



European Monitoring Centre
for Drugs and Drug Addiction



EN

EU Drug Markets Report

Strategic Overview

2016





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Directors' foreword

This strategic overview of the 2016 *EU Drug Markets Report: In-depth Analysis* provides easy access to the key findings of the main report to inform policy development and action at European Union (EU) and national level. It combines Europol's expertise and knowledge of criminal networks and the European Monitoring Centre for Drugs and Drug Addiction's (EMCDDA's) holistic overview of the drug situation, to produce a detailed, action-oriented analysis.

The report illustrates the widespread impacts of drug markets, how they are related to other criminal activities, create a strain on government institutions and have a serious impact on legitimate business and the wider economy, not to mention the negative consequences for neighbourhoods, families and individuals. We show how the drugs business and the organised crime groups controlling it reach into many corners of society, from vulnerable migrants exploited as a workforce for cannabis cultivation to officials in public office exposed to the influence of corruption. We present the dynamics and trends that exist in the main drug markets in the EU, from production to the consumer and all points in between, whilst not forgetting that external factors, such as the on-going instability within some neighbouring regions, can have potentially profound effects on the drug situation in Europe. The report goes on to briefly highlight some of the strategic responses, institutional frameworks and operational actions or initiatives in place to tackle the issue.

What is clear to us is that illicit drug markets remain one of the key threats to the security of the EU. Efforts to understand them and the key actors involved are essential if we are to make sound policy decisions that will have any lasting impact. The main report from which this overview comes will provide a platform for debate in the coming years. After all, the drug market is essentially driven by two simple motives: profit and power. The ability to undermine these motives is critical if we are to have any impact on drug-related crime and reduce the wider impacts on society.

Alexis Goosdeel
Director, EMCDDA



Rob Wainwright
Director, Europol



Executive summary

This report explores the concept of the illicit drug market within the broader context of changing patterns of drug use, cultural and social factors and links to wider criminality. Drug markets continue to be one of the most profitable areas for organised crime groups (OCGs) and it is estimated that EU citizens spend over EUR 24 billion (range EUR 21 to 31 billion) every year on illicit drugs. The impacts that drug markets have on society are correspondingly large and go beyond the harms caused by drug use. They include involvement in other types of criminal activities and in terrorism; impacts on legal businesses and the wider economy; strain on and corruption of government institutions; and impacts on wider society.

Three overarching themes emerge from our analysis:

- The increasing organisational and technical complexity, interconnectedness and specialisation of groups involved in drug markets.
- Globalisation and technology are accelerating the rate of change in the drug market.
- Drug market-related activities are concentrated in a number of established and emerging geographical locations.

These developments challenge those trying to respond to the problems created by the illicit drug market and the associated wider problems and suggest that:

- A systemic analysis of drug market business models will be helpful for both operational and policy purposes.
- Partnerships between national authorities and with industry are becoming ever more important, as is engagement with international organisations and third countries.
- Efficient use of resources can be achieved through the identification and targeting of geographical locations where drug market-related activities are concentrated.
- Continuing recognition of the value of a strategic response, informed by sound information used to identify new opportunities as well as challenges, is essential.

The report also looks in more detail at the markets for the main drug types and the key points are summarised below.

Cannabis is the most widely used drug in Europe and it is estimated that cannabis accounts for around 38 % of the retail market for illicit drugs and is worth more than EUR 9.3 billion annually (range EUR 8.4 to 12.9 billion). Some 22 million adults in the EU have used it in the last year and around 1 % of European adults use it on an almost daily basis, increasing the risk of health and social problems. OCGs are heavily involved, making full use of technological innovations to produce larger quantities of more potent products in Europe itself. While the market is dominated by herbal cannabis grown within the EU, the cannabis resin from Morocco has been increasing in potency and may be trafficked to the EU alongside other illicit goods and human beings, a trend potentially exacerbated by instability in North Africa and the Middle East.

The **heroin** market is the second largest illicit drug market in the EU. It is estimated at EUR 6.8 billion annually (range EUR 6.0 to 7.8 billion) and is responsible for a significant proportion of drug-related deaths and social costs. Following a period of decline, there are recent signs of increasing availability that may signal increased harms. Opium production remains generally high in Afghanistan. Production techniques, locations, trafficking routes and modi operandi are increasingly flexible and dynamic, as shown by an increase in very large heroin seizures, suggesting a shift to maritime container trafficking, and new

routes involving Africa, the Southern Caucasus, Syria and Iraq are emerging. Nevertheless, the Balkan route remains a key corridor for heroin entry to the EU. There are also signs of diversification in the market, with prescription medicines and new synthetic opioids increasingly being misused.

Cocaine is Europe's most commonly used illicit stimulant, with a retail market estimated to be worth at least EUR 5.7 billion annually (range EUR 4.5 to 7.0 billion). Most use occurs in western and southern Europe and has been fairly stable over recent years, although there are signs of increasing availability. Coca cultivation appears to be increasing after a period of decline but there is uncertainty about how much cocaine is produced and where this occurs. Sea and air transport are used to traffic cocaine to Europe, with Colombia, Brazil and Venezuela being key departure points. The Caribbean and West Africa remain important transit areas, while Central America is emerging. Use of maritime containers shipped through major European ports is a continuing problem. An evolving array of concealment methods is used, including cocaine being incorporated into 'carrier materials' (e.g. plastics) before being chemically extracted on arrival in Europe. Colombian and Italian groups continue to dominate wholesale cocaine supply to Europe, in cooperation with other groups (e.g. Dutch, British and Spanish). West African, especially Nigerian, groups are also active in transporting cocaine from Africa to Europe and Balkan OCGs are emerging actors.

The market for the main synthetic stimulants, **amphetamine, methamphetamine and MDMA**, is estimated to be at least EUR 1.8 billion annually (range EUR 1.2 to 2.5 billion) in the case of amphetamines (including methamphetamine) and EUR 0.67 billion (range EUR 0.61 to 0.72 billion) for MDMA/ecstasy. Amphetamines appeal to both recreational and marginalised drug users and the market for them interacts with those for cocaine and some new psychoactive substances. Recent concerns include the availability of high-dose MDMA products and the increased use of methamphetamine. In the EU, the Netherlands and Belgium are important for MDMA and amphetamine production, while most methamphetamine appears to be made in the Czech Republic. Production is becoming more sophisticated and diverse, and the use of new precursor and pre-precursor chemicals may increase health risks. The dumping of toxic waste also poses health risks and causes environmental damage. Aggressive marketing is becoming more apparent in the ecstasy market suggesting competition between suppliers and more active targeting of specific groups of users.

A large number of **new psychoactive substances (NPS)** are sold openly as 'legal' replacements for illicit drugs. There are no signs of a slowdown in the development of these substances; 100 new substances were reported for the first time in 2015 and the EU Early Warning System is monitoring over 560. The market supplies both recreational and, increasingly, marginalised users and producers anticipate legal and regulatory controls by developing new substances. Globalised supply chains allow bulk quantities of NPS to be ordered online and transported to Europe where they are packaged and marketed on the open or illicit drug market. It is a low-risk, high-profit business attractive to organised crime and there are signs of production in Europe. Distinct but overlapping markets have emerged, such as 'legal highs', 'research chemicals' and 'dietary supplements' sold through 'bricks and mortar' and online shops. With increased availability, harms have increased, such as acute, sometimes fatal, poisonings and harms associated with injecting cathinones.

Introduction

This report provides a unique insight into the operation of illicit drug markets in the European Union (EU) and will facilitate policy and action at both EU and national levels. The term 'drug market' is used here to mean the entire chain of events from production in often distant source countries to acquisition by the consumer within the EU, and the report explores the concept of the drug market within the broader context of changing patterns of drug use, cultural and social factors, and links to wider criminality.

Key themes and implications for action

Three overarching themes emerge from the analysis developed in the main report:

The increasing organisational and technical complexity, interconnectedness and specialisation of groups involved in drug markets. It is now common for organised crime groups (OCGs) involved with the drug market to diversify across multiple drugs, to engage in other forms of criminality, and to form alliances across ethnic and geographical boundaries. Meanwhile, there is more specialisation seen in respect to roles and the use and sharing of assets alongside the harnessing of specialist expertise.

Globalisation and technology are accelerating the rate of change in the drug market. The dramatic transformation seen in legitimate commodity markets arising from developments in the global economy and information technology also impact on the illicit drug market. Criminal groups are quick to identify and exploit the opportunities provided by easier access to information, the internet as a social and commercial medium, and the growth in international trade, with large volumes of goods rapidly moving across international borders and through multiple transit points.

Drug market-related activities are concentrated in a number of established and emerging geographical locations. Innovation in synthetic drug production and changes in cannabis cultivation have resulted in greater opportunities for drugs to be produced nearer to consumer markets in the EU. Nevertheless, within Europe and elsewhere, some specific geographical locations, or 'hotspots', remain particularly important for drug production or trafficking. Some of these areas are long established while new zones are also emerging.

For those taking action in this area, these themes have important implications, which are elaborated further in the action points in the in-depth EU drug markets report 2016. These are as follows:

A systemic analysis of drug market business models will be helpful for both operational and policy purposes. Understanding the dependencies and potential interaction between different areas of the drug market, and the rationales, roles and organisational models used within it, is of growing importance. This perspective can assist the disruption of market activities by identifying *modi operandi*, structural vulnerabilities and emerging new threats, helping to refocus operational priorities on key target areas.

Partnerships between national authorities and with industry are becoming ever more important, as is engagement with international organisations and third countries. OCGs are likely to be active in a diverse range of criminality spanning, or deliberately exploiting, the existence of national borders and involving links with legitimate business sectors. This means that inter-sectoral cooperation, coordination and intelligence sharing, both within and between countries, are of increasing value. Correspondingly, poorly coordinated

responses may increase the risk of displacement to those areas where enforcement efforts or regulatory frameworks are weakest; transnational organised crime requires a transnational response.

Efficient use of resources can be achieved through the identification and targeting of geographical locations where drug market-related activities are concentrated. Such specific locations, which include large container ports, parcel delivery hubs, specific border crossing points and relatively discrete geographical areas used for drug production, represent priority targets for interdiction efforts. More generally, those larger, but still distinct, geographical areas that are identified in this report as important zones for drug production or trafficking activities deserve special attention, and coordinated action plans, addressing development and governance issues alongside drug-related programmes, will be necessary for an effective response.

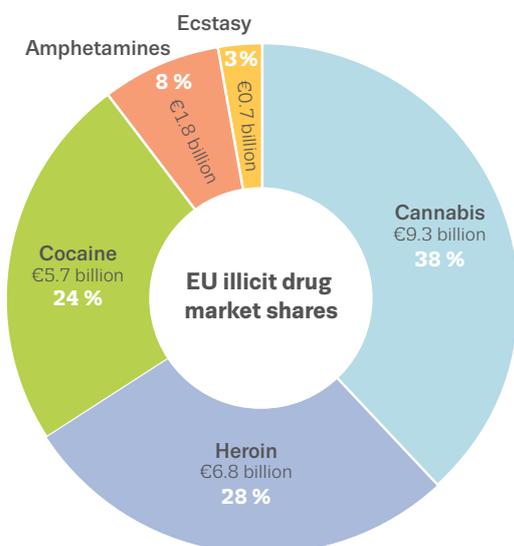
Continuing recognition of the value of a strategic response, informed by sound information used to identify new opportunities as well as challenges, is essential. The report makes a strong case for continuing to invest in an intelligence- and data-driven approach to the drug market, which is supported by concrete examples of how and why this works. Looking to the future, the need to anticipate and respond more rapidly to emerging threats is clearly growing. It is equally important to identify and exploit new opportunities, for example insights that can be derived from forensic data (so-called 'forensic intelligence'); new technologies for monitoring and surveillance; increased opportunities for international engagement driven by the recognition of shared problems; and growing operational understanding and capacity to work in challenging areas, such as cyber-enabled drug markets.

Understanding the widespread ramifications of the drug market

Drugs are big business, estimated to contribute about one-fifth of global crime proceeds. In Europe, they have been estimated to account for 0.1–0.6 % of the gross domestic product (GDP) of the eight Member States for which published data are available. It is estimated that the EU retail drug market was worth at least EUR 24 billion (range EUR 21 to 31 billion) in 2013, with the cannabis market being the largest, making up about 38 % of the total, followed by the heroin (28 %) and cocaine (24 %) markets. However, these estimates should be viewed as a minimum as they take into account only the five main drugs used and are based on limited data, necessitating the use of some very broad assumptions in the estimation process. A programme to develop and improve the estimates for the future is under way, and the work conducted for this report has made a useful contribution to this process.

Drug supply can usefully be viewed from a business perspective; by considering features such as architecture, reputation and innovation, as well as risk minimisation and displacement, it may be possible to identify new areas for law enforcement intervention. The developments in globalisation are key drivers for change and innovation in drug markets and, whereas OCGs rapidly exploit new opportunities for increasing profits and evading detection, authorities often lack the commensurate flexibility to respond. As with other consumer goods, the internet has

FIGURE 1
Estimated minimum retail value of the illicit markets for the main drugs in the EU



Note: Percentages do not add up to 100 % due to rounding.

Source: EMCDDA.

been influential in the drug business, providing both open and hidden sales outlets, opportunities to shorten the supply chain and providing perceived anonymity for technology-savvy consumers on dark net marketplaces while reducing opportunities for law enforcement intervention.

The ramifications of the illicit drug market are wide-ranging and go beyond the harms caused by drug use. They include involvement in other types of criminal activities and in terrorism; impacts on legitimate businesses and the wider economy; strain on and corruption of government institutions; and impacts on wider society.

Impact on the legal economy

The legitimisation of the large amounts of cash generated by the drugs trade is a major preoccupation of organised crime and, whether aware of it or not, it pervades our daily lives. Illegal money impacts on the legal economy as businesses and high-value assets are acquired to 'launder' cash. These 'investments' distort the true economy, leaving legitimate businesses and consumers at a competitive disadvantage. The activities of criminals engaged in the drug market may also have a direct impact on legal businesses, by, for instance; exposing companies to the risk of being associated with trade-based money laundering schemes, the theft of electricity or damage to rental properties used for drug production.

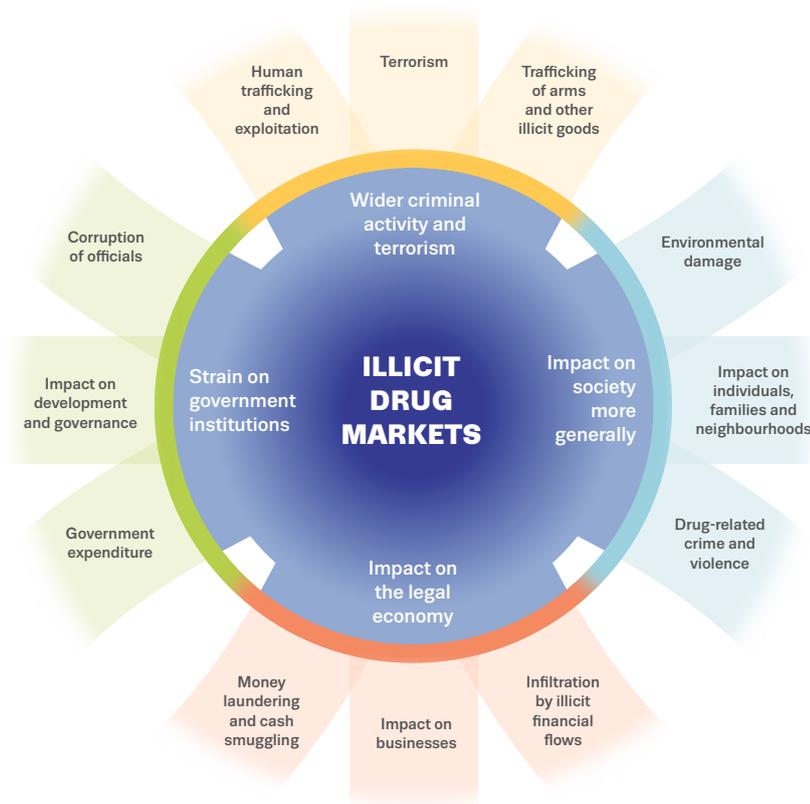
Wider criminal activity

Criminals, particularly transnational OCGs, are adaptable, and hence there are many ways in which drug markets and those involved in them interact with other areas of illegal activity. Recognising and addressing our knowledge gaps of the extent of these interactions is an important intelligence-gathering opportunity. These interactions can be viewed as being of three broad types:

1. when those involved in drug supply engage in other illicit trades, such as firearms, or migrant smuggling;
2. when drug supply is used as a means to a different end, as when it provides financing for other criminal activities or terrorism, or when drugs are used as a means to control people being exploited;
3. when other criminal activity is integral to the drug trafficking activity, for example when trafficked individuals are coerced into participation in drug production or trafficking; when corruption is used to facilitate trafficking; when profits from dealing are laundered; when cash is smuggled to pay for supplies; or when violence is used to maintain market position.

FIGURE 2

The widespread ramifications of illicit drug markets



Source: EMCDDA.

Terrorism

The current pace of change in this area is considerable, and any analysis made on past experiences must therefore be treated with caution. Nonetheless, internationally, there is evidence of some links between OCGs involved in drug trafficking and terrorist organisations. It appears that, in general, these are largely functional in nature, with terrorist organisations using involvement in the drug trade to fund their activities. In Europe, terrorist activity appears to be increasingly fragmented, carried out by either small cells or even a 'lone wolf' and, although some of these may finance their activities through drug dealing or trafficking, other sources of funding seem to be more common and there do not seem to be any systematic links. However, it appears that many of those involved in these activities, often recently radicalised young people, may have a history of low-level criminality, including drug use or involvement in the drug market, and exploit their criminal links to conduct their terrorist activities in a range of ways.

From a strategic perspective, the potential future threats posed by a link between the drug market and terrorism from a European point of view may be usefully grouped under three broad headings.

1. **Financing of terrorist organisations.** Potential threats in this area include renewed interest in opioid production in Afghanistan and neighbouring countries, and drug production and trafficking through and in Africa and the Middle East.
2. **Instability and proximity.** The current instability in Syria and its impact on neighbouring countries, including key EU partners, has created a geographical hotspot of multiple and potentially interconnected threats, including drug-related and other forms of organised crime and mass human migration and its accompanying challenges, in an area where terrorist organisations are active.
3. **Gateway for radicalisation.** Some of the risk factors to which vulnerable individuals and communities are exposed and which could lead to involvement in the drug market are also risk factors for radicalisation. Members of disadvantaged communities may also be at greater risk of incarceration for drug offences, and the prison setting can be conducive to radicalisation of vulnerable individuals.

In each of these areas, there are significant information gaps, and the functional separation and specialisation of those involved in tackling terrorism and drugs may in some cases result in some links being overlooked.

Strain on government institutions and corruption

Drug supply reduction activities account for the largest proportion of estimated drug-related expenditure in most EU countries, and with budgets for public order and safety under increasing pressure from other priorities, this creates a strain on already tight resources. The authority of governments is also undermined by the corruption of public officials, law enforcement officers and the judiciary, as well as at the political level, exerting a corrosive effect and facilitating the operation of the illicit market. The corruption or coercion of professionals is also a common feature of how criminals avoid anti-money laundering regulations and manage to operate their illegal business within the legitimate economy.

Development and stability are adversely affected in transitional drug-producing or transit countries, which are often targeted by criminals because of weak governance structures. In such countries, where there may be few alternative options for legitimate income generation, drug policies need to be integrated with international development programmes if they are to be effective. Social and demographic changes, which include the growth of new drug consumer markets in developing regions, mean that this issue is likely to become increasingly important.

Impacts on wider society and global stabilisation efforts

Drug markets can affect wider society in a number of ways. Drug dependence is associated with the need to commit acquisitive crime, which causes losses to individual victims and businesses. Drug-related violence, including homicide, is an inherent component of some drug markets, and is used to gain market dominance or for the resolution of disputes. As well as affecting individuals and families, such systemic violence contributes to feelings of insecurity within neighbourhoods, as does the operation of open drug markets.

Drug production generally involves the use of chemicals, many of which are harmful to the environment when the waste materials are dumped. This threatens both fragile ecosystems and the populations where laboratories are located, in the EU and in other drug-producing regions of the world. A range of other harms, such as deforestation and erosion, are also associated with the cultivation of cannabis, coca and opium poppies. Although largely experienced in countries outside Europe, these, nevertheless, may have an indirect impact through migration, destabilisation and climate change.

Cannabis

The consumer market in Europe

More than 80 million adults are estimated to have used cannabis, with over 22 million having done so in the last year — making it by far the most consumed illicit drug in the EU. The estimated value of the cannabis market is correspondingly high, at over EUR 9 billion. About 1 % of European adults are thought to use cannabis on a daily or almost daily basis and it is this group that gives rise to most concerns about the potential for associated health and social problems. National trends in cannabis use reported by recent surveys differ, with both increases and decreases observed. However, cannabis is now the drug most frequently reported as the principal reason for first entry into drug treatment and the second most frequently mentioned substance amongst all drug treatment clients.

Cannabis is commonly available in Europe in two distinct forms, herbal cannabis and cannabis resin, and in both cases it is usually smoked with tobacco, with the potential for additional health impacts. Reported retail prices for both cannabis resin and herb are now quite similar, typically between EUR 7 and 12 per gram, although prices vary by country, as does the perceived quality of the product. Although prices have increased only slightly over the last decade, during the same period the average reported

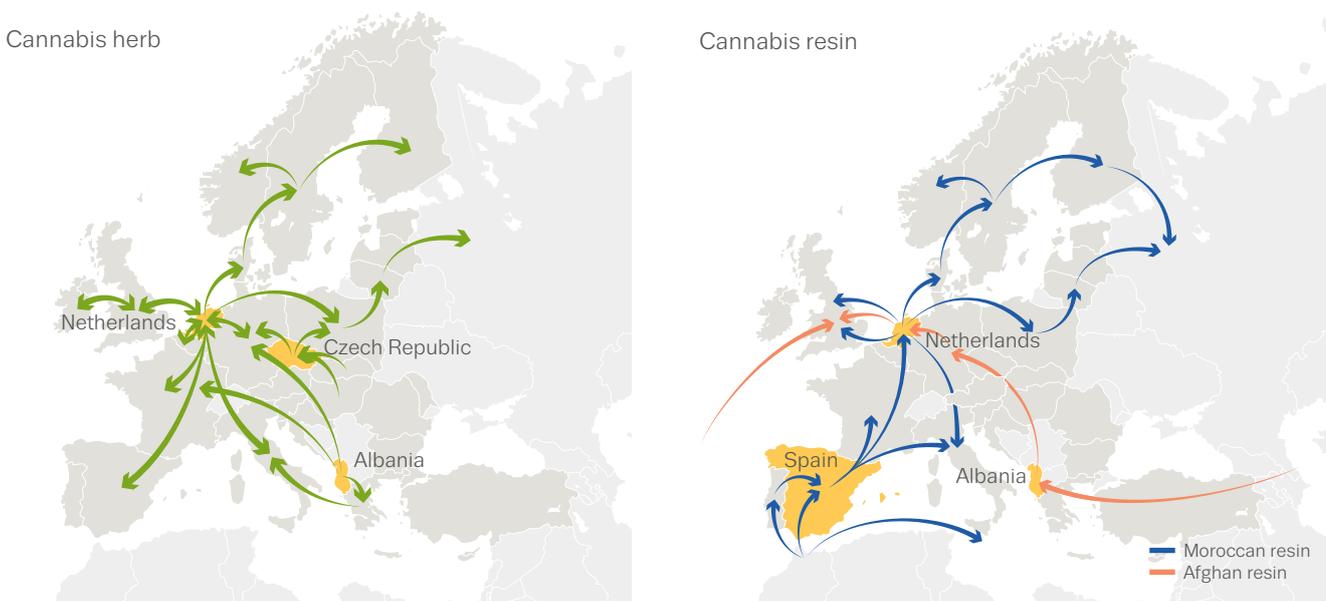
potency in terms of tetrahydrocannabinol (THC) content has nearly doubled.

Products and market innovation

Increased cannabis production in the EU in the last 10 years has led to a shift in the market, with domestically produced herbal products becoming more important and displacing imported resin in many countries. That said, imported resin still remains important and some herbal cannabis continues to enter the EU from numerous other potential source countries. Domestic production encompasses a range of practices from small-scale cultivation for personal use to major plantations. Although some large-scale cultivation takes place outdoors, intensive cultivation sites are often located indoors or underground, and can represent a significant fire hazard.

Intensive and sophisticated domestic production techniques, together with the availability of high-potency strains of the cannabis plant, are likely to have been one of the drivers for the increased potency of both resins and herbal products seen in recent years. It appears that many cannabis consumers may equate potency with quality, leading to a demand and premium for high-potency products. Sufficient competition exists in the market for this to act as an incentive for Moroccan resin producers, who have introduced new high-potency, high-yield hybrid strains of the plant.

FIGURE 3
Main trafficking flows of cannabis in Europe



Note: The trafficking flows represented are a synthesis of a number of information sources and should be considered indicative rather than accurate descriptions of the main trafficking flows.

Source: Europol.

Although data on other forms of cannabis available in the European market are sparse, evidence from elsewhere, particularly the United States, would suggest that there is considerable room for future innovation, especially with respect to edible products, oils or cannabis intended for use in vaporisers. Historically, small amounts of cannabis oil have been available sporadically on the EU market, but recent reports of domestic production involving the use of butane gas from the United States are worrying from both public health and public safety perspectives.

More generally, the existence of a large licit commercial cannabis market in the United States is likely to result in greater product innovation with a possible knock-on effect in the EU. However, EU domestic production is already supported by both online and 'bricks-and-mortar' shops selling products such as lighting equipment, high-potency seeds and resin production kits. Some very high-potency domestically produced resins have been detected recently, and commercial production of highly potent cannabis resins in the EU in the future is now a distinct possibility. A link between some cannabis 'grow shops' and criminal groups involved in cannabis trafficking and sale has led to recent actions in both the Czech Republic and the Netherlands to target this type of business. Such measures, however, may result in the displacement of activities to neighbouring countries or to the online market.

Cannabis trafficking and organised crime

The somewhat benign public image of the cannabis market derived from the activities of hippy entrepreneurs in the 1960s sits in sharp contrast to the modern reality. OCGs now play a major role in a large cash-generating industry associated with violence and other forms of criminality. Moreover, the sheer scale of the cannabis market makes it important for criminal activities at all levels. For example, street gangs are often involved in the retail sale, and sometimes production, and this has resulted in inter-gang conflicts in some European Member States. The negative impacts of the large illicit market for cannabis on both local communities and law enforcement resources, and the resulting costs, are often overlooked.

Moroccan OCGs, exploiting links with Moroccan communities established in Europe and working in partnership with European groups, have a long-established role in the importation of large quantities of cannabis resin. Spain, the Netherlands and, to a lesser extent, Belgium are major importation and distribution points for the EU market as a whole. These activities continue to result in gang-style violence in some countries. However, it is probably the growth in domestic production of cannabis herb that has resulted in most inter-group violence. Large indoor production sites have been linked to violent inter-group crime and electricity theft and are also associated with human trafficking activities. Migrants and victims of human trafficking, as well as other vulnerable people, have been employed or coerced into working in production sites. Although many groups are involved, Dutch and Vietnamese OCGs, in particular, have established a reputation internationally as important actors in this area. Some of these groups have established their own cannabis production sites outside their country of origin, while others provide know-how and equipment to groups in other countries, facilitating the diffusion of domestic cannabis production to new locations.

In terms of market developments, Spain, traditionally the main entry point for resin produced in Morocco, has recently reported increased seizures of herbal cannabis, suggesting a growth in local domestic production. Herbal seizures are also increasing in Italy and Greece. In addition, in 2013, Turkey reported seizing 180 tonnes of herbal cannabis, more than that seized by all EU countries combined, although the implications of these seizures for the EU market are unclear. A recent development has also been the limited appearance of Afghan resin in parts of the EU, with Albanian groups associated with this product. Albania is also an important source country for herbal cannabis trafficked to the EU. Some recent interceptions of large consignments of cannabis resin moving eastwards along the North African coast are also worrying as they may signal the emergence of new trafficking routes through southern European and western Balkan countries, with potential links to human trafficking, or to unstable regions of the eastern Mediterranean.

TABLE 1

CANNABIS IN EUROPE AT A GLANCE				
Consumption ⁽¹⁾		Age group (years)	Estimated number of users (million)	% of EU population (range between countries)
	Last year	15–64	22.1	6.6 (0.9–11.4)
Drug law offences (2014)			Number (% of offences for all drugs)	Trends
	All offences		813 000 (71 %)	
	Offences for drug use/possession for use		675 000 (76 %)	
	Offences for drug supply		136 000 (58 %)	
Seizures ⁽²⁾ (2014)			Cannabis resin	Herbal cannabis
			Quantity (tonnes)	Quantity (tonnes)
	EU		574	139
	EU plus Norway and Turkey		606	232
			Number	Number
	EU		229 000	453 000
EU plus Norway and Turkey		243 000	501 000	

Notes:

(1) EU estimates are computed from national estimates weighted by the population of the relevant age group in each country. They are based on surveys conducted between 2004 and 2014/15 and therefore do not refer to a single year.

(2) The 2014 figures should be considered as estimates; where not available, most recent data were used in place of 2014 data, except for the number of seizures for the Netherlands, France and Poland where no recent data is available so they are not included. An additional 3.4 million cannabis plants and 1.9 tonnes of cannabis plants were seized (33 000 seizures) in Europe, including Norway and Turkey, in 2014.

Data presented are for the EU unless stated otherwise. All trend lines shown in this table cover a 5-year period, 2010–14.

Source: EMCDDA/Reitox national focal points.

Heroin and other opioids

Heroin and other opioids still cause the most drug-related harms

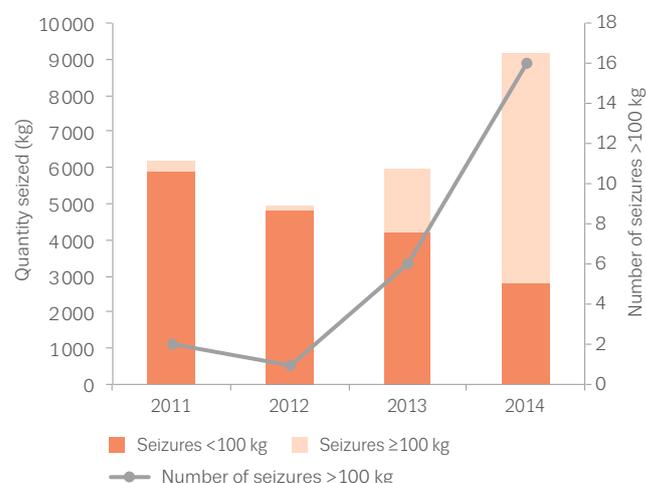
The heroin market in the EU, estimated to be worth over EUR 6.8 billion annually (range EUR 6 to 7.8 billion) remains responsible for a major proportion of Europe's drug-related harms and costs, in terms of overdose deaths, infectious diseases, and treatment and criminal justice costs. Taken together, the available indicators suggest that the overall demand for this opioid drug has contracted over the last decade. However, some worrying signals, such as recent increases in overdose deaths in some countries and very large heroin seizures, suggest an increase in heroin availability in Europe and the potential for new heroin outbreaks.

The market for opioid drugs appears to be more dynamic and complex than in the past, with consumption patterns influenced over time by drug availability. Although heroin still predominates, substitution medicines such as methadone and buprenorphine have established themselves as drugs of abuse, and dangerous non-controlled synthetic opioids, such as fentanyl derivatives, have emerged and caused clusters of fatal overdoses in several Member States. Transitions from heroin use to other opioids or stimulants, including new psychoactive substances (NPS), have also been observed in parts of Europe.

Production and trafficking

Monitoring heroin production is important to understand market dynamics and estimate the potential amounts available. Most heroin consumed in the EU is manufactured from opium produced in South-West Asia, principally Afghanistan. Estimated opium production in Afghanistan has been high in recent years, but is reported to have halved in 2015 (to 3 300 tonnes), mostly as a result of falling opium yields. Corresponding estimates for heroin production are also high by historical standards, but difficult to interpret. The dynamics of heroin production appear to have become more complex in recent years. Afghanistan is still considered as the main heroin manufacturing country, but the considerable quantities of morphine seized in Iran and, to a lesser extent, Pakistan could indicate that some heroin is produced outside of Afghanistan. Although morphine is used to produce heroin, it may also be utilised in South-West Asia to produce illicit opioid 'pharmaceuticals' for sale on local and neighbouring markets. Morphine production and trafficking

FIGURE 4
Trends in large seizures of heroin and their contribution to total seizures in the EU, 2011–14



Sources: Europol, EMCDDA/Reitox national focal points.

is also of particular concern for Europe since two mid-size clandestine laboratories converting morphine into heroin were dismantled in 2013 and 2014.

Acetic anhydride is the principal chemical used for the conversion of morphine into heroin. Monitoring and preventing acetic anhydride diversion is extremely challenging as millions of tonnes are produced annually for use in a wide range of industries. This is illustrated by the fact that, despite considerable efforts, the cost of acetic anhydride on the illicit market in Afghanistan is estimated to have fallen substantially at a time when heroin production estimates were high. A continuous proactive approach to the prevention of diversion is clearly necessary, and Turkey is likely to represent an important partner in this respect.

Evidence of a 'supply-side push'

There had been a long-term decrease in both the number and quantity of heroin seizures in the EU until 2013; since 2013, signals suggest a worrying 'supply-side-push'. In addition to a significant increase in quantities seized in 2014, very large heroin seizures, of more than 100 kg at a time, have become much more common in Europe. A number of Member States reported their largest ever seizure in the period 2013–14, and in 2014 large seizures accounted for more than two-thirds of the total quantity seized in Europe. This unprecedented development implies that wholesale quantities of heroin are easily available and may also reflect an increase in container transport of the drug. Other signals of increased heroin availability in

Europe include a fall in reported heroin street prices and an increase in heroin purity.

Turkish, Albanian-speaking and Pakistani OCGs are key players on the wholesale heroin market of the EU. Cooperation between these groups and with local OCGs occurs and may be becoming more common, but is also accompanied by violent feuds, including shootings in public areas in some European countries. OCGs involved in the European heroin market appear to be flexible and dynamic, with the capacity to rapidly adapt trafficking methods and routes to circumvent law enforcement activities. These crime groups are frequently involved in the traffic not only of heroin but also of multiple drugs, precursors, weapons and other illicit commodities, as well as human beings.

Principal trafficking routes to Europe

It is helpful to structure an analysis of heroin trafficking flows through a typology of geographically distinct routes and known modi operandi. Despite diversification in routes of heroin trafficking, the traditional Balkan route, in which Turkey and Turkish OCGs play a pivotal role, has maintained its significance as the main corridor for

trafficking bulk quantities of heroin into the EU. Since 2011, quantities of heroin seized in Turkey have increased and, in 2014, Turkey seized more heroin than all EU countries combined. Turkey is also important for the trafficking of other drugs, including some new psychoactive substances, and as a growing consumer market.

A new off-shoot to the Balkan route involves trafficking to Turkey through Iraq and Syria, with Iraq also being used for the diversion of acetic anhydride and other precursors. Given the current instability in this region, the possibility of OCGs exploiting the situation to further diversify heroin trafficking or production options must be given serious consideration, as should potential links to the financing of terrorist organisations.

In addition, a new heroin route now appears to be developing, through the Southern Caucasus and across the Black Sea. Large amounts of heroin have been seized on this route as they were being trafficked from Iran to Ukraine and Moldova via Armenia, Azerbaijan and Georgia. Small amounts of heroin also travel along the Northern route, some eventually entering the EU although most seems destined for growing consumer markets in Central Asia, Russia, Ukraine and Belarus. Heroin use in these countries

TABLE 2

HEROIN IN EUROPE AT A GLANCE			
Problem opioid use ⁽¹⁾		Age group (years)	Estimated number of users (million)
	Last year	15–64	1.3
Drug law offences (2014)		Number (% of offences for all drugs)	Trends
	All offences	49 000 (4%)	
	Offences for drug use/possession for use	31 000 (3%)	
	Offences for drug supply	18 000 (8%)	
Seizures ⁽²⁾ (2014)		Quantity (tonnes)	Trends
	EU	8.9	
	EU plus Norway and Turkey	21.7	
		Number	
	EU	32 000	
	EU plus Norway and Turkey	40 000	

Notes:

⁽¹⁾ Estimate of the extent of problem opioid (mainly heroin) use within the EU.

⁽²⁾ The 2014 figures should be considered as estimates; where not available, the most recent data were used in place of 2014 data, except for the number of seizures for the Netherlands, France and Poland where no recent data is available so they are not included. An additional 0.9 tonnes and 353 000 tablets of other opioids were seized (7 000 seizures) in Europe, including Norway and Turkey, in 2014.

Data presented are for the EU unless stated otherwise. All trend lines shown in this table cover a 5-year period, 2010–14.

Source: EMCDDA/Reitox national focal points.

results in severe health and social problems, including HIV infections, with some potential for spill-over effects in neighbouring EU countries.

There is increasing concern about the Southern route, along which heroin is trafficked by sea from Iran and Pakistan initially to the Arabian Peninsula and East Africa and then onwards to other parts of Africa or directly to Europe. In this respect, the large container ports of Rotterdam and Antwerp appear to be important hubs for heroin importation into the EU, as they are for cocaine. A proportion of this heroin is probably intended for consumer markets in countries along the route although data on heroin consumption in these regions are very limited.

Heroin trafficking along the Southern route appears to be a destabilising factor in some East African countries, with profits reported to be funding armed groups, and potential links to terrorist organisations in the Middle East and the Arabian Peninsula should not be discounted. African countries identified as important transit points include Tanzania, South Africa and Nigeria, and West and East African OCGs are known to be working directly with Pakistani crime groups. Tackling trafficking on the Southern route is operationally challenging and, from a strategic perspective, an expansion of heroin trafficking will add to the problems faced by Africa, a region undergoing rapid demographic and social change.

Cocaine

Consumer market in the EU

With a market size estimated at over EUR 5.7 billion (range EUR 4.5 to 7 billion), cocaine is Europe's most commonly used stimulant, although high prevalence rates are restricted to some western and southern European countries. In Europe, cocaine is available in two forms, as powder (the hydrochloride salt) and, less commonly, in a base form, which can be smoked (crack cocaine). Although cocaine consumption is often characterised by recreational and occasional use among relatively socially well-integrated individuals, in a few countries small populations of highly marginalised crack cocaine users are found. Cocaine may also be used, including by injection, by chronic problem drug users.

Demand indicators suggest generally stable or even slightly declining levels of use while seizure data also show overall stability since the high point reached in the mid-2000s. However, recent data suggest a possible increase in availability: retail prices are overall stable or falling slightly, and cocaine purity at retail level has recovered to the levels found 10 years ago although it is still generally below 50 %. It is difficult to interpret these trends because of gaps in our knowledge of the way the cocaine supply chain operates.

Production output estimates

Coca bush cultivation is almost exclusively restricted to Colombia, Peru and Bolivia. The estimated global coca acreage increased in 2014, reversing declines in previous years, mostly because of developments in Colombia. However, it remains unclear how much cocaine is produced and where cocaine production occurs, since available estimates differ considerably. For instance, it is difficult to reconcile the only available global estimate of pure cocaine production of about 700 tonnes annually with that of global seizures, which amounted to 687 tonnes in 2013. Although cocaine that is seized is unlikely to be a pure product, global seizures are still high in relation to production estimates, giving rise to questions about the reliability of data in this area.

Potassium permanganate is a key precursor used in the manufacturing of cocaine. Most seizures of potassium permanganate occur in South America and are believed to reflect the illicit manufacture of potassium permanganate from potassium manganate in that region. This would suggest that measures aimed at preventing the diversion of potassium permanganate from licit manufacturers

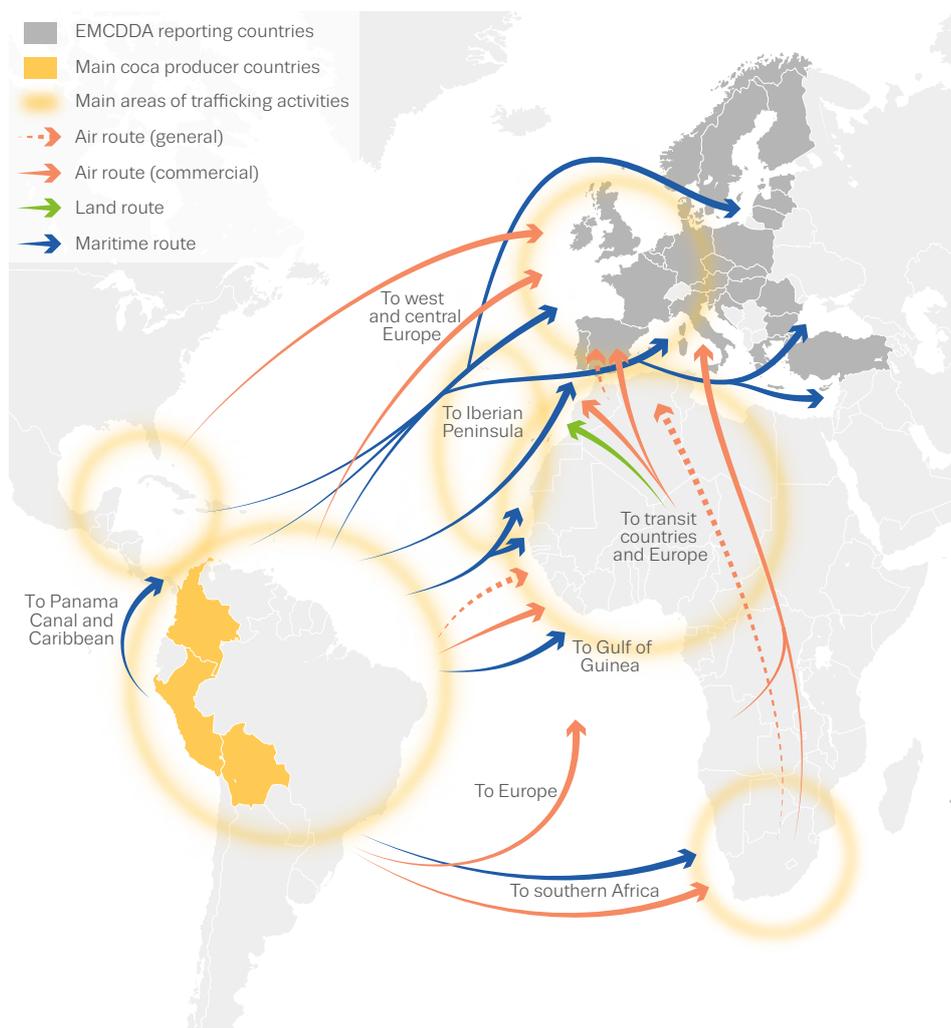
have been successful. However, seizures of potassium permanganate as well as larger stopped shipments are occasionally reported in Europe, so efforts to prevent diversion from licit channels continue to be important.

Trafficking routes and smuggling methods

Cocaine is trafficked from South America to Europe both by air and by sea, with major ports in Brazil, Ecuador and Venezuela acting as key departure points for large shipments. The increasing use of Brazil as a point of departure probably reflects the growing importance of Bolivia and Peru as countries of manufacture of the cocaine shipped to Europe. The Caribbean and the mainland of West Africa, as well as nearby islands such as Cape Verde and the Canaries, are important transit areas, although Central America appears to be increasing in importance in this respect. In the Caribbean, the Dominican Republic and Jamaica are considered to be the main hubs, but some displacement of trafficking activities to countries in the eastern Caribbean has been observed. Although much cocaine is trafficked along the 'traditional' routes highlighted above, a more recent source of concern is cocaine trafficking on routes established for other drugs, including cannabis in North Africa (Algeria and Morocco) and heroin in East Africa (Tanzania). Of particular concern are recent reports linking cocaine trafficking with the funding of terrorist groups active in the conflict in Syria and neighbouring countries.

A diverse range of methods is used to transport cocaine to Europe, including air couriers on commercial flights, commercial air freight, fast parcels and postal services, and private yachts and aircraft. Maritime transport is associated with larger consignments, with even small boats capable of transporting considerable quantities. In this area, the increase in cocaine smuggling in maritime containers appears to be a major threat. Several hundred kilograms of cocaine can relatively easily be concealed in and retrieved from a container, and cocaine seizures in containers accounted for about 75 % of maritime seizures in 2013. The volume of maritime container trade is now substantial and is likely to increase in the future as a result of infrastructure developments to allow ports to handle more and larger vessels both in the Americas and in Europe. Major European ports, such as Rotterdam and Antwerp, are important landing points for such shipments, although other large container ports in western Europe are also targeted by OCGs. It should be noted that some of the cocaine entering Europe may be intended for other regions. There is speculation, and some supporting evidence, that Europe may be becoming a transit point for shipments

FIGURE 5
Main trafficking flows of cocaine to Europe



Note: The trafficking flows represented are a synthesis of a number of information sources and should be considered indicative rather than accurate descriptions of the main trafficking flows.

Sources: Europol and EMCDDA.

intended for expanding cocaine markets in, for example, the Russian Federation, China, India, the Middle East and Australia.

A large and continually evolving array of concealment methods are used to import cocaine into Europe. Recent innovation in this area includes the swallowing of liquid preparations by air couriers, as these may be more difficult to detect at airports. European nationals make up the majority of intercepted couriers in Europe. Another source of on-going concern is importation of the drug incorporated in other materials, such as plastics, that require chemical extraction in so-called secondary extraction laboratories linked to criminal organisations.

Dynamics of criminal groups involved in the cocaine business

The range of criminal organisations involved in cocaine trafficking is wider than before, although Colombian and Italian OCGs continue to dominate wholesale importations into Europe, where they cooperate with others, such as Italian, Dutch, British and Spanish OCGs, who are important brokers, with Spain and the Netherlands remaining key distribution hubs. Some Colombian and Mexican trafficking groups are now employing a 'franchise model' and work directly with some European groups, some of which have established a more permanent presence in South America. In addition, West African groups, especially Nigerian, specialise in smuggling cocaine from Africa to

Europe, often using air couriers. In this diverse arena, OCGs from the Balkan region are reported to pose an increasingly significant threat.

OCGs involved in the cocaine market not only use corrupt lawyers and accountants, a practice that is widespread in criminal organisations across the board, but are believed to engage in the systematic recruitment of corrupt workers at all major seaports and airports in the EU and in departure countries in order to facilitate the transportation

and enhance the security of drug shipments. Some ports are particularly vulnerable to this practice owing to a lack of personnel screening, poor working conditions or inadequate security. Legitimate businesses involved in maritime transportation and related sectors are also targeted for infiltration; indeed, some have been taken over by OCGs. Employees of commercial airlines and airport baggage handlers are also at particular risk of corruption.

TABLE 3

COCAINE IN EUROPE AT A GLANCE				
Consumption (1)		Age group (years)	Estimated number of users (million)	% of EU population (range between countries)
	Last year	15–64	3.6	1.1 (0.1–2.4)
Drug law offences (2014)			Number (% of offences for all drugs)	Trends
	All offences		99 000 (9 %)	
	Offences for drug use/possession for use		70 000 (8 %)	
	Offences for drug supply		29 000 (12 %)	
Seizures (2) (2014)			Quantity (tonnes)	Trends
	EU		61.6	
	EU plus Norway and Turkey		62.1	
			Number	
	EU		78 000	
	EU plus Norway and Turkey		80 000	

Notes:
 (1) EU estimates are computed from national estimates weighted by the population of the relevant age group in each country. They are based on surveys conducted between 2004 and 2014/15 and therefore do not refer to a single year.
 (2) The 2014 figures should be considered as estimates; where not available, most recent data were used in place of 2014 data, except for the number of seizures for the Netherlands, France and Poland where no recent data is available so they are not included. An additional 4.2 kg of coca paste (26 seizures), 35 kg of coca leaves (33 seizures) and 70 kg of crack (5600 seizures) were seized in the EU, in 2014.

Data presented are for the EU unless stated otherwise. All trend lines shown in this table cover a 5-year period, 2010–14.

Source: EMCDDA/Reitox national focal points.

Amphetamine, MDMA and methamphetamine

Synthetic stimulants market in the EU

Amphetamine, MDMA (often referred to as ecstasy) and, to a lesser extent, methamphetamine, are the main synthetic stimulants found on the European drug market. The amphetamines market (amphetamine and methamphetamine combined) is estimated to be worth at least EUR 1.8 billion (range EUR 1.2 to 2.5 billion), with ecstasy accounting for EUR 0.67 billion (range EUR 0.61 to 0.72 billion). The synthetic stimulant market appears to be particularly dynamic with consumers prepared to switch to different substances, based on availability, price and perceived quality. Interactions with the cocaine market and also with some new psychoactive substances, particularly the synthetic cathinones, have been identified.

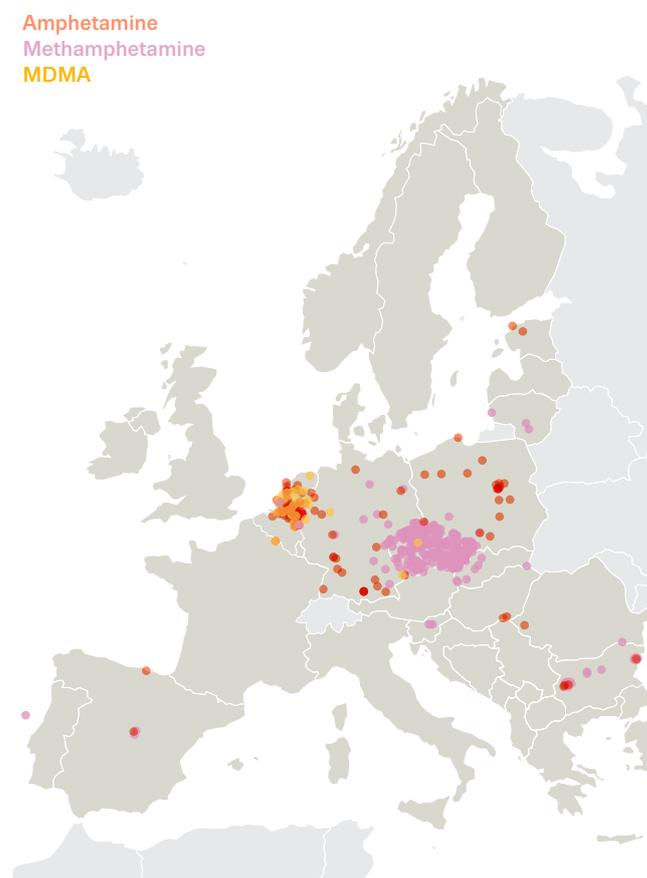
In terms of both the patterns of use and prevalence of these drugs, there are considerable differences between countries. Although often used in recreational settings by relatively well-integrated young people, they also play an important role in the chronic drug problem found in some countries, particularly in northern, central and eastern Europe. Stimulant use can not only lead to problems related to fatigue, but can also result in short-term psychotic episodes, and, in general, problem stimulant use is associated with relatively high rates of psychiatric problems. This can be challenging from both a public health and public safety perspective.

Stimulant drugs are also used instrumentally to, for example, enable the user to stay alert longer or to drive long distances, to enhance sexual behaviour or to mitigate the effects of other substances. They also have a long history of use among the military and combatants in conflict zones, and it has recently been reported that 'captagon' tablets, which generally contain amphetamine, are used by fighters in Syria. In addition, media reports have linked the use of this drug to recent terrorist atrocities in the EU. The evidence concerning these links is limited so this is an important area for monitoring and research.

Amphetamine is not only more widely used than methamphetamine, but is far more commonly reported in drug seizures. Relative trends in drug seizures are difficult to interpret, however, in part because of non-reporting by some countries and in part because the two drugs are not always distinguished in the data that are available. Amphetamine is generally of lower purity, and cheaper, than methamphetamine, with the prevalence of

the use of this drug appearing to be fairly stable in most countries. Despite its importance in other regions of the world, significant methamphetamine use in Europe was until recently largely restricted to the Czech Republic and Slovakia, where the use of this drug is long established. This may be changing, however. Although indicators still suggest that use overall remains relatively low, there are signs of diffusion to some central European countries, such as Austria, Germany and Poland, and possibly even to some southern European countries, such as Greece and Turkey. In northern and Baltic drug markets, sporadic displacement of amphetamine by methamphetamine is also reported. There is a growing concern about the use of methamphetamine among certain subpopulations, e.g. men who have sex with men, in some large European cities, among whom it can be associated with both injection and high-risk sexual behaviours. These developments are worrying from a public health perspective, as are recent reports of the smoking of methamphetamine and the availability of high-potency crystalline forms of the drug. Taking the data as a whole, there is a clear threat

FIGURE 6
Amphetamine, methamphetamine and MDMA production sites in the EU, 2013–15



Note: Data reported to Europol by national authorities using the ERISP tool.
Source: Europol.

TABLE 4

AMPHETAMINES IN EUROPE AT A GLANCE						
Consumption ⁽¹⁾		Age group (years)	Estimated number of users (million)	% of EU population (range between countries)		
Last year		15–64	1.6	0.5 (0.0–1.3)		
			Number (% of offences for all drugs)	Trends		
Drug law offences (2014)			Amphetamine			
	All offences		70 500 (7 %)			
	Offences for drug use/possession for use		60 000 (7 %)			
	Offences for drug supply		19 000 (8 %)			
			Methamphetamine			
	All offences		4 900 (0.4 %)			
Offences for drug use/possession for use		1 800 (0.2 %)				
Offences for drug supply		2 900 (1.2 %)				
			Quantity (tonnes)	Trends	Quantity (tonnes)	Trends
Seizures ⁽²⁾ (2014)	EU		7.1		0.5	
	EU plus Norway and Turkey		7.4		0.8	
	EU		36 000		8 000	
	EU plus Norway and Turkey		42 000		11 000	

MDMA IN EUROPE AT A GLANCE

Consumption ⁽¹⁾		Age group (years)	Estimated number of users (million)	% of EU population (range between countries)	
Last year		15–64	2.5	0.8 (0.2–2.4)	
			Number (% of offences for all drugs)	Trends	
Drug law offences (2014)	All offences		18 000 (2 %)		
	Offences for drug use/possession for use		13 000 (1 %)		
	Offences for drug supply		5 000 (2 %)		
			Quantity (tonnes)	Trends	
Seizures ⁽²⁾⁽³⁾ (2014)	EU		6.1		
	EU plus Norway and Turkey		9.8		
			Number	Trends	
EU		17 000			
EU plus Norway and Turkey		21 000			

Notes:

(1) EU estimates are computed from national estimates weighted by the population of the relevant age group in each country. They are based on surveys conducted between 2004 and 2014/15 and therefore do not refer to a single year.

(2) The 2014 figures should be considered as estimates; where not available, most recent data were used in place of 2014 data, except for the number of seizures for the Netherlands, France and Poland where no recent data is available so they are not included.

(3) An additional 220 kg of ecstasy was seized in the EU, in 2014.

Data presented are for the EU unless stated otherwise. All trend lines shown in this table cover a 5-year period, 2010–14.

Source: EMCDDA/Reitox national focal points.

that methamphetamine may become more important in Europe's drug problem, and surveillance in this area is therefore important.

The availability of high-dose MDMA products also constitutes an emerging threat and a challenge for public health and safety. Recent data clearly indicate that after a period of relative shortage the drug is once more widely available. Furthermore, the MDMA content of tablets has increased since 2010 and is now at an all-time high whilst prices appear to have remained relatively stable. Emerging epidemiological data also suggest that consumer interest in this drug may again be growing.

Constantly evolving EU-based production

The EU is a producing zone for synthetic drugs. The Netherlands and Belgium represent the most important areas for MDMA and amphetamine production in the EU, while methamphetamine production has traditionally been limited to central European countries, principally the Czech Republic, although small-scale production also occurs in countries bordering the Czech Republic, and some recent evidence suggests that significant production capacity exists in the Netherlands.

Production business models are becoming more sophisticated, evident in the sourcing of precursors and innovations in the precursors used; the use of a decentralised, on-demand model; customised equipment; automated production; and the increased scale of production batches. The current situation is characterised by the emergence of novel precursor and pre-precursor substances that challenge the global control regime. The increasing diversity in production methods also increases the risk that consumers will be exposed to harmful impurities or by-products, or other more harmful substances. Aggressive product marketing and branding is

also apparent, particularly in the ecstasy market, where an increasing variety of tablets with novel shapes, colours and logos have been introduced, suggesting competition and more active targeting of specific events or groups of users, perhaps with the aim of attracting new consumers and re-establishing the drug's former status.

The disposal of hazardous and toxic waste from synthetic drug production poses substantial health risks and causes environmental damage, and the costs associated with the decontamination of dumping sites can be considerable. This is a growing issue due to the diversification and increasing capacity of production methods as well as diffusion to previously unaffected countries.

Trafficking and distribution

It would appear that most synthetic drugs consumed in the EU are produced in the region, resulting in considerable intra-European trafficking. Some synthetic drugs produced in the EU are also exported to other regions, such as the Americas and Australia, and the EU is also an important transit zone for methamphetamine produced in West Africa and Iran heading to lucrative markets in the Far East.

Well-established Dutch, Belgian, German and British OCGs dominate both MDMA and amphetamine trafficking to supply the large consumer markets in western Europe. Outlaw motorcycle gangs (OMCGs) and OCGs operating from the Baltic Sea area, particularly from Lithuania and Poland, remain important for synthetic drug trafficking and distribution to Nordic countries. OCGs that traffic synthetic drugs are often involved with other substances, and it is important to recognise this crossover. For example, groups supplying MDMA and amphetamine produced in the Netherlands/Belgium area are also involved in the cannabis and cocaine market, and some Vietnamese OCGs in the Czech Republic have diversified from growing cannabis to producing methamphetamine.

New psychoactive substances

The European market

There are no signs of a slowdown in the number, type or availability of new substances. In 2015, 100 new substances were reported for the first time to the EU Early Warning System, bringing the total number of new substances monitored by the EMCDDA to over 560 — more than twice the number of drugs controlled under the international drug control conventions. More than 380 (70 %) of these substances were detected in the last five years alone. The market supplies both recreational and chronic and marginalised drug users. Producers are adept at reacting to and even anticipating legal and regulatory controls by rapidly developing and introducing new substances.

Seizure data from law enforcement also confirm the growth and importance of this market. In 2014, almost 50 000 seizures of new substances, weighing almost 4 tonnes, were made across Europe — and many of these substances are vastly more potent than their controlled counterparts. Synthetic cannabinoids, which may be sold as legal replacements for cannabis, accounted for the majority of seizures, with almost 30 000 seizures weighing a total of more than 1.3 tonnes. Synthetic cathinones, which may be used in place of amphetamine, MDMA and cocaine, constituted the second largest group, with more than 8 000 seizures amounting to more than 1 tonne. Together, synthetic cannabinoids and cathinones accounted for over three-quarters of the total number of seizures of new psychoactive substances, and about 60 % by weight, during 2014. However, the other groups of substances, while smaller in number, also reflect important changes in the drug market. These include the benzodiazepines as well as exceptionally potent narcotics (such as fentanyl, which may be sold as heroin), for which there is a large demand from a broad range of users.

Production and distribution

The internet is now a part of everyday life and, coupled with cheap, efficient and reliable shipping, has allowed China to become the chemical and pharmaceutical wholesaler and retailer of new psychoactive substances to the world; companies in India can also be important suppliers but to a lesser extent. Many new substances are produced by legitimate companies in these countries, which advertise their catalogue of substances on major online marketplaces and through their own websites. The amounts offered range from a few milligrams to tens or even hundreds of kilograms; the purity is often claimed to be high. The companies have global reach.

FIGURE 7
Deschloroetizolam sold as a research chemical



Photo © Karolinska Institute, Sweden.

The substances are then shipped to Europe using express mail and delivery companies that can deliver direct to the purchaser's door in as little as two days — an attractive feature for distributors, retailers and consumers. The packages easily blend in among the thousands of small packages shipped from China to Europe each day. Larger amounts are shipped by air or sea cargo. Once in Europe they may be processed and packaged into a range of products. It costs around EUR 100 to express ship 1 kg of a new substance from China to Europe. In the case of some of the fentanyls and synthetic cannabinoids, this could equate to tens of thousands of doses.

These chemical companies may also sell the precursor chemicals that are needed to produce new substances. These are offered on the surface web as well as on anonymous marketplaces. Recent seizures by police of clandestine laboratories in Europe suggest that there may be increasing interest in producing a range of new substances in Europe, and it will be important to closely monitor these developments.

Marketing and retail supply

Entrepreneurs have developed sophisticated and aggressive marketing techniques related to new substances. This includes the development of distinct but overlapping markets such as 'legal highs', 'research chemicals' and 'dietary supplements'. The availability of new substances to European consumers, through the surface web as well as bricks-and-mortar shops in some

countries, is also high. Anonymous marketplaces on the dark net may also be an important supply route, although further study is required. New substances are also increasingly sold on the illicit drug market.

New substances — greater risks?

Despite the limitations in the available data, there is now strong evidence that new substances are causing a wide range of serious harms in Europe — mirroring the increasing availability of these substances. These include an increase in serious acute poisonings, including deaths, as well as harms resulting from changes in the patterns of drug injection driven by users switching to new substances. This is particularly evident with new stimulants such as mephedrone, α -PVP and ethylphenidate. These changes have been linked to HIV, hepatitis C and bacterial infections. In some cases there have been outbreaks of mass poisonings or infections, which can place substantial demands on health care systems. Over the past two years, 34 public health alerts were issued by the EMCDDA to its pan-European network, and seven risk assessments were conducted.

New substances — here to stay?

It is too early to tell what the fate will be for many new substances. In part this is because they have only recently appeared on the market; societies and their (sub)cultures also change, and, as they do, so do their tastes and demands. At least initially, it can be difficult to distinguish

a longer-term adoption of a substance from what is merely a passing fad. Fads may be driven, in part, by the fact that a new substance is more readily available than an illicit drug. Interestingly, controlling such a substance may lead to its disappearance from the market and a reduction in use simply because there is no specific demand for it. While making broad predictions about the group as a whole is difficult, and could be potentially misleading, case studies of different new substances suggest that they may disrupt the illicit market, create new markets or support the illicit market.

In some cases, new substances are used as temporary replacements for illicit drugs and they may also displace — either temporarily or more permanently — illicit drugs. In some countries, shortages of heroin, coupled with increased availability of synthetic cathinones, have led to a general shift towards these new substances; at other times and places, fentanyls may fill the gap in heroin availability. In addition, recent data from a drug-testing programme in one European country suggest that although, initially, most new substance use is unintentional — arising from use to adulterate illicit drugs — in the past few years there has been an increase in the intentional use of some new substances. It will be important to follow these developments carefully.

Some new substances pose a challenge as a group, such as the synthetic cannabinoids. In this case, suppliers care less about a specific substance and more about mimicking the pharmacological effects of cannabis. Each synthetic cannabinoid is disposable: as soon as a substance is controlled — or even before — ‘legal’ replacement products can be on sale.

TABLE 5

NEW PSYCHOACTIVE SUBSTANCES IN EUROPE AT A GLANCE

Numbers reported and monitored (2015)	New psychoactive substances reported for the first time	100	
	Substances currently monitored by the EMCDDA	> 560	
Seizures (2014)	Total	48 437	almost 4 tonnes
	Synthetic cannabinoids	29 395	> 1.3 tonnes
	Synthetic cathinones	8 343	> 1 tonne
Health alerts and risk assessments	Public health alerts issued in the past two years	34	
	Risk assessments carried out in the past two years	7	

Note: Data presented are for the EU plus Norway and Turkey.

Source: EMCDDA.

Drug supply reduction policies and responses

Relevant EU strategic actions

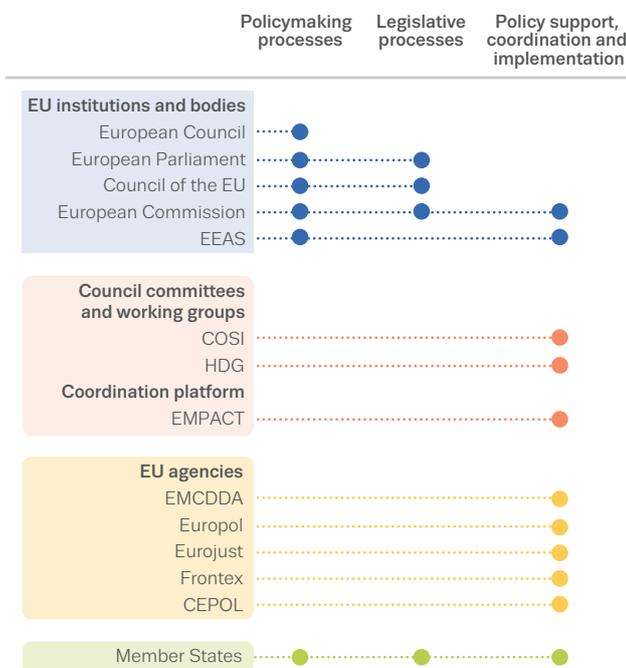
In response to the widespread impacts of the illicit drug markets, drug supply reduction is addressed in several policy areas at EU level and is a core component of the drug strategies and responses of Member States. The EU Drugs Strategy (2013–20) and action plan (2013–16) provide a framework for addressing illicit drugs in the EU, complementing Member States’ national strategies and supporting joint actions. The overarching objective of the EU Drugs Strategy (2013–20) in the area of supply reduction is a measurable reduction of the availability of illicit drugs through the disruption of illicit drug trafficking; the dismantling of OCGs that are involved in drug production and trafficking; efficient use of the criminal justice system; effective intelligence-led law enforcement and increased intelligence sharing; and an EU-level emphasis on large-scale, cross-border and organised drug-related crime.

Tackling groups involved in the illicit drug trade is also an important element of the EU policy cycle for organised and serious international crime (the policy cycle), through which EU Member States coordinate common priorities and operational action. Drug smuggling has been identified as one of the activities contributing to organised cross-border crime; it challenges border control and the movement of people and goods, and is a financing tool for terrorist groups and OCGs. As a result, the production and trafficking of drugs are key issues in the EU’s renewed internal security strategy, the European Agenda on Security 2015–20.

Institutional, legal and financial arrangements

The multifaceted impact of drug markets and the wide-ranging challenges associated with globalisation mean that a variety of EU institutions, working groups and agencies are involved, alongside the Member States, in designing and implementing different aspects of the EU’s drug policy. Alongside these are a range of financial instruments and legislation that support the action taken to address the illicit drug phenomenon within the EU.

FIGURE 8
Main EU structures addressing drug supply reduction issues



Source: EMCDDA.

Operational actions and initiatives

The supply reduction objectives of the policy and legislative frameworks outlined above are addressed through a range of different activities and initiatives, which target different aspects of drug markets. These may be grouped into three broad categories: those that directly target the drug markets and those engaged in production and supply activities; those targeting the facilitators of drug supply activities, for example the money and the professionals who assist in various ways; and other activities that seek to address those factors that underpin engagement in drug production and trafficking — the poverty and other conditions that make people participate in production and dealing as a survival strategy, or the weak and unstable states that facilitate criminal activities. Within these broad categories, the responses at EU and international levels mainly focus on three main areas — coordination, capacity building and information sharing — which support and complement the activity of member states. With continuing globalisation making it unlikely that any single Member State will be able to successfully tackle the problem of illicit drugs and transnational organised crime unilaterally, these types of programme are increasingly important and continued EU investment is essential.

It is also clear from the analysis in the 2016 *EU Drug Markets Report: In-depth Analysis* summarised here that illicit drug markets are one of the key threats to the security of the EU. Efforts to understand them and the key actors involved are essential for making sound policy decisions that will have a lasting impact. The drug market is

essentially driven by two simple motives: profit and power. The ability to undermine these is critical if we are to have any impact on drug-related crime and reduce the wider impacts on society. Continuing to improve our data sources and analysis alongside the development of innovative operational responses will be key to success.

Read the full report *EU Drug Markets Report: In-depth Analysis* available at: www.emcdda.europa.eu/start/2016/drug-markets

Abbreviations

CEPOL	European Police College
COSI	Standing Committee on Operational Cooperation on Internal Security
EEAS	European External Action Service
EMCDDA	European Monitoring Centre for Drugs and Drug Addiction
EMPACT	European Multidisciplinary Platform against Criminal Threats
ERISSP	European Reporting Instrument on Sites related to Synthetic Production
EU	European Union
Frontex	European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union
HDG	Horizontal Working Party on Drugs
MDMA	3,4-methylenedioxymethamphetamine
NPS	new psychoactive substance(s)
OCG	organised crime group

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About this report

This publication provides a strategic overview of the key findings of the 2016 *EU Drug Markets Report: In-Depth Analysis*. The report brings together our knowledge and understanding of the operation and structure of the drug market within the broader context of the illicit drugs phenomenon in the EU. It builds upon the groundwork completed in the previous edition published in 2013, and develops the themes and concepts to give an improved insight into this dynamic, policy-relevant field. The coupling of Europol's expertise and knowledge of criminal networks with the EMCDDA's holistic overview of the drug situation helps to separate important signals from the ever-present noise.

About the EMCDDA

The European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) is the central source and confirmed authority on drug-related issues in Europe. For over 20 years, it has been collecting, analysing and disseminating scientifically sound information on drugs and drug addiction and their consequences, providing its audiences with an evidence-based picture of the drug phenomenon at European level. Based in Lisbon, the EMCDDA is one of the decentralised agencies of the European Union.

www.emcdda.europa.eu

About Europol

Europol is the European Union's law enforcement agency whose mission is to support its Member States in preventing and combating all forms of serious international and organised crime and terrorism. Europol employs almost 1 000 staff at its headquarters in The Hague. They provide a unique and evolving set of operational products and services to EU law enforcement authorities for their everyday work, including efforts to tackle illicit drug trafficking, money laundering, cybercrime and terrorism. Europol's focus is to look further ahead for more opportunities to streamline cooperation and the fight against organised crime and terrorism, with the ultimate goal of achieving a safer Europe for the benefit of all EU citizens.

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