODC & MOLISA Survey, 2000

⁶⁸ UNODC & MOLISA Survey, 2000

⁶⁹ UNDCP & MOLISA Survey, 2000

⁷⁰ UNDCP, *Annual Report Viet Nam*, 2000

⁷¹ UNDCP & MOLISA Survey, 2000

⁷² *The Nation*, 18 July 2001

⁷³ UNDCP & MOLISA Survey, 2000

⁷⁴ UNDCP & MOLISA Survey, 2000

Table 13. Drug users by primary drug of abuse (1999)

| | Under 16 years old | 16 – 17 years old | 18 – 25 years old | 26 – 35 years old | 36 – 50 years old | Over 50 years old | Total |
|-----------------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--------------|
| Heroin | 94.6 % | 97.0 % | 89.5 % | 64.5 % | 25.4 % | 2.4 % | 70.1 % |
| Opium | 3.6 % | 1.7 % | 9.0 % | 33.7 % | 72.6 % | 96.7 % | 28.3 % |
| Cannabis | 1.8 % | 1.3 % | 1.3 % | 1.6 % | 1.3 % | 0.5 % | 1.4 % |
| Others (incl. amphetamines) | 0.0 % | 0.0 % | 0.2 % | 0.2 % | 0.4 % | 0.4 % | 0.2 % |
| Total | 100 % | 100 % | 100 % | 100 % | 99.7 % | 100 % | 100 % |

Source: UNDCP and MOLISA Survey, 2000.

There is evidence that many drug abusers are changing from solely smoking or injecting heroin to also mixing heroin or opium residue with psychotropic solutions. Surveys have found the number of injecting drug users is increasing, indicating there is a shift to injecting drug use in an earlier phase than previously. It is estimated that 30 per cent of the country's drug abusers turn to injecting each year.⁷⁵

While opium smoking is still the preferred drug in rural areas, heroin is gaining popularity and with time it is likely that opium smoking will vanish.

Within the last two years the number of seizures of ATS has increased significantly, confirming that this type of drug is now finding its way into the Vietnamese market. As has been the case in most other South East Asian countries, ATS are becoming increasingly popular among the young people, including students.

Seizures of marijuana, especially in Hanoi, have been linked with increased consumption among foreigners.

Consequences

For several years HIV/AIDS has been contained to mostly injecting drug users, but recent evidence shows that the epidemic is now starting to spread to the general population as well. Although the epidemic is involving other population groups, injecting drug users still account for about 65 per cent of all registered HIV cases.⁷⁶ The major reason being the fact that the sharing of needles is common among injecting drug users. It is estimated that up to 80 per cent of all injecting drug users are sharing needles, which leaves this group at a very high risk of contracting HIV/AIDS.⁷⁷ The proportion of drug addicts infected with HIV/AIDS in Viet Nam is among the highest in South East Asia. The rising number of injecting drug users is posing a substantial risk that the disease will spread even faster.

A total of 46,334 people were registered as being HIV-positive by the end of 2001. Of these, 6,708 had developed full-blown AIDS and 3,691 had already died.⁷⁸ However, the official estimate recognizes that the number of HIV cases is much higher. A recent survey conducted by the World Health Organization (WHO) and Ministry of Health (MOH) estimates that there are currently 122,350 HIV/AIDS cases and unofficial estimates indicate that the figure could be as high as 200,000.⁷⁹ A majority of those infected

⁷⁵ Viet Nam News, 3 May 2001

⁷⁶ WHO, 14 August 2001

⁷⁷ Viet Nam News, 3 May 2001

⁷⁸ UNDCP, *Annual Report Viet Nam*, 2000

⁷⁹ WHO, 14 August 2001

are young people, with about one-half of all cases being in their twenties. It is obvious that Viet Nam could face a serious HIV epidemic if urgent measures are not introduced.

The survey by WHO and MOH also concluded that the rapidly expanding sex industry is increasingly contributing to the HIV epidemic. Official estimates put the number of sex workers at around 50,000 – 60,000, of which a significant proportion have contracted sexually transmitted infections – mostly syphilis and gonorrhoea.⁸⁰ However, HIV infections are now spreading rapidly due mostly to unsafe sex practices, but also due to the fact that an increasing number of sex workers are starting to inject drugs, which allows HIV to cross over between these groups.

The regional HIV/AIDS situation is alarming, with HIV/AIDS spreading quickly throughout the region, including Cambodia, China, Myanmar and Thailand. Increasing integration among the countries poses another serious threat, allowing the disease to spread across borders. One of the most serious problems seems to be the denial of the problem's existence, which is very much the case in, for example, China and Myanmar. Although Viet Nam shows a more open attitude towards the disease, public information and education needs to be strengthened considerably in order to control the spread of the disease.

The HIV/AIDS situation in Viet Nam is still in an early stage and is, according to WHO, not expected to peak before 2010. Over the next five years, analysts predict that Viet Nam will see 200,000 new HIV infections. The WHO and MOH survey projected that already by 2005, there will be 11,500 new AIDS cases and 11,000 AIDS deaths per year in Viet Nam.⁸¹

Money Laundering

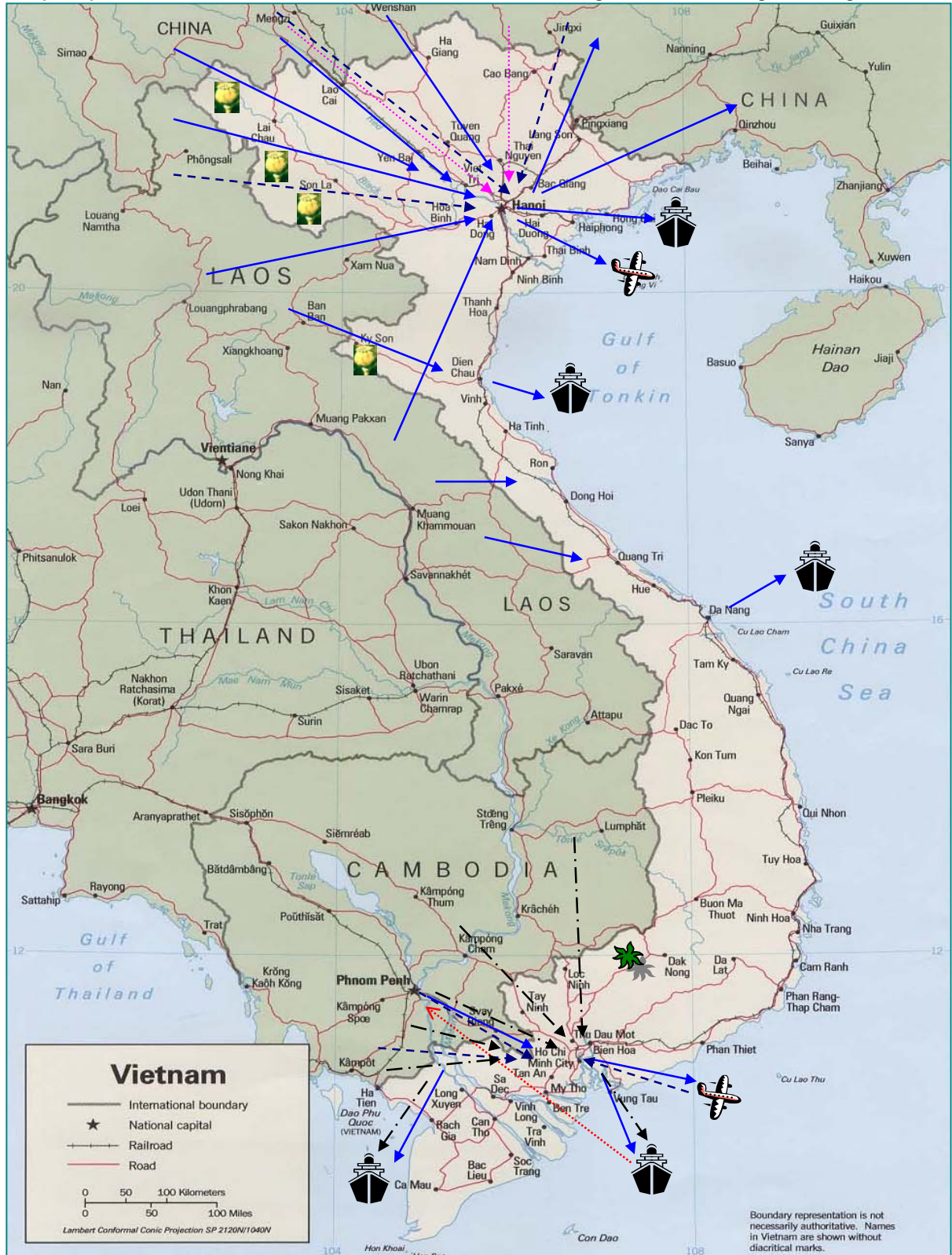
Viet Nam has not yet become a serious target for money laundering. The banking sector however, remains largely state-controlled and public sector reforms are only progressing slowly. Viet Nam is therefore a potential target for criminal activities involving money laundering. Recently, a number of off-shore banks with dubious backgrounds have shown interest in operating in Viet Nam. The risk of becoming a target for money laundering will undoubtedly become higher, as foreign trade and investment regulations are liberalized.

Viet Nam is also likely to be benefiting from the fact that its neighbour, Cambodia, has become a safe haven for many criminal organizations involved in money laundering and other serious criminal activities. Lack of legislation, law enforcement as well as widespread corruption are all, important reasons for this development. Unlike Cambodia, where the gambling industry has been flourishing for years, Viet Nam has so far granted only one licence to a casino and therefore does not provide the same opportunities to openly turn over high volumes of cash. Several casinos in Cambodia have been linked with criminal organizations and it is likely that drug rings operating in Viet Nam also are using the largely uncontrolled Cambodian banking system and its gambling industry for money laundering.

⁸⁰ WHO, 14 August 2001

⁸¹ WHO, 14 August 2001

Map 2. Opium and cannabis cultivation and main cross-border trafficking routes of illicit drugs involving Viet Nam



- Trafficking of Heroin and Opium
- Trafficking of ATS
- Trafficking of Cannabis
- Trafficking of Psychotropic
- Trafficking of Precursors
- Potential Cannabis Cultivation
- Opium Poppy Cultivation and Opium Production

6. Crime situation

Data on crime is not easily available in Viet Nam and is often not fully reliable due to discrepancy in figures provided by the police, the procuracy and the court. To address this issue the Government has designated The Supreme People's Procuracy to be the institution responsible for crime statistics as of 1 October 2002.

Drug related crime

While the total number of criminal cases decreased slightly in 1999 and 2000, the number of drug-related crimes continues to rise. In 2000, the number of drug-related crimes rose by 40 per cent and the two phenomena seem to be strongly linked.⁸² According to available statistics, as many as 90 per cent of people involved in such serious crimes as murder, robbery and theft, have been identified as drug addicts, and the majority of them are young people.⁸³

In general, the income level among drug abusers, including those who earn their income from legitimate jobs, is low and not sufficient to finance their drug-taking habit. The high rate of unemployment among drug abusers is also forcing many to rely on various illegal activities. However, the family-based living pattern in Viet Nam means that addicts are often relying on their family to finance their abuse. This is likely to prevent many addicts from becoming seriously involved in criminal activities. Subsequently, it poses an enormous burden on the family, which often does not know how to deal with the situation.

Counterfeit money is another escalating problem in Viet Nam and drug rings have been found to be involved in this illegal activity as well. Throughout 2001, counterfeit money was discovered in several drug-related cases. Fake US dollar notes are most common, but Chinese Yuan and Vietnamese Dong have also been discovered. The Government has launched an information campaign to make people aware of the presence of counterfeit notes and how to detect them.

Human Trafficking

The issue of trafficking in human beings is increasingly of concern in Viet Nam. There is a connection between poverty and human trafficking in Viet Nam. After a long period of conflict, the country faced many difficulties, mainly in respect of the economy. In 1986, an open-door policy was adopted and the centralized economy was transformed into a market-based system. Despite the economic success, social problems remained devastating: poverty, unemployment, and poor quality of life for the people who live and work in rural areas. In this context, human trafficking appears to be a solution for poor families and a profitable profession for the traffickers.

Human trafficking in Viet Nam can be divided in two categories: trafficking in women and trafficking in children. The line between these two forms of trafficking is not, however distinct, since about 70 % of the women trafficked across the border of Viet Nam are under 20, according to the data released by the Foreign Ministry of Viet Nam.

The phenomenon of trafficking in women begun assuming serious proportions from the mid-1990s, when women were taken either to the Chinese or Cambodia border in order to be sent abroad for

⁸² UNDCP, *Annual Report Viet Nam, 2000*

⁸³ UNDCP, *Annual Report Viet Nam, 2000*

arranged marriages or to work as servants, or from rural to urban areas within the country for the prostitution industry. Today, trafficking in women in Viet Nam is strongly influenced by global trafficking trends. Consequently, there is an organized network of traffickers, usually women who were formerly the victims of trafficking themselves who seek to supply the demands of the sex industry in the developed world. The victims are fooled by deceptive job offers or tourist trips, even by the promise of matchmaking with foreigners. In this way traffickers deceive them and then sell and resell them abroad, most often to work as prostitutes in brothels⁸⁴.

Trafficking in children in Viet Nam can be viewed under two perspectives: the traffickers are either cooperating with the sex industry or working for the illegal adoption agencies or the so-called "baby hotels". The first case is similar to the case of trafficking in women. As mentioned above, many of the Vietnamese women sold abroad, as prostitutes are minors. There is also evidence to suggest that male children are also trafficked for that purpose. At the same time, the illegal adoption problem is also assuming serious proportions. It is said that Vietnamese babies can be sold for up to US\$50000 each⁸⁵. Vietnamese officials say that 2000 babies have been adopted by overseas families in the last decade, mostly by prospective parents in America and France. The government is well aware of the phenomena of baby selling and the related problem of counterfeit documents.

Despite these problems, human trafficking in Viet Nam remains focused on prostitution and other forms of sexual service. Viet Nam should be defined as a supply country, with Vietnamese women and children being trafficked to foreign countries, but the opposite only happening very rarely. The Vietnamese Frontier Office reported that of 126 trafficking cases in 1994-1996, 14.2% were adolescents and 77.35 were women aged 17 to 25. It is also reported that one third of 55000 prostitutes in Cambodia are under 18 and most are Vietnamese⁸⁶. Another report from the Centre for the Protection of the Rights of the Child in Cambodia indicated that, of the 14725 prostitutes in 22 provinces and 64 districts in Cambodia, 2291 were Children of age from 9 to 15 years; 78 % were Vietnamese and 22% were Cambodian⁸⁷. Statistics from Viet Nam show that from 1990 to 1999, about 22 000 Vietnamese women and children were detected being trafficked to China along the Chinese border. According to the Border Guard, traffickers have admitted to selling women and children for US\$ 250-300 each⁸⁸.

Since 1991, the Vietnamese government has adopted a large number of laws and policies to fight against human trafficking. Hundreds of cases have been prosecuted and large numbers of traffickers have been arrested. Between September 1995 and March 1997, Vietnamese border guards uncovered 121 child trade cases and arrested 186 traffickers, while 281 victims (including 31 under the age of 16) were freed⁸⁹.

Despite these efforts, the problem remains serious. The Vietnamese Government continues to seek new ways of countering trafficking and especially illegal adoptions, in order to control the phenomenon and break the baby selling and trafficking rings. In addition, the International Organization for Migration has launched an extension publicity campaign to counter trafficking in the country. ODC is shortly to launch a project in order to help enhancing the existing mechanisms against trafficking in human beings through facilitation of networking within law enforcement and the judiciary, increasing investigation and prosecuting capacities and training of personnel of the agencies involved.

⁸⁴ CATW-Asia Pacific, *Trafficking in Women and Prostitution in the Asia Pacific*

⁸⁵ BBC NEWS, 9 January 2002

⁸⁶ World Human Rights Organization and UNICEF, 1998

⁸⁷ SEAMEO, 2000

⁸⁸ Associated Press, 24 April 1998

⁸⁹ Associated Press, 24 April 1998

7. Policy

Drugs

National drug control framework

Conventions adherence

Since 1997, Viet Nam has been a party to the 1961 UN *Convention on Narcotic Drugs*, the 1971 UN *Convention on Psychotropic Substances* and the 1988 UN *Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances*. Regarding the last of these, Viet Nam has made reservations concerning article 6 on 'extradition' and article 32, paragraph 2 and 3 on 'dispute settlement'.

In terms of addiction, the new law recognizes that the prevalence of drugs is a social problem and that addicts are not offenders or criminals. This fundamental change allows for more responsive and efficient treatment of addicts.

Legislation

Viet Nam has demonstrated a strong commitment to pursue a comprehensive national drug control policy, while also expanding its international drug control cooperation. The Government has repeatedly addressed drug control and prevention as a very high priority on its agenda.

Despite the Government's concern and determination to fight drugs, the national legislation on drug control and prevention has been fragmented. The first criminal code to include drug-related crimes was the 1985 *Penal Code*. The adoption of a new constitution in 1992 provided the fundamental basis for legislative controls to tackle the illicit production, trafficking and abuse of drugs. In December 2000, the National Assembly adopted the first law on drug control and prevention. The *Law on Narcotic Drugs Prevention and Suppression*, drafted since 1993 and for which UNODC provided assistance, came into force on 1 June 2001. The law is seen as an important boost to enhance law enforcement by heightening the responsibilities of all parties involved in drug control and prevention.

More authority has been allocated to counter-narcotics police in order to strengthen control and investigation procedures. This includes the opening of parcels at post offices, inspection of balance sheets and bank accounts.

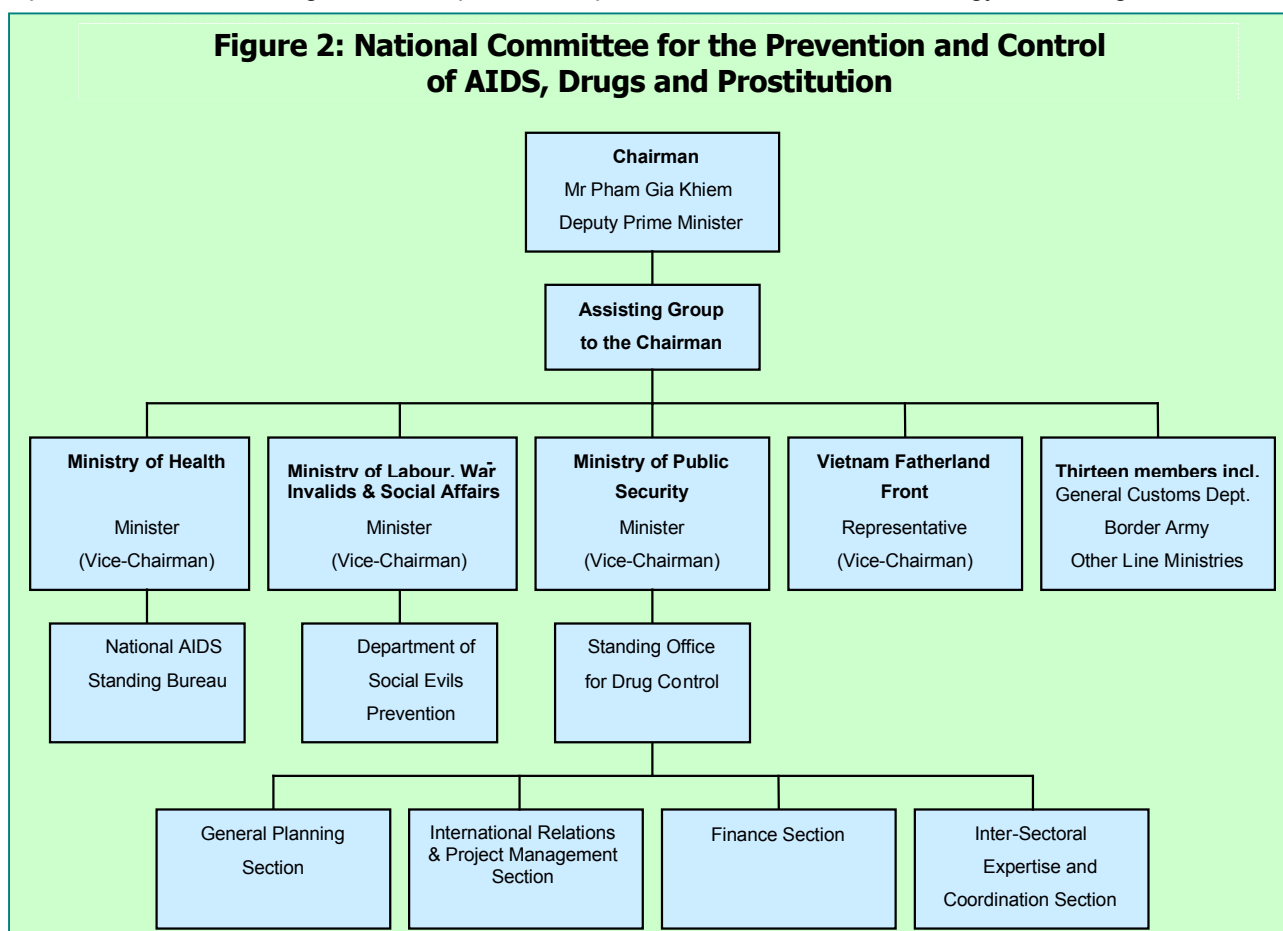
In terms of addiction, the new law recognizes that the prevalence of drugs is a social problem and that addicts are not offenders or criminals. This fundamental change allows for more responsive and efficient treatment of addicts. The treatment period will be lengthened and include rehabilitation, and young addicts 12 to 18 years old will be sent to detoxification centres if they fail to quit their habits at home.

Although the law has come into force, its successful implementation is by no means guaranteed. In order to make the law operational, there is an urgent need to formulate decrees implementing the text of the legislation. If the Government is to derive full benefits from the law, much work needs to be done.

Drug control institutions

The institutional framework for drug control has been strengthened considerably in recent years. The former Office of National Drug Control Committee changed to become the Standing Office for Drug Control (SODC), under the Ministry of Public Security. The SODC now forms the backbone of the Government's drug control and prevention strategy and is the direct counterpart to UNODC. The change is part of the re-organization of those Government bodies concerned with the prevention and control of HIV/AIDS, drugs and prostitution. The new organization came about due to the Prime Minister's Decision of 5 June 2000 to create the National Committee for the Prevention and Control of AIDS, Drugs and Prostitution (NCADP). The Committee merged the former Government Steering Committee for Social Evils, The National Drug Control Committee and the National AIDS Committee (please refer to the organizational chart below).

Merging the three organizations to achieve a multisectoral approach to direct and coordinate the prevention of AIDS, drug abuse and prostitution promotes a more efficient strategy for battling some of



the most serious problems facing society. It furthermore allows for the improved coordination and integration of activities across different sectors, ministries and mass organizations. Another major benefit will be more efficient monitoring and information sharing.

The Committee is mandated to assist the Prime Minister in directing and coordinating the prevention and control of AIDS, drug and prostitution. Its responsibilities can be summarized as follows:

- Assist in policy making and preparation of sector strategies and programmes.

- Monitor and evaluate work of authorities at all levels involved in implementing policies and activities.
- Coordinate the work of authorities involved and direct integration and cooperation between programmes, plans and resources.
- Report to the Prime Minister.

As can be seen from the organizational chart, the NCADP is headed by a chairman – currently Deputy Prime Minister, Mr. Pham Gia Khiem, assisted by four vice-chairmen (the Ministers for Health; Public Security; and Labour, War Invalids and Social Affairs; and a representative from the Viet Nam Fatherland Front (a political mass organization). The Committee has a further thirteen members, drawn from line ministries, as well as representatives from the Committee for Ethnic Minorities and Mountainous Areas, the General Department of Customs, the Border Army and the Viet Nam Women's Union.

Along with the establishment of NCADP, it was decided to set up provincial steering committees for the prevention of AIDS, drug and prostitution under provincial People's Committees. This should extend the operational reach of the NCADP to ensure that law enforcement is carried out at both the provincial and local levels. However, the effectiveness of these arrangements is yet to be proven. In 2002 Prime Minister Phan Van Khai called for tighter inter-ministerial cooperation in order to combat the increasing trafficking of drugs and to create a more efficient treatment and rehabilitation system.

Main characteristics of a national drug control policy

With the issue of drugs placed high on the agenda, the Government is committed to pursuing a comprehensive national drug control policy. This is confirmed in the *National Drug Control Action Plan 2001–2005*, which lays out the Government's policies and strategies for drug control issues. The long-term drug control objectives are to:

- Measurably reduce drug abuse and to promote harm-reducing and preventative drug abuse control and HIV/AIDS programmes.
- Reduce, and ultimately eliminate opium poppy cultivation and in its place, introduce permanent and sustainable measures to prevent future cultivation.
- Prevent and permanently eliminate the production of, and trafficking in, illicit drugs, including the identification and elimination of congregation points for illicit drug abuse.
- Eliminate illicit trafficking in licit drugs and precursors under international controls, and effectively control the licit trade.
- Establish effective international cooperation in drug control.

Based on these objectives, eight main programme areas have been identified:

- Drug prevention (focus on high-risk groups)
- Drug prevention in schools
- Opium poppy eradication

- Law enforcement
- Trafficking
- Strengthening of treatment and rehabilitation
- Application of traditional medicine
- Drug-free community
- Strengthening of international cooperation

It is expected that law enforcement, including the implementation of the new law on counter-narcotics, trafficking and drug prevention will be given high priority. In order to implement the drug control programme, the Government has additionally developed a *National Drug Control Action Plan* for 2001–2005. Under this plan, concrete project initiatives have been formulated, covering all programme areas.

Another guiding tool for drug control is the *National Drug Control Master Plan*, which is currently being formulated by the Government with assistance from UNODC. The coming master plan is set to cover a ten-year period stretching from 2001 until 2010 focusing on analysing and developing that part of the Government's *National Action Plan* 2001–2005, in which UNODC can play a role.

Licit control

With only a small pharmaceutical industry, Viet Nam has to rely mainly on the import of licit pharmaceutical products. Licences to open pharmacies are obtained easily and in the last decade, pharmacies have appeared all over Viet Nam. Most of the people involved in the sale of pharmaceutical products have little or no pharmacological education. Medicated drugs are inexpensive, as there is a substantial black market for licit drugs. Most licit drugs are being smuggled into Viet Nam via the Chinese border. However, little research has been conducted in this area and its extent is unknown.

Drugs are not prescribed in Viet Nam and therefore, access to medicated drugs is easy. Surveys have shown that injecting drug users are increasingly mixing heroin or opium with various kinds of medicated drugs in order to obtain a stronger effect.

Supply reduction

The most pending problem in regard to drug supply control is the inefficiency of the border control, which exists along all Viet Nam's borders. Despite the fact that up to 95 per cent of the total traffic in drugs in Viet Nam consists of drugs produced outside Viet Nam that mainly enter Viet Nam via overland routes, only a small fraction is seized at the country's border gates.⁹⁰ This is atypical, as for many foreign countries, a majority of drug cases are detected in border areas, whereas in Viet Nam 98 per cent of drug trafficking is seized while being delivered inside the country.⁹¹

Viet Nam's long and poorly controlled coastline is also cause for concern, as it leaves drug traffickers with excellent opportunities for trafficking drugs out of the country.

Consequently, the Government wants to strengthen cooperation among relevant authorities operating in border areas, including counter-narcotics police, marine police, custom authorities and the border army. Another important measure to stop trafficking along Viet Nam's borders will be bilateral cooperation with neighbouring countries, as well as with other regional and international partners.

⁹⁰ *Viet Nam News*, 8 June 2001

⁹¹ *Viet Nam News*, 8 June 2001

Demand reduction

Treatment and rehabilitation

The increased number of drug addicts receiving treatment over the past years can, to a large extent, be ascribed to the Government's intensified focus on treatment and rehabilitation. Of 32,950 addicts receiving treatment including home-based and community-based treatment, 22,402 were treated in treatment centres in 2001, compared to respective figure of 26,890 and 17,332 respectively in 2000.⁹² The number of centres has grown steadily and totalled 56 in 2000. The number of addicts being treated in 2000 was up by 23.3 per cent compared to 1999 and another 22.53 per cent comparing between 2000 and 2001.⁹³

Limited resources for treatment and rehabilitation are insufficient to meet the needs of clients. Centres often lack qualified staff or do not have the resources to provide sufficient follow-up rehabilitation after detoxification. Consequently, Viet Nam has relied mostly on detoxification approaches only, which has resulted in very high relapse rates (80 – 90 per cent).⁹⁴

The Government is now acknowledging the need for a more comprehensive treatment approach that includes therapy and rehabilitation. A UNODC-supported survey found that institutional programmes have traditionally put inadequate emphasis on psychological therapy. With assistance from UNODC, a number of pilot programmes on community-based treatment and rehabilitation have been initiated. Efforts have also been made to unify the treatment procedures. The new programme includes four phases, which are: (1) classification and admission of drug addicts; (2) detoxification and psychological therapy (three months); (3) vocational training and job creation (18 months); and (4) community-based surveillance and counselling (12 months). Initial results from the new approach are promising, with a significantly lower relapse rate.

Over 9,500 drug abusers received detoxification and associated treatment in their communities in 2000. Over 4,900 former drug addicts were given jobs upon completing training activities, accounting for about 18 per cent of the total number of addicts under treatment, but less than five per cent of the total number of registered addicts.⁹⁵

Further funding is needed in order to extend and improve the number of existing treatment centres, as most centres are permanently overcrowded. Centres and hospitals are facing an increasing number of HIV-infected patients and patients suffering from AIDS, necessitating an urgent upgrade of medical facilities in order to provide sufficient treatment for these patients.

In light of the high cost of setting up and running treatment centres, the community-based component has proven both effective and less expensive if well managed.

⁹² DSEP, *MOLISA Drug Users Statistics*, 2001

⁹³ UNDCP, *Annual Report Viet Nam, 2000*; DSEP, *MOLISA Drug Users Statistics*, 2001

⁹⁴ UNDCP, *Annual Report Viet Nam, 2000*

⁹⁵ UNDCP, *Annual Report Viet Nam, 2000*

Prevention

In regard to drug control and prevention, special attention is given to young people and in particular, to high-risk groups including street children, prostitutes, students and unemployed youth. However, a lack of finance is a major constraint for implementing a comprehensive prevention and treatment strategy. So far, most attention has been given to students in an effort to achieve the goal of ensuring drug-free schools by 2005. The result so far has been positive, with the number of drug addicts among students having decreased from around 4,000 in 1996, to 882 students in 2001.⁹⁶ However, with students increasingly exposed to drugs such as ATS, the current drug control programme in schools needs to be further strengthened in order to achieve the 2005 target.

Although education and drug prevention and HIV/AIDS improved in schools and do not target the most children and prostitutes. While preventive work for all high-

A number of surveys confirm that the spread of drugs and HIV/AIDS among street children and sex workers is growing at alarming rates, requiring immediate action.

these two groups is particular urgent. Both groups are increasing in number and are extremely vulnerable to becoming involved with drugs as well as contracting HIV/AIDS. A number of surveys confirm that the spread of drugs and HIV/AIDS among these two groups is growing at alarming rates, requiring urgent action.

information campaigns on awareness have been workplaces, these campaigns vulnerable groups – street there is a need to step up risk groups, the need for

Money laundering control measures

Legislation related to financial crimes is very limited. The Law on Drugs Prevention and Suppression includes a provision on money laundering, but it deals with the subject only in very general terms, urging the banking sector to cooperate with various law enforcement institutions in order to monitor and detect cases related to money laundering. Viet Nam is obviously ill-equipped to fight the escalation in financial crimes unfolding in most of South East Asia. Considerable strengthening of the legislation is needed, which includes the introduction of critical banking reforms in the mainly state-controlled banking sector.

International cooperation

The Government recognizes the importance of regional and international cooperation in drug control. The escalating trend in trafficking and consumption throughout the region has called for urgent measures to be implemented in order to deal with the situation. Cooperation with neighbouring countries is of the highest priority and additional bilateral agreements in the area of drug control and crime prevention were signed with Cambodia, China and Lao PDR in 2000. Focus has been centred, in particular, on strengthening cooperation between counter-narcotic authorities in border areas, to curb the increasing drug trafficking across the borders to Viet Nam.

Viet Nam has counter-narcotics agreements with Cambodia, Lao PDR, Myanmar, Russia and Thailand, as well as bilateral agreements on mutual legal assistance and extradition with Belarus, China, Lao PDR, Poland, Mongolia and Russia. Viet Nam and the United States of America have held negotiations on signing a counter-narcotics agreement but, so far, no consensus has been reached. Additionally,

⁹⁶ UNDCP, *Drug Statistics Viet Nam, 2001*; DSEP, *MOLISA Drug Users Statistics, 2001*

Viet Nam has signed agreements on crime prevention, including drug crimes, with fifteen countries including, among others, Cambodia, Canada, China, Cuba, Hungary, North Korea and Ukraine.

Viet Nam, along with Cambodia, China, Lao PDR, Myanmar, and Thailand, has signed the UNODC-supported Memorandum of Understanding on drug control for the Greater Mekong Sub-region countries. Assisted by UNODC, this forms a broad framework for cooperating on joint efforts to deal with illicit drug problems.

Since 1999, annual meetings on drug control have been held between Lao PDR and Viet Nam. The main topic of the 2001 meeting, attended by Public Security Minister, Mr. Le Minh Huong, was the growing trafficking of illicit drugs along the Lao-Vietnamese border. The results to date have been promising, as joint action has led to the seizure of a considerable amount of heroin, opium and ATS.

It was recognized that there is a need to step up cooperation between relevant law enforcement agencies, to speed up trials involving the trafficking of illicit drugs, and establish *ad hoc* drug control units.

Viet Nam is also taking part in drug control cooperation within the ASEAN framework, as part of the strategy to eliminate illicit drugs in ASEAN by 2015. At last year's annual meeting of ASEAN foreign ministers, the drug issue topped the agenda. Member nations decided to launch a regional anti-drug campaign in 2003. The ASEAN and China Cooperative Operations in Response to Dangerous Drugs launched in late 2000, was also proposed to be included in each country's national development plan. Possible legislative cooperation relating to anti-drug activities featured on the agenda as well.

Crime ⁹⁷

National crime prevention framework

Organized Crime Convention adherence

Viet Nam has signed the 2000 Palermo Convention against Transnational Organised Crime (TOC) but has yet to ratify it. Viet Nam has not signed the Trafficking and Smuggling Protocols. The Ministry of Justice has conducted preliminary studies on the compatibility with national legislation with the TOC and has detected gaps, in particularly with regard to international cooperation on law enforcement and legal matters incl. mutual legal assistance and extradition.

Legislation

The penal code was revised and supplemented at the 6th session of the Tenth National Assembly in 1999, and came into effect on 1 July 2000. The amended penal code consists of 334 articles, including 2 specific articles on trafficking in women and children (not men), whether inter- or in-country in nature. Capital punishment applies to serious criminal acts.

⁹⁷ The current mandate of the country office extends to drugs only. Hence, data on crime is limited.

Issues of specific concern

Following 11 September, Viet Nam set up an inter-ministerial coordination mechanism to facilitate the production of the report for the Counter Terrorism Committee established pursuant to Security Council resolution 1373, with the Ministry of Foreign Affairs designated as the focal point.

Viet Nam's Penal Code addresses many acts associated with terrorist behavior, including, in particular, the collection of weapons and toxic and radioactive material. Viet Nam views its Code as sufficient for protecting it against criminal acts that fall under the description of terrorism.

Viet Nam has reported that it has investigated bank accounts held in its country and has found none that have prompted suspicion.

Furthermore, Viet Nam states that it has secured a number of bilateral agreements to enhance cooperation in fields including crime and terrorism prevention and has expressed its willingness to cooperate with other countries to combat terrorism under the guidance of the UN and in line with international law. In particular, Viet Nam foresees this taking place through its membership in INTERPOL.

In its capacity as a member of ASEAN, Viet Nam signed on to the Declaration adopted at the ASEAN VII Summit in November 2001 in Brunei, which reaffirmed ASEAN's intention to "enhance the exchange of information and intelligence related to terrorists and terrorist groups, their movements and fundings".

Viet Nam is party to eight universal instruments pertaining to the subject of combating and suppressing international terrorism:

- Convention on Offences and Certain Other Acts Committed on Board Aircraft (1963), Ratification, 10 October 1979.
- Convention for Suppression of Unlawful Seizure of Aircraft (1970), Ratification, 17 September 1979.
- Convention for Suppression of Unlawful Acts against the Safety of Civil Aviation (1971), Ratification, 17 September 1979 .
- Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents (1973), Ratification, 2 May 2002.
- Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Aviation, Supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation (1971), Ratification, 25 August 1999.
- Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation (1988), Ratification, date not available.
- Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms Located on the Continental Shelf (1988), Ratification, date not available.

- International Convention for the Suppression of the Financing of Terrorism (1999), Ratification, 25 September 2002.

8. Cooperation with international bodies

UNODC

Since 1994, when the UNODC Hanoi Liaison Office was established, UNODC has been an active player in the field of drug control and prevention in Viet Nam. In recognition of the Government's commitment and expanding activities, it was decided to upgrade the UNODC Liaison Office to a full Country Office on 1 January 1998.

UNODC has assisted the Government to carry out activities within the framework of the first National Drug Control Master Plan (1996–2000). Emphasis was placed on a balanced approach to drug control, to elaborate a programme that encompassed capacity building in law enforcement agencies, the prevention and treatment of drug abuse, and rural development for remote areas involved with illicit cultivation of opium poppy. In this last category, UNODC attempts to establish sustainable livelihood and production systems based on licit income rather than illicit income from opium production.

Additional work will continue in the area of providing legal assistance, following the adoption of the Law on Drugs Prevention and Suppression in December 2000. Data collection will be a necessary and important component and included in all projects planned under the forthcoming master plan, to ensure a realistic depiction of drug trafficking and consumption in Viet Nam.

Sub-regional collaboration and the international exchange of information is also being promoted, just as UNODC strongly advocates for the involvement of civic society in drug control and prevention activities.

Country Programme Projects

Within the context of the National Drug Control Master Plan for 1996–2000, UNODC provided assistance to the Government by funding and executing six technical cooperation projects under the country programme, with a total financial contribution of 6,675,307 USD.⁹⁸ Most activities related to the first master plan have now been finalized. However, it is expected that some activities will be carried over from the previous master plan, just as new initiatives are being prepared. Presently, the formulation of the second National Drug Control Master Plan for 2001-2010 (AD/VIE/00/E77) is an ongoing project. It is expected that the master plan will be ready for submission to the Government in early 2003.

Two other ongoing projects are Ky Son phase II (F21) and Demand Reduction Among Ethnic Minorities (B85). The Ky Son project covering the second phase of the alternative socio-economic development project to replace opium poppy cultivation in the Ky Son district commenced in 2002. The project implementation was stalled due to discussions over the executing modality. It was agreed that the modality would be shared between the Government and the UNODC Country Office. The project has a budget of two million USD.

The Demand Reduction Among Ethnic Minorities project started in 2002 with UNODC contribution of 332,000 USD. UNODC is executing agency and CEMMA is the government counterpart.

⁹⁸ UNDCP Annual Report Viet Nam, 2000

For the upcoming programme period, UNODC has identified three new projects that it will seek to implement (see list below). However, implementation of these projects depends on sufficient funding being secured.

- Strengthening drug law enforcement agency, information collection and sharing procedures within Viet Nam. Interdiction and seizure capacity building with special emphasis on ATS and precursors.
- HIV/AIDS prevention among the high-risk injecting drug use population of Viet Nam.
- Comprehensive drug prevention activities in Viet Nam.

Table 14. Country programme budget for 2002 inclusive project support costs (USD)

| Project Activity | Implementa-tion period | Status | Budget 2002 | Disbursed as of Dec. 2002 | Total Budget | Executing modalities |
|--|------------------------|---------|----------------|---------------------------|------------------|-------------------------------|
| Drug abuse situation analysis and training for community-based treatment and rehabilitation (AD/VIE/98/B93) | 1998-2001 | Closed | 4,200 | 4,200 | 247,300 | National |
| Strengthening of national drug control coordination institutions (AD/VIE/96/B54) | 1996-2001 | Closed | 7,100 | 7,100 | 504,500 | UNODC Field Office |
| Support for formulation of the 2000-2010 National Drug Control Master Plan (AD/VIE/00/E77) | 2000-2002 | Ongoing | 107,500 | 102,400 | 276,400 | UNODC Field Office |
| Drug abuse prevention among ethnic minorities in Viet Nam (AD/VIE/01/B85) | 2001-2003 | Ongoing | 79,100 | 59,000 | 332,900 | UNODC Field Office |
| Alternative socio-economic development project to replace opium poppy cultivation in Ky Son – phase II (AD/VIE/01/F21) | 2001-2004 | Ongoing | 373,000 | 302,900 | 2,037,800 | UNODC Field Office & National |
| Improve Risk Reduction Programmes through Research into IDU's Behaviors and Support to PLWHA (AD/VIE/01/F82) | 2001-2002 | Closed | 66,400 | 66,400 | 83,000 | UNODC Field Office |
| Total | | | 637,300 | 542,000 | 3,481,900 | |

Source: UNDCP Country Programme Statistics Viet Nam, 2002

Sub-regional Action Plan Projects

Within the framework of the Sub-regional Action Plan of the 1993 MOU for drug control cooperation in the Greater Mekong Region, Viet Nam has participated in thirteen sub-regional projects. UNODC is actively involved in assisting the Government in executing the following projects.

- Alternative development cooperation in East Asia (2000–2002). (RAS/C96)
- Development of drug control operational procedures of law enforcement agencies in East Asia (1997–2001). (RAS/B65)
- Enhancement of capacity to gather and exchange information by East Asia law enforcement agencies (1999–2001). (RAS/C46)
- Enhancement of drug law enforcement training in East Asia (1997–2001). (RAS/C51)
- Strengthening of judicial and prosecuting drug control capacity in East Asia (1999–2002). (RAS/C74)
- Development of cross-border law enforcement cooperation in East Asia (1999–2003). (RAS/D91)

- Precursor control in East Asia Phase II (2001–2004). (RAS/F34)

UN agencies and NGOs

UNODC is functioning as the coordinating unit among Non-Governmental Organizations (NGOs) active in drug control and prevention. Various activities are being carried out, notably in the area of treatment and prevention.

The Country Office is seeking further cooperation with other UN agencies. UNAIDS supports UNODC's activities through 'programme acceleration funds' (PAF). For 2001–2002, US\$83,000 was budgeted for research activities to support project formulation, as well as to contribute to the need for better data collection and clarification of the nexus between drug abuse and HIV/AIDS.⁹⁹ Together with UNESCO, UNODC is working on aspects regarding the cultural approach to HIV/AIDS and drug abuse, in the common understanding that without taking the cultural context into account, measures by the international community will remain limited in impact.

Activities related to the first phase of the Ky Son Alternative Development Project have been carried out on an inter-agency co-operative basis. After a joint visit by the heads of UN agencies to the project site in 1997, the project was designated as a focal point for UN inter-agency co-operation efforts in Viet Nam. During the project implementation period (1996-2001) UNHCR, UNDP, UNICEF, UNFPA and FAO were active in the co-operation. Assistance was provided in various fields such as construction of a school and sanitation facilities, capacity building, technical assistance, livestock development and health care activities.

While the inter-agency co-operation is highly appreciated, the Ky Son project showed that there is a strong need for a better co-ordination through close negotiations and discussions. Consequently, a mechanism should be put in place, which ensures regular thematic meetings where progress can be discussed and new ideas can be put forward.

The United Nations Development Assistance Framework (UNDAF) for rural development and related fields is expected to ease the process of identifying future agency partners hence mobilise UN agency human- and financial resources.

Bilateral assistance

Given the limited national budget and taking into account the seriousness of the drug situation, providing bilateral assistance for drug-related activities is important. The national budget for drug control is not published, but it is estimated that over the past five years, the Government has allocated around three to four million USD annually to fund drug control and prevention activities.¹⁰⁰

In relation to the activities included in the Government's Action Plan for 2001–2005, the Government has asked the donor community for 14 million USD to co-finance projects.¹⁰¹ In light of the

⁹⁹ UNDCP Country Programme Statistics Viet Nam, 2001

¹⁰⁰ *Viet Nam News*, 30 May 2001

¹⁰¹ *Viet Nam News*, 30 May 2001

approximately seven million USD obtained from international donors in the previous programme period, it is doubtful whether the Government will be able to mobilize such an amount.¹⁰²

Numerous donor countries support various drug control issues, either directly or via multilateral assistance channelled through UNODC. The biggest donors are Australia, the European Union, France, Germany, Japan, and the United States. To date, assistance has mostly been allocated in the area of training, capacity building and procurement of equipment. Most countries support these activities through various projects.

Currently, UNODC Headquarters is establishing a database for law enforcement activities, which will collect all information regarding multilateral and bilateral inputs into drug control issues.

Coordination among donor countries is mainly carried out at the Mini Dublin Group Meetings. The forum, which meets twice each year, provides an opportunity for donor countries to introduce, discuss and coordinate their activities. Australia and Japan share the chairmanship of the group on rotation basis. Japan was chairing the group in 2002 and the first meeting this year took place in July.

With permission of the Ministry of Public Security, the International Law Enforcement Community in Viet Nam (ILEC) was established in 2000. The community consists of law enforcement officers from the diplomatic missions in Hanoi of the major donor countries (Australia, France, Germany, Japan and the US). The main focus of this group is to co-ordinate the activities of donor countries in the law enforcement environment.

¹⁰² Viet Nam News, 30 May 2001

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