HOUSE OF COMMONS

Foreign Affairs Committee

Oral evidence: Narco-diplomacy, HC 1422

Tuesday 6 June 2023

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Watch the meeting

Members present: Alicia Kearns (Chair); Neil Coyle; Drew Hendry; Bob Seely; Royston Smith; Henry Smith.

Questions 1-40

Witnesses

I: Caroline Rose, Director, Strategic Blind Spots Forum at New Lines Institute; and Professor Lina Khatib, Director, Middle East Institute at School of Oriental and African Studies, and Former Director at the Middle East and North Africa Programme at Chatham House.

II: Dr Annette Idler, Director of the Global Security Programme and Senior Research Fellow at Pembroke College, University of Oxford, and Senior Research Fellow at the Blavatnik School of Government, University of Oxford; and Dr David Mansfield, Independent Consultant and author of 'A state built on sand: How opium undermined Afghanistan'

Examination of witnesses

Witnesses: Caroline Rose and Professor Lina Khatib.

Q1 **Chair:** Welcome to this session of the Foreign Affairs Committee, where we will be looking at narco-diplomacy. Thank you to both our guests who have joined us. Could you please introduce yourselves?

Caroline Rose: My name is Caroline Rose. I am a director at the New Lines Institute for Strategy and Policy, where I had two projects, one on the captagon drug trade and the other on post-withdrawal security landscapes. I have been working on the captagon issue for about four years.

Professor Lina Khatib: I am Lina Khatib. I am the director of the SOAS Middle East Institute and a professor of practice in the politics and international studies department at SOAS, University of London. I have also been working on the captagon issue for a number of years and on Syria for well over a decade. I also cover Lebanon. I have done a lot of work on Hezbollah and various elements of the Syrian regime.

Q2 **Chair:** Thank you. To start, for those who may be joining us today who are new to captagon, can one of you set out what type of drug it is and how it operates?

Caroline Rose: Captagon is an amphetamine-type stimulant that is produced primarily in Syria and a bit in Lebanon. Since the 1960s, it has been an existing drug on both licit and illicit markets. In the 1960s it was produced by a German pharmaceutical company called Degussa AG. For 20 years or so it was on the licit pharmaceutical market, then it was phased out after it was scheduled by the World Health Organisation in the 1980s. Then it became an illicit substance that migrated through the Balkans and Turkey and finally settled in the Levant in the early 2000s. Since then, we have started to see a number of different actors become involved in the captagon trade. In addition, we have seen the captagon pill and the chemical formula evolve with that. Now we see the largest concentration of captagon on industrial sizes produced inside Syria, particularly in regime-held areas.

Q3 **Chair:** Does any revenue stream matter more to the Assad regime than captagon?

Professor Lina Khatib: It is difficult to say if any other stream matters more, because this is a very important stream, but it is not the only one. The arms trade is another one. Playing with the currency exchange rate when it comes to humanitarian aid entering Syria, so that the regime siphons off resources that were meant to go elsewhere, is another one. Engaging in smuggling of other goods is another one. There are many illicit activities that the regime is involved in and that make it money. I would put this as part of a bigger package.

Q4 **Chair:** How reliant would you say the Assad regime is on captagon?

Professor Lina Khatib: Right now, the regime is benefiting greatly from captagon. I would not go as far as to say that the regime is necessarily reliant on captagon, as such. We have to also take into consideration the so-called in-kind support that Russia is giving the Assad regime and the involvement of Iran and Hezbollah. It is a very complicated picture. If we were to remove captagon from the picture, I think the regime would still survive and would still have sources of funding, but certainly the captagon revenue is estimated to be one of the highest for the Syrian regime.

Q5 **Chair:** Does it go too far to say that Syria is now one of the biggest drug-exporting countries in the world? Could you put this into context for us?

Caroline Rose: First, I absolutely agree with Dr Khatib that, because it is an illicit economy and because a lot of both production and smuggling is done off the books, it is very difficult to ascertain exactly how much the regime is getting from it. However, the evidence shows that they are producing the largest amounts of captagon in regime-held areas, and the largest smuggling networks and cross-border nodes, particularly along the Syrian-Jordanian border, have a lot of evidence and a lot of ties with not only Syria's 4th Division but also the Syrian Military Intelligence Directorate and the Air Force Intelligence Directorate.

Regarding how the regime is benefiting from this, how much they are making and how the trade sizes up to other trades, it is very difficult to ascertain exactly how much it is worth. There has been a huge spectrum of estimates of how much the captagon trade is worth, from some as small as around $4 billion, all the way up to some estimates that put it at $57 billion. I personally think that the most accurate assessment has been $10 billion, accounting for both seized and unseized.

Given that right now the evidence shows that the regime is responsible for the largest numbers of captagon production and smuggling networks, the majority of those proceeds are being streamed back into Syrian regime-affiliated pockets, bank accounts, militias, groups and so on. It is very difficult to determine exactly how much, but, for example, in the estimate that we put out in April 2021, when the New Lines Institute had a report on this trade, we estimated that just seized captagon was worth at least $5.7 billion, and that number was multiple times larger than Syria's licit exports at the time.

Q6 **Chair:** Where you say "they" and we say "the regime", can you give us a bit more detail? Who are the characters who are, I guess, the drug barons that work for Assad and are doing this? Is it Assad's family? Is this a family business?

Professor Lina Khatib: When it comes to the Assad regime, definitely the biggest name involved in the captagon trade in Syria is Maher al-Assad, who is Bashar al-Assad's brother and the head of the 4th Division of the Syrian armed forces. The Syrian Arab armed forces are of course the Syrian army; they are an official entity. But the 4th Division actually acts like a militia, so although it has official status, it is very much under the command of Maher al-Assad and is very heavily involved in illicit

trade—not just captagon, but the smuggling of people, meaning human smuggling, and the smuggling of other goods and all kinds of other illicit activities. It is the entity that is mostly in control of the Syrian side of the Lebanese-Syrian border, where, again, we have seen quite a bit of traffic for smuggled goods, in both directions. The 4th Division collaborates very closely with Hezbollah on these kinds of operations.

In addition, there are other members of the Assad family, some of whom have now been sanctioned in the US. They are from the Assad family and involved in this illicit trade and others. Plus there is a network of business people who operate within regime-held areas in Syria. In addition, if you go down the pyramid, you will see local networks of smugglers who are involved in the business. They are not all necessarily connected to the Assad family. The metaphor I would give you to look at is mafia networks and how they operate. It is very similar to how the regime of Bashar al-Assad handles the captagon trade.

Q7 **Chair:** I know that one of my colleagues wants to look at how captagon has helped to achieve externally Syria's regional geopolitical ambitions, but what are the profits of the captagon trade, regime or economy paying for domestically within Syria?

Professor Lina Khatib: Domestically, they are lining the pockets of the network that I talked about. The people at the very bottom of the pyramid—the operatives, the people who literally carry captagon bags on their backs and cross, for example, to Jordan or to and from Lebanon—are just very ordinary people who get involved in this trade, and they don't get very much. Most of the profit is going to the network of profiteers connected to the Assad regime. The money from the captagon trade is not going to the Syrian Treasury. It is not going to the Syrian state. It is not being used to fund state institutions like Ministries or any other entities that could benefit the Syrian people. So here we are, talking about a trade that is not propping up the Syrian state and its institutions, but propping up the Assad regime and its cronies and profiteers.

Q8 **Bob Seely:** This is just so I understand. When the drug dealing goes outside, to Jordan and other places, is this effectively an illegal amphetamine market in the Middle East? Is this feeding drug dealing in Saudi Arabia and Beirut? If people are going to buy illegal drugs in Beirut, do they not go out and buy cocaine, but go out and buy captagon? Is that what you are saying? Why haven't we seen more captagon on the streets of London, Berlin and Paris, since I assume the people responsible want to be widening their market reach?

Caroline Rose: Absolutely. Captagon is a drug that has many different sides to the coin, in the sense that it is used by a number of different demographics. We cannot quite size up and determine its chemical formula; since 2004, we have seen so many different spectrums and variations of its chemical composition. Producers can make it whatever they want it to be. As long as you have a tableting machine, some of the precursors and a few chemical additives, you can put two crescent moons on the surface of a captagon pill and the street reputation precedes it.

Because of that, we have seen captagon used to stave off hunger or to allow people to work a second or third shift. In the Gulf, we have seen captagon used recreationally, particularly among youth who are facing widespread unemployment but have a lot of cash to spend, and who face a lack of recreational opportunities outside of urban metropolitan centres. Because of that, captagon has a massive appeal.

It also makes it very difficult to forecast what the new markets will be. We know for a fact that captagon trafficking networks have tried to carve out new transit routes and to trickle captagon pills into local markets. We have seen that done in north Africa and using new transit routes such as through Iraq, Turkey, southern European ports and even storage facilities and networks in mainland northern Europe.

There was also a recent investigation. I will say that captagon has not physically ended up in London, to our knowledge; however, we do know that a number of captagon-dependent individuals have sought treatment outside the region, given the lack of harm-reduction and rehabilitation facilities that exist in the region. They have sought out doctors in London, and more doctors have started to report captagon usage and those dealing with captagon dependency, and that has become a large challenge. So, it certainly is a public health threat.

In terms of the network and how the regime uses this as a kind of control and as leverage in negotiation and larger geopolitics, we have not only Maher al-Assad but Waseem Badia al-Assad, Samira al-Assad and a number of regime-aligned personal friends and cousins—very prominent figures in the Syrian private industry—that not only add profit to some of those illicit networks but add leverage for the regime. The Assad regime needs to keep those individuals in power to keep the system going, and they have been in power. Of course, one or two could be replaced, but the system cannot collapse on itself.

I think that Professor Khatib was right in that none of this is streaming into the formal economy; none of this is streaming into—for example—the Ministry of Interior. However, it is lining the pockets of key players that the regime relies on to uphold telecommunications, their agricultural sector, a number of other private businesses and, of course, the large security apparatus that runs parallel to the Syrian army, mostly monitored by the 4th Division, the intelligence directorate, and so on. So, when we think about captagon, yes, there is a profit element, but there is also a power and leverage element that is extremely important and is part of that patronage network.

Chair: It very much sounds like a family cartel, essentially, as an operation.

Q9 **Henry Smith:** You mentioned captagon going beyond the Middle East into the Gulf, and even suggestions of it going into Europe as well. On that, what are the international security implications of Syria's reliance on this narco-trade, given their reliance on it for foreign currency and supporting their economy in the way that you referred to?

Caroline Rose: It is a great question. First, of course, there is the impact on regional rule of law and corruption. The more captagon shipments that maritime and overland ports receive, the greater risk there is of corruption within one's local law enforcement and customs systems—the more likely that they are going to try and shift that and identify recipients, such as parts of international criminal organisations, local mafia groups or cartels. I think that is a very consistent threat.

As this relates to Syria, there is the question of why we should care that the regime is resorting to an illicit economy such as that of captagon, particularly one that could be swapped out with a number of other illicit economies. First, given the punitive economic measures that exist against the Syrian regime, this is being used as a loophole. If we care about sanctions being effective, for example, the captagon trade is being used not only as a loophole, but as a leverage point for normalisation, sanctions relief and so on.

Additionally, as I mentioned, captagon is keeping the system going. Certainly, if you removed captagon from the equation, the Assad regime would not collapse; however, it is empowering a number of the key players that have been part of the Assad family regime's inner circle and of the system and structure of power inside the regime. It really does elevate and bolster their grip on power, territorially and politically.

Finally, because we do not know what captagon is and the formula continues to evolve, it should be a major public health concern. It is not a drug like fentanyl, for example. We do not know a lot about captagon, and there is very little data about its chemical composition and laboratory analyses. If it trickles on to new markets, that amplifies the health concern.

Professor Lina Khatib: My research shows that the market for captagon in Saudi Arabia has reached saturation, which means that it is not a growing market. No more people in Saudi Arabia could be sold captagon. That has been in place for a while—the saturation point was reached not this year but at least a couple of years ago—which means that the Assad regime will seek new markets.

For me, touching on diplomacy, that is why we should take with a grain of salt the issues of captagon and Syria's return to the Arab League being connected. Saudi Arabia is of course concerned about captagon reaching its borders, but it is not facing an escalating problem. Saudi Arabia is fully aware of what is happening with the captagon situation in Syria and in Saudi Arabia, and it knows that the problem is controllable—it is not escalating. Had the problem been escalating then yes, captagon as an issue for Syria's return to the Arab League would be plausible, but because it is not, we can separate the two issues.

It is likely that the Assad regime will use captagon as a kind of ceremonial concession by perhaps reducing some of the flow going to Saudi Arabia. The issue, however, is that Assad already does not see potential growth in Saudi Arabia, so it is a sacrifice that it is very easy for the regime to make.

Q10 **Henry Smith:** You anticipate my next question. What incentives are there for the Assad regime to limit captagon production and distribution? Are there any, or will it be used as an international bargaining chip in regional bodies such as the Arab League?

Professor Lina Khatib: In my view, we have seen a bit of a diplomatic dance. None of the issues that were meant to be conditions for Syria's return to the Arab League and had been debated in the public domain were actually conditions when Syria returned—the issues of the return of Syrian refugees, of Syria's detainees and what happened to hundreds of thousands of people, of captagon, of Iran-backed militias and of the UN-led peace process.

Those five issues were debated publicly in the media and in policy circles as potential conditions that Arab countries and the Arab League would discuss and put on the table as prerequisites for Syria's return to the Arab League. None of those five issues happened as conditions: Syria returned without any conditionality. Instead, those issues became issues for co-operation and discussion between the Arab League and the Syrian regime.

Here we have a situation in which the Assad regime, for example, agreed that Syria would join a committee in the Arab League on tackling the issue of captagon. In addition to Syria, that committee has as members Jordan, Iraq and Lebanon. In Lebanon you have Hezbollah. In Iraq you have Iran-backed militias that are also involved in part of the captagon trade. So in a way you have a committee in which very influential—I would say the most influential—political actors are also the ones that are involved in the captagon trade. They are meant to be on the committee to resolve the situation.

We have to understand that it is a dance. I think everybody is aware of this situation. However, it is being presented in a framework that makes it palatable to the international community, to say we are collaborating to tackle the captagon issue, and Assad might give just very cosmetic concessions in this context.

Q11 **Henry Smith:** Talking of international relations, how has this affected the relationship with Russia and China?

Caroline Rose: If I can quickly tackle what Professor Khatib just said, I think it is very notable and I completely agree that this is the leveraging chip—the easiest one that the regime has grabbed amid normalisation discussions. It is easy to manipulate the numbers. I recently co-authored a report with Dr Karam Shaar exploring their history of bloating numbers, conducting cosmetic seizures, and putting a barrage of information out on their Ministry of Interior Facebook page and Government-owned channels. It shows that there is an intentional campaign to show good-will gestures with frequent seizures and arrests, but they are not touching on the production side.

There are a number of gaps and discrepancies in the numbers, and because of that it is going to be very easy for them to show these cosmetic seizures and good-will gestures as a way to create momentum

for a number of the other conditions for normalisation, or at least the conditions that are being discussed now that normalisation has taken place, as Dr Khatib just mentioned. Because of that, I think there are a number of countries that are so—let's say—eager to get the normalisation process going that they will take those in good faith. For example, the regime might say that they have conducted a 40% uptick in arrests and seizures of captagon pills, when really they are only seizing small-scale pills and are not going after the big fish.

They might give up one large trafficker along the Syrian-Jordanian border as a good-will measure, but really they are not going after those who are aligned deep at the core of the regime's power structure. Because of that, we get into a very dangerous game with the normalisation process. Now, how this relates to Russia and China is a bit tricky. On China, there is not a lot of data, particularly on whether it relates to or condones or is complicit with the captagon trade. There is very limited evidence—or at least very good questions—about where precursors of captagon pills are coming from. It has been suggested that China might be one of the countries that is dispatching it, but there has been no evidence thus far. It is very difficult to track the precursor routes.

On how Russia relates to all this, I think it is completely aware of the captagon trade. In fact, over the past year, before Jordan approached the normalisation process, it was really trying its best to collaborate with Russian patrols, particularly military patrols that were present in southern Syria, to try to have them counter the captagon trade and counter flows and smuggling networks. That did not work out extremely well. We know that Wagner forces have operated within close quarters—let's say—of captagon trade routes, but I have not seen any evidence of direct involvement.

There was one notable video that came out last year amid Russia's invasion of Ukraine. Sputnik news put out a video accusing Ukrainian forces of producing and consuming captagon. These pills looked nothing like captagon. They were red-coated and looked almost like ibuprofen tablets. But it was notable that they jumped to captagon instead of other substances. That shows that some of these military leaders or those involved in the media are aware of captagon.

Of course, a lot of these Wagner forces were formerly deployed in many in many of the hotspots where captagon was produced. But as of now, there is no direct evidence of large-scale participation in the trade. For them, it is in their interest at least to salvage the credibility of the regime and downplay their involvement. I think the regime has been very good at that—creating plausible deniability between their Ministry of Interior and their 4th Armoured Division.

When it comes to sustaining the power structure that supports the regime being in place, I think they would be okay with at least small-scale captagon production and trafficking still taking place.

Professor Lina Khatib: Russia and China do not need to go down the captagon trade route. They do not need to generate money in that way. We have to remember that Russia does not have the troops on the ground or the presence on the ground to really allow it to run a network in that way. However, when it comes to the high level of the businesspeople from the Assad regime who have interests in Russia, and in collaboration with Russia, very often these are the same individuals who are involved in the captagon trade, so you have an indirect context in that regard.

One tiny footnote on the issue of leverage: I see captagon as more of a diplomatic tool than a leverage tool, because the Saudi authorities, for example, are not naive. They know all the games that Caroline just cited about fake seizures, exaggerating numbers and so on, but their motivation for giving the green light for Syria to come back to the Arab League is not really about captagon; it is very much about Saudi Arabia's own national security interests.

Q12 **Chair:** I think Bob is going to take you into that in a moment. Just quickly, I know that a significant amount of the products that go into captagon comes from China, and obviously China claims to have a great number of counter-narcotics initiatives. If they decided to crack down on the fentanyl side of things and on the other bits of products that help to produce captagon, how significantly would that squeeze captagon—if they decided to meaningfully deal with the supplies?

Caroline Rose: I honestly do not quite know how that would affect it, given that we just do not know the levels of the precursors that are coming from China and what percentage that represents. There has also been, in terms of trying to track the precursor routes and the chemicals that exist inside Syria—Syria, of course, used to be a major pharmaceutical hub—some evidence that they have been stockpiling some of these chemicals. It really all depends on how much they are relying on those precursor routes and just what percentage is coming from them, but I unfortunately cannot say how that relates to fentanyl.

Q13 **Bob Seely:** Lina, I want to ask a little more about the Arab League and the committee, or sub-committee, dealing with captagon. If I understand correctly, the Syrians are obviously the problem, but they are there pretending to be the solution. The Iranians are sort of the problem there as well, pretending to be the solution. The Saudis are there actually to be serious because they do not want too much captagon coming into their country. The Jordanians presumably treat it as a security issue, even though clearly there are corrupt trading links as well. How does this work in practice? I know you said that it is a game that is being played, but it is a bizarre game because if I was Saudi or Jordanian, I would be dealing with these people knowing that they are not part of the solution, but actually part of the problem. How does this process work, or how does this committee work?

Professor Lina Khatib: The big picture in the region right now—I have written about this a number of times—is one that I would describe as pragmatism and compartmentalisation. For Saudi Arabia in particular, the

role of Iran in the region is a destabilising one. It is of concern to Saudi Arabia, especially its national security interests and its interest in having a successful Vision 2030—the socioeconomic reforms that the Saudis are very keen to implement—happen by the deadline. Iran poses a big threat.

My conversations with Saudi authorities over the years have always indicated that they are disappointed with the United States in particular in how it has been handling the issue of Iran's regional role, because in the US there has been a lot of focus on the Iran nuclear deal, especially of course under the Obama Administration and now under Biden. For the Saudis, this is not the preferred route for the US—they would have liked the US to also address the issue of Iran's regional role—but there has been this separation of these two issues, which has left Saudi Arabia, in a way, to deal with Iran in its region largely singlehandedly.

Therefore, they have found themselves in a situation in which the best case scenario, realistically speaking for them, is to try to de-escalate tension. Rather than, in a way, overwhelming Iran diplomatically with the US on their side, they found that this is not happening, so the next best thing is to try to at least de-escalate tension so that Iran will not start threatening Saudi interests. We have to remember there were Iran-sponsored rockets launched on Aramco and on Saudi soil. We have to remember there is, of course, a war still raging in Yemen that Saudi Arabia is keen to end. One route to doing that is to de-escalate tensions with Iran. Now, remember that most Syrian refugees, for example, are not in Saudi Arabia but in Lebanon and Jordan and places far away from Saudi Arabia.

As I said, the captagon issue is of concern, but it is not escalating in Saudi Arabia. In a way, going down the normalisation route with Syria helps to de-escalate things with Iran, but without exposing Saudi Arabia to concrete threats or risks or challenges posed by an escalating drug problem or the presence of millions of refugees on their soil. That is why I call it a diplomatic tool. Captagon is part of this big picture. It is very intimately connected to the geopolitics of the region.

Q14 **Bob Seely:** Okay. My next question was going to be about that. Is it at all connected to jihadi terrorism? Have the Syrians in any way used captagon within the scope of talking about jihadi terrorism, readmission to the Arab League, which we have covered, or access to foreign currency? I presume it is bringing in a lot of foreign currency. Do we have any idea of how that is laundered through Syria or Beirut banks? That question is to either one of you.

Caroline Rose: There was a nexus with terrorist organisations. Primarily at the peak in the mid-2010s, you saw a number of news articles—very short bits, not necessarily investigations—about how it was almost exclusively associated with Daesh, the Islamic State, from 2015 to 2017, when the evidence is quite scarce, especially in terms of large-scale production. We really started to see large-scale production ramp up in 2017 and 2018. Then we really started to see the results of that in 2019 and 2020, and at sizes that the Islamic State or some of these smaller

ragtag terrorist organisations just would not have been able to accomplish. They did not have the access to a number of these formal ports and commercial entities to smuggle these sorts of captagon pills.

Regarding how the money works and following the money, I would say that this is one of the biggest gaps in the captagon trade. It is very difficult to look, particularly in the region. However, with recent seizures of captagon and busts and arrests of captagon traffickers on European soil, that so far has been the most transparent aspect and has produced the most evidence on how shell companies are being used, how equipment and machinery is being used to smuggle captagon and how that could be rerouted back into Syria.

Notably, on 28 March there were joint US and UK sanctions that were designated on a number of Syrian and Lebanese individuals as well as commercial entities, which I would say really did rely on a lot of the intelligence that was produced from many of these arrests, which were conducted in Austria, Germany, the Netherlands and Italy. Many European companies are starting to find an uptick in the presence of captagon networks.

In terms of how this relates to normalisation, it is very important to remember that captagon is extremely transactional. Sure, many of these regional actors care about the captagon trade overall being reduced, but particularly for countries such as Jordan that are experiencing violent clashes along their border with Syria, they really care about the immediate result of captagon flows being significantly reduced. That goes for Saudi Arabia as well. They want their customs systems to be relieved of that burden of interception.

I think that if they are able to get some sort of transactional deal, they will shift the flow elsewhere, but as long as it is not Jordan or Saudi Arabia or the UAE, that is satisfactory, at least for the short term. It is also key to remember that a lot of these countries have the short-term goal of an immediate relief in mind, but that could very well mean that this is shifting into Turkey or northern Africa, or potentially the southern Mediterranean region.

Q15 **Henry Smith:** On that point about going into other countries, you mentioned earlier that there is evidence that some people in London have sought treatment for captagon use. I believe that in this country it is classified by the Home Office only as a class C drug, so it is relatively low down. What do you think are the risks of captagon being trafficked into the UK, and how would that be likely to happen? What would be the likely route? Would it be through the Gulf? Or would there be other methods?

Chair: On that treatment question, is it Gulfies who have come here for the summer who are having treatment for captagon use, or is it British nationals?

Caroline Rose: A *Sunday Times* investigation interviewed a number of offices here in London that had reported an uptick in patients coming

directly from the Gulf, not necessarily UK citizens, with some sort of dependency on captagon. They reported not being able to sleep at night, depression and a number of other conditions. It is very difficult to track down exactly what captagon does to different individuals, given the spectrum of its chemical composition and the lack of data and evidence that we have on how this is changing.

How would it come to the UK? I would say that it would be in a number of different ways. We are starting to see captagon slowly and incrementally grow in prevalence in major trafficking nodes, for example in the Netherlands, or among international criminal organisations, for example mafia groups in Italy. We have seen some evidence that the Camorra was at one point involved in captagon; that was back in 2020. It is very possible that people could use pre-existing European drug smuggling routes, but also, as we see more Gulf citizens come to the UK seeking treatment, it is very possible that a few of them will come with captagon pills on their person. We have started to see a bit of this with a number of Saudi officials and Saudi nationals—for example, Lebanon's Rafic Hariri airport has arrested in the last five years two Saudi officials who were smuggling just a few hundred pills on their person.

So it is quite possible, but it is very difficult to ascertain the facts at this point, given that this is all incrementally expanding.

Q16 **Royston Smith:** I want to ask about Lebanon and Iran. What is Iran's involvement and what is the benefit to Iran? Is it because it destabilises the region? Is there a financial benefit to Iran as well? Is it in its interest to be involved in it? Then there is Lebanon, which is dysfunctional to say the least, and has an influence from Hezbollah, who are supported and funded by Iran—but perhaps not if they are involved in the captagon trade. How do Lebanon and Iran benefit from it? Do they?

Professor Lina Khatib: Yes, they do, and this predates the Syrian conflict. Originally, in the early 2000s, captagon production was quite prominent in Bulgaria and Turkey, but then there was a crackdown in both countries. After 2006, in a way, Lebanon shifted from being a transit country to being a production country. The shift happened in 2006 because after the war between Israel and Hezbollah, Hezbollah needed new resources and captagon proved to be one way to make money quite quickly. Although Hezbollah was already involved in all kinds of drug dealing before, dealing in and producing captagon escalated after 2006 in Lebanon, so Lebanon became a production site.

When the war started in Syria, this provided a golden opportunity because it made the border between Syria and Lebanon more porous than ever, and of course it generated more possibilities for setting up new production sites as well as transit sites. That is when you saw huge growth in the captagon trade in the region, with Hezbollah being a key player because it already had the infrastructure. Hezbollah had the know-how and the international networks, so it managed to help, for example, the Syrian 4th Division.

Hezbollah is also involved very intimately on the ground, in different ways according to where the trade is geographically. Sometimes Hezbollah is in charge of production, from importing the chemicals all the way to making the pills, and is also involved in the smuggling and trade. Sometimes it does only part of that, in partnership with the 4th Division. Sometimes it just works with local smuggling networks, and sometimes its own people handle the whole process—it varies. Hezbollah is, however, a key player in the captagon trade. Even though a lot of the shipments that have been intercepted come from Syria—from Syrian ports, for example—that does not mean that Hezbollah is not involved in the supply chain or the production chain.

For Hezbollah, captagon is a key source of income, but how key it is is another question that is difficult to answer. However, the fact that this shift happened after 2006 tells us that there is "decent"—in quotation marks—money for Hezbollah in this market. It is a lucrative source of foreign currency, and that remains the case for Hezbollah today.

In a way, Iran benefits because the trade supplements the income that Iran sends to Hezbollah and other groups in the region. It is the same for the Iran-backed groups in Iraq that are involved in the captagon trade. Their involvement is not as central as Hezbollah's, but they also make money from the trade.

This is very much about money, and of course money translates into political leverage and control. As we know, Hezbollah is now the most powerful political group in Lebanon. Without its financial and military resources, it would not have achieved that political power. Captagon is part of that big picture, but I would not overstate its centrality—I would not necessarily put it as the No. 1 on Hezbollah's list of priorities. However, it does play a very significant role. These days, when the economic situation in Lebanon is very dire, it helps Hezbollah to have any way of generating foreign currency, because it still uses foreign currency to pay its fighters, for example—they get paid in US dollars. Captagon is one way of getting hold of that foreign currency.

Q17 **Royston Smith:** Caroline or Professor Khatib, one of you talked about the Saudi market reaching saturation point. Are there any other markets in the Middle East that are near saturation point? Are there any that are growth markets? What are the smuggling routes to get captagon to those places?

Professor Lina Khatib: As Caroline mentioned, Jordan is important here, because it is a transit route not just to Saudi Arabia but to other places. That is why the Jordanians are seriously concerned.

Caroline Rose: They are very worried.

Professor Lina Khatib: Yes. Because this is flowing. Even if the Saudis are not as worried, people in Jordan are worried because the Jordanians have a serious security breach that they are tackling. That, allegedly, is why there was an attack recently by the Jordanian air force inside Syria. It

was targeting one of the drug dealers involved in the captagon trade in southern Syria. You mentioned some of the other markets, Caroline, so perhaps you want to pick up on that.

Caroline Rose: I absolutely agree. The countries that ring the alarm bell would be Jordan, certainly—not only because of the violent clashes, but because there has been an uptick in captagon dependency inside the country—and, one of the biggest this year, Iraq, where the situation is of course compounded by unemployment, a very poor and struggling economy and a very weak security landscape that is easily exploited by the Iran-aligned militias that use the Al-Qaim highway to traffic captagon. There are also existing dependency and narcotics issues in the country, particularly with methamphetamine, so captagon could be a compounding concern.

Additionally, there has been an uptick in reported captagon smuggling activities on overland routes, particularly through Turkey, and an increase in reports of captagon seizures in maritime ports, mainly in northern Africa. We have also started to see potential evidence that captagon is being smuggled overland through Turkey into southern Europe, into the Balkans.

Those are all things to keep a close eye on, of course. We also need accompanying data, which is very important. As Dr Khatib mentioned, Lebanon has a very important and prominent role. While we have not seen captagon consumption rates as high as in other transit countries—Iraq, for example—it is still there, and it plays a very important political role in the country as well.

Q18 **Chair:** Before I bring in Bob for the last question, Caroline, you mentioned proximity to Wagner operatives and to Daesh. The drug was created to deal with narcolepsy and ADHD, and the argument is that it can keep people going and keep them awake for much longer, so it is great for use by fighters. Is there any evidence that Daesh used it to keep their own people able to fight for longer? Obviously, they have been operating across Syria and they took control of the banks of Syria, as well as many other industries.

Have we seen any evidence of Wagner or Russian troops—Russian commanders remain on the ground in Syria working with the Assad regime—sending captagon to Ukraine? We know that Wagner happily drugs its people. Is there any evidence of captagon being used anywhere in Ukraine to enable Russia's soldiers to fight for longer?

Caroline Rose: There is no evidence of Wagner forces using captagon—no evidence whatsoever. Regarding how it could help fighters, certainly there is evidence on that—a lot of anecdotal evidence, I should say—but naturally any amphetamine-type stimulant allows you to stay up and allows you to stave off meals. Especially for militant organisations that want to save costs or want to maintain a degree of effectiveness, this is more effective than, for example, caffeine pills. On top of that, it allows them to reduce the amount of, for example, meals ready to eat or meals

that they are giving to their own forces. We definitely saw that when captagon became kind of a big media matter, when it was almost formally and exclusively associated with Daesh.

Since then, we have had evidence of captagon being consumed directly by 4th Armoured Division forces and the militias aligned with them. There have been a lot of fighters, and some evidence that they have also used this as a recruitment tool to try to get local communities to opt in—for example, they would say, "We will give you three or four captagon pills a day. Come join our forces." In terms of Wagner, that is very difficult to ascertain.

Professor Lina Khatib: I will just quickly add that there is no evidence that Hezbollah fighters use captagon. In fact, it is not allowed because of the damaging effects that it has. Unlike the 4th Division, Hezbollah will not and does not give it to its own fighters.

Q19 **Bob Seely:** I just want to check. Captagon does not make you high, but it plays the role of a traditional amphetamine—it makes you buzzy and awake for much longer?

Caroline Rose: It can make you high in the sense that it gives you this euphoric rush, and also it depends on what sort of captagon pill you are taking. Some are cut with caffeine or amphetamine, but some analyses—very few laboratory analyses are available—show a number of different chemical additives. Some pills have no amphetamine at all, some are just a bunch of chemicals that are mashed together into a pill, and some have over 45% amphetamine metabolised. In our research, we have classified a number of different types of pill, based on composition but also on colour, brand and some of the smuggling materials that have been used. It really depends, but especially those who use captagon recreationally or to deal with trauma report a euphoria-like rush. There have been some reports of violent behaviour associated with captagon usage, but again, a lot of that is anecdotal and not many medical surveys have been conducted on captagon consumption patterns.

Q20 **Bob Seely:** I am just thinking that the Nazis used amphetamines, especially at the beginning of world war two, didn't they? Another question. If I understand correctly, Beirut has, by middle eastern standards, quite a druggy culture, so by letting captagon go through Lebanon, aren't the Lebanese authorities and Hezbollah potentially playing quite a dangerous game, especially if a lot of drug abuse takes place in their own towns and cities in Lebanon? Could you comment on that?

Professor Lina Khatib: Numbers are a bit unreliable, but it looks like there has been an increase in the number of drug addicts in Lebanon, although not necessarily captagon addicts. The drug that most users use in Lebanon remains marijuana—weed and hashish, basically.

Q21 **Bob Seely:** And that all comes to the Bekaa valley, doesn't it?

Professor Lina Khatib: Yes. It is locally grown, and it is cheap. My understanding is that the price did not rise, even with the financial crisis. Even though some of the production in the Bekaa valley shifted from growing hashish to making captagon, because it is cheaper and more lucrative, people still supply the local market with marijuana, hashish and weed, because there is huge demand for this. Cocaine is still prevalent in Lebanon—apparently not as much as before—but other pills are on the rise.

The situation outside of the captagon issue is getting quite bad in Lebanon, and that has a lot to do with the financial situation and people feeling desperate. I do know that with captagon, the lower quality is actually quite cheap, and a number of labourers in Lebanon are taking it, including Syrian labourers who are working in the country on a day labour basis. The Lebanese authorities are, I would say, very tightly connected to the bigger political situation in Lebanon, in which you have tension even between parties in the same political camp.

I think it was two weeks ago when I did a public interview with the Lebanese Foreign Minister, Abdallah Bou Habib. In the interview, he said it is Lebanon's responsibility to guarantee that any goods exported to Saudi Arabia are, in his words, "pure goods, no narcotics." That is what he said. My question, of course, is how is Lebanon going to guarantee that? The Foreign Minister's political party, the Free Patriotic Movement, is a political ally of Hezbollah. For him to make such a public statement—it is a good statement, and I support it; Lebanon should definitely guarantee that no narcotics are exported to Saudi Arabia or anywhere—shows me that there is discomfort with this situation. The problem is, who has the leverage to tell Hezbollah to stop doing this? I do not think any entity, even Hezbollah's own allies in Lebanon, is able to sway Hezbollah in that regard, unfortunately.

Chair: Neil, I am going to very cheekily let you come in, but we have to wrap up.

Q22 **Neil Coyle:** Thanks, Chair, and my apologies for coming in late from another meeting. From here, I can see my constituency in central London; I can see the Shard. I am conscious that I think more than 90% of the heroin in London comes from Afghanistan, where this country had a much more significant role for nearly two decades but failed to stop the export of an extremely damaging product. Realistically, what role do you think the UK can play in tackling the illegal trade of a different illegal substance?

Caroline Rose: I think that the UK, the United States and the EU have been a bit behind the curve on tracking captagon and monitoring captagon as a trans-national, trans-regional public health, security and geopolitical challenge. We have started to see a lot of movement—monitoring captagon flows, and also improving accountability with actors—but I think that we are a bit behind the curve here. We should have really started to see traction in 2020 or 2021 when we started to see captagon really blow up in the region.

I think that because of that, right now, captagon is associated almost exclusively with Lebanon and Syria, which of course makes sense given that those are the primary production hubs. Hezbollah, of course, plays a very supportive but key role. The Syrian regime is using this as leverage in normalisation discussions. That is important, but I think it is extremely important that the UK looks ahead and understands that there needs to be a mechanism—a regional mechanism—that promotes intelligence sharing, filling in the data gaps, improving access to laboratory intelligence and analyses, encouraging investigations, greater data collection on all things captagon, tracking consumption patterns, tracking what is in captagon pills, and linking that to accountability.

As of right now, we have mostly seen punitive economic measures and announcements that there are inter-agency counter-captagon strategies. To get ahead of the curve, I think that the UK can play a very proactive and supportive role in setting the stage for a counter-captagon regional mechanism that does not include the actors that are actively involved in captagon production and smuggling, and instead provide an alternative mechanism that regional players can turn to. I think that is extremely important because, as of right now, if you look to the countries that are setting up working groups or investigations or engaging in bilateral discussion, they will tell you, "We tried everything. We tried talking to the Russians. We tried improving security along our border. We tried to counter captagon in every way possible and it did not work; and we tried getting the United States and its partners to intervene, but it was too late." I do not necessarily think it is too late for an alternative mechanism to be set up and explored by the region with the help of the UK and its partners.

Professor Lina Khatib: I will add two things. First, it is very important to support our allies, at the very least, with technical assistance regarding captagon. The political situation, as you can see, is a bit murky. At the level of technical assistance, I know the UK is doing quite a bit already to support the security forces and the army in Lebanon, for example, and it is doing the same with Jordan. We definitely need to continue that and co-operate with Saudi Arabia and others as well. That is still important, because the border guards in Jordan will try to intercept, and the more capacity they have, the better.

The second issue is to do with the situation of the people who are not at the top of the pyramid but are close to the top—the profiteers connected to the Syrian regime. Some of those people, unfortunately, are still there in Europe, including people who I know for a fact are still in the UK, free to move around. These are people connected to the Assad regime, and we need to keep an eye on what they are doing, at the very least. They are indirectly facilitating this trade.

Q23 **Chair:** Given that you have parliamentary privilege, can you name those individuals? You cannot be sued for what you say here.

Professor Lina Khatib: No, they are not going to sue me. They know who they are. For example, the father of Asma al-Assad, who is from the

Akhras family. He is a medical doctor and a British citizen, so he can live here freely. But I do not see us having held him accountable. I had the misfortune of meeting him in person a few months ago, and he told me that he has not stopped going to Syria every other week, even at the height of the conflict. To me, that raises alarm bells. It is not a secret that he is still here.

Chair: He is fully supportive of the Assad regime.

Thank you both. I have wanted to hold this panel on captagon and Syria for a very long time, since the issue was first flagged to me. Thank you for providing such a comprehensive analysis. This is something that we will keep an eye on. I also thank the Jordanian embassy for having raised the issue with me in the first place about 18 months ago.

Examination of witnesses

Witnesses: Dr Annette Idler and Dr David Mansfield.

Chair: Thank you both for joining us—we are very grateful. Can you both introduce yourselves, for about 30 seconds, and then we will go into discussions?

Dr Annette Idler: Thank you so much for inviting me. My name is Dr Annette Idler, and I am the director of the Global Security Programme at Pembroke College, University of Oxford. I am also faculty member at the Blavatnik School of Government at the University of Oxford. My work focuses on global security, especially at the intersection of armed conflict and transnational organised crime. I am particularly interested in understanding global illicit supply chain networks.

Dr David Mansfield: I am David Mansfield. I am one of those independent consultants. I have spent the last 25 years working in Afghanistan on illicit economies for a variety of different organisations. My research integrates in-depth fieldwork and high-resolution imagery so that we have something a little more robust in terms of findings.

Q24 **Chair:** Brilliant. Dr Mansfield, I imagine today has been a busy day with the release of your report. A lot of what we wanted to talk about today was about how much the poppy trade continues under the Taliban in Afghanistan. It feels like you have kindly set the scene, with this morning's media making clear that at least two thirds of it has been eradicated—at least in Helmand province. It would be helpful if you could give us an overview of your report and what you found. Most of us probably did not believe the Taliban when they said they were going to raze the fields, but it appears that they largely have.

Dr David Mansfield: Yes, I think we are all surprised—even those of us who do not know the difference between perseverance and stupidity. I was around for the first Taliban ban, so I feel like it is a case of déjà vu, but with some significant differences. My colleague at the back of the room, Richard Brittan, is the imagery expert. It is quite clear when we look at the imagery that cultivation in Helmand has gone down from over 120,000

hectares to 740 hectares. That is quite an accurate assessment. In an area like Nangarhar in the east, which would normally be responsible for about 7,000 hectares, it is down to about 850 hectares. We see dramatic reductions. It is actually probably more than an 80% fall in cultivation.

We have to consider that, while the level of cultivation is probably not unprecedented—at the last Taliban ban, in 2000 and 2001, it was only about 8,000 hectares—the scale of the reduction, coming down from over 200,000 hectares, is really significant and will have some important implications over the coming months and potentially years, particularly if they were to pursue a second ban.

The season is not out—we are not done yet. There is still cultivation; there are multiple seasons in place. Badakhshan is still not finished in the north-east. But when we consider that 80% to 85% of the total cultivation of Afghanistan comes from the south-west provinces—Helmand is 52% of all cultivation; we all know Helmand well from our engagement there—and we are down to these kinds of levels, it is a significant action. We will see how it plays out.

Q25 **Chair:** One of the things the BBC reported was just how easy it is to raze these fields and destroy the crop. Given that they have decided they are genuinely pursuing this policy—let me retract that. They have destroyed the vast majority of the poppies, but they have not eradicated it altogether. Is that just to do with the size of the country and how much work it would take to destroy it, or is it because they still need some of that revenue? It would be interesting to assess how much of the Taliban's previous revenue came from poppy, compared with where we are now. We all know it is almost impossible to eradicate something completely, but given how far they have gone, do you think it is just a matter of time before they eradicate it altogether, or do you think the revenue stream is so useful that they will want to keep a small proportion of it, given that they are not receiving significant financial support from abroad?

Dr David Mansfield: Without wanting to get into semantics, I think we need to be a little careful around wording. The word "eradication", when you are from my area of work, typically means physical destruction of the crop. What the Taliban have actually done is essentially deter planting. That is what you want to do. Indeed, that is what the UK, the US and others did during the Helmand engagement and the Afghan engagement. If you can get to a situation where you deter planting, you can hopefully mop up the rest of the crop a bit later on. If everyone plants, you have a challenge on your hands, because they are going to hold together as a consolidated village, community, district and body of people, and they will essentially push back.

It has been a very iterative process that the Taliban have engaged in, and that is why a lot of people have not noticed it. First, they came for the spring and summer crops of 2022. They announced a ban in April 2022. Planting had already taken place in November 2021—"Not our problem. That happened prior to when we announced a ban." The ban comes in April 2022. They allow people to harvest. Two weeks after that

announcement, there is a harvest period. Everyone is standing in their fields. It would be crazy to go after that crop when everyone has invested so much time and effort. "It wasn't banned when we planted this. That crop has just increased in value dramatically, and I've now brought it in. Thank you very much. I'm very happy with that."

People do not really recognise this around planting—we are literally in the weeds here—but there is a spring and a summer poppy crop, and they subsequently went after that. They destroyed it, typically in the south-west, and they sent a resounding message to everyone: "We're coming after the poppy crop." So everyone sat there, they got some inventory, and they are desperately holding on to that for as long as possible. They are even selling things to try to keep hold of that opium, knowing that it is going to increase in value—you have an asset that is going to accumulate in value. The spring and summer crop were gone.

Then they go after the ephedrine meth. One of our lines of work has been looking at the methamphetamine industry, which has been burgeoning. In fact, there is more meth coming out of Afghanistan—or was, in 2021—than heroin, because of the ephedra crop that grows up in the hills. Then they move after ephedra. This is a sort of ban by stealth. Everyone was thinking that it was going to be dramatic and sudden. Actually, they go after ephedra next. That signals to the system. They close down the ephedrine labs, which we can see using imagery. There were about 458 of these labs in this concentrated area in south-west Afghanistan. They were all gone by September 2022—just shut down.

They move against the ephedra/ephedrine/methamphetamine production. Subsequently, come planting time, everyone knows that they are serious about this, and a lot of people do not plant. You get some recalcitrants up in the hills in Badakhshan. You get some in the boondocks of the east, up in the valleys of Achin, which some of us will know from the days of the ISKP and the mother of all bombs. There are some recalcitrants up in these real hinterlands, but they went after that crop as well, so there is this dramatic push.

It is unclear why they have done it, but from a revenue point of view it was always exaggerated. We had reports that had the Taliban running a taxation system akin to VAT, where they were collecting a proportion of 10% of the price, or 10% of the quantity, of opium. A rural insurgency running a VAT system on a commodity that constantly changes value is unlikely, and administratively impossible. You had this very basic tax system, which was much less significant. You have to run a tax system that is simple to run and does not break the value chain. Break the value chain, and there is no tax, and you become unpopular with your rural constituents.

The taxation system was overstated during the insurgency. They made much more money taxing goods on the main roads—legal goods that were imported into Afghanistan—than from drugs. They have inherited the state and all of its tax-raising abilities. Drugs are relatively minor compared with the overall money that they can make from the import of goods and the

export of coal—especially with coal prices rising, Ukraine, and so on. The reasons for this are less around revenue. There will be actors within the Taliban, or their rural constituents, who will be rather upset by this, because they will have lost a lot, but this is not fundamentally about the money.

Q26 **Chair:** Got you. Dr Idler, do you think that this is a step towards trying to get humanitarian aid? Is this ideologically driven? How does the Taliban come to this approach? Secondly, 95% of all European opium comes, I think, from Afghanistan. When will we see the impact of them genuinely cracking down on this, and will we see replacements instead? Where will those come from?

Dr Annette Idler: First, I agree with everything that my colleague Dr Mansfield said. It is hard to say why they would do that. We have very little insight into the decision making of the Taliban, and there is lots of speculation. I am not sure to what extent speculation is really helpful. Some say that it is in order to raise their diplomatic leverage. The Taliban themselves would rather cite religious reasons, and public health reasons. Drug addiction is a huge issue in Afghanistan.

If we think about the diplomatic leverage, the Taliban have many other ways in which they can position themselves—for example, in terms of fighting the ISK. They might even come to a point where they could present themselves as an ally in the war against terrorism in that sense. The question is whether they would really need the ban internationally in that way. I would be careful about framing it in that way.

We also need to think about how the ban is being enforced. They argue that anyone who violated the ban would have their field destroyed and be penalised according to Sharia law. There have been reports that people have been publicly lashed, so the West also needs to be careful in terms of how that is considered.

In terms of the UK, 95% of the heroin arriving in the UK is from Afghanistan. It will take some time; it was clear from what was outlined here before that a lot of stockpiles are still available as well. According to estimates, we wouldn't see an immediate impact; it would maybe be one year or 18 months until there was really a difference in the quantity.

It is important to think about that not just as an individual flow—not just as the supply chain of heroin—but about the bigger picture, because ultimately it is all interconnected. In our research on that, we think about networked supply chains. First, the heroin supply chain is not isolated. It is networked with other flows—of human trafficking, of weapons trafficking—and they all intersect at certain nodes.

Secondly, the illicit markets are also interconnected. That was clear in terms of the revenue or the income. One individual group can draw on several different types of illicit markets, and that can be the heroin or methamphetamine markets. It can be extortion or other forms.

Globally, we also see how different types of drug flows influence each other. If at some point—again, this will not be soon—we see a reduction of heroin here, that can have an impact in terms of, especially, new synthetic drugs. Some argue that it might even make room for fentanyl and other opiates, which we have not seen much of here so far.

But, of course, we have seen the example in the United States with the opioids crisis. Some would argue that, because there is the availability of heroin, this has not yet been the case in the UK. I would say that that needs to be taken with a grain of salt because here the context is a little bit different. We do not have, for example, the same kinds of over-prescriptions that we have in the United States. We have a different healthcare system and there are different types of regulation. So if we think about the number of people that might be affected by that, it is probably much smaller. It might be those who are now affected by heroin addiction, but it is definitely something that we need to keep in mind when it comes to thinking about how the market is influenced.

I would be cautious in linking the Taliban with the entire heroin supply chain. These types of supply chains work with different types of steps. You have actors that are involved in production sites. You have actors that are involved in processing, in transport, in trafficking and then, ultimately, in the market distribution. I am speaking not just about the heroin supply chain, but also about the cocaine supply chain, which I have studied a lot. There are usually different types of groups. There can be criminals from the local production site, but it can also be operated by criminals in the transit countries and, ultimately, also in the market. The fact that the Taliban have decided something does not mean that all the other actors play a similar role.

Finally, the brokers, the intermediaries, the middlemen that connect those different steps are also important.

This is relevant when we think about other parts of the world where opium is being produced. Afghanistan is the largest region, but Myanmar is another country that is affected. According to recent reports, 795 metric tonnes were produced in 2022 in Myanmar. Mexico is another region; 440 metric tonnes were produced there in 2019. Of course, those are much smaller quantities. But, again, if we think about the global picture, that also means that certain supply chains might just shift and be replaced by other production sites, and then also by different types of drugs.

Q27 **Royston Smith:** You sort of spiked our guns this morning with your announcement, but some of the questions that I would have asked are still relevant in the event that this is not a permanent ban on production, and who knows whether it is or not?

What were the main smuggling routes? It is quite important, in the event that this is not permanent, what those main smuggling routes were and are. Which countries that were directly affected by the use have had any influence in trying to get the Taliban to enforce this ban—Iran, Pakistan, China and others?

Dr David Mansfield: That is a good question. A point worth reflecting on, as I say, is the fact that if you look at the price of opium in Afghanistan at the moment, it is at a 20-year high, but for the last six months it has been falling. That is despite the fact that you have one of the lowest levels of cultivation. That tells us something about how much opium is being stored. Before we move to the position of the 2000/2001 ban where it was all sat under Mullah Omar's bed, this is actually sat with a lot of farmers who have large land holdings. They have managed to accrue a certain amount of opium and are holding on to it, recognising that the price should have risen, and it did, and could potentially rise again. Many of them would be anticipating a second year and therefore are going to hold on to this opium and release it as required.

I think the smuggling routes still persist—the primary ones through, of course, Pakistan and Iran. If you look at most of the seizures that are made of Afghan opium and opiates, a lot of them are made primarily in Iran. Interestingly, a lot of them are made on the Iranian-Pakistan border, rather than on the Afghan-Iranian border. A large chunk of the crop passes through the south from the south-west out through either Iran or into Pakistan. Then, of course, it goes down on to either the Balkan route or subsequently down south on to the southern route. Of course, that now has an ally in the fact that there is a lot of methamphetamine going along that same route that comes, as I say, from ephedra from the mountains, converted into ephedrine and methamphetamine. A lot of those labs are up in the central provinces, but there are also some down in the south-west. They are going on to boats, on to dhows, and finding their way into Mozambique, particularly the methamphetamine. That is finding its way into even Australia.

As for the efforts that have taken place so far when we look at ephedra, ephedrine and methamphetamine, we have disruption not elimination. There was a concerted effort, but it is a disruption, not an elimination. Prices have risen fourfold as a consequence of the Taliban's efforts. When it comes to opiates and opium, they actually went particularly high after the Taliban announced the ban, but they have been falling in the last six months, so there is still plentiful supply out there.

In terms of your question about who was pressing for this, there has been some noise within the media and so on around the Iranians, the Pakistanis, the Chinese, the Russians, but quite where that pressure sits and quite why this has been done—I don't think we are likely to see an impact on the UK for some time. I think some of the assessments that we have seen in the past are based on the 2000/2001 ban. That is when we came up with there being 18 months to two years before there is an effect. If you look at that, it was 18 months when we started to see a reduction in purity. Purity was about 55% in 2000. Two years later, it was at 34% in terms of purity per gram in the UK.

That was taken one year out. By the time we saw that effect, opium was already being grown again. Now, one year gone, we have some stores in play. Were a second year to be put in place, that would be a game-

changer. We could see price gouging in the European markets. We could see some shortages playing their way down the system as people down the system start to hold on to stores, aware that their prices might be able to rise. I think we are in uncharted territory in relation to the impact on the UK.

The other part, in terms of the impact to the UK—I put this in the blog I wrote yesterday—relates to, essentially, some of the consequences of the ban in terms of how it will play out economically. Particularly in those hinterlands in areas in the east and north-east where people have much smaller land holdings—they don't have the stocks—we are already seeing distress sales, so they are selling off the family gold, the wife's dowry and selling off some land. There is also out-migration. It cost me $2,000 to get from Nangarhar to Turkey and $3,000 to get to Serbia. The routes are still open, and one of the viable coping strategies, in the absence of poppy, over an extended period will be to leave the country because there is little to do in the country. So there is almost this choice: do you want the drugs or do you want the people? In terms of diplomacy, there's an interesting discussion.

Dr Annette Idler: Let me add a few words on the trafficking routes. The ones that were outlined are obviously the key ones. There are three: the northern route, the southern route and the Balkan route. It is important to understand that those routes are not just geographical or physical—the highway or the roadway. It also refers to who has the expertise, who is doing what, who knows where you can get supply, who are the ones that are then trafficking, and who are the ones with the connections to the market. That is what I was explaining before about how we think about the interconnectedness.

That means that these routes can also be used for methamphetamine, for example, or for other synthetic drugs, but it also means that all the groups—the organisations along the way—will look for other opportunities. If there is a stop or a drastic reduction in the heroin flow at some point, they will have to look for other illicit markets.

That means, first of all, that it will have an impact on populations along those routes. We see in other parts of the world examples where cocaine seizures were compensated for by increasing the extortion rate or a higher emphasis on kidnapping. They need to make good on certain losses. That is something to keep in mind along those routes.

We should also think about the vulnerability in terms of collusion between corrupt state officials and criminals, which is something that we have seen on the route through central Asia. Again, the question relates to populations. What happens, for example, if there is a change in the quantity? They still have certain arrangements, but if at some point those arrangements between the illicit business dealers and other officials break down, that can also lead to more violence along those routes. So whenever we see a shift or a change in certain flows, that has knock-on effects not just in terms of that particular drug, but in how the different

illicit markets are interconnected and, again, in terms of the populations along the way.

Q28 **Royston Smith:** So if it takes 18 months or two years—or let's say it takes more than that, so three or four years—and the ban holds, it is likely that it will just be replaced with something else. Is that a reasonable assumption?

Dr David Mansfield: Within Afghanistan?

Royston Smith: Yes, within Afghanistan.

Dr David Mansfield: I think the challenge is in whether the ban could hold. I mean, we see some fracture lines already. As I say, the ability to coerce or get compliance across the south-west has been quite impressive. However, if they have much larger land holdings, they will have had stocks and been able to carry a ban, particularly after being given a bye on the spring crop of 2022.

If we go up into the upper areas, even in parts of the south-west, but particularly in Nangarhar or Badakhshan, I am not going to have stocks; my land holding is too small; I will have spent the money; I will have repaid old debts. It is in some of those areas that we have seen some degree of persistent cultivation, and the Taliban then have to move in and eradicate. We have seen violence, with a number of deaths in Badakhshan. In Nangarhar, in the valleys of Achin, there were some deaths, but nevertheless, they pressed on in Achin. So some of those classic fracture lines, which we saw post 2001 during the Afghan reconstruction, still hold.

The Taliban had commanders who have been reluctant to press on and destroy a crop that was planted, and they will be conscious of the challenge of managing the expectations of their boss, while also managing the expectations of the people they represent—some of their rural constituents they live and farm among. It is a challenging prospect for them to go into a second year where people have not got an income or some stores, and there is no alternative. We then start to see the potential for further violence. So I think the jury is out on the second year, but if we do get a second year, I think things could change quite dramatically, in terms of supply.

As I say, methamphetamine is already being addressed to some extent—elimination has not been achieved but significant disruption has. But this is footloose. Things can move to a certain extent.

There is nothing to replace it. You are talking about 450,000 full-time equivalent jobs, $1.3 billion in net income to farmers and $61 million in wage labour for Helmand alone. It is not something that you can just replace. The programmes that we often get as an effort to replace, such as alternative development, are boundaried, small-scale projects that were done time and again in the past. They do not work in a country in that kind of economic crisis. That is not going to be the way forward. You need to move to something far more like a development plan, but with the

impasse between the Taliban and international donors, that is not happening soon.

Q29 **Royston Smith:** What might happen?

Dr David Mansfield: It is hard to predict. I think we will start to see some of the indicators play out over the summer. I think that if the Taliban move against the ephedrine meth trade again, that will send certain signals that they may—not necessarily will—come after the poppy crop again. Then we will see farmers start to react, hedge their bets and look at what will happen next year. As I say, in the south, it is easier to manage, apart from in some of the upper areas—maybe in Uruzgan or northern parts of Kandahar—but in the east and north-east, there will be serious concerns.

I think that some people would persist with their planting and accept the fact that, if it gets destroyed, it gets destroyed. But one of my concerns would be that, if I had a perception that a ban was going to be imposed again come November, I would be looking to send my sons elsewhere; I would already be looking at what my coping strategies would be. If we start to see indicators play out, people will start to take other actions. Farmers all talk in terms of, essentially, leave or resist. That is what you will get in the east and the north.

Q30 **Royston Smith:** I was wondering what "resist" might look like.

Dr David Mansfield: It depends on whether others come in. You have the ISKP in certain parts. You have the old remnants of the Government, the NRF and others. It depends on what kind of support they might get from others. But this is how the Taliban gained ground—it was part of the overall narrative of a Government that did not care and that came after people's livelihoods by destroying their crops. So for the Taliban to then go and do that—when they gained a foothold in these communities as a consequence of the action of the Afghan Republic in destroying the crops where there were no viable alternatives—is somewhat ironic. You assume that they have learned lessons, but so few of us do.

Q31 **Chair:** Can I just ask Dr Idler where central Asia comes in? I know that the Tajiks are particularly concerned about drugs coming in, but we also know that there are significant accusations about the Tajik President and his family being involved in drugs themselves. Where does this leave central Asia in terms of its role in drugs globally?

Dr Annette Idler: If I may, I will add a bit to the previous point. It is important to distinguish between what will happen to the revenue of actors such as the Taliban and what will happen to the population. In terms of revenue, we know from other regions of the world that there has been a lot of diversification. In addition to poppy growing or other types of natural resources, new synthetic drugs have become more important. That is what we have seen in Mexico, where poppy growing was reduced and new synthetic drugs have become more important. In Myanmar, meth has also become more important. This is how they can balance off their

revenues. For the population, it is very different. This is where we need to look at alternative livelihoods.

On central Asia, first of all, as I said before, we see collusion between corrupt state officials, if you like, and criminal actors. That has an effect in terms of violence. It means that in many parts there is less violence, because there are certain forms of collusion rather than outright competition.

Of course, there is also a concern now—so far, the end market has mainly been Russia, but we have already seen that other synthetic drugs, for example, have also gone through Ukraine and then into Europe. There is a concern that that might also be the case potentially with other flows, including of heroin. That is what I would say on the central Asia one.

Q32 **Chair:** David, you mentioned Serbia as the end destination. Why is it Serbia that this stuff is going to?

Dr David Mansfield: That is people, primarily. I am saying that in the conversations that are taking place with contacts, people are very conscious of the price it takes to get one of your sons to various countries. A piece of work that we have been doing for some years is around people smuggling and the routes taken. One of the interesting features of that work over the last two years is just how quickly people move through now. The old days of travelling to Iran, staying in Iran, staying with the Afghan diaspora, seeing if you can get a job and seeing what life is like—that has gone. The Afghan economy has crashed and there is the hostile environment and the potential that you are sent back to Afghanistan. So people have not been wanting to stay any period of time in Iran for a while.

The next stop is to move on and get into Turkey. Of course, Turkey is not a particularly pleasant environment for migrants at the moment. The election made it even more hostile. Again, the economy crashed. So you basically had this movement of people, and as opposed to taking time—maybe two or three years—to pass through those countries and then move on to Europe, you now have people in Turkey within three weeks. The trick then is to get from Turkey. Which route are you going to take? Are you going to go through Bulgaria, on to Belgrade—that is your key point—and travel onwards? Are you going to go through Greece? That is a very difficult route, with the Greek authorities, but it is quite cheap. Or are you going to go by boat across to Greece or to Italy? Italy is the preferred route, but very expensive.

Those routes are known within Afghanistan; people are quite familiar with them. They are familiar with the cost and the risks. Your ability to take a route is a function of your own physical resilience. People are being sold these routes and the old days of going to Pakistan are gone. That is an economy that has crashed and it is a fairly hostile environment for Afghans—similarly with Iran and similarly with Turkey. So one of the first routes is through to a place like Serbia, and as I say, $3,000 is "I can basically sell my car and get there."

Q33 **Drew Hendry:** I want to move on to the global illicit drug supply chain. Dr Idler, what does the threat landscape currently look like when it comes to the global illicit drug supply chain? I suppose I am talking with reference to China exporting fentanyl precursors to Mexico and then ultimately on to the US.

Dr Annette Idler: First of all, I would point out that it is not a single global supply chain. It is a network of supply chains and it is really important to understand that interconnectedness, for the reasons I outlined before, because they influence each other. Now, one of those flows is the one that goes from China. It starts in China and now goes via Mexico into the United States. For a long time, China has been producing fentanyl. In 2019, China placed the fentanyl-type drugs under a controlled regulatory regime, but since then, traffickers have trafficked the precursors into Mexico. There is a link between Mexican drug cartels and these actors on the Chinese side.

Q34 **Drew Hendry:** How serious is that organised crime link between the Chinese and the Mexicans?

Dr Annette Idler: There is clear evidence that there is a link whereby the Mexican cartels take the precursors, process them, press illegal fentanyl into counterfeit pills and then traffic them on to the US markets.

There is another link, reportedly, around money laundering: Chinese brokers are said to launder money for the Sinaloa cartel and the Cartel Jalisca Nueva Generación—they are the ones distributing the drugs in the United States. They launder the money mainly through value transfer: for example, they use wildlife products, real estate, cryptocurrency, casinos and bulk cash.

The real concern is that the Mexican cartels use that as another way to empower themselves. That is part of the global threat landscape, if you like. They have increased their presence along and across supply chains, not just for fentanyl but for the cocaine coming out of Colombia. They have moved down the supply chain. They have more presence in South America: they have been present there for a long time, since the ’90s, but their presence has increased so they have more leverage there. At the same time, their presence reaches up to the United States and across to China.

For the United States, it is a big concern: around 70,000 of the 100,000 overdose deaths per year are blamed on synthetic drugs like fentanyl. There is also a geopolitical dimension: the US blames China for not doing enough in terms of regulation. It is important to consider who is actually involved and how it works. According to reports, on the Chinese side it is mainly small and mid-level actors that are involved—the pharmaceutical companies, basically. China has the world’s largest pharmaceutical industry in terms of the export of basic chemical ingredients and precursors, and the second largest in terms of annual revenue—it is huge. China’s perspective is that it is already doing what can be done. It points to the fact that the problem lies in the United States because of the easy availability, so it goes both ways.

What does it mean for the UK? As I said, there is a risk that we might see a crisis here as well. Because of the different context, I don't think it will be on the scale that it is in the United States, but there is definitely a possibility that fentanyl will become a more serious issue in this country. Thinking about the global landscape, it is interrelated with how heroin supply continues; if supply goes down, that is quite likely to open up room for fentanyl. Cocaine is another important factor that we should not forget. There are more cocaine powder users in the UK than heroin users, for example.

The flows have shifted and changed. Whenever there have been stronger interdiction measures in one part of the world, flows have simply shifted, through the balloon effect, and different routes are used. One of the major routes now is from South America into Europe via west Africa. West Africa was traditionally only a transit zone, but it is becoming more of a market. That is connected with more violence, and with the fact that more organised criminal groups are involved there. The Mexican cartels are of particular concern, because they are involved in all those different types of flows right now.

Q35 **Royston Smith:** Beyond China and Mexico, which regions should the UK be worried about? You have mentioned Colombia, but where else should we be thinking about when it comes to the illicit drugs trade?

Dr Annette Idler: South America, as I said. Colombia is the main cocaine producer, and coca production has been on the rise: in the latest reports, the UN pointed to a 43% increase in coca cultivation, which has probably meant a 14% rise in the output of cocaine. That increase is happening at a time of instability and insecurity in the country: despite the peace agreement that the FARC and the Government signed in 2016, FARC dissidents are still operating, as are other armed groups like the ELN and criminal organisations. That insecurity, which could lead to major instability in the region, is of concern.

In Ecuador, a neighbouring country, partly due to the presence of Mexican cartels, insecurity has also increased. The other neighbour, Venezuela, is another major concern; we know that state officials there have been involved in drug trafficking. I remind you that Venezuela is still facing a major humanitarian crisis, with more than 6 million people having left the country. This is how the drug trade intersects there with human trafficking; it is mostly the same criminal organisations taking advantage of these routes to traffic drugs, people or other products. That region, in my view, is very important for the UK.

The other region is the Golden Triangle, and particularly Myanmar, which is the second largest producer of poppy. Methamphetamine is also a huge concern in the region. Right now, with the military regime, it is very difficult to get precise figures on what is happening, but it is being used by several actors locally to strengthen themselves. Especially across the border, in Shan state, the border with Thailand. This is where most of the methamphetamine is being produced—again, that intersects with human

trafficking and organ trafficking—and also further north across the border with China. That is definitely another region that it is important to look at.

Finally, I would point to the Middle East, especially northern Iraq, on the border with Syria. We heard in the previous session about the concerns with captagon trade. In that region, you have several different types of flows intersecting. The captagon trade is one of them; oil smuggling is another, and human trafficking is another. Weapon smuggling from Iraq into Iran, and ultimately forward to Russia, has been another concern.

We need to understand where the crucial trafficking nodes are—where many of those different types of flows intersect—and they are exactly those regions. They are where you do not have just one particular flow, but both human trafficking and drug trafficking. If we think about the global map, it is always in certain hubs of instability, or in unstable regions that pose several challenges to the United Kingdom, first of all because of the drugs that reach the market here, but also because of the threats of violence and terrorist threats that come out of those regions.

Q36 **Royston Smith:** How much of the production in these places is for their own internal market, and how much is for export? For example, if a country was not particularly friendly to us, and it intercepted drugs that were being transported through it but were not for its internal market, what interest does it have in preventing those drugs from going on their way? In some of these countries that are producing, a lot of it is for export; Afghanistan is an example. What interest do those countries have in preventing use of some of the routes?

Dr Annette Idler: There are different considerations. First of all, most or many of the transit countries or regions become markets over time. That is what we have seen in West Africa. In order for the drug shipments to go through those regions, often you need corrupt officials who charge bribes. You then have local organisations that facilitate that. You have smaller gangs that work for the more powerful ones, but over time, what we have seen in those regions is that they have taken over part of the business. It was the same in Venezuela. It used to be the Colombian criminal organisations that were mainly in charge, and that has been taken over by some of the Venezuelan groups and also the Mexican cartels that have become more powerful.

As for what is in it for them, we need to think about the global picture. First of all, the demand side is very important, as well as supply and how we can stop poppy cultivation and coca cultivation. Ultimately, the demand and the market are mainly in the United States and western Europe, so there is also a question around what more can be done to approach that from a public health perspective, and what can be done in terms of harm reduction, because that ultimately has an effect on the other countries.

In the transit or production countries, the issue is much more the violence involved, of course, including along the transit route. Mexico is a prime example. For them, being able to stop this will mean that they have less violence in their country. However, that will work only if we work on this

together and think about both demand and supply, and the transit countries.

Q37 **Drew Hendry:** I would like to ask you both: how influential has China been in international counter-narcotics initiative work? How have they been performing?

Dr David Mansfield: I have limited sight on that. We certainly do not see much of their engagement in the context of Afghanistan and south Asia. I mean, there is the usual sort of bilateral noise. They are clearly an actor on Afghanistan. They make some noises about production having to cease, and they welcome the efforts by the Taliban to ban things, but when it comes to implementation or actually doing projects or supporting development, we do not see much at all.

Dr Annette Idler: China is very concerned with presenting themselves in a way that suggests that they are serious about this, and that it is important to be part of these initiatives, but western countries would say that they have been very selective in the operational part of the law enforcement. As I said, in 2019, for example, they had the new regime to put fentanyl under control, but the selectiveness means that they are often seen as a country that would act only when the problem concerns consumption in their own market, or when it affects themselves, and not so much when it affects other parts of the world. For example, with regard to the link between Chinese actors and Mexican criminal organisations, there has hardly been any collaboration—it has been minimal—to try to stop that link. Another example would be Australia, which has received lots of methamphetamine from that region. Again, there was an initiative in the past, but the outcome has not been very crucial, so I would echo that sentiment.

Q38 **Drew Hendry:** It sounds very much as though they are doing very little. What is the geopolitical impact of that?

Dr Annette Idler: China is seen to subordinate their counter-narcotics strategy to their geopolitical considerations. Right now, especially with the tensions between the United States and China, China would not want to collaborate on counter-narcotics. In fact, in August 2022, they announced officially that they would suspend collaboration with the United States on counter-narcotics. While western countries will say, "We need to think about counter-narcotics as something that works in global co-operation," China would subordinate that. They would say, "Well, geopolitical considerations are more important." They can use that almost as a bargaining chip, because it is a way to put pressure on the United States, particularly given the crisis with fentanyl, in order to get concessions in other areas.

Dr David Mansfield: Having been around drug control policy environments, and having been a regular attendee at the Commission on Narcotic Drugs, I question whether anyone prioritises the drugs issue. I mean, it is just the flotsam and jetsam of other policies. If you look at how we looked at programmes in Afghanistan, drugs were never a priority,

despite the fact that we said they were. Actually, security, governance and development were the thrust of our efforts; that is the sutra of the United States. Counter-narcotics is something that no one really wants to hold. When we do hold it, a single institution runs with it and says, "We're doing counter-narcotics," but what does counter-narcotics mean if delivering a permanent reduction in poppy cultivation takes the delivery of improved governance, development, economic growth and security, yet those three other sectors are controlled by the Ministry of Defence, the Foreign Office, and in the old days, DFID? Drugs sits over here. I think that we have to reimagine what counter-narcotics—

Q39 **Drew Hendry:** Is it just considered too difficult?

Dr David Mansfield: It is often background noise, and we have not really conceptualised it as part of an integrated whole. We have plans to deal with counter-narcotics, yet we have an economic plan over here into which counter-narcotics is not integrated. We have a security plan, or a military plan, but they say, "We don't do drugs; that's not our responsibility." The way we conceptualise counter-narcotics as a separate set of activities, when actually it is an outcome of processes, is one of the fundamental problems. We are constantly compartmentalising it.

Dr Annette Idler: I would add two points. The first is the lack of consensus on how we should deal with that. We published a book, "Transforming the War on Drugs". One of the major points is that, yes, there have been efforts to reform global drug policies, and there have been efforts by certain countries, but it is really difficult to get the international community on the same page when it comes to how we should deal with that. Should we, for example, put more emphasis on coercive approaches—the interdiction and seizures—or should we also emphasise the more transformative approaches, which are investing in development and capacity building? Ultimately, you need a combination of both. It is a portfolio, but it is not necessarily what different countries with different cultural backgrounds would want. This is one part—the lack of consensus—that is important. There is a push to move forward in that sense.

There is also a lack of awareness or understanding of how the illicit supply chains that we have discussed intersect with security, not just in the production countries—Afghanistan, Colombia or Myanmar—but ultimately globally, because money laundering happens in other parts of the world, and the transit countries are in other parts of the world. A counter-narcotics strategy tackling drug supply chains will not only help the countries affected by production, but ultimately have a benefit across production, transit and market countries.

Because we see the development of new synthetic drugs, these distinctions will also become more blurred every time. You do not need to have what a colleague of mine called the "narco-geography". You no longer have regions that only produce and regions that only consume. It is becoming more and more blurred across those different markets.

Q40 **Drew Hendry:** It sounds very much as though you are saying that unless you have that strategic inter-departmental approach to dealing with this, counter-narcotics is largely a waste of resources and money in its current form. Is that fair or unfair?

Dr David Mansfield: It is the issue that no one wants to talk about. It is the issue that we park over there. Having been involved in this, certainly in Afghanistan, it is almost like being in a western. The saloon door opens and you walk through. "That's the guy who does counter-narcotics." No one is talking any longer; the piano stops. It has always been this unwanted child, because other institutions with much larger finances, greater funding and greater logistical support, like the military, would say, "Yeah, we don't do that. That's not our job. It's that small department over there that does that."

That continues even with the UN system. You have a UNODC that is not integrated more widely. Take the engagement with the World Bank. If you are going to fundamentally address issues within Afghanistan, Colombia, and so on, the World Bank will say, "We don't do drugs." Well, hang on—you're doing a project in this part of Colombia, and you're supporting these efforts in Afghanistan and elsewhere, and drugs are grown and consumed there, but you don't do drugs.

There is this sense that it is something that no one really wants to pick up or touch, and that is why we keep banging our head. The issue is not just how we understand the process of change, how you transform this, and how you address the most deleterious outcomes, because you are only ever going to manage drugs; you are never going to eliminate them. It is not just a consequence of the fact that we do not understand the process of how to deliver; it is the fact that we do not have common ownership, sometimes even within our own Government.

Dr Annette Idler: Maybe we should rephrase the question: it is not about whether counter-narcotics efforts have been pointless, but what outcome we want to achieve. It is not just direct counter-narcotics operations that are important; there are other ways in which we can address this, because these flows are interconnected. Think about money laundering. One initiative that comes to mind: the UK and the UNODC signed funding agreements to strengthen anti-corruption activities. That might not be seen immediately as a counter-narcotics initiative, but of course it is connected, if we think about how those different types of illicit flows are connected. Corruption plays a huge role along and across supply chains. That is one part. The other part is to think more in terms of a whole-of-Government approach. I definitely agree that it has been mainstreamed within Governments and organisations such as the United Nations.

Chair: I will have to wrap it up there, but thank you both ever so much for taking the time to come in. It has been very helpful to have this discussion, and hopefully—though unfortunately—we will have more discussions about this to come.