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INTER-AMERICAN DRUG ABUSE
CONTROL COMMISSION

CICAD

Organization of American States

P. 202.458.3000
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Secretariat for Multidimensional Security

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FINAL REPORT
GROUP OF EXPERTS ON CHEMICAL SUBSTANCES AND PHARMACEUTICAL PRODUCTS

Executive Summary

The Group of Experts met from June 25 to 29, 2012 in the Melia Hotel in Santo Domingo, Dominican Republic with Dr. Manuel Herrera of the National Drug Council (CND) chairing the meeting. A total of 35 experts from 19 member states (Antigua and Barbuda, Argentina, Bahamas, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Mexico, Panama, Peru, Trinidad and Tobago, United States, Uruguay and Venezuela) and the United Nations Office on Drugs and Crime participated.

Following the attached schedule of activities the Group worked on the tasks assigned in the plan of action approved by the Commission during its fiftieth regular session in Buenos Aires (November 2-4, 2011).

The Group of Experts offers the following priority recommendations for the Commission's consideration:

1. That the Commission:

- **accept and approve** the following guides and other documents;
 - Guide for tracing chemical substances
 - Guide and model training curriculum for judges and prosecutors
- **approve** the recommendation to set aside the original proposal for a formal outreach program for major exporters of chemical producers and proceed on a bilateral basis between member states and the exporting countries on a case by case basis
- **direct** the Group of Experts to continue its work on the issues initiated for consideration and finalizing at the next meeting;
- **accept** the proposed plan of action for the Group of Experts;
- **direct** the Group of Experts to meet during 2013 and implement the plan as proposed, allowing for the consideration of new or emerging issues

I. BACKGROUND

During its fiftieth regular session in Buenos Aires, Argentina (November 2-4, 2012), the Inter-American Drug Abuse Control Commission (CICAD) reviewed the report of the Group of Experts on Chemical Substances and Pharmaceutical Products. Following some discussion and several amendments the Commission approved the report, the plan of action and recommendations presented by the group further to its meeting in Quito, Ecuador (July 11-15, 2011). The Commission directed that the Group of Experts meet in 2012 and accepted the offer of the Government of the Dominican Republic to host and chair the meeting.

II. PROCEEDINGS

A. PARTICIPANTS

MEMBER STATES OF CICAD

A total of 35 experts from 19 member states (Antigua and Barbuda, Argentina, Bahamas, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Mexico, Panama, Peru, Trinidad and Tobago, United States, Uruguay and Venezuela) and the United Nations Office on Drugs and Crime participated in the meeting in Santo Domingo.

B. SESSIONS AND ORGANIZATION OF THE MEETING

1. OPENING SESSION

The meeting of the group of experts came to order at 9:00am on June 25, 2012 at the Melia Hotel in Santo Domingo, Dominican Republic. Participants in the opening ceremony included Dr. Marino Vinicio Castillo Rodríguez, Presidential Advisor on Drugs Issues, Major General Rolando Rosado Mateo, President, National Drug Control Directorate, and Amb. Aníbal Quiñonez, Director, OAS National Office in Dominican Republic, Mr. Ziggy Malyniwsky, Chief, CICAD's Supply Reduction and Control Section, Major General Gilberto Santiago Delgado Valdez, Chief of Staff, Dominican Air Force, Capitan Nahúm Toribio, Dominican Navy, Mr. Domingo Deprat, Director, Regional National Drug Council, Dr. Manuel Herrera, Interinstitutional Officer, National Drug Council. Ambassador Quiñonez and Dr. Castillo welcomed the participants and invited guests.

2. WORKING SESSIONS

Dr. Manuel Herrera of the DNC chaired the meeting, which included both plenary and working group sessions.

A. Presentations

During the meeting several delegations delivered presentations to the plenary. The presentations delivered included the following:

Synthetic Drug Problem in Latin America

Juan Carlos Araneda, SMART Project Coordinator, UNODC provided an overview of the SMART project. Mr. Araneda reported that 14 countries from Latin America and the Caribbean were participating in the project. A questionnaire regarding synthetic drugs had been prepared and was being used by participating countries to report information concerning these drugs. Based on preliminary information gathered regarding seizures and trafficking, Mr. Araneda provided an overview of the current situation in the Latin America regarding the production, trafficking and use of synthetic drugs. In reporting this information Mr. Araneda noted that while synthetic drugs offered for sale may be identified as a given substance this may not be accurate. In a large percentage of cases the drug is in fact a mixture of many substances and some instances may not contain any of the active ingredients supposedly offered for sale. Some member states noted the importance of training to ensure that data are properly captured and reported.

Hemispheric Drug Strategy and its Plan of Action 2011-2015 - basis for the evaluation instrument of the Multilateral Evaluation Mechanism (MEM)

Ms Angela Crowdy, Head of CICAD's Multilateral Evaluation Mechanism (MEM) unit briefed experts on the status of the review of the MEM indicators currently underway. Ms. Crowdy updated participants in the results of the recent meeting of the Pre-IWG held in Costa Rica. During this meeting the members of the pre-IWG define a course of action as to how they would proceed with their review. The indicators would be directly related to the plan of action of the Hemispheric Drug Strategy.

Ms Crowdy advised that a working group headed by Argentina and Mexico had been formed to deal with the indicators related to Control Measures, the area where the control of chemicals and pharmaceuticals fell.

Presentation by INCB

Working via Skype connection with Vienna, Mr. Matthew Nice and Mr. Reiner Pung of International Narcotics Control Board (INCB) delivered a presentation on a number of issues related to the control of chemicals. Mr. Nice examined the issue of establishing estimates of national needs for chemicals. In doing so he addressed the complications faced when undertaking such an estimate and the benefits of making such calculations. While estimating needs for some chemicals was not practical Mr. Nice note that it was in fact feasible for certain chemicals that are used in the production of illicit drugs and offered some suggestions on how this might be done. Mr. Nice also discussed the importance of pre-export notifications and provided experts with some materials that they could use to implement the use of pre-export notifications as an effective means of minimizing the diversion of chemicals that can be used in the production of illicit drugs. In doing so Mr. Nice noted that while almost all of the countries in the Americas had registered to use the PEN on line system for pre-export notifications, most had not invoked the provisions of article 12 paragraph 10a of the 1988 Convention. It is through this provision that countries require or request pre-export notifications to be submitted to them. This is an important gap in the control of chemicals in the Americas according to Mr. Nice. He encouraged all member states to take action in this regard. Finally Mr. Nice provided an overview of the Precursors Incident Communication System (PICS). PICS is a new initiative by INCB to provide a platform for real-time exchange of information regarding chemical diversion. Mr. Nice invited countries interested in accessing and using this platform to exchange information regarding cases of chemical diversion.

Flow of precursor chemicals to Central America

The US delegation briefed experts on a presentation that was delivered to the recent SICA meeting regarding current trends in the movement of precursor chemicals to countries in Central America. The presentation included data publicly available regarding exports/imports of specific chemicals with particular focus on shipments from China. Changes in volumes or specific drugs imported can be an indication of changes on illicit drug production techniques or efforts to take advantage of gaps in chemical control. By examining these trends and back tracking to the point in time before these increases it may be possible to see what the real national needs for a specific chemical may be in a given country.

PRELAC – Cooperation between Control Authorities and the Private Sector

Mr. Mario Puente, Specialist, Chemical Substances Control, PRELAC project, UNODC Regional Office in Peru, provided an overview of the first two phases of this initiative. The PRELAC project is the acronym for the Prevention of the Diversion of Chemical Substances and Precursors in the Latin American and Caribbean Region”. Mr. Puente discussed the steps that have been taken thus far to engage the private sector and bring these companies and the regulatory bodies together to cooperation. In doing so he shared the experiences that they have had to date and the lessons learned in the process.

Handbook of Good Practices for the Control of Non-Controlled Chemicals and Chemical Substances that Can be Used for the Manufacture of Amphetamine Type Stimulants (ATS)

The delegation of Mexico delivered a presentation on the above noted handbook that they had developed. The handbook with range of issues related to the control of these chemicals and their use in the production of illicit drugs including control measures, clandestine laboratories, illicit drug production and officer safety among others.

The handbook was received with great interest. The delegation of Mexico agreed to provide electronic versions of handbook to the Executive Secretariat so that it might be posted to the web page and distributed to participants during training seminars on chemical control/diversion and synthetic drug production etc that are delivered by CICAD.

Presentation by Dominican Republic

Mr. Manuel Antonio Lebrón, Department of Chemicals and Precursors, National Drug Control Directorate (DNCD) delivered a presentation on the control of chemical substances and pharmaceutical products in the Dominican Republic.

B. Plenary Discussions:

The Group of Experts considered the following issues:

Draft Guide for Tracing Chemical Substances (Argentina)

Discussions of this draft guide were initiated during the Group of Experts Meeting in 2011. The objective was to create a guide of best practices for tracing controlled chemical substances within the same batch. In this way when chemicals are discovered in a clandestine lab it would be possible to trace these chemicals back to when and where they might have been diverted. The delegation from Argentina coordinated the preparation of this document and presented it for the consideration of the Group.

The draft generated some discussion and suggestions from members of the Group. Delegates from Caribbean member states suggested certain changes and additions to the text to reflect the realities that these member states face in the control of chemicals. With these changes the Group of Experts approved the draft and submits it for the approval of the Commission.

Procedures Manual for the Control of Imports and Exports of Chemical Substances and Products that Contain Them (Ecuador)

During the meeting in 2011 a working group was established to prepare a procedures manual to control the import and export of chemical substances. The delegation from Ecuador coordinated the preparation of this document. Unfortunately Ecuador was not able to participate in the current meeting and present their draft for the review and approval of the Group.

Guide and model training curriculum for judges and prosecutors (Chile)

Initiated in 2010 this guide is aimed to increase the knowledge and awareness of judges and prosecutors regarding the diversion and use of chemicals in the illicit production of synthetic drugs. The guide will provide users with an overview of illicit drugs production and the use of legitimate chemical substances in this process. The model curriculum will provide member states with a model program that could be used in national and regional training seminars for prosecutors and judges with the optional participation of law enforcement officers. The delegation from Chile coordinated the preparation of this document.

The Group received and discussed the draft. In doing so it was suggested that the working group update the draft with additional input from interested delegations and expand the document to include a brief description of the modules, the objectives of each and what each might include or address. With these changes the Group finalized the draft document and submits it for approval by the Commission.

Proposal for a plan of action for the problem of methamphetamine precursor diversion: Initiative concerning major exporters of chemical substances (Mexico)

During its meeting in 2011 the Group of Experts discussed problems that have been encountered with certain countries that have frequently been found to be the source of chemicals for shipments that have turned out to be somewhat questionable.

A working group was formed to develop a plan of action to address the issues through meetings with government authorities and private sector entities in countries where manufacturing and exportation of the subject chemicals takes place. This draft plan was presented to the CICAD Commission during its fiftieth regular session (November 2011). The CICAD Commission directed the Group to develop the methodology that it proposes to use, identify the possible countries and officials to be contacted, the proposed participants (names etc) of any delegation that might be sent to these countries and provide all other details regarding the proposed approach for the Commission's consideration and approval.

The delegation of Mexico reported that the problem of diversion through exports from China continues. This is complicated by the extremely large chemical manufacturing and distribution industry in China and the decentralized regulatory system in place there to control it.

Officials from Mexico reported on various exchanges and discussions with Chinese counterparts that have taken place over the past year on the margins of various meetings. It is clear from these meetings that officials in China are concerned by the situation and when advised of a problem take action to investigate the situation.

Based on their experience to date in this regard the Mexican delegation recommended that the proposed outreach initiative be set aside for the time being. Rather than taking this more formal approach the Mexican delegation proposed that member states initiate bilateral discussions with officials in China regarding specific cases of chemical exports of concern.

After some discussion the Group of Experts agreed to the proposal by the delegation of Mexico.

Draft guide for an administrative and criminal framework for the control of materials and chemical substances (Chile)

Initiated in 2010 this comprehensive guide outlines the major elements that must be considered when establishing mechanisms for the control of chemicals. Due to the differences in terminology and legal systems between member States the Group decided to finalize the work after the review and update of the "Model Regulations for the Control of Chemical Substances used in the Illicit Manufacture of Narcotic Drugs and Psychotropic Substances".

The delegation of Chile presented the draft prepared by the working group. In doing so Chile noted that the model regulations were quite comprehensive. After reviewing the draft framework document the Chilean delegation suggested that it may well be that this additional document was no longer necessary. After some discussion the members of the Group agreed with Chile's assessment and proposal. Further consideration of the draft document was therefore discontinued.

C. Working Groups

Working groups were established to further elaborate draft documents related to challenges and issues raised during the roundtable introduction of participants. These issues served as the basis for discussions during this meeting or will be included in the plan of action for future proposed meetings. Working groups considered the following issues:

Feasibility of establishing estimates of national needs for chemical substances (Costa Rica)

The issue of estimating national needs for chemical substances was raised during the review of the *“Model Regulations for the Control of Chemical Substances used in the Illicit Manufacture of Narcotic Drugs and Psychotropic Substances”*. The Commission did not accept the proposal to include an article regarding this aspect of chemical control in the final version of the model regulations.

Further to a proposal by the Group of Experts to reconsider this decision the Commission directed the Group to discuss the concept and feasibility of conducting national legitimate needs estimates for chemicals controlled under the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988. The Group was to then report back to the Commission on these discussions.

This issue generated a great deal of discussion. The Group of Experts see this as an important issue. At the same some members of the Group recognize the validity of comments made by certain delegations regarding the challenges facing member states in making such estimates. The Group recognizes the need to balance control and availability, avoiding any restrictions or impediments to trade.

The working group was tasked with executing the mandate given by the Commission to discuss the concept and feasibility of conducting national estimates of chemicals. In doing so the working group took into consideration the reservations and concerns expressed by certain member states as well as the information received from the INCB presentation concerning this matter as well as the lessons learned from the SICA presentation on “base-line” chemical analysis.

In examining the feasibility of establishing national estimates of legitimate chemical needs the working group took note of the reference to this issue in international Conventions. In addition the INCB has offered suggestions as to how countries might undertake assessments of this nature. Finally the working group noted that a number of countries currently assess their legitimate needs for certain chemicals as part of their chemical control. This estimate of need is then used when considering requests or approvals related to the import or production of these selected chemicals.

Based on the foregoing it is clearly feasible for countries to assess or estimate their national legitimate needs for chemicals. Having said this it may not be feasible or realistic to estimate these needs for all chemicals. Further, countries may face certain limitations (constitutional, legislative, regulatory, administrative, practical, resource-related etc) that prevent them to undertake this type of assessment.

Whatever the circumstances the working group noted that national regulatory bodies or other relevant agencies routinely receive requests related to the import or use of chemical substances for which some sort of approval is required from that entity. That body reviews that request, applies whatever criteria and procedures are in place and reaches a decision on that request. This seemed like a reasonable place to focus the attention of the working group rather than on the broader, more complicated issue of estimate of national needs.

Once again the working group and Group of Experts believe establishing estimates of national needs for selected chemicals is feasible and is being done by a number of countries. Having said that, this process can be difficult and complicated and may not be applicable to key chemicals. At the same time regulatory bodies need to assess requests received from chemical companies. As such the working group proposes to develop a best practices manual that examines possible criteria that regulatory bodies and other agencies could take into consideration when assessing such requests. With the Commission’s approval the working group will prepare a draft best practices manual for the consideration of the Group at its next meeting in 2013.

Guide for tracing seized narcotics and psychotropic substances (Peru)

Initiated in 2011, the focus of this guide is to identify the chemical substances and procedures used to manufacture illicit drugs and then link samples seized to specific clandestine laboratories or originating countries. This “fingerprinting” process would be very useful for operational planning and the analysis of new trends.

Unfortunately Ecuador was not able to attend the meeting and present their draft. As such, the delegation of Peru assumed the leadership of this working group. The group continued the work initiated under Ecuador’s leadership building on what they had already prepared. The working group will continue their work and present a final draft for consideration by the Group at its next meeting in 2013.

Pharmaceutical Drug Inspection (Bahamas)

The control of pharmaceutical products requires several key elements. They include appropriate legislation and regulations, an administrative or regulatory system and a compliance verification mechanism. This verification mechanism usually takes the form of inspectors that conduct audits and inspections of facilities and companies authorized to buy, sell, transport, use or otherwise handle pharmaceutical products in either bulk or final form.

The inspectors need to have specialized skills and knowledge to effectively execute their regulatory control functions. In some member states these inspection functions are well established while others require technical assistance in this regard particularly as it relates to training.

To this end the Group of Experts established a working group to examine and develop a training manual or guide and a model curriculum for the training of pharmaceutical inspectors. The working group chaired by Bahamas proposes to prepare the foregoing with the view to using this as the basis for a pilot seminar that CICAD’s Executive Secretariat may organize. The working group will draw on the experiences of member states that already have training systems of this nature and the particular needs and realities of other member states to prepare these resources.

The working group will prepare drafts of the foregoing resources for consideration by the Group of Experts when it next meets in 2013.

Best Practices Guide to Track Diversion and Counterfeiting of Precursor Chemicals

Working group was composed of representatives of Argentina (coordinator) and Trinidad and Tobago.

The working group was tasked to prepare a guide of best practices to identify chemical precursors within the same batch using some sort of chemical identification system or a chemical tag.

Its purpose is to retrace the logistical chain of chemical precursors using the information provided by the manufacturing company that made the chemical labeling, when it was found that such chemical precursors were transferred from their original containers to unlabeled containers, or to containers with a forged labels in a clandestine laboratory of drugs and /or psychotropic substances in the country or abroad.

Besides the identification of the chemical precursor in the container, cap or label the “chemical mark” of the chemical precursor as an additional security measure will make it possible to precisely reconstruct the logistical chain of the product and identify the final links in the chain or the point of diversion.

The working group will present a draft guide for consideration by the Group of Experts when it next meets.

Special Announcements

The delegation of Peru expressed Peru’s interest in hosting and chairing the next meeting of this Group of Experts, offering its candidacy to do so.

3. PLAN OF ACTION

Further to the discussions in plenary and in the working groups, the Group of Experts has prepared the following plan of action from which the assigned products will be presented when the Group next meets:

Preparation of guides, manuals or other papers associated with the following:

- **Guide for tracing seized narcotics and psychotropic substances (Peru)**
- **Best Practices Guide to Track Diversion and Counterfeiting of Precursor Chemicals (Argentina/Trinidad and Tobago)**
- **Pharmaceutical Drug Inspection (Bahamas)**
- **Best practices manual of criteria in considering requests from chemical companies for the import and use of chemicals (Costa Rica)**

In addition to the foregoing documents and resources, the Group noted the experience of several member states in certain areas of interest identified during the round table. To serve as a point of further discussion or consideration the delegation of Canada was asked to deliver a presentation and offer other materials regarding the implementation of a “single window” approach to the control of chemicals. Similarly the delegation of Bahamas will share their experiences with respect to the control of “over the counter” products. These presentations and the related documents shared during the next meeting of this group may serve as a point of departure for further discussion and the elaboration of new reference documents, guides, best practices manuals or other resource materials

Other issues for discussion at the next meeting:

In addition to the foregoing, the Group identified the following topics as potential issues for further discussion at the next meeting:

Control of chemical / pharmaceutical transshipments through ports and airports

- inspection
- manual/guide
- training curriculum

- training seminars
- testing procedures
- testing kits
- methods of diversion
- methods to minimize diversion
- strengthening container security
- regional approach to controlling transshipment of chemicals

Inspectors for chemical control

- training guide/manual
- model curriculum

Training of regulatory officials

Forged / tampered chemical labeling

Pre-export notification

- non-controlled substances
- chemicals
- pharmaceuticals
- training

Harmonized national chemical schedules for control

Control / scheduling of chemicals for new synthetic or “designer drugs”

- early warning re: new precursors and pre-precursors
- action to control

“Single Window” approach for chemical control

- guide / best practice

Internet sales of drugs

- awareness
- training
- draft model regulations

PICS (INCB)

MEM indicators for the control of chemicals and pharmaceuticals

Disposal of seized chemicals

Strengthening international cooperation and information exchange regarding chemical control

Control of chemicals used in the production of cocaine

Control of “over the counter” pharmaceuticals

Awareness of chemical control

Flood of chemicals into Central America

4. CLOSING SESSION

The Group of Experts concluded its work on June 19. Dr. Fidias F. Aristi, President, National Drug Council (CND) addressed the meeting and thanked the members of the Group of Experts for their participation.

III. CONCLUSIONS AND RECOMMENDATIONS OF THE GROUP OF EXPERTS

RECOMMENDATIONS TO CICAD IN ITS FIFTIETH REGULAR SESSION:

The Group of Experts on Chemical Substances and Pharmaceutical Products recommends:

1. That the Commission:
 - **accept and approve** the following guides and other documents;
 - Guide for tracing chemical substances
 - Guide and model training curriculum for judges and prosecutors
 - **approve** the recommendation to set aside the original proposal for a formal outreach program for major exporters of chemical producers and proceed on a bilateral basis between member states and the exporting countries on a case by case basis
 - **direct** the Group of Experts to continue its work on the issues initiated for consideration and finalizing at the next meeting;
 - **accept** the proposed plan of action for the Group of Experts;
 - **direct** the Group of Experts to meet during 2013 and implement the plan as proposed, allowing for the consideration of new or emerging issues



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

June 25 to 29, 2012

Santo Domingo, Dominican Republic

OEA/Ser.L/XIV.4.7

CICAD/SRGE/doc. 3/12.Rev1

21 May 2012

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DRAFT SCHEDULE OF ACTIVITIES

Monday, June 25, 2012

08:30 Registration of Participants

INAUGURAL SESSION

09:00

Welcome remarks by:

- Dr. Marino Vinicio Castillo Rodríguez, Presidential Advisor on Drugs Issues
- Mayor General Tonal Rosado Mateo, President, National Drug Control Directorate
- Dr. Manuel Herrera, Interinstitutional Officer, National Drug Council
- Dr. Radhamés Jiménez Peña, Attorney General of Dominican Republic
- Mr. Ziggy Malyniwsky, Chief, CICAD's Supply Reduction and Control Section
- Ambassador Anibal Quiñonez, Director, OAS National Office in Dominican Republic

FIRST PLENARY SESSION

09:45

Introduction and Review

- Background
- Objectives and CICAD Commission expectations
- Schedule of work
- Proposed work methodology
- Status report on Recommendations
- Other issues

10:30

Break

10:45 First Roundtable: Identification of the new issues of concern, challenges and trends that could be assigned to a working group

12:00 Draft Guide for Tracing Chemical Substances
○ Gabriela Sosa, Argentina

Briefing: Draft prepared during the Group of Experts Meeting in 2011. The objective is to create a guide of best practices for tracing controlled chemical substances within the same batch, so when any of these products is found in clandestine labs of narcotic drugs and/or psychotropic substances in the country or abroad, would be possible to determine when and where they were diverted from licit channels. The delegation from Argentina coordinated the preparation of this document and submits it for approval of the Group.

12:45 Lunch

SECOND PLENARY SESSION

14:00 Procedures Manual for the Control of Imports and Exports of Chemical Substances and Products that Contain Them
○ Juan Barahona, Ecuador

Briefing: Draft prepared during the Group of Experts Meeting in 2011. A working group was established to prepare a procedures manual to control the import and export of chemical substances. The delegation from Ecuador coordinated the preparation of this document and submits it for approval of the Group.

14:45 Guide and model training curriculum for judges and prosecutors
○ Daniela Palma Rodriguez, Chile

Briefing: Initiated in 2010 this guide is aimed to increase the knowledge and awareness of judges and prosecutors regarding the diversion and use of chemicals in the illicit production of synthetic drugs. The guide will provide users with an overview of illicit drugs production and the use of legitimate chemical substances in this process. The model curriculum will provide member states with a program that could be used in national and regional training seminars for prosecutors and judges with the optional participation of law enforcement officers. The delegation from Chile coordinated the preparation of this document and submits it for approval of the Group.

15:30 Break

15:45 Synthetic Drug Problem in Latin America
○ Juan Carlos Araneda, SMART Project Coordinator, UNODC

- 16:30 Hemispheric Drug Strategy and its Plan of Action 2011-2015 - basis for the evaluation instrument of the Multilateral Evaluation Mechanism (MEM) for the Sixth Evaluation Round – Pharmaceutical products and chemical substances
- Angela Crowdy, MEM Coordinator
- 17:00 Closing of the working day

Tuesday, June 26, 2012

THIRD PLENARY SESSION

- 09:00 Presentation by INCB
- Matthew Nice (to be confirmed)
- Briefing: presentation by INCB regarding national estimates of chemical needs, pre-export notifications and PICS (Precursors Incident Communication System). The portion dealing with national estimates will contribute to the discussion and response to the task assigned by the Commission regarding this issue. Frustrations and problems regarding pre-export notifications continues to be an issue of concern among many member states, PICS is a new initiative by INCB to provide a platform for real-time exchange of information regarding chemical diversion.*
- 09:45 Flow of precursor chemicals to Central America - *Briefing on the presentation delivered to the recent SICA meeting regarding current trends in the movement of precursor chemicals to countries in Central America.*
- U.S. delegation
- 10:30 Break
- 10:45 PRELAC – Cooperation between Control Authorities and the Private Sector – A brief description of lessons learned during the execution of the following project: “Prevention of the diversion of chemical substances and precursors in the Latin American and Caribbean Region” PRELAC (Phase 1)” - and key aspects to consider for cooperation development between government control agencies and the private sector.
- Mario Puente, Specialist, Chemical Substances Control, PRELAC project, UNODC Regional Office in Peru
- 11:30 First Working Group Session
- Objective: working groups are established to: 1) review the documents presented in the first and second plenary sessions, if necessary; 2) review documents not approved by the CICAD Commission;

Proposed Topics:

- Proposal for a plan of action for the problem of methamphetamine precursor diversion: Initiative concerning major exporters of chemical substances

Objective: The delegation from Mexico coordinated the working group that prepared the document during the Group of Experts Meeting in 2011. The proposal was to develop a plan of action to address the issues through meetings with government authorities and private sector entities in countries where manufacturing and exportation of the subject chemicals takes place. The final document was presented to the CICAD Commission during its fiftieth regular session (November 2011). The CICAD Commission directed the Group to develop the methodology that it proposes to use, identify the possible countries and officials to be contacted, the proposed participants (names etc) of any delegation that might be sent to these countries and provide all other details regarding the proposed approach for the Commission's consideration and approval.

- Estimates of national needs for chemicals precursors:

Objective: The discussion of this issue took place during the meetings for the review of the "Model Regulations for the Control of Chemical Substances used in the Illicit Manufacture of Narcotic Drugs and Psychotropic Substances" (Costa Rica in 2010, and Peru and Ecuador in 2011). During its fiftieth regular session (November 2011), the CICAD Commission mandated the Group of Experts to discuss the concept and feasibility of conducting national legitimate needs estimates for chemicals controlled under the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988.

- Draft guide for an administrative and criminal framework for the control of materials and chemical substances

Objective: Draft elaborated during the Group of Experts Meeting in 2010 and coordinated by the delegation from Chile. This guide outlines the major elements that must be considered when establishing mechanisms for the control of chemicals. Due to the differences of terminology and legal systems between member States the Group decided to finalize the work after the review and update of the "Model Regulations for the Control of Chemical Substances used in the Illicit Manufacture of Narcotic Drugs and Psychotropic Substances".

12:45

Lunch

14:00

First Working Group Session – cont.

- 15:30 Break
- 15:45 First Working Group Session – cont.
- 17:00 Closing of the working day

Wednesday, June 27, 2012

- 09:00 Presentation by Dominican Republic
- Manuel Antonio Lebrón, Department of Chemicals and Precursors, National Drug Control Directorate (DNCD)
- 09:45 First Working Group Session – cont.
- 10:30 Break
- 10:45 First Working Group Session – cont.
- 12:45 Lunch

FOURTH PLENARY SESSION

- 14:00 Presentation of the First Working Group Session results
- Objective: Representatives of each working group report on the status of their work to the plenary for comments and input from the other members of the meeting. The working group responsible would take note of the input to further refine the framework or scope of the document or guide being prepared to finalize it during the meeting or in the next meeting of the Group of Experts if it is the case.
- 15:30 Break
- 15:45 Presentation of the First Working Group Session results – cont.
- 17:00 Closing of the working day

Thursday, June 28, 2012

FIFTH PLENARY SESSION

- 09:00 Second Working Group Session
- Objective: working groups are established to: 1) to address issues identified in previous meetings; 2) to address issues sent to CICAD before the meeting; 3) to address issues identified during the first roundtable.

Issues identified in previous meetings

- Preparation of model training curriculum for general control of pharmaceuticals, training of inspectors;
- Criteria for level of control of the chemicals substances (tables)
- Legislation and regulations for the control of internet sales of drugs
- Preventative control of chemical substances

Issues sent to CICAD before the meeting

- Import/Export control of chemicals
- Counterfeit precursor chemicals
- PICS (Precursors Incident Communication System)
- Chemical testing kits

10:30	Break
10:45	Second Working Group Session – cont.
12:45	Lunch
14:00	Second Working Group Session – cont.
15:30	Break
15:45	Second Working Group Session – cont.
17:00	Closing of the working day

Friday, June 28, 2012

SIXTH PLENARY SESSION

09:00	Presentation of the Second Working Group Session results
10:30	Conclusions, commitments and recommendations for action by the Working Group to be submitted to the CICAD Commission for approval
11:00	Closing ceremony



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Secretariat for Multidimensional Security

**GUIDE TO BEST PRACTICES FOR THE
INTRA BATCH TRACEABILITY SYSTEM**

**Meeting of the Group of Experts on Chemical Substances and Pharmaceutical Products of CICAD,
OAS**

Quito, Ecuador

July 11 to 15, 2011

Work Guide No. 1

Coordinating Country: Argentina

Group member countries: representatives of Prelac, Peru, Chile, Uruguay, Bolivia, United States of America, Ecuador, Trinidad and Tobago, Haiti, Brazil and Argentina.

OBJETIVE:

Precursor chemicals play an essential role in the processing and manufacture of narcotics, but they are also extremely important in our daily lives since, either in pure or compound form, they are part of countless products that are vital in today's world.

CICAD therefore recognizes the significance of both, the role played by the chemical industry in helping our society advance as well as the threat that the improper use of these substances represents if they were to fall in the hands of illegal operators.

We know that in order to implement efficient controls, it is essential to have the cooperation of the main actors involved in this area; the entrepreneurs who, in some shape or form, work with the so called precursor chemicals.

The private sector must understand the importance of having businesses operate as conscientious corporate citizens and with institutional responsibility given the sensitivity of the substances they handle.

Thus, if businesses act responsibly and "do what they should do," and they themselves exercise control over their operations and their personnel and observe all aspects regarding the legal use of those chemical substances, their business reputation will be enhanced and the risk of diversion of chemical precursors toward illegal channels will be reduced.

An entrepreneur's social responsibility, which in the past was limited mainly to increasing wealth and creating employment, today must expand to incorporate areas of concern to society such as protecting the environment, combating drug trafficking, and citizen participation in those areas.

It is therefore imperative to establish a system to trace and identify each container within the same batch of precursor chemicals manufactured or repackaged for later distribution, which will make it possible to identify precisely who was involved in the latter stages of the commercialization chain of controlled chemical substances found in illegal narcotics laboratories.

NUMERIC CONTROL INTRA-BATCH TRACING SYSTEM

The purpose of this guide to best practices is to provide guidance to businesses in Member States in order to implement a "**Numeric Control Intra-batch Tracing System**" to determine who bought each container of controlled chemical substances.

If the business selling (manufacturer or re-packager) chemical substances can easily identify who purchased each container of chemical substances by a specific batch number, the control authority that uncovers a case of illegal trafficking in controlled chemical substances found in a clandestine narcotics laboratory, may determine:

- If the seller acted within the provisions of the law, selling the precursor to another registered business entity.
- That the reputation of the firm remains unblemished and that, in any event, it was the victim of an illegal operation.

- What was the reverse commercialization chain of that merchandise until finding who used it to manufacture narcotics and thus identify the user who consented to carry out such illegal activities.
- That the operator implementing the system is trustworthy and is truly willing and committed to collaborate with the State in the control, investigation and unmasking of those who were accomplices in these activities and who could have received monetary or other types of benefits.

Depending on their material and financial resources, businesses may opt for one or a combination of the tracing systems described below.

Afterwards, each manufacturing or re-packaging business would have to inform the control authority in their country of which system they had chosen.

Container

The various options available relating to security and monitoring of bottles or containers of controlled chemical substances for analysis, technical purposes or commercial use are described below.

Plastic bottles may be embossed or marked with batch and container number using permanent laser ink or by using bar code.

Likewise, glass bottles may be manufactured with batch and container number embossed on the bottom or any other part of the bottle.

Microchip RFID:

This consists of a tiny radio-frequency tracking device, about the size of a pinhead that can be placed in the container itself and is capable of holding large amounts of data about the product. This type of device, bound to supplant current bar codes, can hold any data about a particular substance, such as: the container number within a specific batch, who purchased that substance, who manufactured it, who re-packaged it, or any other data of interest.

Label

Labels can be etched to include container and batch number or a bar code in laser ink, and glued to the bottle or container by using a permanent adhesive material.

Encrypted or secret data:

It would also be helpful if businesses assigned a secret number to each container as a control measure.

In this way, when a container is being traced, there would be an extra piece of information that criminal organizations would not be able to adulterate or erase, since it would not arouse suspicion as the batch or the container number would.

Along the same lines, if the batch number and the container number were to be altered, an extra piece of information would be available to easily identify the container of a specific batch.

The invoice or commercial document

The tracing system suggested in this document does not end with the mere identification of the bottle and/or label, but it is also necessary that the commercial documentation (invoice, packing slip, etc.) include the batch and container number of the product or substance purchased or sold.

At the same time, it would be helpful if the business selling the substance kept an internal record of which individual customer bought which specific container.

Member-States are reminded that the World Customs Organization recommends the use of their standard template for import/export invoices, which include any/all batch and container numbers, of the product sold. Therefore the additional identification on containers and/or packages can be included with this information.

Invoices for non-tariff sales (sales that do not incur taxes) or domestic sales should also conform to the same information standards with respect to the batch and container numbers, and additional identification information of the product sold.

A sample invoice identifying the batch number and the container number of the substance sold is attached below.

QUIMICA OESTE S.A. **A** **FACTURA** **ACC07-00005572**
DUPLICADO **01/10/2010**
 Código de identificación Tipo de Documento: 01
 RESPONSABLE INSCRIPTO
 C.U.I.T. N°: 90-91737503-9
 INC. INSCRIPTOS N°: INC. 901-914/911
 REG. ACT. IVA N°: 91-917-000-1
 ANEXO N°: 01/294102
 Escritura: 9006987 Plazo de validez: 27-6-1998

TEL: 011-4649-9900
 WWW.QUIMICA-OESTE.COM.AR
 INC. INSCRIPTOS: 901-914/911
 DIRECCIÓN: Av. Campo de Marte 1575, Ciudad de Buenos Aires
 LABORATORIO: Av. Campo de Marte 1575, Ciudad de Buenos Aires

SEÑOR(ES) **LABORATORIO QUIMICA S.A. S.C.**
BOULEVARD 3070
CABEROS
CINCO DE ABRIL 1675
 IVA: **RESP. FRONTERIZO** **C.U.I.T.:** **90-90390315-3**

299	UNIDAD	DESCRIPCIÓN	FECHA	RECEPCIONADO
			10/10/2010	RECEPCIONADO

DESTINO	TIPO	VALOR
LABORATORIO		
1675 - CABEROS		
CINCO DE ABRIL		

ITEM	CANTIDAD	UNIDAD	DESCRIPCIÓN	PRECIO UNITARIO	PRECIO TOTAL
751/2	1,000	KG	FULFATO DE SODIO AMO 99% 99,99%	1,000.00	1,000.00

Substance Batch No.....
Container No....
Number..
.....envase.....

NOTA: La presente es una copia de la factura original. Para obtener la información oficial del tipo de cambio utilizar el F.N.S. en el momento de la fecha de pago. Tipo de Cambio a la fecha: 1.000 = 1.000

IMPORTE	IMPORTE	IMPORTE	IMPORTE	IMPORTE
1,000.00	0.00	220.00	0.00	1,220.00
1,220.00	0.00	0.00	0.00	1,220.00

Con DTS: 00.00
 PRODUCTOS PARACETEN INQUIETAS BANKS OPERACION TECNICA
 OBSERVACIONES: Factura en Dólares. Se considerará esta en el momento de la actualización de los valores entregados.
 PUNTO FUERA DE TÉRMINOS: Se descuentan intereses punitorios y gastos administrativos a la tasa del 24% a partir de la fecha de vencimiento.
 Los pagos se efectúan en efectivo, a cuenta de las gestiones de intereses y el costo de depósito.

Para más detalles dirigirse al Departamento de Contabilidad. **QUIMICA OESTE S.A.**
 Para más detalles dirigirse al Departamento de Contabilidad. **QUIMICA OESTE S.A.**
 Fecha de emisión: 01/10/2010

QUIMICA OESTE S.A. **QUIMICA OESTE S.A.** **Fecha de emisión: 01/10/2010**



2 0 5 1 3 5 1 0 5 5 0 0 0 0 7 2 9 5 0 0 1 1 7 1 3 0 7 1 8 2 1 1 1 1 2 6 0



17th St. & Constitution Avenue N.W.
Washington, D.C. 20006
United States of America

INTER-AMERICAN DRUG ABUSE
CONTROL COMMISSION

CICAD

Organization of American States

P. 202.458.3000
www.oas.org

Secretariat for Multidimensional Security

CHEMICAL DIVERSION TRAINING CURRICULUM: FOR JUDGES, PROSECUTORS AND POLICE

INVESTIGATING AND PROVING THE CRIME OF DIVERSION OF CHEMICAL SUBSTANCES

Objectives

To develop theoretical and practical training for judges and prosecutors) [and police] using a presentation and workshop format with the goal of giving tools for investigation and proof of the diversion of chemical substances.

The workshop will provide participants first-hand knowledge of the main elements of the legal provisions and procedures to be followed in order to develop investigations, look for evidence, to solve practical problems and to obtain convictions and sentences. Because of the complex nature of this offense, emphasis is placed on the effective use of specialized investigative techniques.

Beneficiaries

- Judges
- Prosecutors
- Optional attendance: Police officers.

Instructors

1. Legal portions
 - § Judges
 - § Prosecutors
 - § Officials of control agencies
 - § Other experts

2. Operational portion
 - § Expert police agents
 - § Officials of control agencies
 - § Other experts

Methodology and Concept

This seminar is designed to be offered either in one country at a time or on a sub-regional basis. The course content and methods of presentation could be adjusted accordingly. National, international and CICAD personnel would present the material.

It is suggested that national and international experts as well as CICAD participate in the presentation of material.

AGENDA

Opening Session

- Opening remarks (local, national and international officials)
- Introduction of participants and presenters

Substantive Sessions

1. The problem

- Why are we here? The diversion of chemical substances worldwide and the relation to narcotrafficking
- Regional situation regarding the diversion of chemical substances

2. Methods of illicit drug manufacture

- Plant-based drugs and Synthetic drugs (emphasis based on regional situation)
- Dangers of clandestine drug production [to community, workers, environment]
- Licit use of chemical substances; illicit use

3. Legal framework

- § International legal framework, including 1988 UN Convention (Vienna) and OAS-CICAD Model Regulations
- § National laws and regulations -- administrative and legal aspects
- § Lists of regulated chemicals – licit and illicit uses

4. Investigation and prosecution

- § Distinguishing licit commerce from criminal activity
- § Methods of precursor chemical diversion
- § Legal and practical aspects of inspections, interviews and investigations
- § Special investigative techniques -- Undercover operations (agents and informants) and controlled deliveries
 - Principal legal issues; 1988 UN Convention (Article 11); authorization under national law; supervision; limitations
 - Principal practical and operational aspects; problems encountered
 - Presentation of a practical case [use actual closed case if possible]

5. Proof of case

- Documentary evidence
 - Commercial documents, invoices, Customs documents and other business records
 - Official authorizing documents: licenses, registrations and permits
- Physical evidence: Drums and other shipping and storage containers; labels
- Circumstantial evidence – possible exceptions to exclusion of evidence
- Witnesses
 - Company executives and employees; competitors
 - Government agents – undercover police and citizen informants
 - Experts – industry analysts, trade association officials
 - Others who can help prove case

6. Defenses

- Neutral acts by innocent persons (“I’m just a businessman”) versus acts by persons who are suspected of intending to commit crime
- The issue of entrapment
- Concepts of intent and culpability

- Knowledge, intentional ignorance, inexcusable negligence, etc.(see Article 37 of CICAD Model Regulations)
- Other defenses

7. Penalty aspects

- § Administrative and civil penalties (revocation of license or fine)
- § Criminal penalties (imprisonment)

8. Case studies

Distribute narrative of each case; students break into small groups

§ Case study #1

§ Case study #2

§ Case study #3

(Note: If two or more case studies are given, at least one should involve a legitimate transaction.)

Concluding Session

Concluding remarks by presenters

Open Forum: Comments, questions and suggestions by students to presenters

Award of certificates

Reception