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**INTER-AMERICAN DRUG ABUSE  
CONTROL COMMISSION  
CICAD**

**GROUP OF EXPERTS ON CHEMICAL SUBSTANCES AND PHARMACEUTICAL PRODUCTS**

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**INCB – AVAILABLE TOOLS TO PREVENT THE DIVERSION OF PRECURSORS**

# ***INCB – AVAILABLE TOOLS TO PREVENT THE DIVERSION OF PRECURSORS***

**CICAD – Group of Experts on Chemical  
Substances and Pharmaceutical Products**

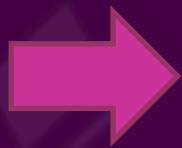
**Panama City, Panamá from 29 to 31 de May 2018**

**Mr. Reiner Pungs  
Secretariat of the International Narcotics  
Control Board, Precursors Control Section**

# What is the International Narcotics Control Board (INCB)?



• A quasi-judicial body of independent experts:



To promote and monitor the compliance by Governments with the international drug treaties

- Established by the Single Drugs Convention of 1961
- 13 members, elected by the Economic and Social Council (ECOSOC)
  - 3 nominated by WHO
  - 10 nominated by Governments
- For a term of: 5 years and can be reelected
- The members serve on a personal basis with impartiality and independent from their Governments
- Secretariat is in Vienna, Austria

# International precursors control

## Source

Article 12 of the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988

Table I

Acetic anhydride  
N-acetylanthranilic acid  
Ephedrine  
Ergometrine  
Ergotamine  
Isosafrole  
Lysergic acid  
3,4-methylenedioxyphenyl-2-propanone  
Norephedrine  
4-Anilino-N-phenethylpiperidine (ANPP)  
N-Phenethyl-4-piperidone (NPP)  
Phenylacetic acid  
*alpha*-phenylacetoacetonitrile (APAAN)  
1-phenyl-2-propanone  
Piperonal  
Potassium permanganate  
Pseudoephedrine  
Safrole

Table II

Acetone  
Anthranilic acid  
Ethyl ether  
Hydrochloric acid  
Methyl ethyl ketone  
Piperidine  
Sulphuric acid  
Toluene

AND: The salts of the listed substances whenever the existence of such salts is possible (the salts of hydrochloric acid and sulphuric acid are specifically excluded)

# INCB Precursors control: Supporting Governments' efforts in diversion prevention *and* investigations

Review of misuse versus legitimate use

Assessing chemicals for control

Monitoring legitimate trade

- PEN Online to monitor intl. trade in Table I, II substances
- Regulatory tools
- Intl. Special Surveillance List

Supporting investigations

- Precursors Task Force
- Project Prism & Cohesion
- PICS

Providing platforms for intelligence-sharing

INCB

*United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988*  
By its decision 60/12, the Commission decided to include 4-anilino-N-phenethylpiperidine (ANPP) in Table I of the 1988 Convention.  
By its decision 60/13, the Commission decided to include N-phenethyl-4-piperidone (NPP) in Table I of the 1988 Convention.  
In accordance with article 12, paragraph 6 of the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988, decisions 60/12 and 60/13 shall become fully effective with respect to each Party 180 days after the date of the present communication, which is on 18 October 2017.

# Control of Precursors: support to Governments efforts to prevent diversion and support investigations



The report provides an overview and analysis of precursors control worldwide:

- Licit trade
- Latest trends in precursors trafficking
- Actions and successes of Governments and the INCB:
  - Legislation and control measures;
  - Use of PEN Online and PICS; participation in Projects Prism and Cohesion
- Observations and recommendations

# INCB: supporting Governments to prevent diversion and support investigations



- Monitor international licit trade in real-time
- Identify unusual patterns
- Verify the legitimacy of importers and end-users
- Support investigations on suspicious and stopped shipments

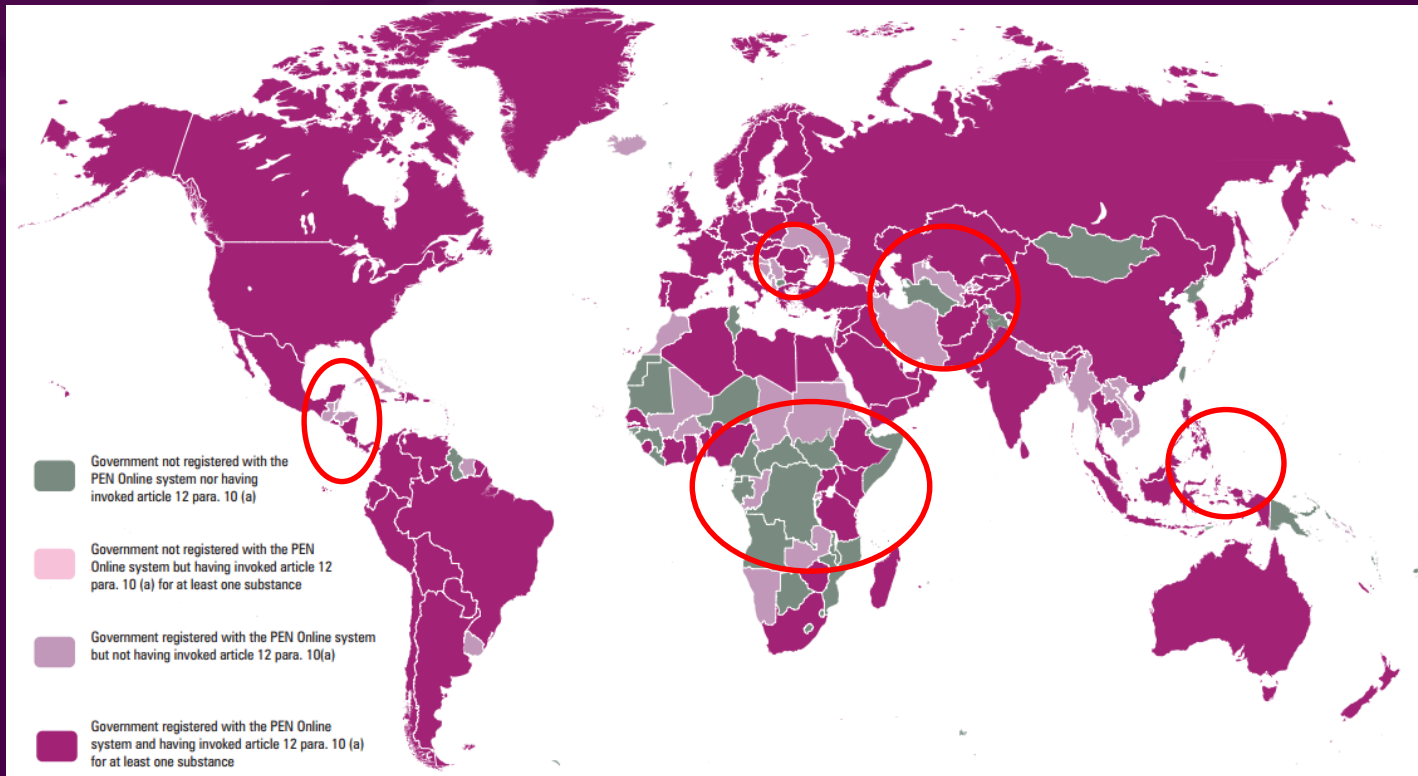
# Pre-export notifications (PEN): the role of INCB

1. Monitor the international licit trade between countries
2. Enquire on the legitimacy and does risk analysis on each PEN
3. Start investigations when suspicious shipments are identified.



# Monitoring licit trade: PEN Online

*While more governments require pre-export notification and use PEN Online, there continue to be major regional gaps*



Source: INCB report on precursors, 2014

The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations. Final boundary between the Sudan and the Republic of South Sudan has not yet been determined. Dotted line represents approximately the Line of Control in Jammu and Kashmir agreed upon by India and Pakistan. The final status of Jammu and Kashmir has not yet been agreed upon by the parties. A dispute exists between the Governments of Argentina and the United Kingdom of Great Britain and Northern Ireland concerning sovereignty over the Falkland Islands (Malvinas).

# Practical steps for regulatory and law enforcement

General Submission Notification Form  
WEB Form

**Suspicious orders and diversion attempts**



## REGULATORY PREVENTION:

- Invoke article 12 (para 10a) for all 24 Table I and Table II chemicals;
- Register to **PEN Online** and use it;
- Share the *International Special Surveillance List* with regulatory, law enforcement and relevant industry;
- Partner with the relevant chemical and pharmaceutical industries;
- Prepare now for emerging precursors by enacting proactive national legislation, such as reverse onus clauses.

## LAW ENFORCEMENT RESPONSE:

- Perform backtrack investigations, controlled deliveries and monitored deliveries;
- Participant in special international intelligence gathering operations under **Project PRISM** and **Project Cohesion**;
- Share intelligence by circulating INCB special alerts and other communications;
- Register multiple focal points such as Police, Customs, Drug Control, and Regulatory agencies to **PICS** and use it!

# Check list for exporting countries:

1. Are the payments made in conformity with regular commercial practice?
2. Have been any unusual requests made to send or deliver the shipment?
3. Were there any specific requests made for labelling in conformity with regular practice and/or means of transportation?
4. The transaction involves a combination of controlled chemical products that can be used illicitly for the production of a controlled medicine?
5. The order is for an unusual mixture that has a high degree of the chemical substance?

# Check list for importing countries:

1. The end of the importation is a re-export?
2. Has the export been authorized by the exporting country?
3. Is this the first time that an importer is linked to a transaction for a specific chemical or a group of chemical substances?
4. Was the order made by a broker? Are there any other intermediary traders involved (especially in third countries)?
5. Has the final destination fulfilled all legal and administrative requirements of the importing country?

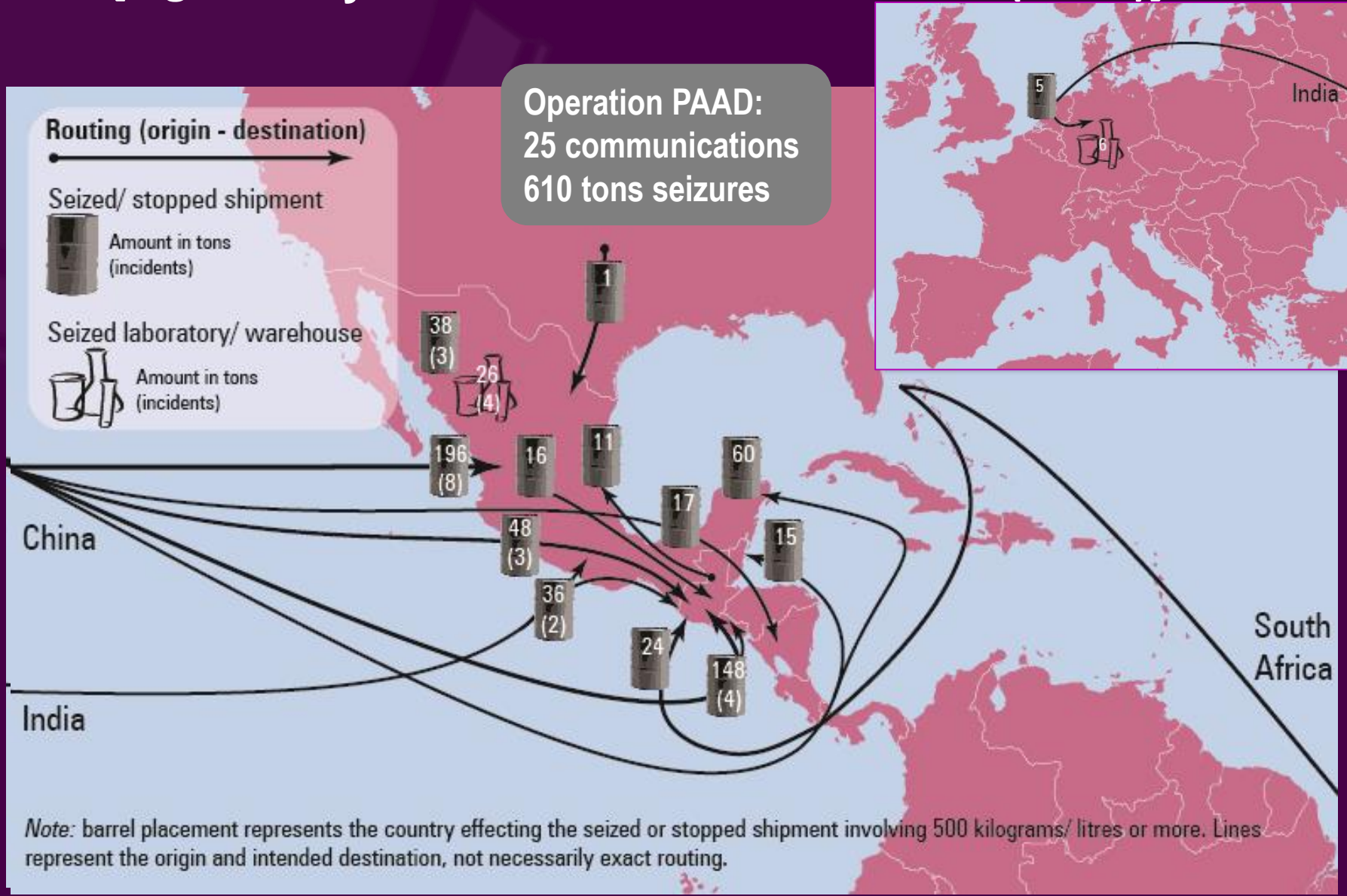
# Check list for transit countries:

1. Are there reasonable grounds to send the shipment through this particular transit country?
2. Is this the first time that the operator is connected with a transaction with this substance or a combination of chemical substances?
3. Were all legal and administrative requirements of the transit country fulfilled?
4. Has the export been authorized by the exporting country?
5. Were there any special requests to send or deliver the shipment?

# International operations

[e.g.: Phenylacetic acid and derivatives (PAAD)]

INCB Precursors Control



Note: The designations do not imply the expression of any opinion whatsoever on the part of the UN Secretariat or INCB concerning the legal status of any country, territory or city or its authorities, or concerning the delimitation of its frontiers or boundaries.

# *Improvements and good practices*

- 188 countries and the EU are part of the 1988 Convention; national control systems / legislation
- Pre-export notification systems (PEN Online) used by 157 countries
- Diversion from international trade substantially reduced
- Licit trade is not hampered and suspicious trade is investigated
- Importance of public-private partnerships widely recognized
- Investigations are lead by intelligence and less oportunistics
- Preferred chemicals are much more difficult to obtain

# Article 12 of the 1988 Convention

- ✓ General obligation of State Parties to adopt measures to prevent the diversion of substances listed in Tables I and II of the 1988 Convention and to cooperate with each other (par. 1);
- ✓ Mechanisms to change the control (par. 2-7);
- ✓ Measures to control domestic production and distribution (par. 8) – discrecional;
- ✓ Monitor international trade (par. 9) – mandatory;
- ✓ Notifications to importing countries of exports of Table I substances, after invoking (par. 10) - mandatory, if invoked;
- ✓ Confidentiality of the information (par. 11);
- ✓ Report to INCB (par. 12) – mandatory.



# What is expected from Member States?

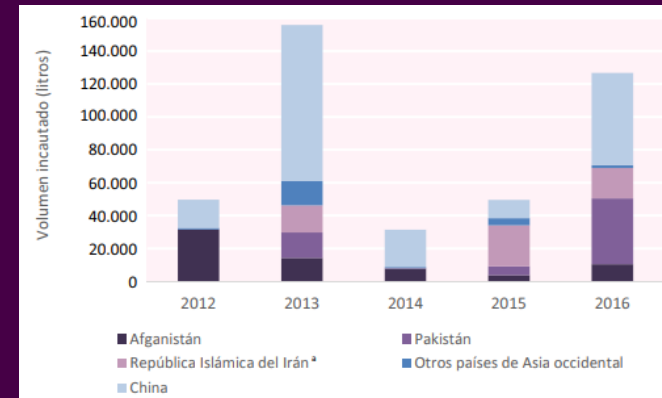
## Summary of articles 12 and 13, 1988 Convention:

1. Monitor the international trade of substances listed in Tables I and II to identify suspicious transactions;
2. Seize precursors and essential chemicals whenever necessary;
3. Cooperate with other Parties and notify all Parties involved in suspicious transactions;
4. Request proper labelling and import and export papers, and keep those documents for at least two years;
5. Inform INCB (seizures, stopped shipments, methods of diversion and licit uses and the annual licit requirements);
6. Look into the possibility of controlling laboratory equipments and tableting machines.

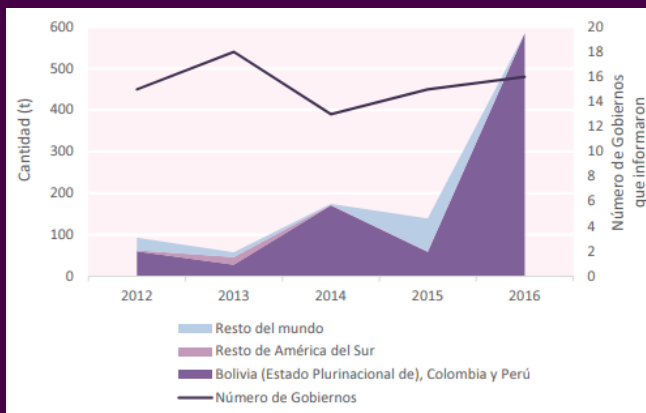
# Trends and Challenges

## Heroin precursors

- Discrepancy between the available heroin and the seizures of acetic anhydride
- Mexico seized more acetic anhydride than Afghanistan; low seizures in Central Asia
- Domestic diversión; questions on thresholds



## Cocaine precursors

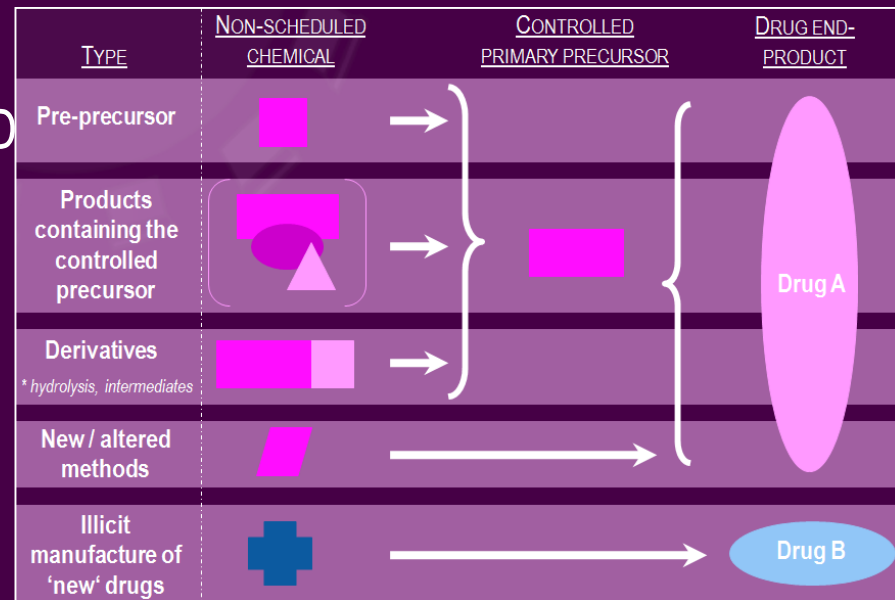


- Domestic diversión channels and / or illicit production of pre-precursors
- Table II acids and solvents more and more recycled and reutilized – many times
- Non-controlled chemicals used to improve efficiency: standardize oxidation level of cocaine base

# Trends and Challenges

## Synthetic drugs precursors

- Different trends in different regions
- Incidents with ATS precursors are still the majority
- Illicit production of ATS growing in Africa and West Asia
- Increase in scale, complexity and diversification
- High level of amphetamine seizures ("Captagon") in the Middle-East; source of chemicals still unknown
- Illicit production of ketamine in China
- Diversion and diversion attempts of LSD precursors for the first time in many years
- New psychoactive substances (NPS) adding a new dimension



# Non-scheduled precursors used for cocaine

## Colombia



Manganese dioxide



Potassium manganate



Potassium permanganate



Sulphur



Sulphuric acid



Urea



Ammonia



## Peru

Crude cocaine base

+

Ethanol



# Heroin: non-controlled chemicals

Ammonium  
chloride

Sodium  
carbonate/ bi

Ammonia

Acetyl  
chloride

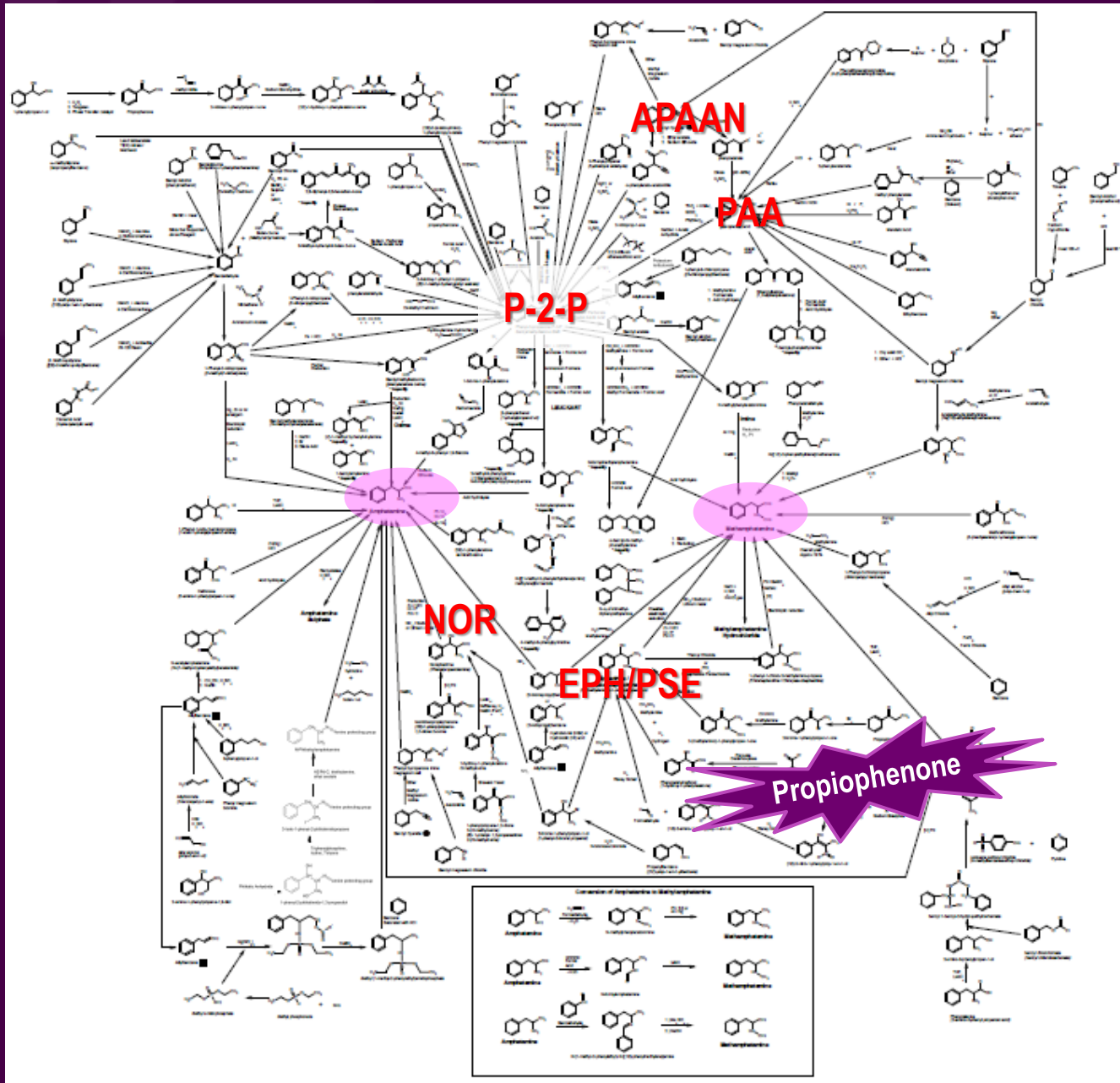
Glacial acetic  
acid

✓ Chemical products used to replace acetic anhydride during several production phases.

✓ Acetyl chloride and glacial acetic acid:

- Illicit manufacture of acetic anhydride (AA), or
- direct substitution as acetylation agent, or
- cover load to smuggle AA (mis-declared)

# Non-controlled chemicals: synthetic drugs



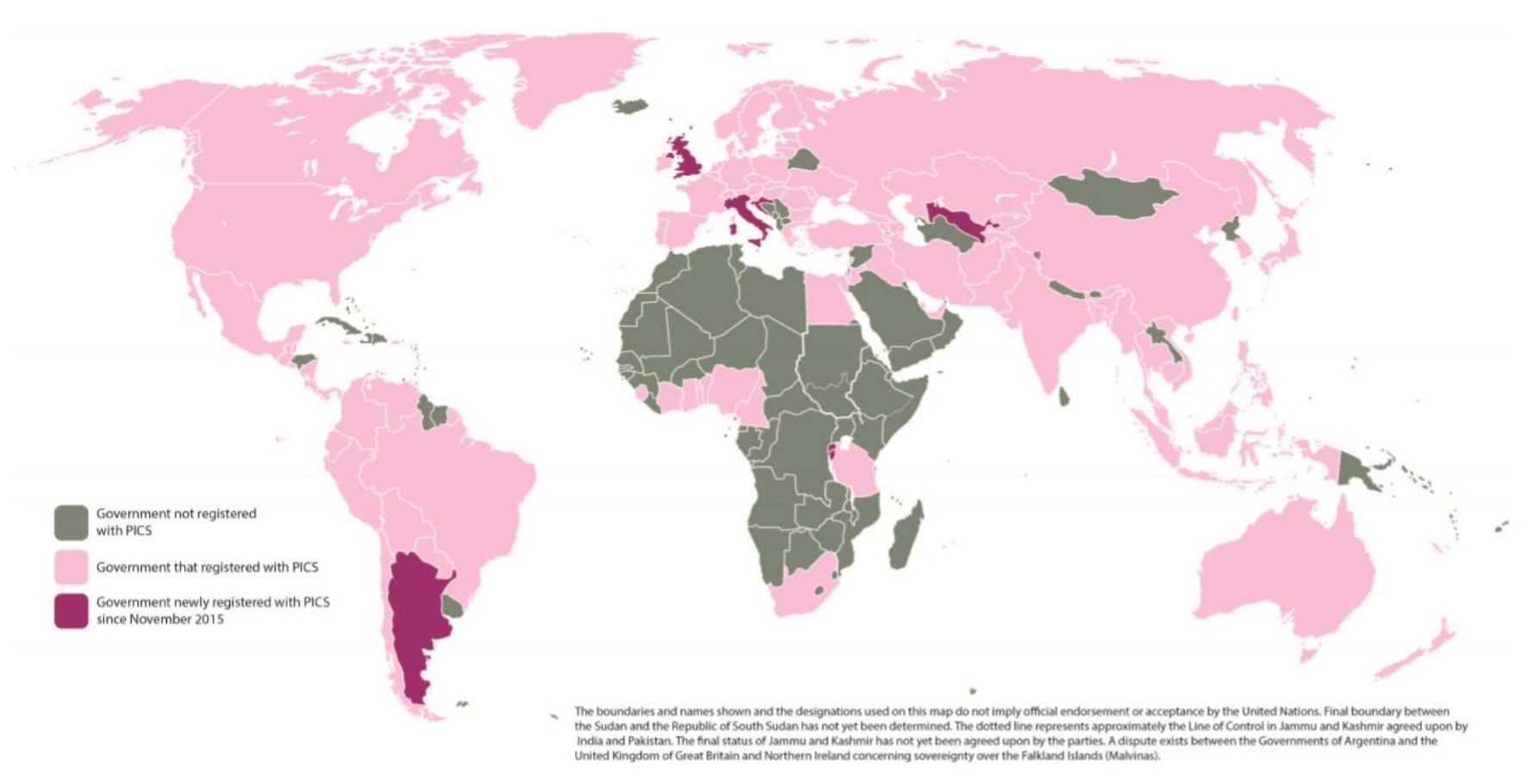
How can I record all seizures?



<https://pics.incb.org>

# PICS – an overview

**Map 2. Governments registered with and that are using the Precursors Incident Communication System**  
(As at 1 November 2016)





# *Public private cooperation: tools*

# International Special Surveillance List (ISSL)

- 53 chemicals listed
- Extended definitions
- Complementary action

## 6. Extended definitions

Competent authorities and relevant industries are reminded of the existence of certain substances that are closely related in their chemical structure to substances in Table I and II of the 1988 Convention and that can be converted into the scheduled substance by readily applicable means. Chemically, they include common derivatives as well as other related substances, which may also be referred to as **immediate precursors** to substances in Table I or II of the 1988 Convention, or as **'masked precursors'**

Unlike the individual substance listings in the Tables of the 1988 Convention and in most national precursor legislations, the concept of 'extended definitions' captures groups of chemically related substances and, in its widest application, any non-scheduled substance that can be converted into a scheduled substance by readily applicable means. Some of the relevant, more common groups of chemically related substances include<sup>5</sup>:

- Esters, including cyclic esters
- Acetals and ketals (including cyclic acetals and ketals)
- Glycidic acid derivatives
- Acid chlorides
- (Carbox)amides
- Imines
- Oximes
- Beta-ketocarboxylic acid derivatives (such as beta-ketonitriles (cyano compounds) and beta-ketoacetamides
- Bisulfite adducts

Another group of substances that meets the criteria of an 'extended definition' are **intermediary products (intermediates)** in the synthesis of controlled drugs, in particular when they are just one step away from the final product. Examples of this group are chloroephedrine and chloropseudoephedrine (see above).

# Special Alerts



- 1) Raise awareness among all concerned national authorities (and industries) that attempts are being, or may be made, to obtain XXX for illicit purposes.
  - 2) Provide background and analytical data, where available
  - 3) Request authorities to review data for past period (seizures, licit trade)
- > Request to provide INCB with relevant information for global dissemination.



# Information on National Control Measures

**TABLE 4. GOVERNMENTS APPLYING A SYSTEM OF CONTROL TO SUBSTANCES NOT INCLUDED IN TABLE I OR II OF THE 1988 CONVENTION**

## Introduction:

This table shows which Governments have applied a system of import or export control to substances not included in Table I or II of the 1988 Convention. Such information will be useful to the authorities of importing and exporting countries

international trade in such substances. The export destination countries only. Additionally, some countries their territory. It should also be noted that some Governments of generic 'extension clause' with the intention to be substances. As not all substances to which such 'extension' authorities of exporting countries should therefore be country on the exact scope and nature of existing regulations.

**Notes:**  
 P signifies import and export  
 X signifies a license, or a similar measure for the substance.  
 Y signifies individual import or export

The absence of an entry signifies that the B  
 Territories are in italics.

Status: 22 May 2018																		
Symbols and definitions used in Legend																		
Substance (a)	Country or territory	Dominican Republic	Ecuador	Egypt	El Salvador	European Union Member States	Guatemala	Honduras	Jamaica	Japan	Kyrgyzstan	Lao People's Democratic Republic	Liechtenstein	Mexico				
Acetic acid (glacial)			X		X	X	X		X		Y	X						
Acetonitrile																		
Acetylating substances (any)																		
Acetyl bromide																		
Acetyl chloride				X	X		X	X				X						
Activated carbon																		
Aliphatic solvents no. 1																		
Aliphatic solvents no. 2																		
Allylbenzene						X												
Aluminium chloride							X											
Aminopyrine																		
Ammonia			X		X				X									
Ammonia (aqueous) / ammonium hydroxide			X		X		X		X									
Ammonium chloride					X													
Ammonium formate																		
Amyl acetate																		

# Annual Licit Requirements (ALR) and Form D

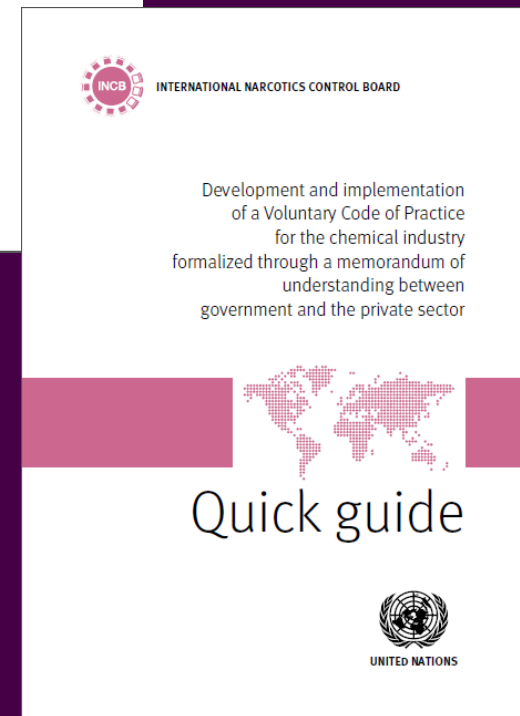
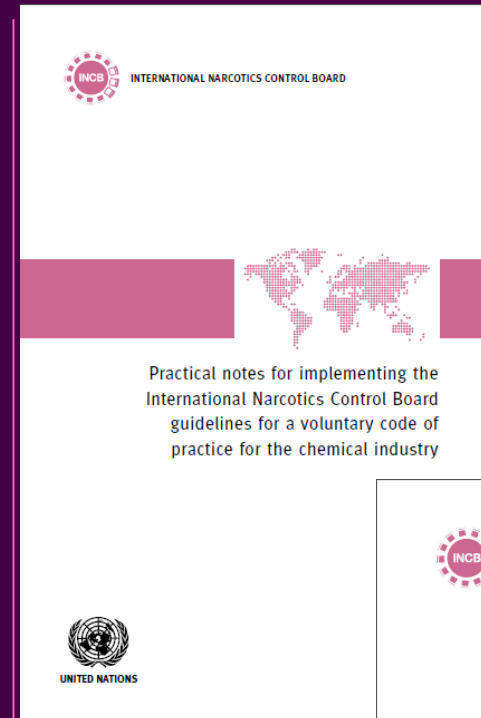
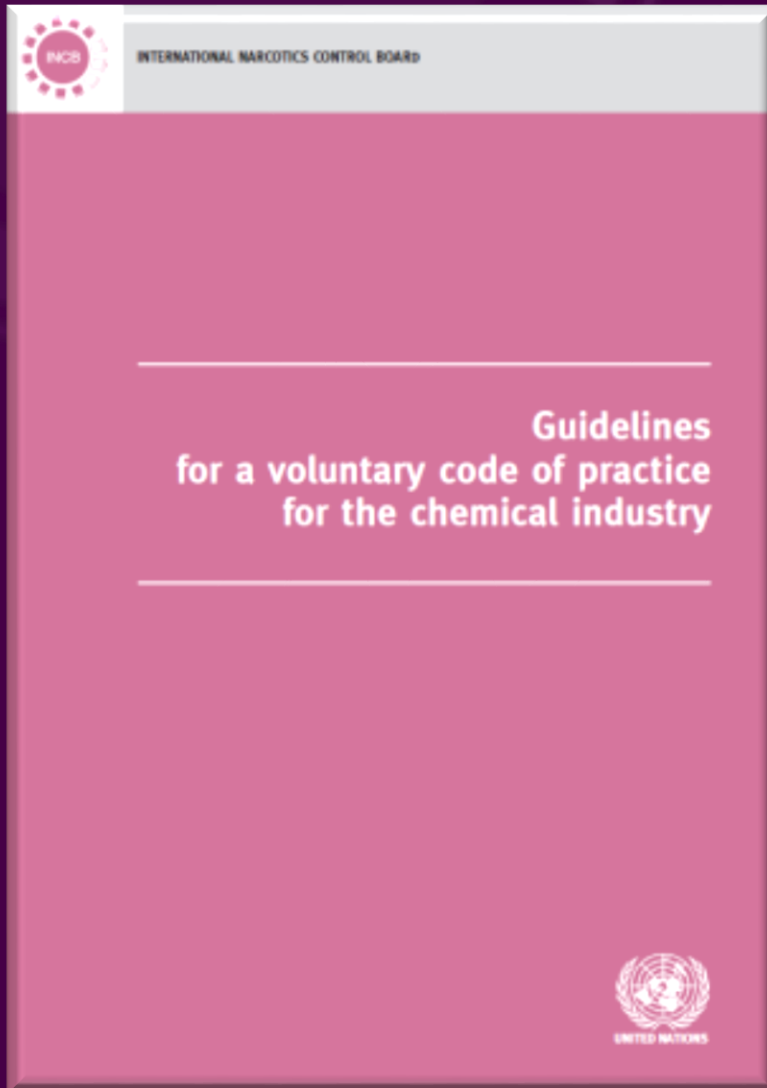
- Annual Licit Requirements – a reference for exporting countries about the licit requirements for importers of precursors

➔ Participation of the industry: estimates the annual licit requirements

- Presentation of annual reports on seizures and licit trade on substances frequently used in the illicit manufacture of narcotic drugs and psychotropic substances ("Forma D")

➔ Cooperation with the industry: information on imports, exports, licit use, suspicious transactions and orders, thefts and methods of diversión.

# Practical Notes and Quick Guide – support to Governments



# Challenges

1. Some products are controlled but the potential number is limitless
2. Changes in orders of chemical products: off-the-shelf vs. on order “designer precursors”
3. Diversion possible at all stages of the distribution channel; domestic diversion and smuggling
4. Increase in sophistication, diversion and illicit production scales (“no limits”)
5. Chemical substances sourced internationally, illicit manufacture and distribution
6. Sophistication in disguising the illicit intention: the quality of falsified documents, front companies.

This all applies also to NPS.

# Thank you for your attention!



## Questions?

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