



EUROPEAN COMMISSION
DIRECTORATE-GENERAL
TAXATION AND CUSTOMS UNION
CUSTOMS POLICY
Customs policy and customs controls

Brussels, 20th September 2004
TAXUD/C/1/SMS D(2004)

TAXUD/632/2004 - EN

5th meeting between the EC and the Andean Community on the agreement on precursors and chemical substances frequently used in the illicit manufacture of narcotic drugs and psychotropic substances

Brussels, 20th April 2004

Subject: Report

Contact details:

Suzanne Stauffer
DG Taxation and Customs Union – B2
Tel. +32.2.295.6978

1. Adoption of the Agenda

The meeting was co-chaired by Mr. Mentor Villagomez Merino from Ecuador, Presidency of the Andean Community, and Mr. John Pulford for the European Community.

Delegations from Ecuador, Colombian, Bolivia, Venezuela, Peru were present. For the European Community Member States, Spain, United Kingdom, Germany, Finland, Portugal, Belgium, Italy, Denmark, Czech Republic, Greece, France, Ireland, Netherlands, Austria, Slovenia were present.

Both sides welcomed the opportunity to discuss matters of mutual interest relating to precursor control and emphasised the need for strengthening practical co-operation.

The draft Agenda was approved.

2. Operation Purple

Germany in its capacity as co - chair of the operation gave a presentation on Operation Purple and presented the latest developments of the programme. Operation Purple involving international tracking, the identification of legitimate end-users and their actual requirements of potassium permanganate was initiated to address diversions of potassium permanganate from licit international trade. Since operational activities have commenced in 1999, the number of reported shipments and the volume of the substance traded have increased significantly. However, the majority of today's volumes concern shipments to non-participating countries which highlights traffickers' ability to quickly turn to new patterns of diversion which subsequently requires alternative methods, such as backtracking.

The Andean side informed about operation "Seis Fronteiras" which is a regional initiative involving the five Andean countries, Chile, Brazil and Argentina. Particular attention was drawn to new manufacturing methods involving recourse to new substitute chemicals and to the need for enhanced co-operation on the basis of the agreements where these chemicals are supplied from the EU. Strengthened operational co-operation was advocated as an appropriate answer to counter such new manufacturing trends.

The European Community side re-iterated its willingness for enhanced co-operation and to make fully use of the mechanisms provided by the EC/Andean agreements. The importance of "backtracking" was stressed, as it can provide the information necessary to identify the sources of these chemicals and thus cut off supply. In particular, feedback on Europe related cases of seizures and stopped shipments is a vital prerequisite for effective operational co-operation. Such feedback would allow EU authorities to carry out targeted controls on specific consignments and to maximise the input of their resources.

To conclude, the importance of operations Purple and "Seis Fronteras" was praised. Moreover, the need for enhanced operational co-operation within the framework of the EC/Andean agreements was highlighted. In particular, the exchange of information on Europe related cases (legal requirements/seizures/stopped shipments) between the competent authorities of the 2 regions was emphasised as a vital condition for such enhanced operational co-operation.

3. Exchange of views on the possibilities to strengthen co-operation with regard to the control of Sodium carbonate

Bolivia presented a working paper suggesting the strengthening of co-operation with regard to the control of Sodium carbonate between the EC and the Andean Community. Bolivia explained that Sodium carbonate has been found to be used in the illicit manufacture of cocaine and drew attention to various data on seizures and the dismantling of cocaine laboratories involving this substance. Enhanced control between the 2 regions is sought as some EC Member States are reported to manufacture Sodium carbonate. Closer controls should allow checks from the place of manufacture to the end-user. In particular, the importance of information exchange was emphasised.

The European Community side praised the quality of the working paper elaborated by the Andean side and shared the idea of enhanced co-operation. Such enhanced co-operation should enable competent authorities in the importing region to identify end-users and subsequently verify their legitimate purposes and establish missing links with regard to the places of processing of Sodium carbonate. On the other hand, competent authorities in the exporting region should have information enabling them to establish the missing links at the supply side. This exchange of information could be carried out on a timely limited and voluntary basis.

The Andean side welcomed this proposal.

To conclude, both sides agreed 1) to have a timely limited operation of enhanced co-operation on sodium carbonate to be carried out on a voluntary basis. 2) This enhanced co-operation would consist of exchange of information between the competent authorities of the EC and the Andean Community. The EC-competent authorities would provide information on end-users. The Andean Community competent authorities would provide feedback on seizures and laboratories dismantled. 3) In order to do this, both sides will exchange their lists of competent national authorities, agree on a timetable and when to commence, and agree on a template for the information exchange.

4. Report about envisaged modifications of the Community legislation on Drug Precursors' control

The EC briefly presented envisaged modifications of the European Community legislation on Drug precursors. Such modifications concern both legislation governing intra-Community trade (between EC-Member States) and legislation on trade between the EC and third countries. Modifications will consist of strengthening control of brokers (in particular "drop shipments"), the further strengthening of export controls, simplified export procedures for acids and solvents traded in large quantities by well known operators. This should enable control authorities to concentrate on the key chemicals. However, the primary aim is to strengthen import controls for the most sensitive requirements by means of individual import authorisations.

The Andean Community informed about envisaged Precursor legislation. Adoption is intended for July 2004. This legislation will comprise elements allowing the monitoring of trade in precursors, such as documentation, labelling, co-operation with industry, the monitoring of transit/transshipment movements, provisions on mutual assistance, penalties etc. Both sides agreed to transmit the texts of their envisaged legislations.

5. Report about the development of the administrative structure of the Andean countries concerning Precursor control

The EC presented the "PRECAN" project on the prevention of the diversion of chemical precursors in the Andean region. The project has been developed with the aim to enhance the implementation of the EC/Andean agreements. The general aim is to provide support to the administrative authorities in building up capacity with regard to the control over the market of precursors in the Andean countries and thereby facilitate co-operation and exchange of information between the 2 regions.

The immediate objective is to improve the knowledge of the internal chemical markets among administrative authorities and operators. Several activities are envisaged, such as 1) the setting up of national websites, 2) the setting up of a Manual (Guidelines) for administrative precursor control at harmonised regional level; 3) national training; 4) visits of Andean authorities to the EC; 5) an exchange programme; 6) national encounters in order to increase awareness of operators; 7) regional seminars.

The Andean Committee welcomed this project and highlighted its importance for the implementation of the EC/Andean Agreements.

6. Exchange of views on the development of a draft manual to strengthen the function of the pre-export notification system

The development of a draft manual (guidelines) is one of the activities to be conducted under the "PRECAN"-Project to strengthen the administrative control of precursors.

7. Any other business

7.1. Operation "Seis Fronteras"

The Andean Community briefly presented operation "Seis Fronteras" which was initiated to complement and build upon operation Purple. Operation "Seis Fronteras" does not focus on one chemical, only. Each country co-ordinates the monitoring of operators located in these countries and the monitoring of exports and imports. Attention was drawn to reported seizures which are currently evaluated.

7.2. Follow-up meetings in the context of EC/Andean agreements

Both sides stressed the importance of regular meetings and will strive to ensure annual meetings within the limits of available resources.