



UNITED NATIONS
Office on Drugs and Crime

Myanmar Country Profile

December 2005

The United Nations Office on Drugs and Crime (formerly the Office for Drug Control and Crime Prevention) was set up in 1997, combining the United Nations Centre for International Crime Prevention and the United Nations International Drug Control Programme. It was established by the Secretary-General of the United Nations to enable the Organization to focus and enhance its capacity to address the interrelated issues of drug control, crime prevention and international terrorism in all its forms. The mandate of the Office derives from several conventions and General Assembly resolutions, and the Office's technical cooperation programme aims to help improve the capacity of Governments to execute those international commitments. The Office is headed by an Executive Director, appointed by the Secretary-General, and is co-located with the United Nations Office at Vienna, of which the Executive Director also serves as the Director-General.

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List of Abbreviations

ACCORD:	ASEAN and China Cooperative Operations in Response to Dangerous Drugs
AFP:	Australian Federal Police
APEC:	Asia-Pacific Economic Cooperation
ASEAN:	Association of South East Asian Nations
ASOD:	ASEAN Senior Officials on Drug Matters
ATS:	Amphetamine-Type Stimulants
CCDAC:	Central Committee for Drug Abuse Control
CIA:	Central Intelligence Agency
COMMIT:	Coordinated Mekong Ministerial Initiative against Trafficking
CPB:	Communist Party of Burma
DEA:	Drug Enforcement Administration
DTC:	Drug Treatment Centre
FATF:	Financial Action Task Force
GDI:	Gender-related Development Index
HIV/AIDS:	Human Immuno-Deficiency Virus/Acquired Immuno-Deficiency Syndrome
HDI:	Human Development Index
ICMP:	Illicit Crop Monitoring Programme
ICRC:	International Committee of the Red Cross
IDU:	Injecting Drug User
INCB:	International Narcotics Control Board
KNU:	Karen National Union
LDC:	Least Developed Country
MI:	Military Intelligence
MNDAA:	Myanmar National Democratic Alliance Army
MOU:	Memorandum of Understanding
MPI:	Myanmar Pharmaceutical Industry
NATALA:	Ministry for the Progress of Border Areas and National Races and Development Affairs
NCGUB:	National Coalition Government of the Union of Burma
NLD:	National League for Democracy
STR:	Suspicious Transaction Report
Smuggling Protocol:	Protocol against the Smuggling of Migrants by Land, Sea and Air, supplementing the United Nations Convention against Transnational Organized Crime
TOC:	United Nations Convention against Transnational Organized Crime
Trafficking Protocol:	Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime
UNAIDS:	Joint United Nations Programme on HIV/AIDS
UNCAC:	United Nations Convention against Corruption
UNDCP:	United Nations Drug Control Programme
UNGASS:	United Nations General Assembly Special Session
UNODC:	United Nations Office on Drugs and Crime
UWSA:	United Wa State Army
WHO:	World Health Organization

Map of the Union of Myanmar



Source: United Nations, Department of Peacekeeping Operations, Cartographic section. (CS, DPKO, UN)

Table of Contents

I.	Executive Summary.....	5
II.	Summary Statistics.....	7
	2.1 Drugs	
	2.2 Crime	
	2.3 Terrorism	
III.	2004 – The Year in Review: Main Events.....	12
	3.1 Political and economic events	
	3.2 Drugs	
	3.3 Crime	
	A. Human trafficking	
	B. Money laundering	
	C. Corruption	
	3.4 Terrorism	
IV.	General Setting.....	15
	4.1 Major socio-economic characteristics of the country	
	4.2 Summary table of general statistics	
V.	Drug Supply Situation.....	17
	5.1 Production and cultivation	
	5.2 Manufacture	
	5.3 Trafficking	
	5.4 Diversion of drugs and precursors	
	5.5 Drug prices	
	5.6 Costs and consequences	
VI.	Drug Demand Situation.....	24
	6.1 Demand reduction	
	6.2 Injecting drug use and HIV/AIDS	
VII.	Crime and Justice Situation.....	27
	7.1 Main characteristics	
	7.2 Trends	
	7.3 Money laundering	
	7.4 Issues of specific concern	
VIII.	Terrorism Situation.....	30
IX.	Policy.....	31
	9.1 Drugs	
	A. Conventions adherence	
	B. Implementation of the political declaration passed by the 1998 UNGASS	
	C. National legislation	
	D. Drug control institutions	
	E. Main characteristics of national drug policy	
	F. Licit control (drugs and precursors)	
	G. Supply reduction	
	H. Demand reduction	
	I. Money laundering control measures	
	J. International cooperation	
	9.2 Crime	
	9.3 Terrorism	
	9.4 Cooperation with international bodies	
X.	Annex	
	10.1 References	

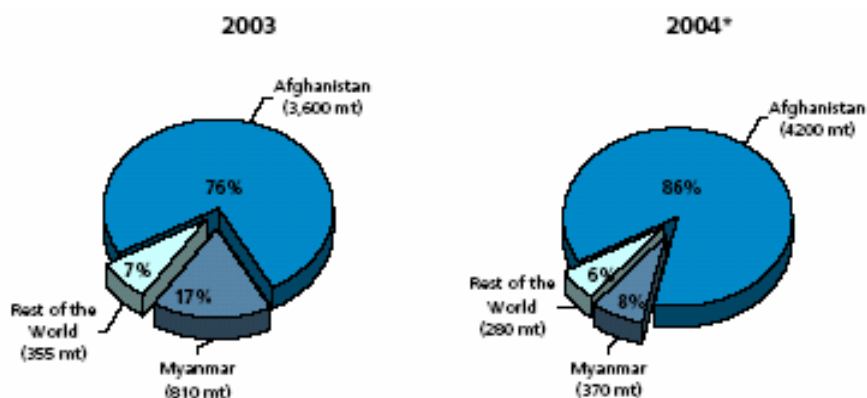
I. Executive Summary

Myanmar is located in the eastern part of the Asian continent, in a geographical area rich in natural and mineral resources, which provides significant economic potential. The country borders with Bangladesh, China, India, Lao PDR and Thailand and is member-state of the Association of South East Asian Nations (ASEAN). For more than five decades, however, Myanmar has been subject to a political and economic crisis that has alienated it from the international community and made it one of the 'least developed nations' in the world. Indeed, according to the Human Development Index (HDI), Myanmar ranks 32 among a list of 50 least developed nations surveyed by the UN¹. The lack of adequate infrastructure and access to resources affects millions of people in the country, who live in extreme poverty conditions, with little access to health and education services. In some areas of the country, specially the northeast, this situation has been exacerbated by the current reduction in opium cultivation, a primary source of income for many farmers.

Since Gen. Ne Win took power in 1962, Myanmar has been ruled by a series of military governments, intercalated by brief periods of self-appointed rule. In 1988, a new military regime was established. The regime refused to hand over power when in 1990 the National League for Democracy (NLD), led by Aung San Suu Kyi, won elections in a landslide victory. Between 1988 and 1996 however, in an effort to bring legitimacy and stability to the Union of Myanmar, the military government negotiated 17 cease-fire agreements with ethnic minority groups, who traditionally opposed the government and struggled for increased autonomy. Ethnic minority groups account for approximately 35 percent of the population of Myanmar.

The international community has imposed a series of economic sanctions against Myanmar in an attempt to put pressure on the government to give way to democratic rule. In 1993, Gen. Than Shwe, Myanmar's de facto ruler and chair of the State Peace and Development Council (SPDC), created the National Convention, a process aimed to draft a new constitution. To date, though, the convention has failed to make substantive progress in allowing political change to take place.

The Union of Myanmar is the world's second largest producer of illicit opium, accounting for 8% of global opium production in 2005 (see graph below).²



*Data for the 'rest of the world' is still tentative.

Source: UNODC, 2005 World Drug Report

¹ UN Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing Countries. *List of Least Developed Countries (LDCs)*, <http://www.un.org/special-rep/ohrls/ohrls/default.htm> (November 2005).

² UNODC, *World Drug Report 2005* (Vienna: UNODC, 2005), 45.

Opium cultivation is concentrated primarily in the mountainous and isolated regions of the eastern part of the Shan State, where ethnic insurgencies limited effective government control over the area. However, this changed with the government concluding a series of ceasefires with ethnic minority groups since 1989. A 15-year narcotics elimination plan began in 1999, and at the end of the first phase in 2004 had shown significant results. The area under opium cultivation has declined significantly, with a 75% reduction between 1998 and 2005.³

However, there is cause for concern over the humanitarian consequences that result from the rapid and abrupt loss of income affecting the estimated two million people involved in opium cultivation in 2003. Opium cultivation is rooted in poverty, with farmers growing the illicit crop to offset chronic rice deficits. The government's drug elimination plan includes a number of opium bans in the primary growing regions. One such ban took place in the Kokang region in 2003, with significant detrimental effects on the local economy and well being of the local population. The same is expected starting in June 2005 when a similar ban takes effect in the Wa region, the main opium-producing region in Myanmar and home to 400,000 people.

The production of amphetamine-type stimulants (ATS), primarily of methamphetamine, in Myanmar remains a serious concern. As opposed to opium cultivation, there are no reliable production estimates for ATS. After rising in the late 1990s, seizures declined significantly in 2003, although it is unclear whether this truly reflects a decline in production since in 2004 ATS seizure data again doubled to eight million tablets.

Drug abuse remains low compared to neighbouring countries. The main drugs of abuse are opiates, with an about even division between opium and heroin. Injecting drug use has contributed to the spread of HIV/AIDS in Myanmar, with 30% of new infections attributed to injecting drug use.⁴ Abuse of ATS remains low and confined primarily to specific occupational groups, including mine workers, truck drivers, and sex workers.

In addition to drug trafficking and related crimes such as money laundering and corruption, human trafficking is a primary criminal concern. Myanmar is a country of origin for human trafficking, with women being trafficked to Thailand for sexual exploitation and to China for forced marriage. Men are also trafficked to Thailand for forced labour in the fishing industry. Internal trafficking equally appears to be widespread, though there is an absence of reliable data on the trafficking situation in the country.

There is little violent crime in Myanmar. Terrorism is an increasing concern as a result of the continuing political stalemate. However, the National League for Democracy, the main opposition party, continues to oppose political violence in all forms.

³ UNODC, 2005 Myanmar Opium Survey. Yangon: UNODC, 2005, 3.

⁴ UNAIDS, *Joint Programme for HIV/AIDS: Myanmar 2005-2005*, <http://unaids.org/en/geographical+area/by+country/myanmar.asp> (November 2005).

II. Summary Statistics

The following statistics aim to provide an overview of the drug control and crime situation in Myanmar, from 1998, the year of UNGASS, to present. The information contained in these has been extracted from diverse UN and Government of the Union of Myanmar reports (see tables).

Note that for some years it has not been possible to obtain information, or no records exist.

2.1 Drugs

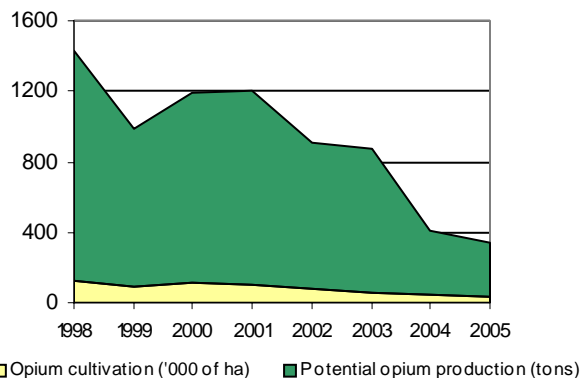
Cultivation and potential production, 1998-2005

Opium cultivation in Myanmar has experienced a significant downward trend in the past almost ten years following a series of climatic factors and the implementation of opium bans by local authorities. Since 1998, opium poppy cultivation has declined 75%; that is a reduction from 130,000 ha to 32,800 ha in 2005.

	1998	1999	2000	2001	2002	2003	2004	2005
Opium cultivation ('000 of ha)	130	90	109	105	81	62	44	33
Potential opium production (tons)	1,303	895	1,087	1,097	828	810	370	312
Potential heroin manufacture ('000 in kg)			109	110	83	81	37	

Source: 2005 World Drug Report, 2005 Myanmar Opium Survey.
Figures in this table have been rounded for consistency.

Myanmar Opium Cultivation and Potential Production, 1998-2005



Source: 2005 World Drug Report, 2005 Myanmar Opium Survey.

Drug seizures, 1998-2004

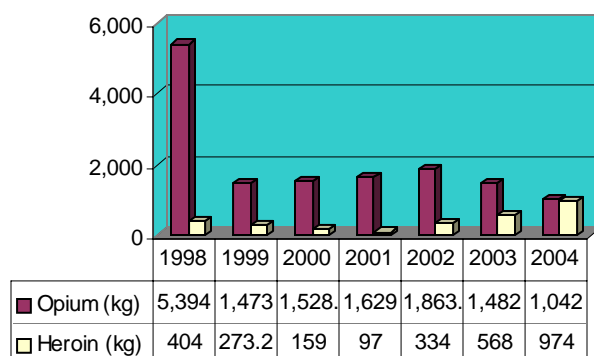
Law enforcement operations along the border have contributed to the seizure of diverse types of drugs and the arrest of people involved in the drug trade. The porous nature of these border-areas and the lack of government control have made difficult attempts to curb down the export of illicit drugs into neighbouring countries and the import of precursor chemicals.

	1998	1999	2000	2001	2002	2003	2004
Opium (kg)	5,394	1,473	1,528	1,629	1,863	1,482	1,042
Heroin (kg)	404	273	159	97	334	568	974

ATS Pill (u)	16,026,688	28,887,514	26,759,772	33,103,548	9,399,794	4,002,684	8,379,311
ATS Crystal (kg)				518	415	102	0.16
Cannabis (kg)	381	274	602	284	282	85	143

Source: CCDAC, 2005 World Drug Report, ACCORD Monitoring.
Figures in this table have been rounded for consistency.

Myanmar Opium and Heroin Seizures, 1998-2004



Source: CCDAC, 2005 World Drug Report, ACCORD Monitoring.

Precursor Chemicals seizures, 1998-2004

Precursor chemicals are essential ingredients for the manufacture of amphetamine-type stimulants (ATS). Myanmar does not have the technology necessary to produce these chemicals. The fact that precursor chemicals are available for the production of illicit drugs highlights the need to increase cross-border cooperation.

	1998	1999	2000	2001	2002	2003	2004
Ephedrine (kg)	3,819	6,485	2,670	3,922	1,724	376	183
Acetic anhydride (l)	424	1,620	2,429	12,318	2,953	2,562	26
Chemical liquid (l)	4,968	57,019	86,756	174,191	26,440	40,628	17,971

Source: CCDAC, UNODC Myanmar Country Office Database.
Figures in this table have been rounded for consistency.

Opium poppy eradication (ha), 1998-2005

It is estimated that between 5 and 10 percent of the total area of poppy opium cultivation in Myanmar is eradicated each year, according to Government reports. However, it is not possible to verify the accuracy of the total number of hectares eradicated. The figures shown below have not been independently verified.

	1998	1999	2000	2001	2002	2003	2004	2005
Eradication Reported (Ha)	3,172	9,824	1,643	9,317	7,469	638	2,820	3,907
Percentage of National Cultivation Eradicated (%)	2	11	2	9	9	1	6	12

Source: 2005 World Drug Report, Myanmar Opium Survey 2005.

Drug-related investigated cases, 2000-2004

	2000	2001	2002	2003	2004
Heroin	1,241	1,028	1,025	1,070	1,126
Amphetamine	490	613	541	514	598
Methamphetamine	N/A	N/A	2	2	N/A
Ecstasy	N/A	N/A	N/A	N/A	2
Opium	312	393	390	434	406
Low grade opium	152	122	168	210	162
Morphine	2	1	3	2	4
Cannabis Herbs	601	258	232	202	204
Opium (liquid)	36	43	44	59	64

Source: CCDAC, UNODC Myanmar Country Office Database.

Laboratories dismantled, 2000-2004

Number of illicit laboratories detected and dismantled by the Myanmar authorities between 2000 and 2004. ATS laboratory detection is difficult due to their concealable nature. Laboratories need relatively little space to operate and can change location easily.

	2000	2001	2002	2003	2004
ATS	2	5	4	1	1
Opiate group	3	16	9	7	2
Total: 50					

Source: UNODC statistics.

HIV prevalence amongst Injecting Drug Users (IDUs), 1998-2004

Injecting drug use is one of the main drivers of HIV in Myanmar; this is mainly due to the users lack of knowledge on the consequences of conducting unsafe practices. A reported 26% to 30% of official HIV cases are attributed to injecting drug use.

	1998	1999	2000	2001	2002	2003	2004
% of IDUs infected with HIV	56	51	63	41	24	38	34

Source: Fund for HIV/AIDS in Myanmar, Annual Progress Report, April 2005-March 2005.

2.2 Crime

The strong presence of the military in the country has translated into relatively low levels of crime. There are anecdotal reports of petty crime and burglaries, but violent crimes appear to be extremely rare. The presence of organized crime in the country seems to be confined to drug trafficking and, perhaps, human trafficking.

Statistical information on crime is hard to come by. There is no established system for the collection of statistics and the little that is available is in many cases incomplete, is inconsistent or has not been verified by independent sources.

Crimes recorded in criminal (police) statistics by type of crime, 2001-2002

Type of Crime	Number Recorded	
	2001	2002
Total Recorded Crimes	19,873	18,301
Total Recorded Intentional Homicides, completed	119	92
Total Recorded Intentional Homicides, attempted	15	6
Total Recorded Intentional Homicides committed with a Firearm	40	27
Total Recorded Non-Intentional Homicides	752	692
Total Recorded Major Assaults	2,962	2,787
Total Recorded Assaults	8,718	8,059
Total Recorded Rapes	210	223
Total Recorded Thefts	3,845	3,752
Total recorded Frauds	1,957	1,560
Total Recorded Embezzlements	1,281	1,013
Total Recorded Drug Offences	2,923	2,867

Source: UNODC, Division for Policy Analysis and Public Affairs, Eighth United Nations Survey of Crime Trends and Operations of Criminal Justice Systems (2001-2002)

Persons prosecuted by type of crime, 2001-2002

Type of Crime	Number Prosecuted	
	2001	2002
Total of Persons Prosecuted	24,614	24,356
Total Prosecuted for completed Intentional Homicide	1,221	1,291
Total Prosecuted for attempted Intentional Homicide	18	17
Total Prosecuted for Intentional Homicide committed with a Firearm	7	12
Total Prosecuted for Non-Intentional Homicide	438	476
Total Prosecuted for Assault	8,757	7,672
Total Prosecuted for Rape	552	573
Total Prosecuted for Theft	4,574	4,979
Total Prosecuted for Fraud	1,921	1,463
Total Prosecuted for Embezzlement	1,100	863
Total Prosecuted for Drug Offences	2,600	2,301

Source: UNODC, Division for Policy Analysis and Public Affairs, Eighth United Nations Survey of Crime Trends and Operations of Criminal Justice Systems (2001-2002)

Persons brought into formal contact with the criminal justice system, 2001-2002

Type of Suspect	Number Recorded	
	2001	2002
Total Female Suspects	3,331	2,913
Total Male Suspects	26,208	23,330
Adult Female Suspects	3,314	2,896
Adult Male Suspects	26,000	23,160
Juvenile Female Suspects	17	17
Juvenile Male Suspects	208	170

Source: UNODC, Division for Policy Analysis and Public Affairs, Eighth United Nations Survey of Crime Trends and Operations of Criminal Justice Systems (2001-2002)

2.3 Terrorism

Terrorist activities have been extremely rare in Myanmar, and in the past have primarily been confined to isolated bombing incidents that caused little damage and no casualties. This situation changed dramatically with three simultaneous bombings in Yangon on 7 May 2005. The bombs, which targeted upscale supermarkets and a trade fair, caused a reported 20 casualties. The coordination of the bombs and targeting of crowded public areas represents a significant departure from past terrorist incidents. At the time of writing, no credible evidence had been presented to suggest the identity of those behind the attacks.

Although the main opposition party, the National League for Democracy, continues to oppose political violence, the domestic political stalemate has left many groups marginalized and disgruntled, including members of purged former governments, ethnic minorities, and more radical political opposition groups. In the absence of political progress, terrorist activities remain a concern in the country.

III. 2004 – The Year in Review: Main Events

3.1 Political and economic events

In 2004, the political deadlock between the military government and the democratic opposition continued. Aung San Suu Kyi, leader of the National League for Democracy, remained under house arrest, as did her deputy, Tin Oo. After a brief visit in March, the government refused entry to the Secretary-General's special envoy on Myanmar, and abandoned negotiations with the NLD. As a result of this stalemate, the United States and the European Union extended their sanctions on the country. Myanmar continued, however, to build relations with its neighbours, including high-level visits to and from India and China, and continued active participation in the Association of Southeast Asian Nations, ASEAN.

These relations were temporarily upset when an internal power struggle in October 2004 led to the unexpected ouster of Prime Minister General Khin Nyunt on allegations of corruption. His dismissal was followed by the replacement of several key ministers associated with him, including those of home affairs, foreign affairs, and labour. Moreover, the military intelligence (MI) service, of which Khin Nyunt was the chief, was dismantled and several hundred MI officers throughout the country were arrested. Lieutenant General Soe Win, a close ally of junta leader Senior General Than Shwe, was appointed as the new Prime Minister.

The dismissal of Khin Nyunt led to widespread uncertainty over the future course of government policy, including policy vis-à-vis the ethnic minority groups. Khin Nyunt had been the architect of the ceasefire agreements reached with 17 of these groups, and there was uncertainty whether the new government would adopt a more hard-line approach towards them.

This applied in particular to negotiations with the Karen National Union (KNU), which has fought the government since 1949 in a quest for autonomy. The government and the KNU had reached an informal ceasefire agreement in January 2004 and had held a series of talks to formalize the ceasefire throughout 2004. Reaching an agreement with the KNU would de facto imply an end of armed struggle against the central government. However, the fourth round of these talks coincided with the ousting of General Khin Nyunt, and the KNU delegation left Yangon. Since then, relations have been tense and sporadic fighting has taken place. Similarly, relations with other ethnic minority groups have become tense, although publicly both the government and the ethnic groups reaffirmed the validity of their respective ceasefire agreements.

Despite these changes at the top, the government continued to pursue its seven-step "roadmap" to democracy, with a National Convention to draft a new constitution convening in May 2004. A previous convention had ended unsuccessfully in 1993 following a walkout by the National League for Democracy over the convention's undemocratic workings. In 2004, the NLD decided not to participate in the National Convention, following the government's refusal to release party leader Aung San Suu Kyi from house arrest and to allow the reopening of party offices.

In a series of mass prisoner releases in late 2004, the government released 20,000 prisoners. Although the majority of the prisoners released were petty criminals, some prisoners of conscience also received amnesties, including student leader Min Ko Naing, who was released after 17 years in prison.

The December 2004 tsunami that devastated large parts of several countries along the Indian Ocean caused relatively little damage in Myanmar, with a reported final casualty toll of between 60 and 80 dead people, and about 10,000 to 15,000 people affected by the natural disaster.

3.2 Drugs

In 2005, opium cultivation in Myanmar continued its downward trend, with the area under cultivation declining by 26% compared to 2004. Bad weather conditions affected the opium yield, causing total production to drop to 312 metric tons, a 16% decrease from 2004. This decrease in

supply was partly responsible for a moderate increase in farm gate opium prices, which rose by 22% over 2004 levels. The total farm gate value of opium production in 2005 amounted to US\$57 million (0.7 % of GDP).⁵

The production of amphetamine-type substances (ATS) remained a major concern. In 2004, the Myanmar government seized 8.4 million ATS tablets. This is more than twice the number seized in 2003 (4.1 million), but still significantly less than seizures in previous years, which during 1999-2001 stood at about 30 million tablets per year.⁶

Cross-border complicity is an important aspect of ATS production in Myanmar, as the precursor chemicals required to produce ATS are not manufactured domestically. Precursor chemicals are controlled substances under Myanmar law, and in July 2004, the government issued additional legislation to further control the import and use of precursor materials.

In January 2004, the Wa authorities, long accused of being a major ATS producer in Myanmar, relieved Pao Yu Hua, commander of a special brigade, of his duties over alleged involvement in ATS production and trafficking. The significance of this move was heightened by the fact that Pao Yu Hua is the youngest brother of Pao Yu Chan, chairman of the United Wa State Party and leader of the special region under its control. However, while Pao Yu Hua had to give up his official functions, no further punitive action was taken against him.

3.3 Crime

A. Human trafficking

In March 2004, Myanmar signed and ratified the United Nations Convention against Transnational Organized Crime (TOC), as well as the trafficking and smuggling protocols. To bring national legislation in line with the standards set forth in the TOC, the government began drafting a national trafficking law. In September 2004, it held a workshop to discuss the draft law among government agencies and international experts. The law was finalized and came into effect in mid-2005.

Additionally, in late 2004 the government established a department on transnational crime within the Ministry of Home Affairs. The department coordinates the government's efforts to fight transnational organized crime, particularly human trafficking.

In July 2004, a dedicated anti-trafficking unit of the Myanmar police force was established in Yangon. With technical support from an Australian-funded project, the 32 members of this unit have been trained in international legal standards, the provisions of the TOC, and special procedures to investigate cases of trafficking, such as victim-sensitive interviewing techniques.

Finally, during the same year, Myanmar continued its participation in the COMMIT (Coordinated Mekong Ministerial Initiative against Trafficking) process, which brings together the six countries of the Mekong Subregion (Myanmar, Thailand, Lao PDR, Vietnam, China, Cambodia) to fight human trafficking. In October 2004, Myanmar hosted a ministerial-level meeting in Yangon at which the countries signed a memorandum of understanding to improve cooperation against human trafficking and agreed to develop a regional plan of action.

B. Money laundering

Since June 2001, the Financial Action Task Force (FATF) has identified Myanmar as a "non-cooperative" country, primarily due to the absence of national money laundering legislation. Since then, the government has taken a number of steps to remedy the situation, including notably the passage of the "Control of Money Laundering Law" in June 2002. However, the

⁵ Value of potential opium production calculated for the months January-June 2005. UNODC, *Myanmar Opium Survey 2005* (Yangon: UNODC, November 2005), 1, 23.

⁶ Seizure reports from CCDAC, Government of the Union of Myanmar.

government's failure to pass mutual legal assistance legislation and to issue regulations to implement the 2002 money laundering law led the FATF, in November 2003, to call upon its member states to impose countermeasures against Myanmar.

In December 2003 the government issued the regulations necessary to implement the June 2002 money laundering law. These regulations detail the roles and responsibilities of the relevant regulatory and enforcement bodies. The 2003 regulations lay out 11 predicate offences, including narcotics activities, human and arms trafficking, cyber crime, and "offences committed by acts of terrorism," among others. The new regulations call for suspicious transaction reports (STRs) to be issued by banks, the real estate sector, and customs officials, and impose severe penalties.

In January 2004, the government set the threshold amounts for reporting cash transactions by banks and real estate companies – necessary to complement the regulations issued in 2003 – and named representatives to a financial intelligence unit established in December 2003. At the request of the FATF, in October 2004, the government added fraud to its list of predicate offences for money laundering and made clear that there was not a threshold amount for money laundering offences associated with any of the listed predicate crimes.

In addition, Myanmar passed mutual legal assistance legislation in April 2004, addressing another legislative shortcoming identified by the FATF. In response, in October 2004, the FATF removed its countermeasures against the country – though retaining it on its list of non-cooperative countries.

C. Corruption

The sudden removal of the Prime Minister, Gen. Khin Nyunt, and the arrest of hundreds of government officials associated with him in October 2004 were done on charges of corruption. Since then, this topic has remained highly politicised, limiting the room for third parties to address this issue. It does, however, remain pressing: in November 2004, the non-governmental organization Transparency International published its annual corruption perception index, with Myanmar ranking among the five worst countries surveyed (on 142nd place out of 145).⁷

3.4 Terrorism

No major terrorist activities occurred in Myanmar in 2004. There were isolated incidents of small explosive devices detonated in Yangon – at city hall and in the railway station –, however, these claimed no casualties, caused little damage and had nearly no political impact. This changed with a series of coordinated bombings in Yangon in May 2005, when bomb explosions in three separate places – two supermarkets and a trade fair – left a reported twenty people dead and many injured. The coordination of these attacks, combined with the targeting of crowded public places, suggests a departure from past incidents.

⁷ Transparency International, *Corruption Perceptions Index 2004*, <http://www.transparency.org/cpi/2004/cpi2004.en.html#cpi2004> (November 2005)

IV. General Setting

4.1 Major socio-economic characteristics of the country

With a population of approximately 50 million and a rich natural resource base, Myanmar is a country with considerable potential. However, more than five decades of political and armed conflict, combined with forced isolation and unsuccessful economic policies have significantly eroded socio-economic conditions in the country and led to its designation in 1987 as a “least developed country.”⁸ Myanmar lags far behind its neighbours and ASEAN in economic and social development, with a Human Development Index (HDI) ranking of 129 out of 177.⁹ In 2004, Myanmar ranked 106 on the Gender-related Development Index (GDI) (out of 146)¹⁰.

Myanmar shares a border with five countries: Bangladesh, India, China, Lao PDR and Thailand. The vast majority of opium and ATS production in Myanmar takes place in the Shan state, in the north eastern part of Myanmar. This state, one of the seven states and seven divisions constituting the Union of Myanmar, covers some 155,000 km², making it roughly equal in size to Bangladesh. The Shan state borders China, Lao PDR and Thailand and forms part of the notorious Golden Triangle.

Myanmar is one of the most ethnically diverse countries in the world, with ethnic minority groups accounting for about one third of the population. Following independence in 1948, some of these ethnic groups struggled for autonomy from the central government, leading to a number of prolonged armed conflicts. These conflicts were concentrated primarily in the border regions, which are home to a large number of ethnic minority groups. It was during this time of conflict that opium cultivation in the Shan state grew exponentially: drug profits financed fighting and provided lucrative income with which alliances could be bought.

The drug control context changed with the military hand-over of 1988. The new government sought to establish its legitimacy by bringing stability to the Union of Myanmar, and to this end pursued ceasefire agreements with the insurgent ethnic groups. Between 1988 and 1996, the government signed 17 ceasefire agreements with various ethnic groups, granting them different degrees of autonomy and self-governance.

Initially, the end of fighting led to an increase in opium cultivation in these autonomous areas. But as ethnic minorities became more integrated into the Union of Myanmar, the government was able to assert some degree of control, and local authorities agreed to phase out poppy cultivation. The first visible result of this turn of events was the surrender of the notorious drug lord Khun Sa and his Mong Tai Army to government forces in 1996. In April 2002, the Wa and Kokang ethnic leaders, whose regions account for most of Myanmar’s opium cultivation, reiterated their commitment to make their territories opium-free by July 2005 in the Wa, and 2003 in the Kokang. This is part of a larger, 15-year plan by the government instituted in 1999 to make Myanmar opium free by 2014.

Nonetheless, even as Myanmar has managed to reduce opium cultivation, widespread poverty, porous borders, limited control over the border areas and lawlessness stimulate a thriving unrecorded cross-border economy. It has also made the country an attractive destination for many criminal elements. Similarly, the regional economic disparities fuel trafficking in human beings.

⁸ UN Country Team in Myanmar, *Strategic Framework for UN Agencies in Myanmar* (Yangon: UN Country Team in Myanmar, 12 March 2004. Internal draft), 3.

⁹ UNDP, *Human Development Report 2005*, <http://hdr.undp.org/reports/global/2005/> (November 2005).

¹⁰ Data on GDI from 2003. UNDP. *Human Development Report 2004*, <http://hdr.undp.org/reports/global/2004/> (November 2005).

4.2 Summary table of general statistics

	Year	Source	Value	World Average
Human Development				
HDI value	2003	HDR	0.578	0.741
HD rank (of 177 countries)	2005	"	129	--
Economic Development				
GDP per capita rank (of 177 countries)	2005	"	163	--
GDP per capita annual growth rate (%)	1990-2003	"	5.7	--
GDP Index	2005	"	0.39	0.77
Human Poverty Index rank (among developing countries, of 103)	2005	"	50	--
GDP per opium growing household in the Shan State (US\$)	2005	UNODC	292	--
GDP per non-opium growing household in the Shan State (US\$)	2005	UNODC	364	--
Population				
Total Population	2003	WHO	49,485,000	--
Annual population growth rate (%)	2003-2015	HDR	0.9	--
Percentage of population aged 60+ years	2003	WHO	7.0	--
Fertility rate	2003	WHO	2.8	--
Health Indicators				
Life expectancy at birth (years)	2003	HDR	60.2	67.1
Life expectancy index	2005	HDR	0.59	0.70
Combined child mortality (children under 5 years, per 1000)	2003	WHO	105	--
Combined adult mortality (adults between 15 and 59 years, per 1000)	2003	WHO	279	--
Public health expenditure (% of GDP)	2002	HDR	0.4	--
HIV prevalence (adults between 15 and 49 years, %)	2003	UNAIDS	1.2 (range: 0.6-2.2)	--
Adults (15-49) living with HIV (thousands)	2003	UNAIDS	320 (range: 170-610)	--
Total AIDS deaths (thousands)	2003	UNAIDS	20 (range: 11-35)	--
Education				
Adult literacy rate (% ages 15 and above)	2003	HDR	89.7	--
Education index	2005	"	0.76	0.77
Combined gross enrolment ratio for prim., sec. and tert. schools (%)	2002/2003	"	48	67
Other indicators				
Telephone mainlines (per 1000 people)	2003	"	7	--
Internet users (per 1000 people)	2003	"	1	--
Official development assistance received (net, US\$ millions)	2003	"	125.8	--
Total armed forces (thousands)	2003	"	378	--

Notes:

HDR – Human Development Report 2005

WHO – World Health Organization, Statistical Information System (WHOSIS) (as updated at the time of publication)

UNODC – United Nations Office on Drugs and Crime, Myanmar Opium Survey 2005

V. Drug Supply Situation

5.1 Production and cultivation

Myanmar has long been one of the world's largest opium producers. In the 1980s, Myanmar was the world's largest producer, with an average production of about 700 metric tons of opium per year between 1981 and 1987. For the following ten years, until 1996, Myanmar production continued to increase, reaching an annual average production of 1,600 metric tons. However, Afghanistan's opium production grew even faster during this period, with the country replacing Myanmar as the world's largest producer of opium in 1991. Nonetheless, the area under cultivation in Myanmar remained larger than in Afghanistan, until 2003 – the differences in opium poppy varieties, growing methods and climatic conditions resulting in higher yields in Afghanistan.

After peaking in 1996, opium poppy cultivation has declined steadily in Myanmar, a result of increased eradication and control efforts both by the central government and by local authorities. During the brief but effective implementation of an opium ban in Afghanistan by the Taliban in 2001, Myanmar regained the dubious distinction of being the world's largest opium producer, but the subsequent rise in Afghanistan's output quickly ended this situation. All the while, the decline in opium cultivation in Myanmar has continued at a rapid pace: in 2005, the area under cultivation stood at 32,800 hectares – a decline of 75% since 1998.

More than 90% of opium cultivation in Myanmar, grown and harvested during the September to March dry season, is located in the mountainous areas of the Shan state. Cultivation extends almost the entire length of the Shan State, running alongside the Chinese border south to Lao PDR and finally the Thai border. Ethnic minority groups operating in autonomous administrative entities – the so-called "Special Regions", govern parts of this area. The ethnic groups in this region include Kokang-Chinese, ethnic Chinese, Wa, Shan, Kachin, as well as other tribes such as Lahu and Akha.

Data on opium cultivation in Myanmar is obtained through annual opium surveys carried out by the Illicit Crop Monitoring Programme (ICMP) and the United States. UNODC started to carry out extensive surveys annually after a pilot survey conducted in 2001.¹¹ Surveys use a combination of satellite images and ground verification to provide the most accurate and objective data available.

The total area under opium poppy cultivation in Myanmar during the 2005 season was estimated to be 32,800 ha. The Shan state accounts for 94% of the total opium cultivation in Myanmar; that is an estimated 30,800 ha. This represented a decline of 25% compared to the previous year.¹²

42% of Shan State cultivation took place in the Wa Special Region 2. However, while there has been a general decline in the areas of cultivation in the Wa, decreases in some townships have been matched with increases in some others. According to the survey, cultivation rose in northern Wa as a result of farmers anticipating the 2005 opium ban and wanting to increase their opium stocks.¹³

Rapid assessments concluded that there was not opium cultivation in the regions previously declared opium-free (including Special Region 4, a region declared opium-free since 1997).

Outside the Shan State, surveyors observed the presence of poppy and could confirm that opium cultivation, though marginal, remains a reality. In these areas, opium is mainly used for medicinal purposes and personal consumption. A rapid assessment conducted in two townships in Kachin

¹¹ For previous years, data is drawn from annual surveys carried out by the United States Counter Narcotics Commission.

¹² UNODC, *Myanmar Opium Survey 2005* (Yangon: UNODC, November 2005), 9

¹³ UNODC, 10.

state showed that the total area under opium cultivation in 2005 is estimated to be 2,000 ha. This represents a slight increase in opium cultivation, as well as eradication, compared to 2004.¹⁴

In 2005, 3,907 ha of opium poppy were eradicated in Myanmar, an increase of 39% compared to 2004 when 2,820 ha were eradicated.

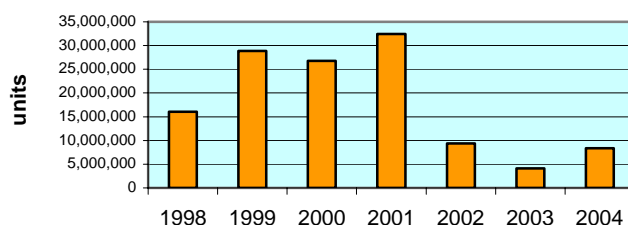
The survey found that an estimated 193,000 households were involved in opium cultivation in Myanmar in 2005; a decrease of 26% compared to the previous year. Opium poppy cultivation takes place in 20% of all villages in Shan state; almost half of these are located in the Wa area. The average opium-producing household receives an annual cash income of US\$ 292. With approximately half of this income derived from opium cultivation, farmers are very vulnerable to changes in production.

5.2 Manufacture

Although opium cultivation in Myanmar is declining, the manufacture of synthetic drugs is giving new cause for concern. Myanmar has been identified as one of the major source countries of methamphetamine, as well as other amphetamine-type substances (ATS).¹⁵ Unlike plant-based drugs, however, determining ATS production levels is difficult as production takes place in easily concealed laboratories. Seizure data offer some insights on the situation, though variations in seizures may say as much about the success of law enforcement as about the actual levels of production. In Myanmar, for example, ATS seizures rose from 16 million in 1998 to 32 million in 2001, but have since dropped to 8 million in 2004.¹⁶ Seizures of the precursor ephedrine have similarly declined in recent years.¹⁷ It would, however, be premature to read this data as an indication that ATS production in Myanmar is declining.

In response to the above difficulties, UNODC has provided scientific and technical support to the government, and the country has entered into a number of international and bilateral cooperation agreements aimed at tackling the problem. With UNODC support, national authorities are developing a database to record details of methamphetamine seizures, with the aim of linking samples and identifying sources. This database is being incorporated into a regional mechanism for sharing data with other countries through a regional UNODC project¹⁸.

Myanmar ATS Seizures, 1998-2004



Source: CCDAC, UNODC Myanmar Country Office Database

Two characteristics are noteworthy about ATS production in Myanmar. The first is that although ATS production may be used to offset income losses experienced by opium traders and middlemen, it does not have the same effect for former opium farmers. Indeed, although ATS is

¹⁴ The rapid assessment conducted in Kachin state found cultivation in only one of the surveyed villages. In Waingmaw Township an estimated 1,613 ha of opium cultivation took place. While it was not possible to determine whether these findings are representative of other townships, eradication reports by the government indicate that it could be. *Ibid.*, 12.

¹⁵ UNODC, *World Drug Report 2005* (Vienna: UNODC, 2005), 100.

¹⁶ Seizure data as reported by CCDAC, Government of the Union of Myanmar.

¹⁷ *Ibid.*

¹⁸ The abovementioned project refers to AD/RAS/97/C73 - Improvement of Drug Abuse Data Collection Systems. The project aims at developing or strengthening the design and operations of drug abuse information systems within the countries signatory to the 1993 Memorandum of Understanding on Drug Control (Cambodia, China, Lao PDR, Myanmar, Thailand and Viet Nam).

relatively easy to produce, its production requires three essential things that most opium farmers lack: running water, electricity, and precursor chemicals.

The second factor relating to ATS production in Myanmar is its high degree of cross-border complicity. Myanmar has a limited chemical industry and does not domestically produce the precursor chemicals required for the production of ATS. These chemicals are imported, primarily from China and India. At the same time, most of the ATS is produced for export, mainly to Thailand and China. The fact that production takes place in a country with neither domestic raw materials nor markets, highlights a high involvement of cross-border criminal groups, operating out of neighbouring countries (including Thailand, China, India and Bangladesh), and a low risk of interception at borders. The map below, indicating locations of clandestine ATS labs and heroin refineries, illustrates the significance of Myanmar's border areas in this context.

Locations of clandestine laboratories and refineries in Myanmar.



Source: Central Committee for Drug Abuse Control

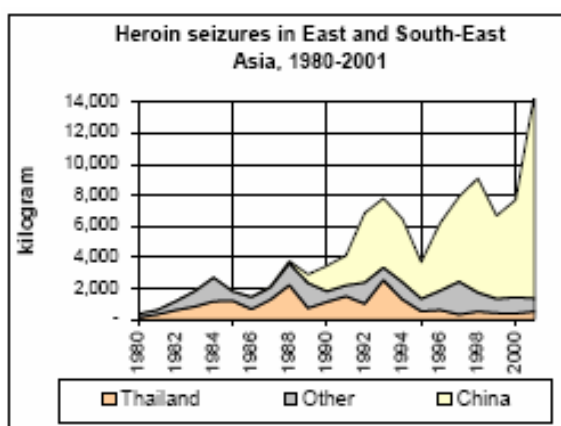
5.3 Trafficking

Since Myanmar accounted for about 80% of the annual opium production of Southeast Asia during the 1980s and for about 90% during the 1990s, trends in Southeast Asian heroin trafficking can largely be linked to Myanmar's production. Indeed, the changes driving the decline in Myanmar's opium production have also had effects on trafficking routes.

In 1994-95, the increased military pressure put on the rebellious Mong Tai Army in Myanmar resulted in the surrender of its leader Khun Sa in 1996. Khun Sa and his troops controlled most of Myanmar's heroin production, and with his surrender, the Southeast Asian heroin trade was temporarily disorganized and trafficking lines were cut. This was reflected in heroin seizures data, which show a large drop in 1996 in East and Southeast Asia. Similarly, this disruption in the heroin flow was also reflected by heroin seizure data in the USA: while Southeast Asian heroin represented 68% of the heroin seized in the USA in 1993 and 58% in 1994, it accounted for only 17% of seizures in 1995. Since then, Southeast Asian heroin in the United States has largely been replaced with heroin from South America.¹⁹

¹⁹ U.S. Drug Enforcement Agency (DEA), *Drug Trafficking in the United States*, http://www.usdoj.gov/dea/concern/drug_trafficking.html (31 March 2005).

Khun Sa was linked with Hong Kong and Taipei-based trafficking rings which used Thailand as a transit country. With the dismantling of Khun Sa's organization, trafficking was increasingly reoriented through China and taken over by smaller and less organized Chinese groups. As a result, the level of heroin seizures in Thailand has remained relatively low since then. In 1993, Thailand accounted for 33% of all heroin seizures in East and Southeast Asia, a share that had dropped to a mere 6% by 1998. During this period, China's share of heroin seizures grew from 58% to 83%.²⁰ From 1998 to 2003 (latest year for which data is available) these shares have stayed roughly the same, with China on average accounting for 84% of heroin seized and Thailand 5%.²¹



Source: Global Illicit Drug Trends 2003, 57.

Today, it is estimated that about 60% of Myanmar's opiate production is trafficked through China, and about 30% through Thailand and/or Lao PDR. From China, illicit opiates move overland to Hong Kong SAR, Macao SAR and other regional commercial air and maritime centres for forwarding to Australia, Taiwan province of China, Europe and North America via maritime and air means. Elaborate networks conducted by triads located in Hong Kong SAR, China and Taiwan province of China are responsible for trafficking Myanmar's illicit opiates overseas.

The trafficking situation is rather different for ATS, for which Thailand has been a significant market since the mid-1990s. With cross-border technical and financial investment, the border areas in Myanmar developed into a major regional centre for ATS production during the 1990s. The distribution channels for ATS are mainly controlled by Thai criminal organizations.

The production of ATS was driven by rising demand in Thailand. A November 2001 survey conducted by the Thai health ministry found that 2.7 million Thais, or 4.3% of the population, were addicted to drugs, and that out of these, 91% were using methamphetamines. Thai authorities, concerned by what was termed an "ATS epidemic" initiated a concerted fight against ATS. Increased enforcement efforts along the border, as well as temporary border closures due to political tensions between Thailand and Myanmar led to the development of alternate trafficking routes inland.

At the same time, maritime trafficking routes have been developed. In December 2001, the Australian Federal Police stressed the increasing importance of the trafficking route by sea from Myanmar to Singapore and Malaysia and from there to other parts of the world. ATS arrives in Thailand mainly via the west coast from Ranong and Satun. It is then shipped southward to Malaysia or taken by trucks to Bangkok. Some of the heroin and a certain amount of high-end methamphetamine called "blue angel" also heads for international markets such as Taiwan province of China, North America, Australia and Europe through Thai criminal connections.

²⁰ UNODC, *Global Illicit Drug Trends 2003* (Vienna: UNODC, 2003), 57.

²¹ UNODC, *World Drug Report 2005* (Vienna: UNODC, 2005), 135-136.

Sentences in drug cases, 1999-2003

	1999	2000	2001	2002	2003
Seizures	2,422	3,275	2,592	2,605	2,625
Sentences	1,597	4,087	2,575	2,362	2,410
Death sentence	2	12	6	2	16
Imprisonment without limitation	32	67	46	108	12
Life imprisonment	-	-	-	34	89
Over 10 years imprisonment	456	1,558	1,235	1,075	1,304
Under 10 years imprisonment	1,440	3,332	2,007	1,755	1,750

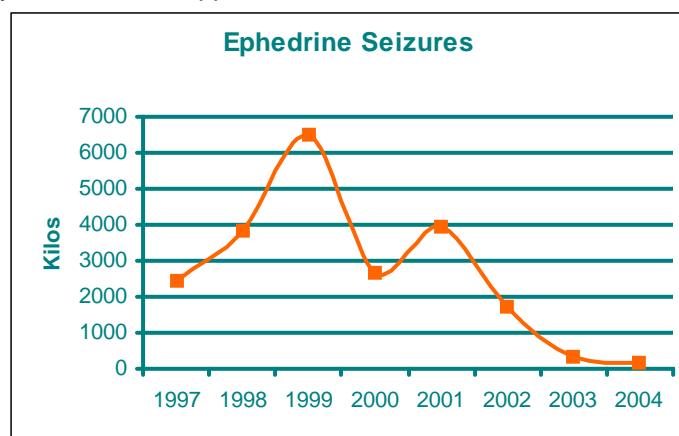
Source: CCDAC, Report of the Implementation of the First 5-Year Phase of the 15-Year Narcotic Drug Elimination Plan. Yangon, February 2005.

5.4 Diversion of drugs and precursors

Myanmar controls all 23 precursor chemicals identified in the 1988 Convention as well as two additional chemicals: caffeine and thionyl chloride. While the legal framework for controlling precursors is strong, low-level corruption and a large amount of unregulated cross-border trade limit the effectiveness of these regulations.

The majority of precursor chemicals are smuggled into the country via China, although India is also a major source of precursors, especially of ephedrine. Stringent controls by Chinese authorities led to shortages of this precursor, and increasingly, shipments of phenyl acetic acid – which can also be used to manufacture methamphetamines – have begun to be intercepted by Myanmar authorities.

UNODC facilitated cooperation on precursor control between Myanmar, China and India through a trilateral meeting in January 2003. Additionally, a second regional project on precursor control began in November 2001, focusing on nine countries of the region: Cambodia, China, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Thailand and Vietnam.



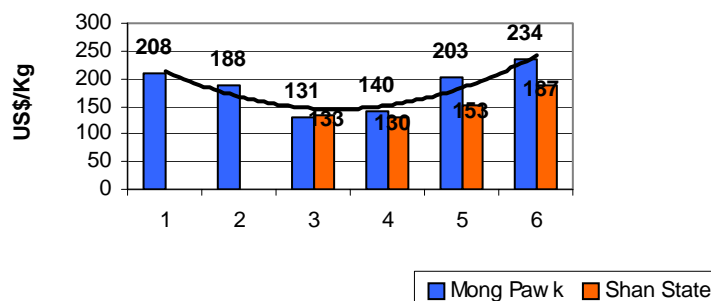
Source: Central Committee for Drug Abuse Control, 2005

After the August 2001 Beijing Declaration, two regional meetings on precursor control were held in Thailand. At the April 2004 meeting in Pattaya, India was invited to attend along with China, Myanmar, Laos and host country Thailand.

5.5 Drug prices

In 2005, the average farm gate price of opium in the Shan state was estimated to be US\$187 per kilogram – an 22% increase compared to the price reported by farmers in 2004. The price of opium was higher in the non opium-growing villages; however, the increase in opium prices has been uneven as determined by market forces of supply and demand.²²

Average opium prices in Shan State and Mong Pawk market, 2000-2005



Source: UNODC, Myanmar Opium Survey 2005.

Based on a potential opium production of 370 metric tons and an average farm gate price of US\$187/kg, the total 2005 farm gate value of Myanmar's opium production was estimated at US\$58 million, equivalent to about 0.7% of the country's GDP.

5.6 Costs and consequences

The production of illicit drugs in Myanmar has significant international, regional and national consequences. At the international level, the opium and heroin produced in the country are consumed in and distributed through China and Thailand as well as the rest of Asia, reaching destinations as far away as Australia, North America and Europe.

At the regional level, drugs are at the root of many problems facing the countries of the Golden Triangle today, including the spread of HIV/AIDS fuelled by injecting drug use, corruption of border officials and the large influence of criminal elements intent on undermining the rule of law and further instability in the border areas.

Many of these effects are also felt at the national level, particularly the spread of HIV/AIDS due to injecting drug use. Equally, the existence of large-scale crime and its ensuing web of lawlessness and instability – both locally and regionally – enrich criminals and their cronies. In contrast, those with the potential and desire to change the country's political path towards transparency and accountability are further marginalized.

Beyond this, the drug business strengthens the country's informal economy, which abides by a political status quo. The same individuals who are involved in drug trafficking have no incentive to see transparent economic regulations in place, a more effective and accountable government, or any of the other changes required for the country's political development. Instead, they are likely to use their substantial resources to perpetuate the status quo, since it provides the underpinnings of their business.

²² Farmgate opium prices are collected every five days by UNODC/Wa project staff at the Mong Pawk market in the Wa Special Region 2, eastern Shan State.

For these reasons, the recent reductions in opium cultivation are welcome developments. At the same time, it is important to recognize the stress these reductions have placed on some of the most vulnerable groups of the population. Specifically, many of the two million people in Myanmar that depend on cultivating opium for their subsistence are finding themselves deprived of their primary livelihood. Both from a humanitarian perspective as well as to ensure the long-term sustainability of drug control efforts, it is imperative to address the humanitarian needs created by these drug reductions.

VI. Drug Demand Situation

6.1 Demand reduction

There are about 70,000 officially registered drug addicts in Myanmar. UNODC estimates that up to 300,000 people in Myanmar might abuse illicit drugs, with most people hesitating to register as

a drug addicts with the government (a requirement when seeking treatment) because of the fear of prosecution, and a maximum of five years imprisonment, in case of relapse.

Nonetheless, even at 300,000 drug abusers, the rate of drug abuse in Myanmar is low compared to surrounding countries. There are, however, two trends of concern relating to drug abuse in Myanmar: one is an increasing switch away from traditional opium smoking towards injecting heroin, the other a rise in ATS abuse, especially among the younger population.

Opiate addicts are by far the biggest group of drug abusers. Data show that 90.2% of registered drug abusers are opiate addicts, with 40% registered for opium abuse and 45% for heroin abuse. In the Shan state, opium addiction affected 0.57% of the adult population (about 19,600 addicts), with addiction rates significantly higher (about 1.74%) in the villages where opium cultivation took place. In many of these villages, people use opium for medicinal purposes because they lack access to medical care. Taken to treat diarrhoea as well as a painkiller, villagers often succumb to the substance's addictive potential.

Annual prevalence of drug abuse (as percentage of age 15-64)

	Myanmar prevalence	Global Estimates
Cannabis	1.4% (2001)	4%
Cocaine	N/A	--
Opiates	0.6% (2005)	0.4%
ATS	0.1 (2002)	0.6%

Source: World Drug Report 2004, Myanmar Opium Survey 2005

Heroin is used by more urban or mobile populations, such as seasonal gem miners. Heroin abusers take on average two to three doses a day; with the cost of one dose ranging from 500 kyats (50 cents) in southern Shan state to 40 to 150 baht (US\$1-3.50) in areas close to the Thai border. Within this group of abusers, there is a trend away from the traditional opium smoking and towards injecting heroin, with the added threat of becoming infected with the HIV virus.

In 2003, 90% of the total number of people who received treatment for drug problems abused opiates, 7% abused ATS and 2% cannabis.

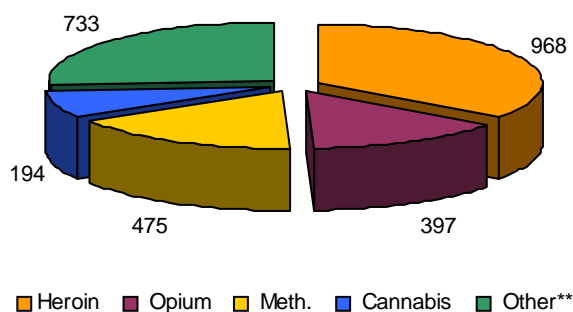
The second major trend concerning drug abuse in Myanmar is the rise of ATS consumption among youth. ATS consumption has steadily grown, as evidenced by an increase in the number of treatment admissions since 2000 and wider availability of the drug on the streets. A survey on drug abuse in schools, conducted in 2002, indicated that the most commonly abused drug in schools was cough syrup, followed by diazepam, cannabis, ATS, and opioids. The study also showed that ATS has a much less dangerous image than heroin. Given its reputation as a "party drug," it is particularly the younger population that is at risk of falling prey to the dangers of ATS abuse. Higher rates of abuse have also been noted among certain occupational groups, such as truck drivers and commercial sex workers. ATS abusers on average take two to three doses a day, each costing 2,000 to 3,000 kyats (US\$2-3).

Registered Drug Addicts (1999-2003)

Age	10 - 14	15 - 19	20 - 24	25 - 29	30 - 39	40 - 49	50 +
Number	8	141	608	1,009	1,303	582	301
Percentage	0.2	3.57	15.38	25.53	32.97	14.72	7.63

Source: CCDAC, Report of the implementation of the first 5-year phase of the 15-year Narcotic Drugs Elimination Plan. Yangon, February 2005

Arrest for illicit drugs in Myanmar, 2003*



Source:

Asia & Pacific Amphetamine-type Stimulants Information Centre. <http://www.apaic.org>.

*Arrest data includes use, possession, dealing and trafficking of drugs

**Includes cough syrup

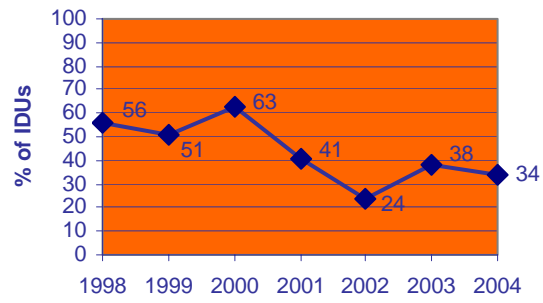
6.2 Injecting Drug Use and HIV/AIDS

The HIV prevalence in Southeast Asia is one of the fastest growing epidemics in the world. An estimated six million people are already infected with the HIV virus in the region, with India, Thailand, Myanmar and Indonesia accounting for 99% of the total. UNAIDS estimates there are between 170,000 and 620,000 people infected with the HIV virus in Myanmar. Official estimates from the Ministry of Health for 2004 indicate there are 338,911 infected people in the country. The United Nations has identified Myanmar, along with Thailand and Cambodia, as one of the highest priority countries in the Southeast Asian region.

While there has been a slight decrease in the rate of infection among high-risk groups (male STIs, sex workers and IDUs), there was a perceived increasing trend of infection among blood donors, military recruits and pregnant women that suggest the epidemic is spreading to the general population. Though most the HIV infections occur through unprotected sex between men and women, injecting drug use is adding to the spread of the epidemic. In Myanmar, approximately half of the total number of injecting drug users have acquired the infection.

Data is hard to come by, but UNAIDS, UNODC and WHO estimate that between 30,000 and 130,000 people are injecting drug users (most of whom are heroin abusers). This is particularly worrisome in the context of HIV/AIDS, as many drug users are unaware of the dangers of sharing needles, or of safe injecting practices. Of the officially reported HIV cases, 65% are attributed to heterosexual transmission and between 26% and 30% to injecting drug use, one of the highest such rates worldwide. A shifting trend in administration routes in other countries in the area, where it is reported that drug users have begun to inject methamphetamines, represents a major concern and, thus illustrates the need to continue implementing initiatives aimed at providing treatment for drug abuse and reducing its harmful consequences.

**HIV Prevalence amongst Injecting Drug Users
(IDUs) in Myanmar, 1998-2004**



Source: Fund for HIV/AIDS in Myanmar, Annual Progress Report, April 2005-March 2005.

VII. Crime and Justice Situation

7.1 Main characteristics

It is difficult to estimate the level of conventional crime in Myanmar, as the government does not publish regular crime statistics. As in many tightly controlled and socially conservative societies, there is very little violent crime: not even anecdotal reports of murders, rapes, or kidnappings. There is some petty crime, especially burglaries, but these tend to be non-violent. In general, crime does not appear to be a major concern among the population who use simple security measures such as bars on windows and locked doors.

Transnational organized crime, in contrast, is a bigger concern. Aside from drug trafficking, human trafficking is an issue of major concern in Myanmar. Trafficking of persons in Myanmar occurs both internally and across borders to Thailand and China.²³ Recent and reliable estimates of the number of people affected by trafficking are unavailable, but commonly cited figures suggest 20,000 to 30,000 Myanmar victims of trafficking in Thailand alone.²⁴ It is estimated that every year up to 10,000 women and children find themselves caught up in this destructive cycle.²⁵ Moreover, Myanmar is also a source country for men trafficked into fisheries, forestry and other industries in Thailand.²⁶

There is little data available on prisons in Myanmar. Generally, prisons suffer from overcrowding and poor conditions. Medical care for prisoner is often not available. Significantly, there are a large number of prisoners of conscience in Myanmar, making this topic very sensitive for international organizations to deal with. However, the Myanmar government does allow the International Committee of the Red Cross (ICRC) to visit prisons and meet with prisoners.

The problem of lack of data also holds true for juvenile justice matters. There are no publicly available statistics that inform on the number of children in prison or detention settings. Myanmar Child Law does include specific provisions on child and young offenders and rules that aim at protecting children and youth from abuse. However, up to this date there is no research that shows whether these laws are appropriate and correctly enforced.

The Union of Myanmar does not participate in UN crime surveys and other data collecting mechanisms.

Prison population, 2001-2002

Type of Crime	Number Prosecuted	
	2001	2002
Total persons incarcerated	31648	32797
Total number of spaces (beds) available for adults	25600	25600
Ratio prison occupancy	124%	128%
Total persons awaiting trial or adjudication	4966	4870

Source: UNODC, Division for Policy Analysis and Public Affairs, Eighth United Nations Survey of Crime Trends and Operations of Criminal Justice Systems (2001-2002)

7.2 Trends

²³ World Vision Myanmar. *Trafficking and Migration Programme Overview*. March 2003. 2.

²⁴ UNCT Strategic Framework, 26.

²⁵ Ibid.

²⁶ *Human Trafficking – Regional Profile 2003*. <http://www.unodc.un.or.th/material/document/RegionalProfile.pdf>, 21 September 2004

The lack of reliable data on crime in the country make it difficult to judge how the situation overall has changed. Anecdotally, there has perhaps been a slight increase in crime with the worsening of the economic situation.

On human trafficking, the government has recently made major efforts to address the problem. These efforts include the ratification of the Convention against Transnational Organized Crime and its supplementing Protocol against Trafficking in Persons in March 2004, followed by the drafting of a national anti-trafficking law that included the participation of international experts to review and comment on the draft law. This law came into effect in mid-2005. Other national measures include the establishment of an anti-trafficking unit of the Myanmar Police Force in June 2004 based in Yangon. To oversee and coordinate these activities, a Department against Transnational Organized Crime was established within the Ministry of Home Affairs in 2004.

On the regional level, Myanmar is participating in the six-country “Coordinated Mekong Ministerial Initiative against Trafficking” (COMMIT) process and in November 2004 hosted a ministerial meeting in Yangon where the six countries – Cambodia, China, Lao PDR, Myanmar, Thailand and Vietnam – signed a Memorandum of Understanding to fight trafficking and began work on a sub-regional Plan of Action, which was finalized at a follow-up meeting in Hanoi in March 2005.

7.3 Money laundering

An underdeveloped financial system, high inflation rates, significant differences between the official and black market exchange rates, and U.S. financial sanctions all combine to make Myanmar an unappealing choice for laundering money. The bulk of money laundered in Myanmar can then be assumed to be profits made inside the country, with drug production and trafficking playing a prominent role.

At the same time, it is important to note that the majority of the profits associated with the drug trade are made outside of Myanmar, as drugs are refined, transported, and sold for retail prices. Myanmar producers are rarely involved in trading or distribution deeply within Thai or Chinese territory or overseas. Macro profits are thus generated outside the country by the Thai, Chinese and other external criminal organizations.

Domestically, the potential farm gate value of Myanmar’s opium production in 2005 is estimated at US\$58 million. The first tangible profits, however, are not made by the farmers, but by the traders, processors and the local authorities who levy opium taxes and extend protection in return. Authorities who are not involved in production or processing, but on whose territory the drugs are transported, also traditionally charge a fee for safe transit.

Given the underdeveloped nature of Myanmar’s financial system, cross-border personal and economic relations with neighbouring countries, especially Thailand and China, provide more ample opportunities for money laundering through business ventures and banking institutions in these countries. The remainder is invested in legitimate and illegitimate business ventures and infrastructure in Myanmar. Some of these investments are intended to supplement government expenditures on development projects in the autonomous regions under the control of former insurgent groups now abiding by the “peace for development” ceasefire agreements. With public resources falling short of the needs, the income generated through the informal sector has, to a certain extent, compensated this shortfall.

In recent years, Myanmar has strengthened its legal framework against money laundering, following the Financial Action Task Force’s (FATF) June 2001 designation of the country as “non-cooperative.” Most notably, the government passed money laundering and mutual legal assistance legislation.

In 2004, the United States levelled sanctions on two banks in the country, the Asia Wealth Bank and the Myanmar Mayflower Bank, accusing the institutions of money laundering. The Myanmar

government began investigating the allegations in December 2003. In April 2005, the Ministry of Finance and Revenue announced that the investigation had found the two banks guilty of “violating banking regulations” and ordered the closure of the banks.

7.4 Issues of specific concern

The criminal justice system in Myanmar is overworked, with a large backlog of civil cases. Moreover, it is not independent of the state, and, in particular, politically-motivated trials frequently lack transparency. Long prison sentences for even minor crimes are common, and credible accusations of torture continue to emerge. In the prevailing situation, technical assistance in the area of criminal justice remains limited.

Corruption is endemic in the country, undermining the rule of law. As discussed before, corruption is a highly politicised subject in Myanmar, and at present does not allow for intervention by a third party. If and when this changes, assistance will be needed to prevent and control corruption, including signing and ratifying the UN Convention Against Corruption (UNCAC).

VIII. Terrorism Situation

As discussed previously, recent events, most notably the May 2005 bombings in Yangon, have given rise to serious concerns about the potential for terrorist activity in Myanmar. These events represent a departure from the past, where Myanmar experienced next to no terrorist activity.

However, there is limited space for technical interventions to strengthen terrorism prevention measures in the country, as the issue remains heavily politicised. The Government has referred to various political opponents as “terrorists groups”²⁷, a designation which points to the sensitivity of this issue and one that limits both opposition and third parties participation in the country’s political process.

The Government declined US offers of assistance in investigating the attacks. In the absence of concrete evidence identifying the perpetrators, and in the context of the continuing domestic political stalemate and widespread disgruntlement among the population, further terrorist attacks remain a distinct possibility.

²⁷ See *The Light of Myanmar*, Tuesday 17 May 2005, article, “Stand united for perpetuation of national sovereignty”, in which the Government of the Union of Myanmar describes the Karen National Union, the Shan State Army, the Karenni National Progressive Party and the National Coalition Government of the Union of Burma, as “terrorists groups”.

IX. Policy

9.1 Drugs

A. Conventions adherence

Myanmar became party to the 1961 Single Convention on Narcotic Drugs in July 1963. The country acceded to the 1971 Convention on Psychotropic Substances in 1991 and to the 1988 UN Convention Against Narcotic Drugs and Psychotropic Substances in 1995. In September 2002, Myanmar signed the 1972 Protocol to the 1961 Single Convention with two reservations, and became a member of the Protocol in August 2003.

B. Implementation of the political declaration passed by the 1998 UNGASS

Myanmar has developed a 15-year national drug elimination plan. Launched in 1999, the plan envisions a drug free Myanmar by 2014, one year ahead of an ASEAN-agreed date for a drug free ASEAN. As such, the year 2008 is not a major milestone in Myanmar's drug policy but can be expected to influence the national drug control policy positively.

C. National legislation

- 1950 - Opium Dens Suppression Act
- 1955 - Compulsory Registration of Drug Addicts Act
- 1974 - Narcotics and Dangerous Drugs Act
Act contains thirteen chapters and prohibits the cultivation, production, processing, trafficking, and sale of drugs. Minimum sentence for production, sale or trafficking is 10 years imprisonment and maximum is the death sentence.
- 1975, October 28 - Parliament Resolution to enable the entire nation to participate in the fight against drug abuse. In accordance with this the following is prepared:
- 1976, February 3 - Notification No.18 of the Ministry of Home and Religious Affairs to create the Central Committee for Drug Abuse Control (CCDAC) at State, Division and Township levels.
- 1985, February 8 - Notification No. 1/85 of the Ministry of Home and Religious Affairs, to restructure organizations such as CCDAC and to revise their roles and duties.
- 1983 - Amendment to the 1974 Narcotics and Dangerous Drugs Act
Penalties are raised for drug addicts who fail to register for treatment.
- 1988 - Amendment to the 1974 Narcotics and Dangerous Drugs Act
Penalties are raised for drug traffickers. Rules and regulations are issued to facilitate implementation of 1974 Narcotics and Dangerous Drugs Act.
- 1989 - Notification No. 11/89 of the State Law and Order Restoration Council to bring CCDAC in line with the new administrative system.

D. 1993, January 27 - Narcotic Drugs and Psychotropic Substances Law (No. 1/93).

All previous legislation is brought in harmony with the 1988 UN Convention. Empowered by the Law, the Minister of Health issued a notification prohibiting the use of 126 types of narcotic drugs, 41 types of psychotropic substances, 3 types of narcotic plants and 21 types of precursor chemicals (ephedrine and semi-ephedrine were added in 1996). Drug addicts are allowed to receive medical treatment not only at public hospitals but also at private clinics approved by the government. Precursor and money laundering stipulations are included.

- 1993, August 13 - Law on Development of Border Areas and the National Races.
One of the main purposes of the law is the elimination of poppy cultivation through the creation of alternative economic activities.
- 1995, July 17 - Narcotic Drugs and Psychotropic Substances Rules under Notification No.1/95 following the Act No. 1/93.

2002, September – Myanmar signs the 1972 Protocol to the 1961 Convention, becomes a member of the Protocol in August 2003

E. Drug control institutions

Central Committee for Drug Abuse Control (CCDAC):

Created in 1976 by Notification No.18 of the Ministry of Home and Religious Affairs, at the State, Division and Township levels, the CCDAC is the coordinating and implementing body for all drug control activities in the Union of Myanmar.

1993, January 7 - Narcotic Drugs and Psychotropic Substances Law. The Minister of Home Affairs is confirmed as chair of CCDAC. Two vice chairmen appointed: the Minister for the Development of Border Areas and National Races and the Minister for Foreign Affairs.

1995, March 1 - Notification No. 1/95 created eleven (11) working committees under the CCDAC.

1998, September 4 - Notification No. 11/98 adds the Monitoring Committee and the Committee on Control of Precursor Chemicals to the eleven (11) CCDAC working committees, bringing the total to thirteen (13). The Deputy Ministers of the Ministries concerned are appointed chairmen of the respective working committees. CCDAC continues to suffer from a lack of adequate resources and relies, in part, on military personnel to execute law enforcement duties.

Anti-Narcotic Task Force Units

The Anti-Narcotics Task Force Units focus primarily on law enforcement issues and work under the direction of the CCDAC. The task force units encompass staff from several security agencies including the army, intelligence service, police, customs and immigration.

A total of twenty-one (21) Anti-Narcotic Task Force Units have been established covering all major cities and key transit routes.

Central Committee for the Development of Border Areas and National Races

Created on 25 May 1988, the Central Committee reflects the new drug control strategy adopted in 1988 that eliminating opium cultivation will require not only efforts to accelerate drug control, but also to improve the economic well being of the border areas.

On 24 September 1992, the Ministry for the Development of Border Areas and National Races was created and transformed into the Ministry for the Progress of Border Areas and National Races and Development Affairs (NATALA) on 30 January 1994. Up to 2001, the Ministry has invested about twenty (20) billion kyats (US\$45 million) in the border areas. The Minister for the Development of Border Areas and National Races acts as one of the two deputy chairmen to the CCDAC.

E. Main characteristics of national drug policy

The government considers the narcotics issue and the issue of the national ethnic groups in the border areas to be closely interrelated. While territorial integrity and stability is the main priority, narcotics are considered an important second issue. This flows from the assumption that economic development is not possible without political stability, and political stability is not possible without sustainable drug control.

Before 1988, the armed forces annually launched military operations to quell armed insurgent groups in the border areas. Drug production fuelled this long-running conflict. Before 1988, the government received technical and financial support from external sources (mainly the United States), valued at US\$86 million. However, external drug control assistance was significantly reduced after the military crushed the pro-democracy movement in 1988.

Today, the government incorporates the correlation between drugs, armed conflict and poverty in its drug control strategy. Instead of confrontation, the government pursued “peace for development” agreements with most of the insurgent groups, giving the latter differing levels of autonomy and self-administration. Having signed ceasefire agreements with most of the ethnic groups involved in the fighting, initiatives to develop the border regions and eliminate opium cultivation are underway, but remain constrained by limited national resources.

On 31 March 1989, the Myanmar National Democratic Alliance Army, MNDAA, (Kokang – Special Region 1) was the first to sign a ceasefire agreement, followed by the United Wa State Army, UWSA, (Wa – Special Region 2) on 9 May 1989.²⁸ Other groups followed over the years, including the surrender of Khun Sa’s Mong Tai Army in 1996. Initially, the increased autonomy given to these regions led to an increase in opium production, which expanded by 37% between 1988 and 1996. Gradually, however, the government’s influence in these areas began to increase. Between 1996 and 1999, the trend was reversed and opium production was halved.

The government received pledges from ethnic minority groups to ban opium by certain dates. After failing the deadline in the three previous years, an opium ban came into effect in the Kokang region in 2003, and a similar ban is scheduled to come into effect in the Wa in June 2005. The Wa and Kokang zones used to account for about 70% of the country’s opium cultivation.

In 1999, the government approved a 15 year Narcotics Elimination Plan. The plan covers demand reduction and abuse prevention, treatment and rehabilitation, supply reduction, law enforcement and international cooperation. The objective of the plan is to have the Union of Myanmar free of narcotics by the year 2014, one year ahead of the ASEAN-agreed deadline of 2015.

Annual surveys show that the government has been successful in reducing opium cultivation in the country. However, the challenge for the future is not just to continue with these reductions, but also to realize the second part of the strategy: development of alternative sources of income for former opium farmers to make this transition sustainable in the medium and long term.

F. Licit control (drugs and precursors)

Three institutions can import legally manufactured drugs: the ministries of Health, Trade and Defense. Drugs used in the country include those locally manufactured by the Myanmar Pharmaceutical Industry (MPI). Imported Drugs (or locally manufactured) are approved by the Drug Advisory Committee and there is a control mechanism, which limits the use of narcotic drugs and psychotropic substances for medical and scientific purposes. There are 110 government owned stores dispensing medicines including narcotic drugs and psychotropic substances. The prices at these shops are low and a prescription is required for every drug.

However, these official distribution channels cannot adequately serve a population of 50 million and it is estimated that medicines in the parallel open markets account for approximately 70 percent of all distributed drugs.

Privately owned drug stores are well stocked with different kinds of medicine including codeine, diazepam, phenobarbitone, etc. which mainly originate from China, India and Thailand. Medicines, including a number of officially controlled drugs, flow virtually unchecked across the borders. Regulations in place to control the import of drugs are not applied to drugs distributed at the open markets. Consignments at the border gates are rarely checked and if they are, custom officials rely on content labels to ascertain the content and quality of the imported drugs. Samples of seized drugs analysed at the Institute for Pharmacy and other laboratories have repeatedly revealed fake or sub-standard substances. Although there is no formal information available on the diversion of licit drugs, the inefficient inspection system encourages the belief that diversion is a widespread phenomenon.

²⁸ Both the MNDAA and the UWSA came into being as successor organizations after the collapse of the Communist Party of Burma (CPB) in the two regions in 1989.

G. Supply reduction

As part of the 15-year drug elimination plan, the government engages in a number of supply reduction measures, including eradication and law enforcement. The “New Destiny” project provides seeds for alternative crops. However, such alternative development measures remain too small in scale to offer viable alternatives to the vast majority of opium farmers being affected by the rapid opium reduction taking place in Myanmar.

Total government expenditure on supply reduction measures, 1999-2003

Services	Expenditure (Million kyats)
Agriculture	533.0286
Livestock breeding	66.3791
Road and bridges	3228.194
Communication	197.5288
Power	719.8539
Trade	95.03
Religion	24.42
Health	700.4057
Education	364.6236
Advocacy	497.39
Rehabilitation	140.4072
Law Enforcement	119.3616
International Relations	75.1585
Total	6761.783

Source: CCDAC, Report of the implementation of the first 5-year phase of the 15-year Narcotic Drugs Elimination Plan. Yangon, February 2005

H. Demand reduction

Prevention programmes focus on education at school and public information via the media. From 1999 until 2003, the government organized 10,365 educational talks, 9,752 competitions or exhibitions, 207 trainings for teachers and parents and 84 multiplier courses. There are also three drug museums: one in Yangon, one in Laukkai (Shan State, Special Administrative Region 1) and one in Mong La (Shan State, Special Administrative Region 4).

Since its independence in 1948, the government of Myanmar initiated steps to treat and rehabilitate opium addicts by opening special treatment centres, with the Ministry of Social Welfare preparing the first scheme to eradicate opium addiction. Nonetheless, before the 1974 Narcotics and Dangerous Drugs Act was promulgated, the treatment of drug users, most of whom were opium users, was mostly in the hands of traditional healers, indigenous physicians and monks who used herbal medicines and opium tinctures to detoxify their patients.

From 1974 onwards, Myanmar developed treatment, rehabilitation and prevention activities. The Ministry of Health provides treatment for addicts at 26 major Drug Treatment Centres (DTC), 40 small treatment centres and 2 rehabilitation centres. Township health centres are also undertaking medical treatment programs for drug addicts if there is no treatment centre in the area. In the first 5-year phase of the 15-year plan, 3,952 drug addicts were registered in these centres.

Over the past few years, a sharp drop in hospital attendance at major drug treatment centres across Myanmar was observed. This was not taken as a sign of reduced drug use, but was attributed to the costs involved in receiving treatment at these centres. Moreover, since these hospitals were constructed during a period when drug users were regarded as almost equivalent to common criminals, the structural setting of the DTCs was prison-like. Loss of trust in the treatment system to maintain confidentiality of drug users who have sought treatment, poor basic hospital equipment and lack of development of new and modern innovative approaches in treatment modalities may also have contributed to the drop in demand for treatment.

At the same time, changes in patterns of drug use have seen ATS abuse emerging alongside opiate abuse, with the clinical presentation of hospital attendees changing as a result. Cases of amphetamine psychosis are emerging, which has created difficulties in patient management since the DTCs were constructed with the comparatively docile opiate user in mind.

Poor treatment facilities combined with a punitive legal approach thus cause a substantial number of addicts to hesitate in coming forward for treatment, despite the fact that drug users in Myanmar are obliged by law to register for treatment – and that failure to do so is punishable by imprisonment (Section 15 of the 1993 Narcotics Drugs and Psychotropic Substance Law).

Between 1988 and 2004, law enforcement agencies arrested 22,315 drug addicts and abusers who failed to register at government hospitals and clinics. There are two Correctional Centres under the Central Committee for Drug Abuse Control (CCDAC), which provide treatment, social rehabilitation and training in life skills for convicted drug users who failed to register and undergo treatment. Nonetheless, the relapse rates of both voluntary and obligatory treatment are extremely high. An estimated 60% to 70% of patients relapse within one month of discharge.

The CCDAC has shown an interest in reconsidering its treatment policy by diversifying treatment options, and shifting from viewing drug abuse as a criminal problem to seeing it as a public health issue. A 1993 law allows for re-admission to treatment for patients who relapsed, whereas previously relapsed addicts faced a criminal trial. UNODC activities of community-based treatment and social reintegration are allowed without strictly enforcing the 1993 registration law. Still, higher impact drug demand reduction activities in Myanmar would require more international exposure and enhanced knowledge, as well as additional financial and qualified human resources.

I. Money laundering control measures

Myanmar over the last several years has significantly improved its money laundering controls. Of particular note is the Control of Money Laundering Law (The State Peace and Development Council Law No. 6/2002) passed in June 2002. The law, among other things, requires financial institutions to maintain records for at least five years and makes money laundering punishable by imprisonment.

In December 2003, the government issued further regulations necessary to implement the June 2002 law. These regulations detail the roles and responsibilities of the relevant regulatory and enforcement bodies. The 2003 regulations lay out 11 predicate offences, including narcotics activities, human and arms trafficking, cyber crime, and “offences committed by acts of terrorism,” among others. This was a significant improvement over Myanmar’s earlier 1993 narcotics control law, which criminalized money laundering only if it was related to narcotics trafficking. The new

regulations call for suspicious transaction reports (STRs) by banks, the real estate sector, and customs officials, and impose severe penalties.

In January 2004, the government set the threshold amounts for reporting cash transactions by banks and real estate companies – necessary to complement the regulations issued in 2003 – and named representatives to a financial intelligence unit established in December 2003. At the request of the FATF, in October 2004 the government added fraud to its list of predicate offences for money laundering and made clear that there was not a threshold amount for money laundering offences associated with any of the listed predicate crimes.

In April 2004, Myanmar passed mutual legal assistance legislation, discussed in more detail in the next subdivision.

J. International cooperation

Bilateral Agreements of Drug Trafficking and Drug Abuse Control were respectively signed with India (30 March 1993), Bangladesh (1 December 1994), Vietnam (12 March 1995), the Russian Federation (22 January 1997), Laos (29 March 1997), the Philippines (15 October 1997), China (21 January 2001) and Thailand (20 June 2001).

As part of the UNDCP facilitated Sub-regional Action Plan of Drug Control, Myanmar became a signatory to a six (6) nations Memorandum of Understanding (MOU), including China, Laos, Myanmar and Thailand (1993), to which Cambodia and Vietnam acceded in 1995. In the framework of the MOU, senior level officials and the ministers responsible for drug control of the respective countries meet annually.

As a member of ASEAN, Myanmar signed the Joint Declaration on a Drug Free Zone in ASEAN by the year 2020 (Manila, 25 July 1998). The Foreign Ministers at the 33rd ASEAN Ministerial Level Meeting held in Bangkok (July 2000) expressed their concern for the rapidly escalating drug threat, and agreed to advance the target year from 2020 to 2015. Myanmar has set an earlier target date of 2014.

Myanmar participated at the International Congress “In pursuit of a drug free ASEAN 2015” facilitated by the UNODC Regional Centre in October 2000. Myanmar is one of the signing parties to the ensuing Political Declaration and part of the ASEAN and China Cooperative Operations in Response to Dangerous Drugs (ACCORD) plan. The ACCORD plan of action serves as an encompassing umbrella for regional and national initiatives. It aims at advocating civic awareness on the dangers of drugs, sharing best practices on reducing drug abuse, strengthening the rule of law by improving law enforcement cooperation, and eliminating the supply of illicit drugs by promoting alternative development.

In 2001, a Memorandum of Understanding on drug control issues between Myanmar and China and a Memorandum of Understanding between Myanmar and Thailand were signed to enhance cooperation and exchange of intelligence. This led to the arrests and hand-over of several drug-traffickers.

Also in 2001, the governments of China, Laos, Myanmar and Thailand committed to deepening their co-operation efforts through the Beijing Declaration. That meeting paved the way for the establishment of a more effective and coordinated sub-regional and regional mechanism to cope with the drug problems in East and South East Asia, particularly through cross-border law enforcement cooperation and control of precursor chemicals.

Since 2000, Myanmar-China Cross Border Meetings on Drug Control have been held once a year. Since 2003, Myanmar-Thailand Cross Border Meetings on Drug Control are held every six months.

In 2003, Myanmar was elected as a member of the United Nations Commission on Narcotic Drugs, which means Myanmar will take responsibility as a member of this commission from the 1st of January 2004 until the 31st of December 2007. It was the first selection for Myanmar since this Commission was introduced in 1946.

Myanmar has also been attending meetings of ASEAN Senior Officials on Drug Matters (ASOD), first as an observer, and following the country's admission to ASEAN as a member. The 24th ASOD-meeting was hosted by Myanmar in Yangon in October 2003.

Despite non-certification by the US government, Myanmar continues to cooperate with the Drug Enforcement Administration (DEA) and with US agencies conducting opium surveys. It also closely cooperates with the Australian Federal Police (AFP). Finally, Myanmar actively participates in several UNODC (sub-) regional projects and programs.

In April 2004, the government enacted the 'Mutual Assistance in Criminal Matters Law', putting in place mutual legal assistance legislation that will build a broader foundation for international cooperation in criminal matters. The nine-chapter law aims to render mutual assistance in bilateral, regional and international cooperation with respect to investigation, prosecution and judicial proceedings in crime matters. The law also aims to enable effective prevention and suppression of other serious crimes including terrorism, transnational organized crimes and crimes related to money laundering. The law empowers the government to form an 11-member Central Authority for rendering such assistance among states in criminal matters, with the Minister of Home Affairs as Chairman and the Director-General of the Myanmar Police Force as Secretary.

9.2 Crime

In March 2004, Myanmar signed and ratified the United Nations Convention against Transnational Organized Crime (TOC), with two reservations: one on Article 16 relating to extradition and one on Article 35 which refers to obligations to refer disputes relating to the interpretation or application of this Convention to the International Court of Justice. At the same time, Myanmar also signed the Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children ("Trafficking Protocol"), as well as the Protocol Against Smuggling By Land, Sea or Air ("Smuggling Protocol").

Implementation of the measures required by the convention and its two supplementary protocols, is being coordinated by the Department against Transnational Organized Crime in the Ministry of Home Affairs, which was established in 2004. In addition, an anti-trafficking unit has been established in the Myanmar Police Force in June 2004, based in Yangon.

As discussed in the preceding subdivision, in April 2004, the government enacted mutual assistance legislation.

Myanmar has no bilateral extradition agreements but does cooperate in the extradition of criminals on a case-by-case basis.

9.3 Terrorism

Myanmar is a signatory to 11 universal anti-terrorism conventions and protocols and has ratified 10 of them. The country has signed, but not ratified, the International Convention for the Suppression of the Financing of Terrorism (1999). The Ministry of Science is reviewing the convention on nuclear materials for the purposes of ratification.

As a member of ASEAN, Myanmar adopted the 2001 ASEAN Declaration on Joint Action to Counter Terrorism at the seventh ASEAN summit on 5 November 2001 in Brunei Darussalam. In

August 2002, Myanmar joined in signing the United States-ASEAN Joint Declaration for Cooperation to Combat International Terrorism.

In August 2003, Myanmar participated in the second APEC counter-terrorism task force meeting in Phuket, Thailand.

9.4 Cooperation with international bodies

Despite non-certification by the US government, Myanmar continues to cooperate with the Drug Enforcement Administration (DEA) and with US agencies conducting opium surveys. It also closely cooperates with the Association of South-East Asian Nations (ASEAN), the Australian Federal Police (AFP) and the Financial Action Task Force (FATF).

Myanmar also cooperates with the International Narcotics Control Board and the UN Security Council's Counter Terrorism Committee.

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