

**USE OF  
HIGH INTENSITY DRUG TRAFFICKING AREA FUNDS  
TO COMBAT  
METHAMPHETAMINE TRAFFICKING**

**REPORT TO CONGRESS**



**EXECUTIVE OFFICE OF THE PRESIDENT  
Office of National Drug Control Policy  
Washington, DC 20503**

## **EXECUTIVE SUMMARY**

Pursuant to Section 707 of the Office of National Drug Control Policy (ONDCP) Reauthorization Act of 1998, as amended by Section 301 of the ONDCP Reauthorization Act of 2006, Public Law 109-469, ONDCP is providing Congress with this report “describing the use of HIDTA [High Intensity Drug Trafficking Area] funds to investigate and prosecute organizations and individuals trafficking in methamphetamine in the prior calendar year.”

Specifically, ONDCP is required to provide information regarding: “(A) the number of methamphetamine manufacturing facilities discovered through HIDTA-funded initiatives<sup>1</sup> in the previous fiscal year; (B) the amounts of methamphetamine or listed chemicals [as defined in the Controlled Substances Act] seized by HIDTA-funded initiatives in the area during the previous year; and (C) law enforcement intelligence and predictive data from the Drug Enforcement Administration [DEA] showing patterns and trends in abuse, trafficking, and transportation in methamphetamine and listed chemicals.”

This report distinguishes between calendar year (CY) and fiscal year (FY) because the majority of the reporting and data collection is done on a CY basis. State and local law enforcement report their data on a CY basis. This also allows for a more up-to-date 12-month reporting period.

In addition, before any funds are awarded to a HIDTA, the Director shall certify that the law enforcement entities participating in that HIDTA are providing laboratory seizure data to the national clandestine laboratory database at the El Paso Intelligence Center (EPIC) (see Appendix A).

### **HIDTA Program Data Relating to Methamphetamine Seizures and Investigations**

The 28 Regional HIDTA programs located throughout the Nation remain committed to reducing the production, trafficking, and use of methamphetamine. There were 4,977 methamphetamine laboratories seized nationwide as of November 28, 2010,<sup>2</sup> according to the DEA National Seizure System (NSS). HIDTA-funded initiatives were responsible for seizing 874 methamphetamine laboratories, approximately 17.5 percent of the total number seized nationwide. While the total number of labs seized nationwide was slightly higher than in 2009, the HIDTA funded initiatives focused more on investigations and trafficking of methamphetamine and less on actual lab seizures largely because the shift to smaller toxic labs makes finding the labs more difficult and time consuming and produced fewer long lasting results. In addition to the denied revenue associated with the dismantlement of these laboratories (\$7,236,888), an estimated wholesale value of \$149,879,334 of methamphetamine and \$122,931,234 of “ice” (crystal) methamphetamine was removed from the market in CY 2010. Another reason for the difference from the prior year came as a result of the measures taken by the Government of Mexico to eliminate the importation of pseudoephedrine.

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<sup>1</sup> “Initiative” is defined as activities that implement portions of a HIDTA’s Strategy as opposed to an organization of activities/investigative efforts.

<sup>2</sup> November 28, 2010, was selected as the cutoff date to permit timely preparation and submission of this report. Data collection is continuously done.

## **DEA Intelligence and Predictive Data on Methamphetamine Patterns and Trends**

In the domestic arena, DEA contributes to HIDTA-funded initiatives by investigating and responding to methamphetamine labs. Beginning in 2001, the law enforcement community witnessed an increase in methamphetamine laboratories nationwide. This trend peaked in 2005. A strong decline occurred at that point, associated with the passage and implementation of the national Combat Methamphetamine Epidemic Act of 2005 (CMEA), Title VII of Public Law 109-177. Most recently, however, the downward trend appears to have ended, and there is a renewed need for enhanced effort against methamphetamine labs. The number of methamphetamine labs seized nationally increased from CY 2009 to 2010 (from 4,469 to 4,977). In addition, DEA has noted that, while the labs are generally smaller when compared to previous years, the lab sites nevertheless present toxic and dangerous threats to individuals and the environment. Given their increasing number and widespread dispersal, these new small toxic labs (STLs) are an increasing threat.

The impact of the CMEA was positive, but there is now evidence that its effectiveness in restricting access to methamphetamine precursors has been subverted. Case investigations and intelligence indicate that individuals, as well as organized groups, continue to effectively circumvent the law to obtain pseudoephedrine and ephedrine products in amounts that exceed legal limits. These activities are fueling an increase in the domestic production of methamphetamine. Potential methamphetamine producers are acquiring precursor chemicals in illicit quantities by a process known as “smurfing.” This process involves going from store to store, purchasing the maximum allowable limit of pseudoephedrine and ephedrine products at each store and then pooling these purchases for the production of methamphetamine. Buying the products at multiple retail outlets circumvents individual purchase limits. A related development is a crude methamphetamine production technique known as the “one-pot method.”<sup>3</sup> This technique enables the producer to capitalize on smaller quantities of precursors and has been linked to the increase in smurfing. This trend has continued from 2009, when smurfing became more prevalent.

HIDTA-funded initiatives also develop extensive cases that often involve international partners. DEA, as a leading Federal agency in HIDTA initiatives, provides significant intelligence and case analysis to support HIDTA activities against methamphetamine, particularly methamphetamine originating in Mexico. In addition to methamphetamine produced in domestic STLs, Mexican methamphetamine production has been a significant source of the drug within the United States. Accordingly, DEA works with the Mexican Government and the international community to target methamphetamine producing and trafficking organizations, as well as organizations responsible for smuggling and diverting precursor chemicals. DEA has expanded drug intelligence sharing with Mexico and provided training to approximately 2,890 police and other departmental officials at a variety of locations in the United States and in other countries.

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<sup>3</sup> The “one-pot” method allows methamphetamine cooks to combine anhydrous ammonia, pseudoephedrine or ephedrine tablets, and the reactive metal (i.e., lithium) into a single container from the beginning of the process. The method reduces the amount of time needed for the process. The one-pot method is capable of producing a minimal amount of methamphetamine (usually gram quantities or less).

On a global scale, DEA participates in the Project Prism task force, an international effort under the auspices of the International Narcotics Control Board (INCB).<sup>4</sup> The goal of Project Prism is to assist governments in developing and implementing procedures to effectively monitor and control the global trade in methamphetamine precursors. Project Prism enhances HIDTA-funded initiatives that target trafficking organizations and supports efforts to track and respond to the illicit importation of methamphetamine precursors.

Moreover, DEA and the Department of Homeland Security (DHS), through Customs and Border Protection (CBP), jointly investigate the importation of precursor chemicals into the United States. The recently-established collaborative effort, known as the DEA/CBP Long Beach Port Project, has created an automated system using existing databases to identify and target suspect chemical consignments at ports of entry. As of September 30, 2010, this initiative has led to the seizure of approximately 83,121 kilograms of ephedra, and 15,576 kilograms of pseudoephedrine and other methamphetamine precursor chemicals.

Building on the collaborative efforts between the Governments of the United States and Mexico, enhanced by the multi-agency cooperation and coordination among Federal, state, and local law enforcement agencies, HIDTA-funded initiatives have had a significant impact on methamphetamine production and trafficking.

## **INTRODUCTION**

Several trends in methamphetamine manufacturing became apparent at the end of 2009. Recent history indicates some striking successes against the methamphetamine trade, most often through a combination of organizational attack and restrictions on the supply of essential precursor chemicals. For instance, international restrictions on the movement of bulk pseudoephedrine, a critical methamphetamine precursor— which, in 2003 and 2004, was most often diverted from Canada to methamphetamine “super-lab” production facilities in the United States—, led to a rapid decrease in these large production facilities. Street-level methamphetamine purity decreased in the United States. However, pseudoephedrine was still available domestically in retail cold remedies, purchases of which fed the rise of small toxic labs. With the passage of the CMEA and implementation of limits for individual purchases, the number of these small toxic labs plummeted between 2004 and 2007.

However, since 2007, methamphetamine manufacturers and traffickers have adapted, and now use smurfing and the one-pot method. As a consequence, the number of STLs is once again on the rise in a number of states. STLs frequently depend on a supply of pseudoephedrine from the retail cold remedy market that is obtained by efforts, often systematic and organized, to circumvent the monitoring and control provisions of the CMEA. Investigations and intelligence have revealed that individuals and organized groups are engaged in activities to obtain pseudoephedrine and ephedrine products in amounts that exceed the CMEA limits (3.6 grams daily and a cumulative 9 grams in 30 days purchase limit). This smurfing activity has been identified by law enforcement during active surveillance and review of log books maintained by retailers. In one smurfing investigation, an organization purchased over 60 pounds (almost

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<sup>4</sup>The INCB is the independent and quasi-judicial control organization monitoring the implementation of the United Nations drug control convention.

27,216 grams) of pseudoephedrine tablets in less than 30 days by traveling to multiple retail locations such as convenience stores and highway rest stops, locations which are referred to as the “gray market.”<sup>5</sup>

In addition, the method of methamphetamine production is also changing with the rise of the “one-pot” method. This method enables relatively small quantities of methamphetamine to be made from pseudoephedrine products without the presence of a full laboratory. The nature of the precursor chemicals employed in methamphetamine manufacture is also shifting. In some instances, HIDTAs report a return to the phenyl-2-propanone (P2P) method, which enables production without the need for pseudoephedrine or ephedrine.

More recently, likely in response to the effective restrictions imposed in Mexico, such as the restriction on importation of pseudoephedrine and ephedrine for licit purposes, methamphetamine producers are importing phenylacetic acid, a chemical that allows for a derivation of methamphetamine precursors for production, bypassing pseudoephedrine and ephedrine restrictions. Moreover, there is an increase in the smuggling of methamphetamine precursors, including pseudoephedrine, from third-party nations. They are re-routed to Mexico in violation of its import controls. The increasing use of pseudoephedrine contained in pharmaceutical preparations, which are not strictly controlled on the international market in the same manner as bulk pseudoephedrine, is also cause for concern.

The most recent data derived from DEA show that methamphetamine street-level purity is once again on the rise, signaling increased availability.

In response to these developments, the ONDCP/HIDTA-sponsored 2009 National Methamphetamine and Pharmaceuticals Initiative (NMPI) conference, attended by nearly 400 Federal, state, and local law enforcement officers from around the Nation, directly addressed the troubling trends in domestic methamphetamine production. For example, presenters explained that in several states, and especially in California, teams of smurfers are highly organized and often use global positioning system (GPS) devices to map out every store location that contains pseudoephedrine for sale. Smurfing is not only feeding small user labs in several communities throughout the United States, but according to law enforcement investigations and reporting, the organized drug gang activities are sufficient to also supply large-scale “super labs” run by drug trafficking organizations in California.

Trend indications are that smurfing is responsible for the majority of the methamphetamine lab incidents in the last year. The development by methamphetamine manufacturers/traffickers and users of crude production methods, such as the “one pot method,” has also led to an increase in smurfing. These simple methods, which at times only produce a gram to one ounce of methamphetamine, some of questionable quality and purity, require smaller amounts of pseudoephedrine tablets. These smaller amounts of tablets are then combined with other easily obtainable household items, such as lithium strips (from batteries); white gas, often used in camping fuel; household lye; and water to produce methamphetamine. In certain areas they are also using ammonium nitrate, which can be acquired as a fertilizer or

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<sup>5</sup> “Gray market” is a colloquial term used to describe sales of pseudoephedrine and ephedrine combination products from non-traditional retail outlets such as gas stations and convenience stores.

from cold packs designed for bruises. When the “one pot method” uses only pseudoephedrine as a precursor, the quality of the methamphetamine remains high.

The increases in methamphetamine production and labs present related environmental threats, as well. Methamphetamine cooks and producers frequently dump chemical waste in parks, along highways, in neighborhoods, and sometimes down the drain and into public water supplies. Investigators are now reporting that methamphetamine laboratory operators are burying their related trash and dump sites<sup>6</sup> more frequently in an effort to disguise their illegal activities. Methamphetamine labs pose serious health and safety risks to the public, law enforcement and, most tragically, children, who sometimes live in these toxic environments and are subjected to physical danger and neglect.

In sum, ONDCP and its partner agencies are concerned that existing Federal laws to control pseudoephedrine and ephedrine, the key precursor chemicals needed to make methamphetamine, are no longer sufficient to deter drug trafficking organizations. Drug producers and traffickers have adapted their methods of operation to circumvent the CMEA. Thus, after an initial decrease in lab incidents following the implementation of the CMEA, lab seizure numbers are on the rise. Domestic methamphetamine production has increased since 2007. During the period 2006-2007, the Mexican government’s restriction on precursor chemicals severely disrupted Mexican production capabilities. To compensate for that reduced importation, U.S. production and distribution networks grew to meet domestic demand for the drug by avoiding the precursor restrictions imposed by the CMEA. ONDCP and its law enforcement partners have been working on a solution. A few states and municipalities (including Oregon, Mississippi, and cities and counties in Missouri) have made pseudoephedrine obtainable by prescription only.

Electronic tracking (e-tracking) is another response to the problem. However, purchasers use false forms of identification to get around the e-tracking systems. A prescription requirement for pseudoephedrine is a promising tool in a comprehensive plan to address methamphetamine production. Any additional measures to reduce diversion by restricting the sale of pseudoephedrine, however, should be balanced with the need to maintain access for legitimate and safe use. In the State of Oregon, where pseudoephedrine is obtained by prescription only, the number of labs declined from over 100 to just 10 labs seized this past year. In Mississippi, where pseudoephedrine was made available only by prescription in July 2010, the Mississippi Bureau of Narcotics reports the number of labs seized declined by 65 percent from July to December 2010. For states with no or relatively few clandestine labs detected within their borders, a prescription requirement can still be an important tool to prevent “smurfers” (individuals making numerous retail purchases of pseudoephedrine below legal quantity thresholds for use in methamphetamine production) from neighboring states crossing their borders to take advantage of pseudoephedrine availability. A prescription requirement may also help prevent the pattern of smurfing and small-scale lab operations from starting or increasing.

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<sup>6</sup> Laboratory dump sites are locations where discarded laboratory equipment, empty chemical containers, waste by-products, pseudoephedrine containers, etc., were abandoned or dumped, but no lab was found.

## **SPECIFIC INFORMATION REQUIRED UNDER SECTION 301 OF THE ONDCP REAUTHORIZATION ACT OF 2006**

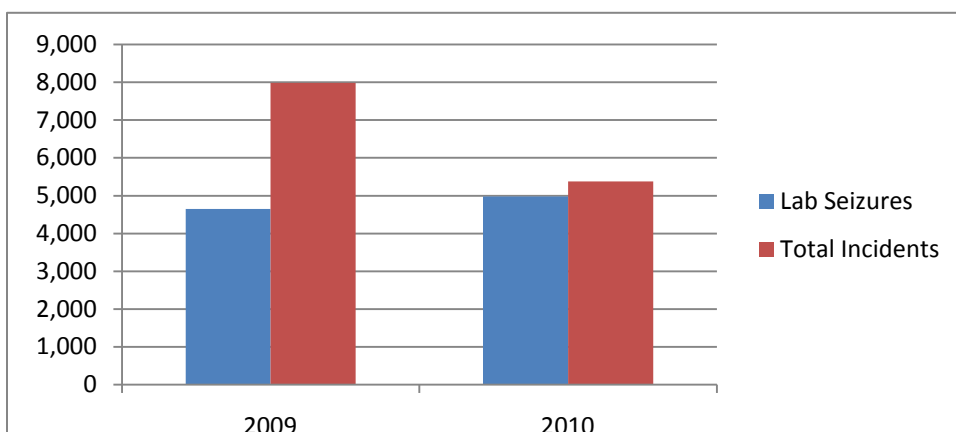
### **A. Number of methamphetamine manufacturing facilities discovered through HIDTA-funded initiatives in the previous fiscal year:**

This report distinguishes between calendar year (CY) and fiscal year (FY) because the majority of the reporting and data collection is done on a CY basis. State and local law enforcement report their data on a CY basis. This also allows for a more up-to-date 12-month reporting period.

Each Executive Board of the 28 HIDTAs designs a local strategy to address the major drug trafficking threat in its area of responsibility, while ensuring alignment with the Administration's *National Drug Control Strategy*. In 2006, the United Nations Commission on Narcotic Drugs (CND) passed a resolution sponsored by the United States requesting governments: (1) provide an annual estimate of legal precursor requirements; and (2) track the export and import of such precursors. To date, 114 countries and jurisdictions have provided these estimates, greatly improving the international community's understanding of the flow of these chemicals and the potential for diversion. These measures, along with the sustained and coordinated efforts of Federal, state, local, and tribal law enforcement, have contributed to a reduction in domestic methamphetamine laboratory seizures, from a high of 10,037 in CY 2004 to 2,958 in CY 2007, according to data provided by the DEA. Since the CY 2007 low, there has been a gradual increase, to the CY 2010 figure of 4,977 labs seized as of November 22, 2010; however, the total number of laboratory incidents has significantly declined.

From CY 2009 to CY 2010, clandestine laboratory seizures have increased slightly and clandestine laboratory incidents (dump sites, lab equipment, empty chemical containers, waste byproducts, and chemicals/equipment/glassware) have decreased. These figures, while below the epidemic years of 2002-2005, are still a concern, as they continue an upward trend in terms of labs seized and a reversal of progress made following the implementation of the CMEA and the restrictions imposed by a number of states on purchases of pseudoephedrine.

## Trends in Clandestine Laboratory Seizures and Incidents<sup>7</sup>



The ONDCP Reauthorization Act also requests HIDTA-related data from the previous fiscal year. However, in order to provide more current and additional data, the table below shows calendar year information, which is also compatible with the HIDTA Performance Management Process database. This table displays the number of methamphetamine laboratories, by size, dismantled by HIDTA initiatives in CY 2010. It further includes estimates of the potential value of the methamphetamine produced.

### Size, Number, and Potential Value of Clandestine Methamphetamine Laboratories

#### Dismantled by HIDTA-Funded Initiative, CY 2010

Laboratory Size*	Number Seized	Potential Value of Methamphetamine Produced <sup>++</sup>
Less than 2 oz. per batch	600	\$1,986,782
2-8 oz. per batch	231	1,499,900
9-31 oz. per batch	21	411,476
32-159 oz. per batch	16	1,548,740
10-20 lbs. per batch	3	731,750
More than 20 lbs. per batch	3	1,058,240
<b>Total</b>	<b>874</b>	<b>\$7,236,888</b>

\* Size of lab indicates the amount of methamphetamine that could be produced in one batch.

<sup>++</sup> The Potential Value of Methamphetamine produced is determined by multiplying the batch size in ounces times the number of labs of that production capacity, and the local wholesale value per ounce in the area where the lab was dismantled.

Source: Office of National Drug Control Policy, HIDTA Performance Management Process Database

Generally, the production capability of clandestine laboratories seized in 2010 was less than in previous years. It should be noted that prior to the implementation of the CMEA and

<sup>7</sup> Data is reported in Calendar Year. Information for CY 2010 is as of November 28, 2010, with data collected through the end of October 2010.



restrictions by a number of states on pseudoephedrine purchases, larger labs, labeled “super labs,” with a production capacity of 10 pounds per batch or more, were seized predominantly in west coast states.

On November 29, 2010, in Atlanta, a Gwinnett County Police task force seized approximately 933 pounds of methamphetamine at a single site with an estimated value of \$44 million. The operation occurring at this site has been classified as a “super-lab,” which is defined as capable of producing 10 pounds or more of methamphetamine. Also found were propane tanks, plastic tubs, bottles of acetone, and 200 gallons of methamphetamine in solution. The police also found 150 pounds of crystal methamphetamine ready for sale. This is believed to be one of the largest methamphetamine seizures in the country, and certainly the largest ever seized east of the Mississippi River. Ten days later, also in the Atlanta Metropolitan area, approximately 40 pounds of processed “ice” (crystal) methamphetamine and approximately ten gallons of methamphetamine in solution were seized. The seizing of all the methamphetamine solution is something new and may be indicative of a new trend, although it is too early to make that determination.

While the number of total lab seizures is slightly up, the labs being seized are much smaller and produce significantly smaller quantities. Nevertheless, the danger posed by the smaller labs is as significant as that posed by the larger labs. The smaller labs are usually more dangerous because the cooks are generally less experienced chemists who often have little regard for the safety issues that arise when dealing with explosive and poisonous chemicals. Additionally, the smaller operations are more likely to put children at risk because these labs can be anywhere and are volatile.

**B. Amounts of methamphetamine or listed chemicals seized by HIDTA-funded initiatives in the area during the previous year:**

One measure of the effect of methamphetamine or precursor chemical seizures is the revenue denied to trafficking organizations. The two tables below display actual amounts seized in CY 2010 and the wholesale value of the seizures.

**Amount and Wholesale Value of Methamphetamine Removed from the Marketplace by HIDTAs in CY 2010**

<b>Drug</b>	<b>Amount Seized (kg)</b>	<b>Wholesale Value</b>
Methamphetamine	5,761.605	\$149,879,334
Ice <sup>8</sup>	3,263.466	122,931,234
<b>Total</b>	<b>9,025.071</b>	<b>\$272,810,568</b>
<i>Source: Office of National Drug Control Policy, HIDTA Performance Management Process Database</i>		

<sup>8</sup> Ice, also known as crystal methamphetamine, is methamphetamine hydrochloride, which consists of clear chunky crystals resembling ice, and can be inhaled by smoking.

**Amount and Wholesale Value of Listed Chemicals Removed from the Marketplace by  
HIDTAs in CY 2010**

<b>Chemicals</b>	<b>Amount Seized (kg)</b>	<b>Wholesale Value</b>
Meth Precursor: Iodine	226.987	\$511,672
Meth Precursor: Pseudoephedrine	13.792	173,200
<b>Total</b>	<b>240.779</b>	<b>\$648,872</b>
<i>Source: Office of National Drug Control Policy, HIDTA Performance Management Process Database</i>		

**C. Law enforcement intelligence and predictive data from DEA showing patterns and trends in abuse, trafficking, and transportation in methamphetamine and listed chemicals**

Globally, DEA engages in bilateral cooperation on behalf of the U.S. Government with the many countries that produce, manufacture, or act as transit areas for precursor chemicals in an effort to encourage regulatory control of their movement. Domestically, DEA continues to dedicate enforcement, intelligence, and diversion resources to disrupt the abuse, trafficking, and transportation of methamphetamine. Information acquired as part of this cooperative effort is used to determine trends in the abuse, trafficking and transportation of methamphetamine and listed chemicals. Much of this is done through initiatives and interagency partnerships. One such partnership is the Project Prism Task Force.

***Project Prism Task Force***

DEA’s international activities to combat methamphetamine trafficking include its participation in the Project Prism Task Force. Project Prism is an international initiative under the auspices of the INCB designed to assist governments in developing and implementing operating procedures to control and more effectively monitor trade in amphetamine-type stimulant precursors to prevent their diversion. The initiative allows for sharing of information and helps to identify trends in diversion, trafficking, and distribution.

For example, to date, there have been three operations under Project Prism resulting in identification of 120 suspicious shipments. Shipments of over 115 tons of ephedrine and pseudoephedrine were suspended, stopped, or seized, preventing up to 103 tons of methamphetamine from being produced. This has had an impact in the trafficking and transportation of methamphetamine.

Mexico has instituted measures to eliminate commercial importation of these chemicals for licit purposes, making illicit diversion and Mexican methamphetamine production more challenging. Accordingly, to make up for the inability to divert licit chemicals within Mexico, traffickers appear to be smuggling these precursor substances by masking their movement internationally.

Analysis of available Project Prism data indicates that trafficking organizations are targeting and exploiting other global regions as transshipment locations for precursor chemicals destined for Mexico. Specifically, these regions are Central America, South America, Africa, and the Middle East. Intelligence suggests Mexico and Colombia-based operatives have made a concerted effort to establish contacts in Africa and elsewhere for the purpose of obtaining precursor chemicals, likely destined for the Americas and particularly for Mexico. Additional intelligence suggests that Mexican-based operatives have made concerted efforts to establish operations and contacts in Central and South America, particularly Argentina, Honduras, Nicaragua, Paraguay, and Uruguay, to purchase the chemicals needed to manufacture methamphetamine.

Operations conducted under Project Prism and DEA investigations further indicate that, while traffickers continue to obtain precursor chemicals for methamphetamine production in the form of pharmaceutical preparations containing pseudoephedrine, they are now targeting non-controlled substances, such as esters of phenylacetic acid and other chemicals, to manufacture synthetic drugs. DEA's Methamphetamine Profiling Program (MPP) has shown a clear indication that traffickers have increased their use of the phenyl-2-propanone -- P2P-- method for methamphetamine manufacturing. The primary precursor chemical used in this method is phenylacetic acid (PAA). Recent analysis indicates that approximately 50 percent of all samples tested were made using the P2P method. By contrast, in 2007 the level of the P2P method usage in Mexican-produced methamphetamine was only 1 percent.

DEA continues to work with the Mexican Government and the international community to target organizations responsible for diverting precursor chemicals and producing and trafficking methamphetamine. Mexico has enhanced its Federal Commission for Protection Against Sanitary Risks, which has led to the integration of chemical control under a single department.

In June 2008, the Mexican Government issued a decree indicating it would not issue any new import permits for ephedrine/pseudoephedrine products or their derivatives. As a result, Mexico eliminated pseudoephedrine and ephedrine imports in 2008, and all existing stockpiles have been used or destroyed. In addition, Mexico made the importation, distribution, and possession of pseudoephedrine and ephedrine products illegal. Though the impact of these developments was initially positive, it appears traffickers are once again able to secure supplies of illicit precursor chemicals in Mexico. The supplies are coming from other countries such as China and India. DEA's System To Retrieve Information from Drug Evidence (STRIDE) data for all domestic methamphetamine indicate that, from July 2007 through June 2010, the price per pure gram of methamphetamine decreased 61.8 percent, from \$268.27 to \$102.64, while the purity increased 115 percent, from 39 percent to 83 percent.

An additional aspect of DEA's efforts to control precursor chemicals consists of partnerships with domestic agencies. Cooperation between DEA and DHS is of particular importance in investigating the importation of precursor chemicals into the United States. DEA is constantly working on various means to better track precursor chemicals used in the clandestine production of methamphetamine and other illicit synthetic drugs. DEA established a joint program with DHS/CBP in September 2006 to monitor and investigate the importation of

precursor chemicals into the United States.<sup>9</sup> The program initially targeted containerized cargo consignments entering United States ports and evolved to monitor air cargo as well.

The project involved establishing an automated profiling system, which enabled agents to more effectively utilize existing CBP databases to target suspect chemical consignments. DEA provided CBP with information regarding precursor chemicals, suspect company names, and other intelligence derived from DEA investigations. This information was used by CBP in creating certain rules and conditions upon which to build profiles of importation cargo. These profiles assist in the detection of chemical shipments that may warrant closer inspection.

In February 2008, the CBP moved to centralize and conduct their chemical cargo targeting from their National Targeting Center-Cargo (NTC-C; a CBP-Headquarters component) in Herndon, Virginia. DEA has since assigned personnel to the NTC-C. DEA regularly coordinates the development of information to and from the NTC-C, and that information is then disseminated to domestic and foreign offices for investigation. The program is national in scope, with particularly active engagement between DEA and CBP personnel at the ports in Los Angeles, Newark, Seattle, and Miami. The intelligence and information exchanged between DEA and CBP have significantly enhanced efforts to apprehend imported cargos of illicit chemicals.

As of September 30, 2010, this joint initiative has led to the seizure of approximately:

- 83,121 kilograms of ephedra;
- 15,576 kilograms of pseudoephedrine;
- 500 kilograms of pseudoephedrine HCL;
- 6,408 kilograms of ephedrine mixtures;
- 484 kilograms of ephedrine tablets;
- 149,800 kilograms of ethyl phenyl acetate;
- 841 kilograms of dimethcathinone (a Schedule I controlled substance analog);
- 1,300 kilograms of phenylpropanolamine;
- 218,064 kilograms of iodine;
- 14,350 kilograms of red phosphorous;
- 96,000 kilograms of yellow phosphorous;
- 1 pound (750 tablets) of piperidine;
- 5,000 liters of methylamine anhydrous; and
- One tablet press.

These results are encouraging, and together, the DEA and relevant DHS agencies are now examining other areas where the program could be instituted to track the importation of precursor chemicals.

In addition to coordination with the DHS and international partners, attacking trafficker organizations, and developing information, DEA is also providing training for host-country personnel around the globe. In FY 2010, DEA provided training to approximately 2,890

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<sup>9</sup> This project was initially referred to as the DEA-CBP Long Beach Port Project because the prototype arrangement was launched at the port of Long Beach, California.

Mexican police and other departmental officials in a variety of locations throughout the U.S., Mexico, and Central America. These training initiatives highlighted investigative, enforcement, and regulatory methods related to the reduction of methamphetamine trafficking. In addition, in FY 2010, 72 Mexican officials/law enforcement professionals received Clandestine Laboratory training from the DEA International Training Section.

Further, in FY 2010, DEA, sometimes working in conjunction with the Department of State's Bureau of International Narcotics and Law Enforcement Affairs, provided or sponsored chemical training to 440 foreign partners from 27 nations worldwide. This training consisted of courses such as Chemical Diversion Investigations, Clandestine Laboratory Training, Precursor Chemical Diversion, and Chemical Control. These courses provide the fundamentals needed to conduct effective investigations, and emphasize the importance of international collaboration.

Finally, the partnership between the U.S. and Mexico also involves expanded drug information-sharing, including participation of vetted liaisons at the El Paso Intelligence Center (EPIC), as well as bilateral conferences and meetings.

### **Certification of Methamphetamine Laboratory Seizure Reporting to El Paso Intelligence Center:**

In accordance with the ONDCP Reauthorization Act of 2006, the Director of ONDCP hereby certifies that the law enforcement entities participating in the HIDTA program are providing laboratory seizure data to the national clandestine laboratory database at EPIC. ONDCP has received confirmation from each of the HIDTA Directors that all clandestine methamphetamine laboratory seizures are being reported to EPIC.

### **SUMMARY**

ONDCP remains committed to reducing methamphetamine manufacturing, trafficking, and use, and has adopted rigorous performance management standards for each of the HIDTAs, requiring them to systematically report all methamphetamine seizures and the results of ongoing investigations. As indicated in this report, the HIDTA program maintains a specific focus on methamphetamine issues, and ONDCP works with its partners to ensure an appropriate level of attention is given to methamphetamine manufacturing, trafficking, and use. The standards with which HIDTAs comply are an integral part of the Performance Management Process (PMP) to which all HIDTAs must adhere. The PMP database has 12 core tables, and two of these specifically address methamphetamine issues and provide data for this report. The PMP Core Table #4 "Drugs Removed" lists drugs removed from the marketplace for the previous calendar year and includes other listed chemicals noted in this report. The PMP Core Table #6 captures methamphetamine laboratory seizures by size, which is also indicated in this report.

ONDCP will continue to monitor data trends in methamphetamine production, trafficking, and use. By doing so, we will ensure appropriate strategies are in place to continue recent successes in disrupting and dismantling methamphetamine- and polydrug-trafficking organizations.