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Illicit drug traffic and supply: follow-up to the twentieth special session of the General Assembly: Action Plan on International Cooperation on the Eradication of Illicit Crops and on Alternative Development

The role of alternative development in drug control and development cooperation**Report of the Executive Director******I. Introduction**

1. At its forty-fifth session, the Commission on Narcotic Drugs adopted resolution 45/14 on the role of alternative development in drug control and development cooperation. In that resolution, the Commission encouraged Governments and multilateral organizations to establish drug control as a cross-cutting issue in all components of their policies, considering the necessity that social and economic development plans included alternative development as a major element. In the same resolution, the Commission called upon the United Nations International Drug Control Programme and other drug control and development agencies, international financial institutions and regional development banks to explore new forms of financial assistance for programmes for alternative development, including preventive alternative development, and possibilities for new and innovative funding mechanisms. The Commission requested the Executive Director of the United Nations International Drug Control Programme to present a report to it at its forty-sixth session on the possibilities for innovative funding mechanisms and the results of mainstreaming development-oriented drug control mechanisms within international development efforts. The present report has been compiled in response to that request.

* E/CN.7/2003/1.

** For technical reasons, the present report was submitted after the date required by the 10-week rule.



2. The structure of the present report is as follows: the results of mainstreaming development-oriented drug control mechanisms are described in section II; and possibilities for innovative funding mechanisms are discussed in section III.

II. Mainstreaming development-oriented drug control mechanisms

3. Alternative development strategies and activities have long been part of drug control programmes, their magnitude and volume fluctuating according to the feasibility of their implementation and the availability of resources. The position of the United Nations Office on Drugs and Crime is that alternative development should be seen by the international community and the United Nations system as a component of sustainable development.

4. The United Nations Office on Drugs and Crime undertakes pilot projects, advocates and builds alternative development interventions as part of comprehensive packages and undertakes alternative development projects itself in cases where it has the opportunity to do so or a comparative advantage. Another important element of mainstreaming for the Office is to establish alternative development “best practices” and to disseminate those best practices so that they become part of mainstream sustainable development.

5. The document entitled “Operational priorities: guidelines for the medium term” submitted by the United Nations Office on Drugs and Crime to member States in December 2002, confirms the importance of mainstreaming development-oriented drug control mechanisms within international development efforts. Two critical issues for alternative development are key elements of these “operational priorities”: the promotion of sustainable development and the establishment of best practices.

6. In 2002, the United Nations Office on Drugs and Crime continued to advocate the key role of alternative development in drug control and its value for sustainable development. Meetings were organized with representatives of United Nations organizations, international financing institutions and non-governmental organizations and the Office was represented at the World Food Summit: five years later, held in Rome from 10 to 13 June 2002, and at the World Summit on Sustainable Development, held in Johannesburg, South Africa, from 26 August to 4 September 2002. In tandem with promoting the mainstreaming of drug control considerations in the work of other agencies, the Office has, over the course of the past year, also made progress in positioning itself within system-wide initiatives to provide coordinated support for the implementation of the United Nations Millennium Declaration, adopted by the General Assembly at the Millennium Summit in September 2000.

7. At the country level, the United Nations Development Assistance Framework (UNDAF) and the Resident Coordinator system have helped to integrate the drug component in the United Nations agenda and have promoted inter-agency cooperation. In most countries with alternative development, including Bolivia, Colombia, the Lao People’s Democratic Republic, Lebanon, Peru and Viet Nam, the drug aspect is addressed through UNDAF. Thematic groups for alternative development have been established in Bolivia, Colombia and Peru. In Peru, the

issue of drug control is included on the agenda of most thematic groups through the participation of the United Nations Office on Drugs and Crime in the groups on rural development and food security, native communities-indigenous people and displaced populations. In Bolivia, a clear link has been established between UNDAF and the World Bank Poverty Reduction Strategy Paper, which is particularly important for supporting alternative development. In the Lao People's Democratic Republic, the Office will participate in the formulation of the next Poverty Reduction Strategy Paper to ensure that the link between illicit crop cultivation and poverty and the role alternative development can play in addressing that issue are recognized.

8. The planning and implementation of alternative development in Bolivia takes place under the umbrella of a national alternative development plan, to which the Government, the United Nations Office on Drugs and Crime and other bilateral donors such as the European Commission, the United States Agency for International Development and Spain contribute. In Bolivia and Colombia, the activities of the Office promote the integration of alternative development into the wider planning and development process at the national, departmental and municipal levels. In Colombia, the Office is supporting the efforts of the Plan Colombia Office to establish links between regional and local development programmes and other relevant actors such as non-governmental organizations and the private sector.

9. In the field of alternative product marketing, partnerships with the private sector, foundations and corporate entities have facilitated the sharing of both commitment and resources for alternative development. In Latin America, agreements were brokered with supermarket chains, food multinationals and even airlines to sell coffee, palm heart, beans and milk in the host countries, as well as in Europe and the United States of America. In the Chapare, Bolivia, the participation of the private sector as clients for wood products or promoters of the forest industry, or both, is also on the rise.

10. Rather than supporting isolated alternative development projects, the United Nations Office on Drugs and Crime in Afghanistan is assisting the Government in coordinating donors and agencies in order to ensure that reconstruction programmes properly target both the factors that influence the cultivation of opium poppy and the regions in which it is cultivated. The role of the Office is to ensure that its experience, best practices and technical assistance in alternative development are brought to those initiatives and that alternative development approaches are mainstreamed. As a first step towards that goal, the Office is acting as the secretariat of the Working Group on Alternative Livelihoods for Poppy Producers, under the chairmanship of the Afghan Ministry of Rural Rehabilitation and Development. The Working Group includes several ministries, United Nations agencies and representatives of bilateral donor countries.

11. At the regional level in East Asia, with the support of the United Nations Office on Drugs and Crime, policy makers of the association of Southeast Asian Nations (ASEAN) and China have jointly decided to facilitate the establishment of a cooperative network linking all the countries and regional policy-making in order to make ASEAN drug-free by 2015. The ASEAN and China Cooperative Operations in Response to Dangerous Drugs (ACCORD) plan of action enables such a cooperative network. One of the four pillars of the plan of action is: "eliminating the supply of

illicit drugs by boosting alternative development programmes and community participation in the eradication of drugs". A specific task force for alternative development has been established to meet the need for institutional management capabilities relevant for understanding, planning and managing the integrated approaches required.

12. Also in Asia, following the 10th Ministerial Conference on Subregional Economic Cooperation, held in Myanmar from 27 to 29 November 2001, a partnership programme between the Asian Development Bank and the United Nations Office on Drugs and Crime was launched. In the context of the ACCORD plan of action, the following partnership proposals in East Asia are being studied: (a) establishing a regional cooperative mechanism to execute and monitor the progress of the ACCORD plan of action, (b) illicit crop monitoring, and (c) alternative development in East Asia.

13. In the context of the Lao People's Democratic Republic national strategy for the elimination of opium poppy, the Programme Facilitation Unit, funded by the United Nations Office on Drugs and Crime, maintains close contact and cooperation with relevant government- and donor-supported development activities. Coordination meetings with the European Union, the German Agency for Technical Cooperation, the Australian Agency for International Development, the Danish International Development Agency, the Swedish International Development Cooperation Agency and several non-governmental organizations address issues relevant to alternative development and the government policies of poverty alleviation, the stabilization of slash-and-burn cultivation and the elimination of opium poppy cultivation. In Viet Nam, the alternative development project funded by the Office in Ky Son has succeeded in opening up the target area and recently, as a consequence, other agencies such as the World Bank have expressed an interest in working in Ky Son and adjacent areas.

14. Organizations in the United Nations system that are operating in Myanmar have selected three priority areas for action: human immunodeficiency virus/acquired immunodeficiency syndrome, illicit drugs, and food security. The United Nations country team has endorsed the strategic programme framework for the period 2003-2007, which serves as the basis for a United Nations joint action plan on drug control. The framework was shared with the international community and neighbouring countries. As part of that strategy and in the context of humanitarian assistance, the United Nations Office on Drugs and Crime is seeking to establish strategic alliances with other development organizations to address problems faced by the local population in a manner that is as holistic as possible. In 2002, for example, the Office succeeded in mobilizing funds from the United Nations Human Security Fund, funded by the Government of Japan, to address food security issues in the target area of the alternative development project in the Wa area, Eastern Shan State.

III. Possibilities for innovative funding mechanisms for alternative development

15. Within the United Nations system, the Executive Director of the United Nations Office on Drugs and Crime is exerting every effort, via the United Nations System Chief Executives Board for Coordination, to persuade his interlocutors to include drug control issues, including alternative development, in their country, regional and thematic agenda. The Chief Executives Board comprises 27 member organizations, including the United Nations funds and programmes, as well as specialized agencies, the World Trade Organization and the Bretton Woods institutions and is chaired by the Secretary-General of the United Nations. Parallel to that effort at the policy level, the Office is also part of the machinery of the United Nations Millennium Development Goals, in particular Task Force 1 on Poverty and Economic Development, where the Office is endeavouring to persuade the relevant parts of the United Nations system to place adequate emphasis on alternative development as part of sustainable development.

16. While almost all of the major donors of the United Nations Office on Drugs and Crime support alternative development as part of illicit drug control, they differ in terms of emphasis and the choice of channel for the delivery of assistance and for implementation. An informal review of their views follows:

(a) Some major donors earmark the bulk of their assistance to the Office for alternative development;

(b) Other donors provide substantial financial and technical assistance bilaterally or through other international or United Nations institutions, or both;

(c) One major donor, while fully supportive of alternative development, prefers to finance and implement projects in that sector directly, using its own aid presence or the structures of the assisted country, supplemented by non-governmental organizations; the view of that donor is that other development aid institutions should be engaged in that sector, while the Office concentrates on other aspects of illicit drug control;

(d) One major donor prefers to focus on demand reduction;

(e) Some major donors warn that alternative development is one part of a three-prong strategy, the other two being law enforcement and eradication, and that, if the Office is to continue its operations in that sector, a predictable, long-term commitment by donors to all three components will be required.

17. In September 2002, the Executive Director launched an initiative to convince international financial institutions to pay attention to drug control and related issues as part of their country, regional or thematic strategies and interventions. In that context, alternative development as part of overall sustainable development should be a major focus of the international financial institutions. That effort is ongoing and will receive increased attention once the general-purpose funds stabilize at a healthier level than that of mid-2002, allowing more time and resources to be devoted to other priority areas.

18. Although the United Nations Office on Drugs and Crime has not yet established a special funding mechanism for alternative development, it has made

innovative approaches aimed at securing more attention, support and resources for alternative development.

19. The efforts of the Office in support of alternative development will be positively affected by:

- (a) A stable and predictable core funding base;
- (b) The long-term commitment of resources to alternative development projects;
- (c) The inclusion of alternative development in sustainable development policies and operations by the major development and financial institutions.

20. The Office will continue those efforts and report on progress made to the Commission on Narcotic Drugs at its forty-seventh session.
