

5 Chemical Control National Policies, Laws, Voluntary Codes and Related Arrangements in South and South- West Asia

India

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1. Some of the countries in South and South-West Asia, acting within the framework of the 1988 Convention, have taken measures to regulate precursors. Countries which are faced with problems of diversion have enacted more stringent regulations than others. A few countries are still in the process of formulating legislation for the control of precursors.
2. India is the largest manufacturer and exporter of essential chemicals in the region. It is also an importer of many precursors, which are meant for the licit purpose of feeding its wide industrial base. The authorities are concerned that unless they remain vigilant there is a danger that the precursors it manufactures or imports may find their way into illicit production of narcotic drugs and psychotropic substances within the country. Further, some of these precursors may find their way to clandestine laboratories in other countries, thereby fostering the production of narcotic drugs and psychotropic substances for the regional and global markets.
3. India was one of the earliest countries to ratify the 1988 Convention, which it did in March 1990. Even before it became a party to the Convention, it enforced legislative and administrative measures to control acetic anhydride. Its movement was regulated under the Customs Act when it was



declared a “specified item”. Since 1986, its movement, within a distance of 100 km from the Myanmar border, and since 1991, within a distance of 50 km from the Pakistan border, was regulated under these provisions. The objective of these restrictions was to prevent the illicit movement of this vital precursor to the two leading heroin producing areas in the world.

4. The Narcotic Drugs and Psychotropic Substances Act of 1985 was amended in 1989 in order to include the control of precursor chemicals within its ambit. Under this amendment, a controlled substance was defined as one which was so declared by the Central Government having regard to its possible use in the manufacture of narcotic drugs and psychotropic substances. It empowered the Government to issue orders for regulating or prohibiting the production, manufacture, supply and distribution of, and trade and commerce in, controlled substances. It stipulates imprisonment up to 10 years and a fine up to Rs. 100, 000 as penalty.

Acetic Anhydride

5. In response to reports that acetic anhydride was being diverted for the illicit manufacture of heroin and methaqualone within the country, as well as being smuggled out of the country for such illicit purposes, the Government declared this precursor a “controlled substance” in April 1993. The statutory order stipulated that “every person who sells a controlled substance to a buyer in a transaction of 100 kilograms and above shall do so only after the buyer establishes his identity by production

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of a document like industrial licence or any registration certificate under any law, or any other similar document which establishes his identity, and upon a declaration being made of the purpose for which the controlled substance is being purchased." By a subsequent amendment the threshold limit was removed in order to capture all sales, irrespective of the quantity.

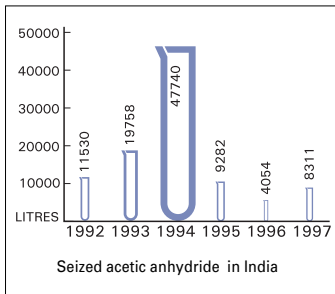
6. Detailed records of production, receipt, sale, consumption, import and export have to be maintained on prescribed forms daily, and a quarterly report submitted to the Zonal Office of the Narcotics Control Bureau (NCB). A consignment of acetic anhydride has to be accompanied by the prescribed permit. Any loss or disappearance of the chemical too has to be reported to the NCB.
7. India is capable of manufacturing 95,000 metric tons of acetic anhydride annually. The actual production, however, is about 45,000 metric tons. There are 12 major manufacturers of acetic anhydride in the country. Since it is widely used for industrial purposes, its production and trade cannot be totally prohibited. The aim of the government is to curb its diversion for illicit purposes.
8. In spite of India's large capacity to manufacture acetic anhydride, some quantities are imported into the country, but for this a licence is required. Acetic anhydride imported against permits is not allowed to be sold or transferred to others. It has only to be used for goods manufactured for export. There is concern, however, that in the absence of monitoring



mechanisms, imported acetic anhydride may not necessarily be used for the declared purpose.

9. The European Union, in an effort to prevent the diversion of certain substances towards illicit manufacture of narcotic drugs and psychotropic substances, maintains a list of destinations considered vulnerable in respect of acetic anhydride. India has been placed on this list with its permission. This substance should, therefore, have export authorization before a shipment to India is allowed.

10. The following quantities of acetic anhydride have been seized in India since 1992:



1992	11, 530 litres
1993	19, 758 litres
1994	47, 740 litres
1995	9, 282 litres
1996	4, 627 litres
1997	8, 311 litres

However, in very few instances has it been possible for the authorities to trace back the source of these illicit diversions.

11. Smuggling of acetic anhydride from India to Myanmar appears to have been checked. Previously, authorities in Myanmar reported the seizure of the precursors from India as well as China. On the other hand, diversions to Pakistan continue. It is suspected that traffickers tend to look for opportunities to divert

part of the Indian production of acetic anhydride to Pakistan. The quantity seized in Pakistan has steadily increased from 3 tons in 1992 to 5 tons in 1995. In early 1995, authorities in Pakistan conducted an operation in Northwest Frontier Province and seized 3,700 litres of acetic anhydride.

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12. In response to the recommendations made at a national workshop on precursor control held in Goa in 1995, the industry in India has formulated a voluntary code of conduct. The objective of this exercise was for manufacturers, dealers and distributors of acetic anhydride to evolve a system that would prevent diversion of the substance without impeding its legitimate use. The industry has opted to follow a uniform procedure with regard to production, storage, handling, dispatch, transportation and marketing of acetic anhydride. These voluntary provisions are in addition to the statutory ones which are, by law, binding on the industry.

13. One of the important voluntary proposals, since approved by the Government, is the issue of a “user card” to the actual users of acetic anhydride. These cards are to be issued by the NCB. Sellers may sell the chemical only to the holder of a “user card”. Details of each transaction would be entered on the card. This single measure is expected to go a long way in preventing the diversion of acetic anhydride.



***N*-Acetylanthranilic Acid**

14. *N*-Acetylanthranilic acid is one of the 22 precursors listed in Table I and Table II of the 1988 Convention. The Government of India in October 1994 declared this chemical a “controlled substance”. Consequently, its export is governed by the requirement of an export certificate.

Ephedrine and Pseudoephedrine

15. India is capable of manufacturing 500 metric tons of ephedrine and pseudoephedrine. Some exports of these substances are believed to be diverted to Western Europe and the USA for the manufacture of psychotropic substances. On the advice of the INCB, the NCB issued instructions in 1995 to port and airport customs not to allow the export of these substances without the original import certificate issued by the Competent Authority of the importing country. India has been successful in regulating the export of these substances by way of exchange of information with the respective Competent Authorities directly and with the INCB. A case in point is Mexico where frequent attempts at diversion prompted the Indian authorities to verify the legitimacy of any orders from that country. Collaboration between the Indian and Mexican authorities led to a successful controlled delivery of 2 tons of ephedrine from India to Mexico via France and the USA.

16. In 1995, the government introduced a regulation which requires a “no objection” certificate from the Narcotics Commissioner before export of ephedrine is authorized.

Ergometrine

Bangladesh



17. Between 1993 and 1996, India imported 250 kilograms of ergometrine and methyl ergometrine maleate. No foreign manufacturer of these substances is now allowed to export them to India without clearance from the Indian government. This measure has considerably reduced imports since March 1997.

18. Bangladesh does not manufacture any Table I or II precursors other than sulphuric acid. It imports precursors such as acetyl anhydride, ephedrine, pseudo-ephedrine, ergometrine and potassium permanganate for industrial, pharmaceutical and research purposes, as well as for school laboratories. There is no reported illicit manufacture of narcotic drugs and psychotropic substances in Bangladesh, nor are there reports of diversion for illicit purposes within the country. However, in view of the proximity of Bangladesh to the well known opium growing areas of the world to the east and the west, there is a possibility that the country may be used as a transit route for smuggling precursors.

19. Under the Narcotics Control Act of 1990, a Department of Narcotics Control was created the same year. The new law, which provides for the control of drugs, includes sanctions against diversion of precursors as well. However, the Department of Narcotics Control so far does not have an effective system for the control of chemicals. Its work is mostly confined to the issue of permits for the import of precursors



and taking action on pre-export notifications of these substances. The Department is expected to be able to exercise more controls once new rules that have been framed under the Act have been approved by the government.

20. Besides the Department of Narcotics Control, there are other government agencies which issue permits for the import of precursors. These are the Ministries of Health, Industry and Commerce.

21. A trend that has been recently noticed is the import of large quantities of acetic anhydride. It is claimed that this is for the pharmaceutical industry, which uses this chemical for the production of paracetamol. Recently a pre-export inquiry was made by authorities in the USA in regard to a single consignment of 17 metric tons of acetic anhydride ordered by a pharmaceutical company in Bangladesh. It is not unusual now to receive such pre-export notifications in regard to precursors.

22. Bangladesh is a signatory to the three major UN conventions, namely Single Convention on Narcotic Drugs, 1961, Convention on Psychotropic Substances, 1971, and 1988 Convention. The country banned the import, sale and consumption of opium in 1984, and the cultivation and sale of cannabis in 1989. While the Narcotics Control Act of 1990 covers both psychotropic substances and precursors, the existing law is to be amended with a view to updating its provisions in the light of the 1988 Convention and the SAARC Convention on Narcotic Drugs and Psychotropic Substances, 1990.

23. The country submits to the INCB on a regular basis annual

Nepal



estimates of the licit requirements of precursors.

24. Nepal ratified the 1988 convention in 1991. Narcotic drugs and psychotropic substances which are illegally imported into Nepal come under the Narcotic Drug Control Act, 1976. Its implementation is the responsibility of the Narcotic Drug Control Law Enforcement Unit of the Ministry of Home Affairs. The Ministry has drafted legislation on precursor control, and this is awaiting presentation to parliament.
25. Chemicals, such as sulphuric acid, hydrochloric acid, acetic anhydride and ether are imported into the country without difficulty on a permit issued by the Ministry of Home Affairs, on the recommendation of the Department of Drugs Administration of the Ministry of Health. Neither precursors nor narcotic drugs and psychotropic substances are produced in the country. Imported chemicals are used only for licit purposes.
26. It was recently discovered that Nepal was being used as a transit route for the diversion of precursors. Nepalese authorities detected Indian manufactured precursors on their way to Pakistan via Nepal. This was a new experience for Nepal. In 1995 Nepal seized 260 litres of acetic anhydride.



Sri Lanka



At present there are no stringent laws in Sri Lanka for the effective control of precursors. The only reference to precursor control in existing legislation is the mention of “acetylating substances” in the Poisons, Opium and Dangerous Drugs Amendment Act, 1984. Legislation as it now stands is not sufficient to control precursors. Recognising the importance of new legislation, a “National Precursor Control Policy Formulation Workshop” was held in Sri Lanka in February 1997. Its recommendations include the following:

1. Designation of additional competent authorities in terms of article 12 of 1988 Convention;
2. Setting up of a precursor regulation task force;
3. Development of a voluntary code of conduct for industries;
4. Training for law enforcement officers;
5. Compiling an inventory of precursor manufactures, distributors users, importers and exporters; and
6. Development of a system to estimate the annual licit requirements of precursors.

The Maldives



28. Most of the precursors listed in Table I and Table II of the 1988 Convention are imported into Sri Lanka. The importer is required to obtain an import licence from the Controller of Imports and Exports. Ephedrine, Isosafrole, 3,4-methylenedioxyphenyl-2-propanone and Piperonal listed in Table I, were imported in 1996 and 1997 in small quantities of less than 150 kilograms each. All chemicals listed in Table II, except anthranilic acid and Piperidine, were imported.

29. In 1977, when it was discovered that drug abuse had been introduced into the country, probably by the increasing tourist traffic, a Law on Narcotic Drugs was introduced. The Republic of the Maldives does not have any drug manufacturing plants, licit or illicit, and therefore does not face any problems of precursor diversion at present. Neither are there reports of the country being used as a transit point for precursors. It is not yet a party to the 1988 Convention. In May 1998, Maldives conducted a two-day National Precursor Control Policy-Making Workshop to identify the measures that need to be in place to deal effectively and promptly with any possible attempts by traffickers to target the country as a transit point.



Pakistan



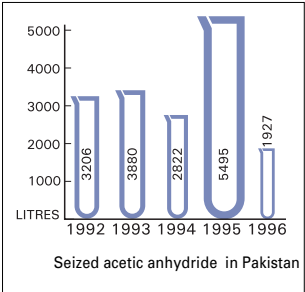
Laws often have a variable applicability, and the situation is complicated by the variety of administrative systems existing in the North-West Frontier Province and Baluchistan.

30. Opiates (including heroin) and cannabis are the commonest drugs of abuse in Pakistan. It was estimated recently that the cultivation of opium poppy amounted to 6,000 to 7,000 hectares of land, while that for cannabis was more extensive, being 100,000 hectares.

31. All precursor chemicals seized were those used in heroin production. The amount of acetic anhydride seized in 1993 would have been sufficient to produce 9 million dosage units of heroin. In 1997, the government reported that all heroin laboratories had been destroyed. Morphine base products in the tribal areas of the North-West Frontier Province are sent abroad for refining.

32. Narcotic control in Pakistan is based on the Control of Narcotic Substances Ordinance, 1995, and its amending ordinance of 1996. Laws often have a variable applicability, and the situation is complicated by the variety of administrative systems existing in the Northwest Frontier Province and Baluchistan.

33. Since 1992 Pakistani authorities have reported the following seizures of acetic anhydride:



1992	3,206 litres
1993	3,880 litres
1994	2,822 litres
1995	5,495 litres
1996	1,927 litres

Afghanistan



The prevailing political climate does not permit any regulatory control over precursors.

34. The worldwide cultivation of opium is estimated at 240,000 hectares, of which Afghanistan and Myanmar account for the major share. Afghanistan is the leading producer of opium in the world (2,248 out of 3,861 tonnes in 1996), and its processing is limited to morphine base, which is then smuggled to Pakistan, Turkey, and sometimes to Russia and the Central Asian Republics. There is a concentration of opium growing areas near the Pakistan border with the North-West Frontier Province, thus facilitating smuggling into that province.
35. Several states are situated along the 5,000 kilometre-long Afghan border: the Islamic Republic of Iran, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan. Roads as well as porous borders are used to smuggle out opiate products as well as to smuggle in essential chemicals. Afghanistan does not manufacture these chemicals.
36. The prevailing political climate does not permit any regulatory control over precursors. But in 1997, UNDCP resumed its operations in Afghanistan as an integral part of the United Nations strategic framework for Afghanistan. Its programmes covering demand reduction, alternative development, institution-building and combating drug trafficking were extended to the whole country.
37. UNDCP took the initiative in encouraging the Taliban to take the first steps toward the elimination of illicit opium poppy cultivation, initially by enforcing a ban on illicit cultivation. The initiatives of UNDCP are supported by the international community. In its resolution 52/211 B of 19 December 1997,



Bhutan



entitled “The situation in Afghanistan and its implications for international peace and security”, the General Assembly commended the efforts to the Executive Director of UNDCP and took note of communications received by UNDCP with regard to the banning of opium cultivation and its use and trade in Afghanistan, and called for compliance with those commitments.

38. Officials in Bhutan generally believe that the country does not have a drug problem except perhaps the misuse of cannabis that grows wild, and cough syrups which are smuggled through the Indian border. There is a fear that the latter channel may be used to bring in drugs. Complacency was shaken in 1996 when an attempt was made to smuggle out by road to India some packets of hydrocortisone acetate, falsely labeled as “Xerox powder”. These had been imported from Hong Kong by a Bhutanese national.

39. Bhutan has the necessary qualifications for developing into a transit route for precursors. These are a porous border with India, less than vigorous customs checks at border crossings with India and Myanmar, lack of awareness on the part of customs officers regarding precursors, and absence of a system of monitoring chemicals imported into the country for industrial use. The large volume of commercial traffic with India is another factor.

40. The legislative framework to regulate drugs in Bhutan is contained in the Narcotic Drugs and Psychotropic Substances Notification, 1988. This legislation, which has a short text, and the Customs Rules and Regulations and Customs Tariff Schedule, 1996 do not provide for the regulation of precursors.

Iran



41. The Islamic Republic of Iran borders many countries, including Afghanistan, Pakistan and Turkmenistan. Iran ratified the 1988 Convention in 1992. The country has been used as a transit route for the smuggling of acetic anhydride to Pakistan. A noted entry point in this diversion route is the United Arab Emirates. The precursors are then taken overland through Iran and Afghanistan, the final destination being the North-West Frontier Province. In 1995, 13 tons of heroin were seized in Iran.

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