

Speech

Speaker	Alexis Goosdeel, EMCDDA Director
Title of speech	Presentation of the 2016 European Drug Markets Report
Occasion	UNGASS Side Event organised by Spain and COPOLAD on 'Tackling new challenges of drugs policy: contribution of the COPOLAD programme'
Date	18.04.2016

Dear Chair,

Ladies and Gentlemen,

It is a great pleasure to present to you today the second *EU Drug Markets Report* that was launched two weeks ago in Brussels with Commissioner Avramopoulos and with the Director of Europol.

This report is built on a synthesis of operational intelligence and expertise provided by Europol, together with research data, statistics and information available from the ongoing monitoring of the drugs situation by the EMCDDA and its network of National Focal Points. This is what makes this report unique, as it provides a strategic analysis that is only possible by integrating data, intelligence, contextual information and analysis that come from two different worlds: demand and supply reduction.

What has changed since the publication of the first EU Drug Markets Report? What is new?

What is the new knowledge that, working together with Europol, we are presenting to you today?

First of all, we have for the first time produced an estimate of the size of the illicit drug market in

the EU: this is worth at least EUR 24 billion per annum (range: EUR 21 to 31 billion).

The market share for each of the main drugs being used in Europe is as follows: 38 % for cannabis (EUR 9.3 billion), 28 % for heroin (EUR 6.8 billion), 24 % for cocaine (EUR 5.7 billion), 8 % for amphetamine and methamphetamine (EUR 1.8 billion) and 3 % (EUR 0.7 billion) for ecstasy/MDMA, respectively.

For new psychoactive substances, or NPS, which includes a large number of substances that are sold openly as 'legal' replacements for illicit drugs, we do not yet have an estimate. But what is sure is that the number, type and availability of these substances are showing no signs of slowing down; 100 new substances were reported to us for the first time in 2015 and the EU Early Warning System, coordinated by the EMCDDA, currently monitors more than 560 substances, of which 78 % have appeared over the last five years.

Another change since our first drug market report is that more than 50 % of the cannabis that is consumed in Europe is now also produced in Europe, under the form of herbal cannabis. In reaction to this substantial change in the European market, cannabis resin producers in Morocco are adapting their production so as to propose more potent hashish to their clients.

For each of these substances or groups of substances, the report gives a comprehensive analysis of the situation and proposes points for action.

The report also describes four main ways in which drug markets impact on society, through:

1. their links with other types of criminal activity and terrorism;
2. their impact on legal businesses and the wider economy;
3. the strain on and corruption of government institutions they create;
4. and the negative effects they have on society more broadly (e.g. drug-related crime and violence, environmental damage and harms to users, to families and communities).

We go on to analyse the main drivers of drug market change, showing how the developments associated with globalisation are key drivers for change and innovation in drug markets.

It is important to highlight **the influential role the internet plays in the drugs business**, providing both sales outlets and opportunities to shorten the supply chain, while reducing opportunities for law-enforcement interventions.

The EU drug market is driven by two simple motives: profit and power.

Understanding this, and the wider impact drug markets have on society, is critical if we are to reduce drug-related harm. This knowledge is essential for the development of new strategies for tackling crime and safeguarding the health, security and prosperity of our citizens.

Lastly, but of considerable importance, is the recognition that the drug market concept is one where the supply of drugs interacts with the demand for these substances. In order to adequately address the negative consequences of the drug market, both for individuals and for society as a whole, effective drug prevention, treatment and harm reduction interventions are as important as interventions aimed at reducing supply.

Dear Chair, ladies and gentlemen, dear colleagues,

Since we last published this report just three years ago, we have witnessed an acceleration in the rate at which the drug market is changing, associating shifting patterns of drug use, cultural and social changes, wider criminal activities, and increased complexity in the activities of Organised Crime Groups in Europe.

New aggressive marketing strategies and the use of the internet for increased production and reaching/creating new consumer markets have also played a significant role.

Today, we are facing competing priorities: a long-term economic crisis that has had a strong impact on national budgets and policies, terrorism in the heart of Europe, Member States coping with mass migration; increasing instability and conflict in zones near the EU (Ukraine, Syria, but also the Southern Caucasus and the sub-Saharan region).

These factors create a perfect storm that threatens to undermine the successful drug policies in

place in Europe and that is why this report is an important and timely reminder that we cannot, we will not lose focus of the drugs situation.

This is why the EMCDDA will continue to work with its partners to provide better strategic analysis and added value to our stakeholders.

Thank you very much for your attention.