



UNODC

United Nations Office on Drugs and Crime



Central Committee for
Drug Abuse control



Lao National Commission for
Drug Control and Supervision



South-East Asia Opium survey 2011

Lao PDR, Myanmar

Executive Summary

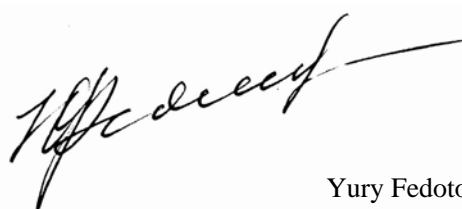
PREFACE

Using helicopter, satellite and village surveys, UNODC has created a detailed study of opium in South-East Asia. Unfortunately, the situation in the region is not positive, and in 2011, there were significant increases in cultivation. From 2007—2010, UNODC has seen a persistent rise in poppy cultivation in South East Asia. In 2011, there was a 16 per cent increase in the amount cultivated compared to the previous year. Overall cultivation has doubled in the region since 2006. Combine these statistics with the fact that regional production, trafficking and consumption of Amphetamine-Type-Stimulants (ATS) is growing and the picture grows dimmer.

To reverse this situation, the international community needs to better understand the nature of transnational organised crime and drug control in the region. To support these initiatives, we must all be proactive on every front and do our utmost to promote cooperation and partnership in the region. In particular, we need to redouble our efforts to achieve security, stability and sustainable development, which are key drivers for reducing opium production. The high prices for opium in the Lao DPR and Thailand, as well as steep price increases in Myanmar, are also making production attractive to farmers.

Food insecurity in some of the opium-growing 'risk' areas is generally high, and it is estimated that around 35 per cent of surveyed households have had insufficient food over the past 12 months, both in opium and non-opium growing households. Although the international community has supported alternative development for many years, and with great success, there is a need for increased investment.

In Myanmar, the country is presently home to 91 per cent of the region's opium cultivation, and there is a need for more programmes that support alternative development for opium poppy growers. These programmes must also take into account the issues of poverty reduction, environmental protection, food security and improved social and economic conditions as key objectives. Indeed, these projects are a necessity because reductions in illicit crop cultivation and opium production can bring tangible benefits to the lives of ordinary people.



Yury Fedotov
Executive Director
UNODC

FACT SHEET - SOUTH EAST ASIA OPIUM SURVEYS 2011

	2010	2011	Change from
Opium poppy cultivation ¹	41,389 ha	47,917 ha	+16%
Lao PDR	3,000 ha	4,100 ha	+37%
Thailand* ²	289 ha	217 ha	-25%
Myanmar	38,100 ha	43,600 ha	+14%
Weighted average dry opium yield			
Lao PDR	6.0 kg/ha	6.0 kg/ha	0%
Thailand*	15.6 kg/ha	15.6 kg/ha	0%
Myanmar	15.2 kg/ha	14.0 kg/ha	-8%
Potential production of opium ¹	603 mt	638 mt	+6 %
Lao PDR	18 mt	25 mt	+37%
Thailand*	5 mt	3 mt	-25%
Myanmar	580 mt	610 mt	+5%
Opium poppy eradication	9,125 ha	7,928ha	-13%
Lao PDR	579 ha	662ha	+14%
Thailand*	278 ha	208 ha	-25%
Myanmar	8,268 ha	7,058 ha	-15%
Average price of opium ³			
Lao PDR	1,670 US\$ /kg	1,640 US\$ /kg	-2%
Thailand*	2,700 US\$/kg	1,420 US\$/kg	-47%
Myanmar	305 US\$/kg	450 US\$/kg	+48%
Total potential value of opium production	> US\$ 219 million	> US\$ 319 million	+46 %
Of which			
Lao PDR	US\$ 30 million	US\$ 40 million	+34 %
Thailand	US\$ 12 million	US\$ 4 million	-65 %
Myanmar	US\$ 177 million	US\$ 275 million	+56 %

* The Office of the Narcotics Control Board, Government of Thailand, is acknowledged for providing the figures on Thailand.

¹ These figures differ slightly from those published in the World Drug Report 2010 and 2011, which subsumes Thailand under the category of "other countries". The actual cultivation and production figures could be slightly smaller for all three countries due to the governments' eradication campaigns that may have occurred after the surveys.

² The cultivation figures in Thailand are based on satellite images and aerial reconnaissance flights.

³ Prices are not directly comparable between countries as they refer to farm-gate prices in Myanmar and to prices at an unspecified trading level in Lao PDR.

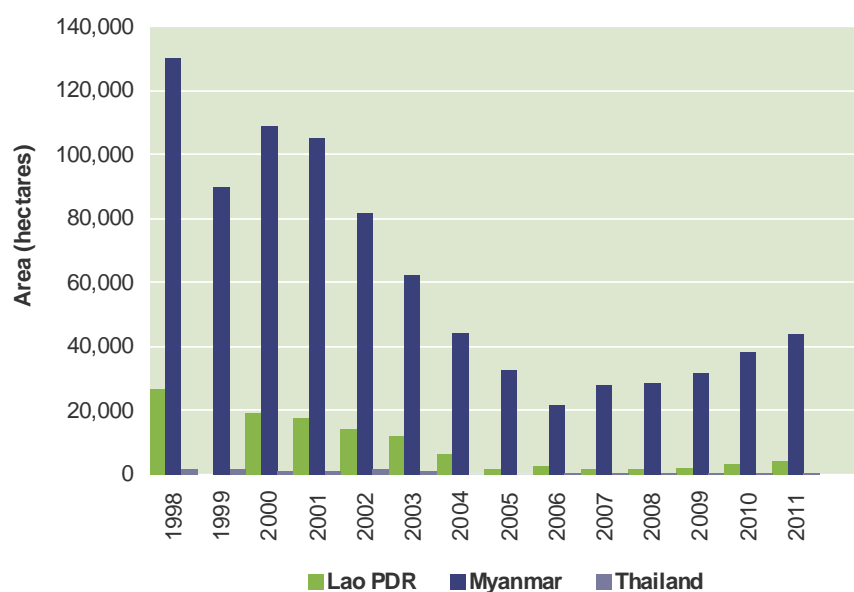
REGIONAL OVERVIEW

In order to assess the scope of opium poppy cultivation and opium production, UNODC has been conducting opium surveys in cooperation with the respective Governments in Lao PDR (since 1992) and in Myanmar (since 2002). Thailand has established its own monitoring system. This report contains the results of the UNODC-supported opium poppy cultivation surveys in Lao PDR and Myanmar. In addition, the results from the opium poppy surveys implemented by the Thai Office of the Narcotics Control Board are presented in this regional overview.

Opium poppy cultivation in South East Asia

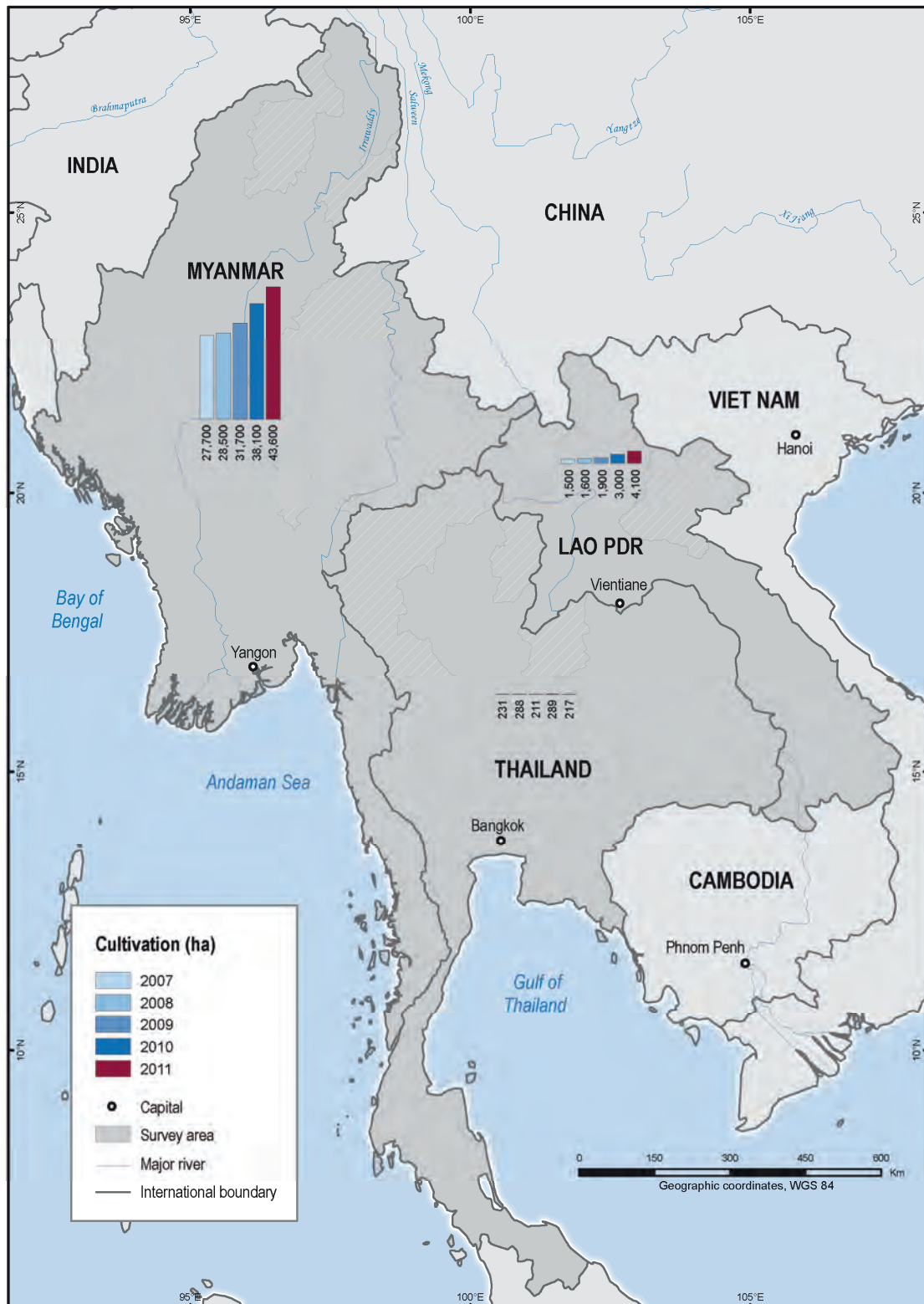
The major part of opium poppy cultivation in South East Asia takes place in Lao PDR, Myanmar and Thailand, with a total area of 47,917 hectares in 2011. The Government of Vietnam indicates that only a negligible amount of opium poppy is cultivated there. Between 1988 and 2006, the cultivation of opium in these three countries decreased from an estimated total of 157,900 hectares in 1998 to only 24,157 hectares in 2006. However, since then, opium poppy cultivation has increased in Myanmar and a mixed pattern of increases and decreases have been observed in Lao PDR and Thailand. Overall, opium poppy cultivation in the region has doubled since 2006.

Figure 1: Opium poppy cultivation in South East Asia (hectares), 1998 - 2011



Myanmar, the largest opium growing country in the region, saw major decreases over the years, from 130,300 ha in 1998 to only 21,500 ha in 2006 (an 83% reduction over the period 1998-2006). This downward trend from 2000 to 2006 had been consistent. Since then, opium poppy cultivation has increased although at a relatively slow pace.

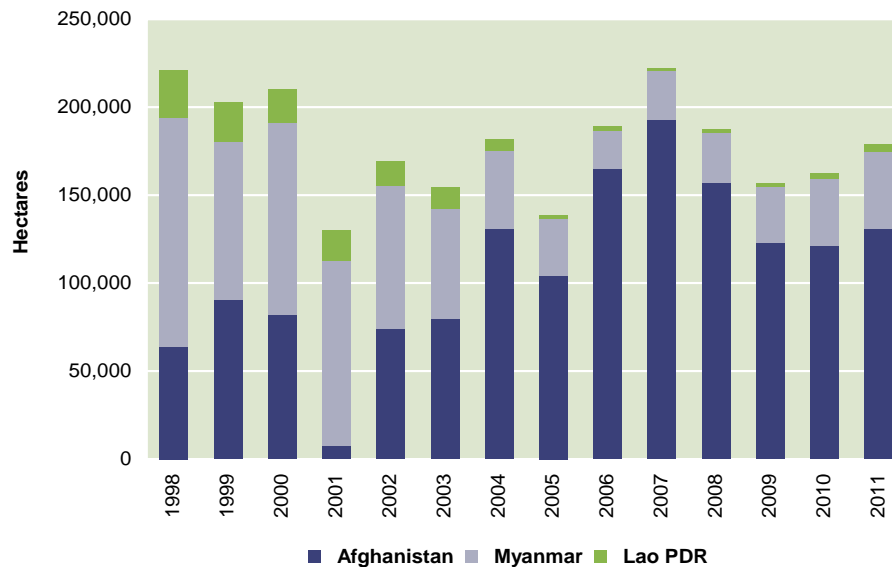
Map 1: Opium poppy cultivation in South East Asia (hectares), 2006 - 2011



Source: Government of Lao PDR, Myanmar and Thailand, national monitoring system supported by UNODC in Lao PDR and Myanmar. The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations.

In Lao PDR, the area under opium poppy cultivation decreased from 26,800 ha in 1998 to only 1,800 ha in 2005, the largest relative decline among the three countries. Since 2005 however, figures have shown increases alternated with decreases. In 2011, cultivation increased to 4,100 hectares.

Figure 2: Opium poppy cultivation in major cultivating countries (ha), 1998 - 2011

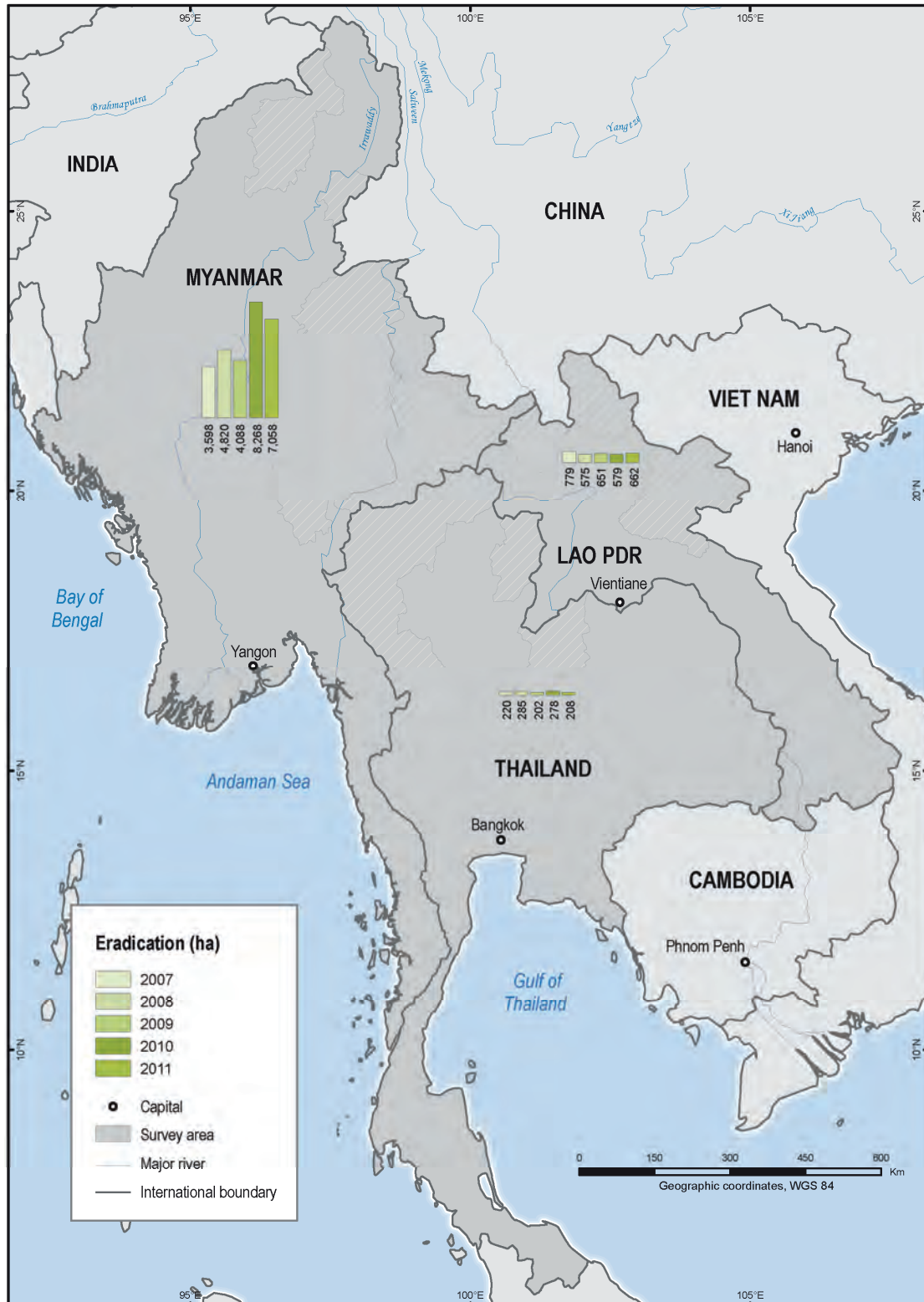


Despite years of dramatic decreases in opium poppy cultivation between 1998 and 2006, Myanmar remains the second largest opium poppy grower in the world after Afghanistan. Myanmar contributed 23% of opium poppy cultivation among major cultivating countries in 2011. Lao PDR accounted for 2% in 2011. Since 2003, South East Asia has clearly ceased to be the largest opium poppy cultivating region, and Afghanistan has become by far the largest opium poppy cultivating country.

Eradication

Official reports from the Governments of Lao PDR, Myanmar and Thailand indicated that a total of 7,928 ha of opium poppy were eradicated in 2011. This represents a decrease of 16% compared to 2010 when 9,125 ha were eradicated in the region. A total of 662 ha were eradicated in Lao PDR, 7,058 ha in Myanmar and 208 ha in Thailand.

Map 2: Opium poppy eradication in South East Asia (hectares), 2006 - 2011

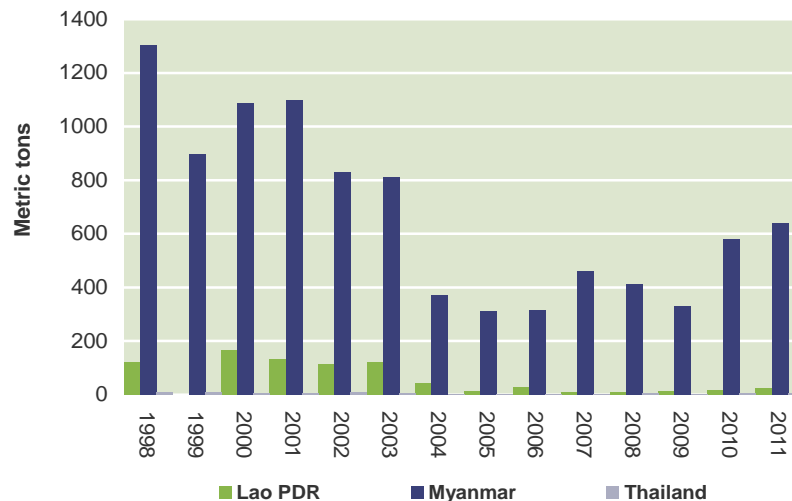


Source: Government of Lao PDR, Myanmar and Thailand, national monitoring system supported by UNODC in Lao PDR and Myanmar. The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations.

Opium yield and production

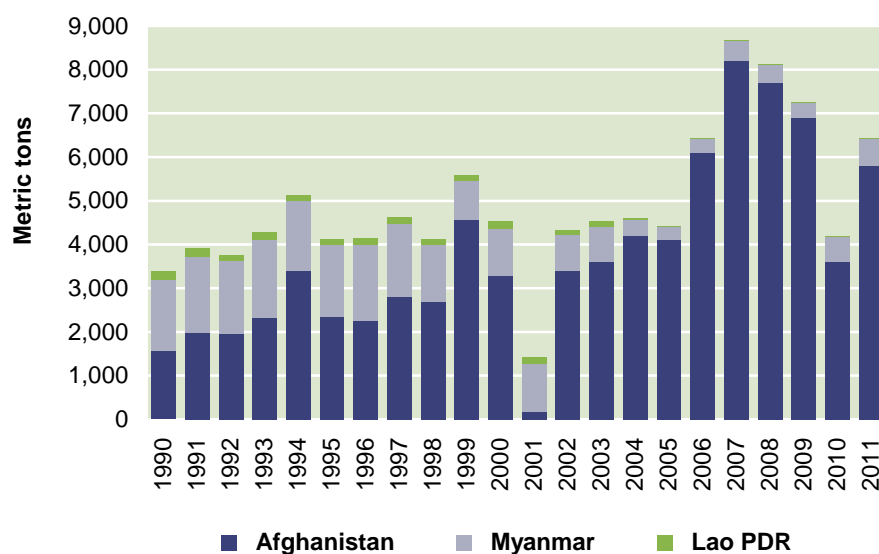
Opium poppy in South East Asia is mostly cultivated on steep hills with poor soil and no irrigation facilities. Opium yields are much lower than in Afghanistan where the crop is often cultivated on good soils and flat, irrigated land. In 2011, opium yields were estimated at 6 kg/ha in Laos, 14.0 kg/ha in Myanmar and 15.6 kg/ha in Thailand. The total potential opium production in South East Asia has decreased from an estimated 1,435 mt in 1998 to only 640 mt in 2011. This figure represents a decrease of 57% over that 12-year period.

Figure 3: Opium production in South East Asia (metric tons), 1998 - 2011



Since last year, opium production in Myanmar increased by 5%, and its share of opium production among major producing countries reached 9%. This represents a decrease in light of last year when Myanmar's share was still 13%. This is due to a production increase of 61% in Afghanistan where poppy plants gave substantial higher yields in 2011.

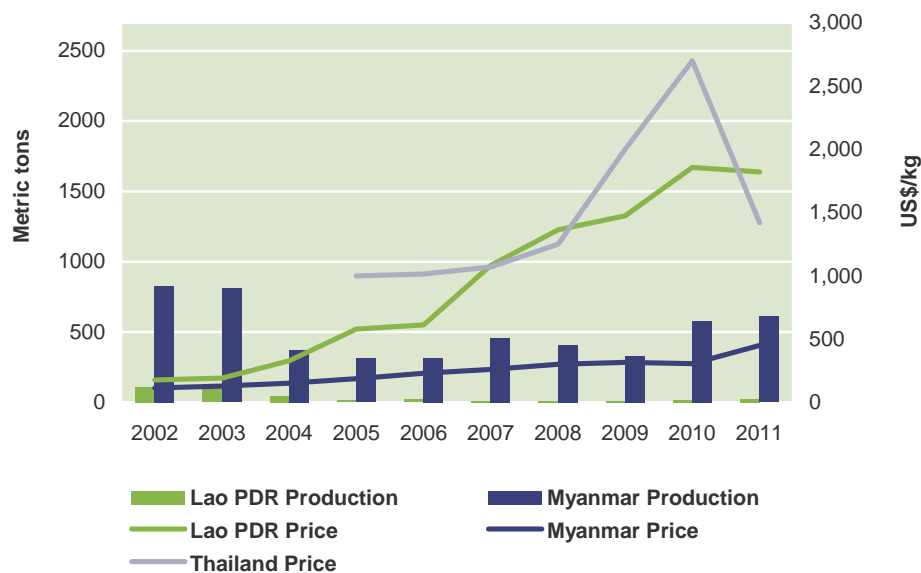
Figure 4: Opium production in major producing countries (metric tons), 1998 - 2011



Opium prices

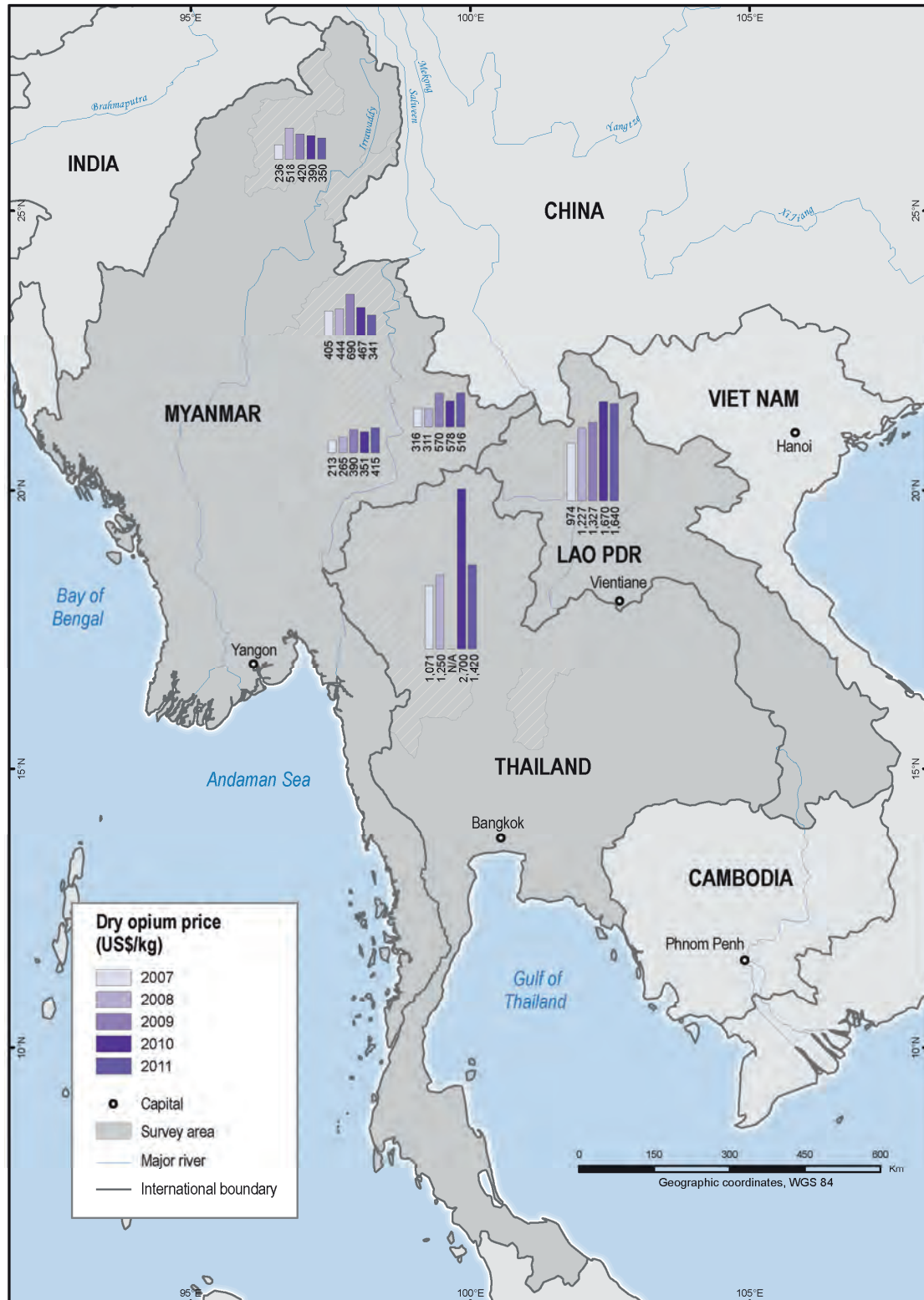
On the whole, opium prices in South East Asia have risen in recent years. Nonetheless, there are pronounced price differences between countries as well as between regions within these countries. In 2011, the average price of opium dropped sharply but was still at a high level in Thailand with prices of US\$ 1,420/kg, yet prices were much lower in Myanmar at US\$ 450/kg (at the farm-gate in 2011).⁴ In Lao PDR, prices stayed stable but remained at very high levels and were reported at US\$ 1,640/kg practically the same as in 2010. This high price levels in Lao PDR and Thailand continue due to the scarcity of opium in these countries. In some regions, opium cultivation has been completely eliminated or is very scarce, while demand remains relatively high. In Myanmar, by far the largest producer, prices have been rising much slower, but made a big jump in 2011 from US\$ 305/kg in 2010 to US\$ 450/kg in 2011.

Figure 5: Opium production and prices in cultivating areas in Lao PDR, Myanmar, and Thailand, 2002 - 2011



⁴ Prices between countries are not directly comparable as they refer to farm-gate prices in Myanmar and to prices at an unspecified trading level in Lao PDR and Thailand.

Map 3: Prices of opium in South East Asia (US\$/kg), 2011



Source: Government of Lao PDR, Myanmar and Thailand, national monitoring system supported by UNODC in Lao PDR and Myanmar. The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations.



UNODC

United Nations Office on Drugs and Crime

Vienna International Centre, PO Box 500, 1400 Vienna, Austria
Tel.: (+43-1) 26060-0, Fax: (+43-1) 26060-5866, www.unodc.org