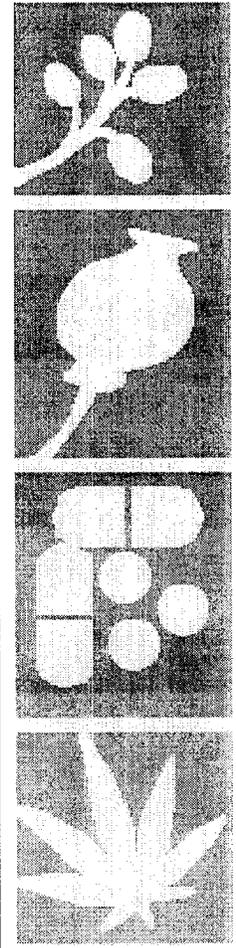


Drug Availability Estimates in the United States



DRUG AVAILABILITY STEERING COMMITTEE



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DRUG AVAILABILITY STEERING COMMITTEE

DRUG ENFORCEMENT ADMINISTRATION (CHAIR)

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The importance of these estimates is not necessarily in the figures themselves, but in: 1) the process established to develop the figures, and 2) the application of those figures to other facets of the drug problem. Once fully developed, the measures of drug availability can be applied to issues such as performance measurement, threat assessment, and market modeling. But note that drug availability is one indicator of performance. And although these estimates were developed by federal law enforcement, intelligence, and health-related communities, controlling availability is the responsibility of many more governmental organizations than these.

- **Cocaine:** This estimate of 260-270 pure metric tons was determined through the integration of many routinely reported sources such as the potential cocaine production estimates reported annually by the Central Intelligence Agency, the Office of National Drug Control Policy's (ONDCP) annual consumption estimate, and worldwide seizure statistics. This mature methodology provided annual estimates of cocaine availability over the past six years, which show a convergence between both supply-based and demand-based approaches. The greatest uncertainty in the estimate is the amount of cocaine consumed by foreign markets due to a lack of routinely collected standardized data.
- **Heroin:** This estimate of 13-18 pure metric tons was based on the number of users, their frequency of use and expenditures, and the retail price of heroin. There is uncertainty in the estimate due to the widely varying prices of heroin and user behavior. A supply-based estimate could not be determined due to inconsistency between the current Colombia potential production estimate and the Heroin Signature Program's estimate of South American heroin entering the U.S domestic market. The apparent discrepancy requires the development of a follow-on process to develop a rational estimate.
- **Methamphetamine:** Domestic production is the primary source of methamphetamine available for domestic demand. The largest component of the 110-140 pure metric tons of methamphetamine is manufactured from diverted Canadian and U.S. pseudoephedrine and ephedrine. There is considerable uncertainty in the diversion figures, which highlights the need for improvements in tracking precursor chemicals in order to reduce their use in the manufacture of illegal synthetic drugs.
- **Marijuana:** The 10,000 to 24,000 metric ton estimate of marijuana availability was based on a two-part methodology that separately derived the quantities of foreign and domestically produced marijuana available. The speculative estimate of domestic marijuana production was calculated by applying three hypothetical seizure rates to domestic cannabis eradication figures. There is considerable uncertainty in the estimate due to the lack of direct information on the magnitude of the domestic production component. Development of either a cannabis signature to determine the source areas of seized marijuana samples, or a science-based estimate of illegal domestic cannabis cultivation, would significantly improve the accuracy of this estimate.

Follow-on Process

The process established over the past six-months, for consolidating various drug-supply data into methodologies estimating drug availability, provides many benefits to policymakers at the Department of Justice, the Office of National Drug Control Policy and the participating law enforcement agencies. The reports from each of the six working groups, not only provides estimates of drug availability, but recommendations on how to improve those estimates. This process must continue, albeit at a different level of effort, to respond to the action items generated by those initial reports.

manufacturers and distributors within the United States. Operation Mountain Express I and II identified, prosecuted, and closed the businesses of many of these rogue pseudoephedrine distributors, thereby interrupting the flow of pseudoephedrine to the "super labs". This abatement was short-lived, however, as pseudoephedrine trafficking organizations found a new supply for pseudoephedrine – Canada.

Trafficking groups discovered pseudoephedrine is both legal and plentiful in Canada. This discovery led to the smuggling of unprecedented quantities of pseudoephedrine from Canada to the United States saturating the wholesale/retail clandestine laboratory market. Chemical traffickers of Middle Eastern descent currently control the majority of the pseudoephedrine that is diverted to "super labs". This trend has continued, despite the success of the recently concluded Mountain Express III which targeted organizations that supplied ton quantities of Canadian pseudoephedrine to large clandestine methamphetamine operations on the West Coast.

A decrease or total cessation of the smuggling of Canadian pseudoephedrine into the United States would have a significant impact on domestic clandestine methamphetamine production since "super lab" operators rely heavily on the supply of Canadian pseudoephedrine. Although lab operators would eventually find other sources for pseudoephedrine or substitute chemicals for pseudoephedrine, this transition would be slow. Therefore, in a short period of time the market demand for pseudoephedrine would far exceed the supply. Mexican national laboratory operators in the United States may then increase methamphetamine production in Mexico where chemicals could be more easily obtained. The traffickers would then be faced with the problem of smuggling increased volumes of the drug into the United States through the Southwest border.

Although disrupting the flow of Canadian pseudoephedrine would have a significant impact on large labs, it most likely would not decrease the total number of clandestine laboratory seizures in the United States. Rather, clandestine laboratories would probably increase to meet the market demand. Small Toxic Labs (STLs) currently comprise a great majority of the domestic clandestine methamphetamine laboratory seizures, primarily due to the unrestricted availability of retail sale "blister pack" pseudoephedrine⁴⁸.

⁴⁸ Blister pack pseudoephedrine tablets are exempt from retail sale recordkeeping thresholds due to a "safe harbor" provision initially established in the "Methamphetamine Control Act of 1996" (MCA). The MCA established a 24 gram recordkeeping threshold for retail sales of **non-exempt** pseudoephedrine products. The MCA safe harbor provision exempted retail sale blister packs from the 24 gram threshold. Pseudoephedrine blister pack products are regularly found at small toxic lab (STL) sites and are becoming increasingly popular among STL operators.

Under the MCA, the sale of non-exempt pseudoephedrine products above the threshold quantity was considered a regulated transaction. Under 21 USC 830(a)(2), the regulated person must maintain a record of each regulated transaction for a period of two (2) years after the transaction. This record must include the date, identity of each party to the transaction, a statement of the quantity and the form of the listed chemical.

The "Methamphetamine Anti-Proliferation Act of 2000" (MAPA) reduced the retail sale recordkeeping threshold quantity of non-exempt pseudoephedrine products to 9 grams and limited package sizes to not more than three (3) grams. The safe harbor exemption remained on retail sale blister packs.

The safe harbor provision is, in essence, allowing retail outlets to sell blister pack pseudoephedrine products without triggering a threshold recordkeeping requirement. For example, if the safe harbor provision is removed and a 9 gram threshold is established, the STL operator can still purchase approximately fifteen (15) blister packs of 24 count pseudoephedrine 30 mg tablets without triggering the recordkeeping requirement (as compared to an unlimited amount under the safe harbor provision). Ordinarily, the STL operator would utilize several individuals to purchase smaller quantities of blister packs on his behalf to avoid suspicion of criminal activity (a technique commonly referred to as "smurfing").