



EU Drug Markets Report

Illicit drugs are big business. They are one of the main profit-generating activities of organised crime and are estimated to represent around one-fifth of global crime proceeds. Every year, Europeans spend at least EUR 24 billion on illicit drugs. The negative impacts of illicit drug markets are multifaceted and far-reaching, which is why they remain a key threat to the security of the European Union and the safety of its citizens.

The latest *EU Drug Markets Report*, from the EMCDDA and Europol, provides a state-of-the-art analysis of the illicit drug market, covering trends along the supply chain from production and trafficking to marketing, distribution and consumption. It also analyses the considerable costs of these markets for society, including their impact on: legal businesses and the wider economy; development and governance; neighbourhoods, families and individuals; and the environment. Links to other types of criminality, including terrorism, are also examined.

The report combines the EMCDDA's drug monitoring and analytical capacity with Europol's operational intelligence on trends in organised crime. It describes a market which is constantly evolving, adaptable and opportunistic and one which poses a key challenge for policymakers, law-enforcement agencies and public health.

Part I of the report explores the ramifications of the illicit drug market, including: its impact on the legal economy;

links to wider criminal activity; the strain on government institutions and the impact on society more generally. The drivers of change are also examined, providing a unique strategic and action-oriented analysis to inform policy development at EU and national level. The report describes how the rate of change in the market is accelerating, driven by globalisation and technology. It shows how recent developments in internet markets, including the dark net, anonymising software and crypto-currencies, also offer new opportunities for online drug supply.

Part II features chapters which focus on individual markets for: cannabis; heroin and other opioids; cocaine; amphetamine, methamphetamine and MDMA; and new psychoactive substances. Part III completes the picture offering an overview of the main structures, policies and strategies in the EU for addressing drug supply reduction, highlighting some of the operational actions undertaken by the EU, its Member States and international partners.

The main report (*In-depth Analysis*) is accompanied by a summary (*Strategic Overview*), offering easy access to key findings, and by additional supporting material.

Available free of charge in a variety of formats.

In-depth Analysis (188 pages, English)

www.emcdda.europa.eu/publications/eu-drug-markets/2016/in-depth-analysis

Strategic Overview (Spanish, German, English, French, Portuguese)

www.emcdda.europa.eu/publications/eu-drug-markets/2016/strategic-overview

The diagram illustrates the structure of the EU Drug Markets Report 2016. It is divided into three main sections: **In-depth Analysis**, **Strategic Overview**, and **Background Reports**. The **In-depth Analysis** is available in English (all formats). The **Strategic Overview** is available in Spanish, German, English, French, and Portuguese (print, ePub, PDF). The **Background Reports** are available in English (PDF). The report is available in print, PDF, HTML, and ePub formats. It is accompanied by motion graphics and infographics. The URL emcdda.europa.eu/start/2016/drug-markets is provided at the bottom.

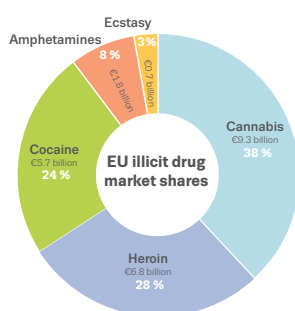


Organised crime groups (OCGs) involved in the drug market are diversifying across multiple drugs and engaging in other forms of criminality, forging alliances across ethnic and geographical borders and harnessing specialist expertise. Drug production and trafficking activities are concentrated in specific geographical locations, within Europe and elsewhere. Some routes are long established, while new zones are also emerging. Below are some of the key findings from the report.

Cannabis

Cannabis accounts for an estimated 38 % of the retail market for illicit drugs — worth over EUR 9.3 billion annually. The benign public image of the cannabis market sits in sharp contrast to modern reality, where the industry is linked to organised crime and where products are more potent than in the past. OCGs are heavily involved in this market, making full use of technological innovations to produce large quantities of more potent and profitable products inside Europe itself. Intense competition in the market can lead to extreme violence between these groups.

Estimated minimum retail value of the illicit market for the main drugs in the EU



Heroin and other opioids

Estimated to be worth around EUR 6.8 billion per annum, heroin accounts for some 28 % of the illicit retail drug market and for most drug-related harms. The report demonstrates how heroin trafficking routes, production techniques and locations are increasingly flexible and dynamic. After a period of decline, there are signs of increased availability, suggesting the potential for new outbreaks of use.

Cocaine

The retail market for cocaine — Europe’s most commonly used illicit stimulant — is estimated to be worth at least EUR 5.7 billion per year (24 % of the market). Coca cultivation appears to be on the rise, after a period of decline. Both sea and air transport are used to traffic cocaine into Europe. Legitimate transport and logistical infrastructures, including major European ports, continue to be exploited by drug traffickers.

Synthetic drugs

The market for amphetamines (amphetamine and methamphetamine) is estimated to be worth at least EUR 1.8 billion annually and for MDMA (ecstasy) some EUR 0.7 billion. These synthetic drugs appeal to both recreational and marginalised drug users and the market for them interacts with those for cocaine and some new psychoactive substances. Production is becoming increasingly sophisticated and diversification in production methods may increase health risks for consumers.

New psychoactive substances

The report explores the emergence of new psychoactive substances (NPS) and describes how producers anticipate legal and regulatory controls by rapidly developing replacements. The EU Early Warning System now monitors over 560 substances. Globalised supply chains allow bulk quantities of NPS to be ordered online and transported to Europe where they are packaged and marketed on open, or illicit, drug markets. This low-risk, high-profit business attracts the involvement of organised crime and there are initial signs of NPS production inside the EU.

Tackling the illicit drug market

The report looks at the main EU policies and strategies addressing drug supply reduction and highlights how coordinated action at EU level can make a difference in tackling the illicit drug trade. It outlines a comprehensive range of recommendations and action points in key areas to inform future policies and initiatives and explores the work of the EU institutions in this area.

The ramifications of the illicit drug market are wide-ranging and go beyond the harms caused by drug use