



Federal Ministry  
for Economic Cooperation  
and Development

# ALTERNATIVE DEVELOPMENT

Sustainable change through  
development-oriented drug policy

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# 1. Context

## 1.1. Increasing drug crop cultivation as a global challenge

The illegal cultivation of the drug crops coca and opium poppy has increased sharply over the past ten years. In 2019, coca cultivation reached an all-time high of 244,200 hectares. Furthermore, the production of the coca and opium-poppy based drugs cocaine and heroin is continuously at a high level. It is estimated that 1,723 tonnes of cocaine were produced across the globe in 2018, and 472–722 tonnes of heroin in 2019.<sup>1</sup> In the European Union (EU)<sup>2</sup> and also in Germany,<sup>3</sup> more cocaine was seized than ever before. In 2018, an estimated 269 million people consumed illegal drugs, of whom 30 million people used opiates and 19 million cocaine.

The main cultivation areas of opium poppy are predominantly located in remote rural areas of Afghanistan, Myanmar, Mexico and Laos. There are also smaller areas in Colombia and Guatemala. Coca cultivation is concentrated in the Andean countries of Bolivia, Colombia and Peru.

Illicit drug crop cultivation, drug trade and consumption are global phenomena. However, the harmful consequences of the drug economy hit the countries of the Global South particularly hard and have a deep impact on the social structures. According to data from 2017-2018, between 605,000 and 970,000 households worldwide illegally cultivate coca bush and opium poppy.<sup>4</sup> In some regions of West Africa, South-East Asia and Latin America, entire political systems are influenced by drug cartels and thus limited in its ability to act.

### Main cultivation countries of coca and opium poppy



<sup>1</sup> United Nations Office on Drugs and Crime (2020): World Drug Report 2020, <https://wdr.unodc.org/wdr2020/>

<sup>2</sup> EMCDDA (2019): European Drug Report, p. 14, [https://www.emcdda.europa.eu/system/files/publications/11364/20191724\\_TDAT19001ENN\\_PDF.pdf](https://www.emcdda.europa.eu/system/files/publications/11364/20191724_TDAT19001ENN_PDF.pdf)

<sup>3</sup> German Federal Criminal Police Office – BKA (2019): Rauschgiftkriminalität. Bundeslagebild 2018 ('Drug crime. Federal situation report 2018'), p. 20, [https://www.bka.de/DE/AktuelleInformationen/StatistikenLagebilder/Lagebilder/Rauschgiftkriminalitaet/rauschgiftkriminalitaet\\_node.html](https://www.bka.de/DE/AktuelleInformationen/StatistikenLagebilder/Lagebilder/Rauschgiftkriminalitaet/rauschgiftkriminalitaet_node.html)

<sup>4</sup> United Nations Office on Drugs and Crime (2020): World Drug Report 2020, <https://wdr.unodc.org/wdr2020/>



While drug crops are grown in Asia and South America, the trafficking routes of cocaine and heroin are increasingly passing through African countries too. Transnational drug trafficking networks use these routes in an attempt to avoid international drug control measures on the direct transit routes between drug producing countries and target markets.

Cannabis is the most commonly produced and consumed drug worldwide, with 192 million users – 3.9% of the world population – in 2018. In contrast to coca and opium poppy, cannabis is grown illegally not only in developing but also in many industrialised countries. Morocco and Albania are regarded as the main countries of origin of illegal cannabis sold in the EU.

## 1.2. A lack of prospects provides a conducive environment for drug crop cultivation

Drug economies flourish in places where the framework conditions permit them to do so. Coca and opium poppy cultivation regions have many similarities that make them particularly vulnerable to the emergence of illegal economies. Organised crime, violence and corruption are closely connected to the expansion of drug economies. Often there is little or no state presence, and criminal groups and conflict actors can exploit these gaps for their own ends.

**The usually remote drug crop cultivation regions are characterised by:**

- ➔ **poverty**
- ➔ **a lack of income opportunities**
- ➔ **poor infrastructure**
- ➔ **insecure land rights**
- ➔ **a lack of access to legal markets**
- ➔ **insufficient access to basic services such as health and education.**

Smallholder farmers in these regions often belong to the poorest part of the rural population.<sup>5</sup> Due to a lack of alternatives and markets for legal products, cultivating drug crops is often their only source of income. However, the huge profit margins in the illegal value chain of the drug trade are found at the end of the supply chain, and not in the regions of origin. In addition, due to the illegal nature of drug economies, environmental, labour and social standards do not apply; there is no insurance against crop failure or other loss of income, and there are greater risks of exploitative working conditions, including child labour. Moreover, economic crises further exacerbate the precarious living conditions in the drug crop cultivation regions. A number of governments respond to illegal cultivation by eradicating the drug crops. This can reduce the supply in the short term, but – in the absence of other sources of income – it exacerbates poverty, food and livelihood insecurity among smallholder families, undermines trust in state structures and thus paves the way for new criminal activity.

<sup>5</sup> Garzón, Juan Carlos; Gélvez, Juan David (2018) ¿Quiénes son las familias que viven en las zonas con cultivos de coca? Caracterización de las familias beneficiarias del Programa Nacional Integral de Sustitución de Cultivos Ilícitos (PNIS), Fundación Ideas Para la Paz, Bogotá, [https://www.unodc.org/documents/colombia/2018/Agosto/Quienes\\_son\\_las\\_familias\\_que\\_viven\\_en\\_las\\_zonas\\_con\\_cultivos\\_de\\_coca\\_N.1.pdf](https://www.unodc.org/documents/colombia/2018/Agosto/Quienes_son_las_familias_que_viven_en_las_zonas_con_cultivos_de_coca_N.1.pdf)

### 1.3. Changing international contexts

The lack of success and the high financial and social costs of the ‘war on drugs’ are causing many countries to rethink their policies. A growing number of governments are seeking for other solutions, such as Alternative Development. The EU defines Alternative Development as a holistic strategy that addresses the main causes of the illicit cultivation of drug crops and combines various development-oriented measures. Respect for human rights and gender equality are important principles that guide Alternative Development.<sup>6</sup>

At the United Nations General Assembly Special Session on the World Drug Problem (UNGASS) in 2016, the outcome document placed Alternative Development high on the international agenda by devoting a separate chapter to the topic. Due to its progressive sections on human rights and devel-

opment approaches and a new, broader understanding of Alternative Development, the document is regarded as a milestone in international drug policy. Through the alternative development approach, development-oriented measures addressing other illicit drug-related activities in urban and rural areas, such as the production, processing and trafficking of illicit drugs, shall now be promoted. Despite its importance in the international debate, little funding is being allocated to the implementation of Alternative Development. In 2017, the total global value of the measures amounted to approximately 275 million US dollars,<sup>7</sup> which represents 0.1% of the global funding for development cooperation.<sup>8</sup> In contrast, the revenues of international drug trafficking networks are estimated to amount to between 426 and 652 billion dollars.<sup>9</sup>

<sup>6</sup> EU Council Conclusions on Alternative Development 2018, 14338/18; CORDROGUE 101, <https://data.consilium.europa.eu/doc/document/ST-14338-2018-INIT/en/pdf>

<sup>7</sup> United Nations Office on Drugs and Crime (2019): Global Overview of Alternative Development (2013–2017), Research Brief, [https://www.unodc.org/documents/crop-monitoring/Research\\_brief\\_Overview\\_of\\_AD.pdf](https://www.unodc.org/documents/crop-monitoring/Research_brief_Overview_of_AD.pdf)

<sup>8</sup> United Nations Office on Drugs and Crime (2015): World Drug Report 2015, p. 84, [https://www.unodc.org/documents/wdr2015/World\\_Drug\\_Report\\_2015.pdf](https://www.unodc.org/documents/wdr2015/World_Drug_Report_2015.pdf)

<sup>9</sup> May, Channing (2017) Transnational Crime and the Developing World, Global Financial Integrity, [https://secureservercdn.net/45.40.149.159/34n.8bd.myftpupload.com/wp-content/uploads/2017/03/Transnational\\_Crime-final.pdf#page=13](https://secureservercdn.net/45.40.149.159/34n.8bd.myftpupload.com/wp-content/uploads/2017/03/Transnational_Crime-final.pdf#page=13)

## 2. Our approach

### 2.1. Principles of Alternative Development

Germany promotes a balanced drug policy. In addition to health and social policy aspects as well as criminal prosecution, development approaches are part of an international drug and addiction policy that focuses on the individual. Our work is based on the United Nations principle of common and shared responsibility. This principle is of particular importance for countries where drugs such as cocaine and opiates are consumed. The EU's principle of a multi-disciplinary, integrated and balanced approach is central to Germany's drug policy.

#### **Alternative Development must comply with human rights**

States are obliged to respect and protect human rights also when dealing with illicit drug crop cultivation. Nevertheless, these rights are repeatedly violated by law enforcement measures in the fight against the illegal cultivation of drug crops. If the state destroys cultivation areas, hence depriving families of their livelihoods in the absence of alternative sources of income, the people affected fall into poverty. If chemicals are used to eradicate the plants, it is harmful for the people and the environment. As a result, the

smallholder families are being denied basic rights, such as the right to food, clean water and health. The protection of human rights and support for partner countries in fulfilling their human rights obligations are thus a key condition of German development policy and a basic principle of development-oriented drug policy.

#### **Alternative development thus contributes directly to the Sustainable Development Goals**





**Effective Alternative Development promotes gender equality. Projects improve women's access to resources such as income or land and empowers them in decision-making processes.**

### **Women's rights are of key importance in Alternative Development**

Women in drug crop cultivation regions are often confronted with adverse living conditions. In smallholder communities, they often do not have equal access to resources. Violence against women is widespread in many coca and opium poppy cultivation areas. Structural barriers and discriminatory social norms prevent them from participating in economic and political decision-making processes. At the same time, however, they bear the main responsibility for food security in their families. These inequalities therefore need to be made visible, and Alternative Development measures must be implemented in a gender-sensitive manner. Gender equality (SDG 5) is a key factor for sustainable change and hence one of the principles underlying the German approach of Alternative Development.<sup>10</sup>

### **Alternative Development promotes the sustainable use of natural resources**

Illicit drug crop cultivation often has a negative impact on the environment with deforestation being one of the most pressing environmental problems.<sup>11</sup> Monoculture and the excessive use of fertilisers and chemicals contaminate the soil. In provisional laboratories, cement, petrol and other chemicals are added to the coca leaves to produce coca paste. When the paste is produced and subsequently turned into cocaine, harmful chemicals are released into the soil and rivers. The combination of forest protection measures and Alternative Development can break the cycle of these dynamics. In the transition from illegal to legal livelihoods, sustainable strategies to protect the environment need to be taken into account.



**Alternative Development encourages sustainable agricultural and agroforestry systems, which helps to reduce CO<sub>2</sub> emissions and preserve biodiversity.**

<sup>10</sup> For more information about the role of women in drug producing areas, see GIZ 2019: Empowering female farmers in drug crop cultivation areas, <https://mia.giz.de/qmlink/ID=246270000>; and UNODC 2018: World Drug Report, Booklet 5: [https://www.unodc.org/wdr2018/prelaunch/WDR18\\_Booklet\\_5\\_WOMEN.pdf](https://www.unodc.org/wdr2018/prelaunch/WDR18_Booklet_5_WOMEN.pdf)

<sup>11</sup> United Nations Office on Drugs and Crime (2016): World Drug Report 2016, pp. 86–94, [https://www.unodc.org/doc/wdr2016/WORLD\\_DRUG\\_REPORT\\_2016\\_web.pdf](https://www.unodc.org/doc/wdr2016/WORLD_DRUG_REPORT_2016_web.pdf)

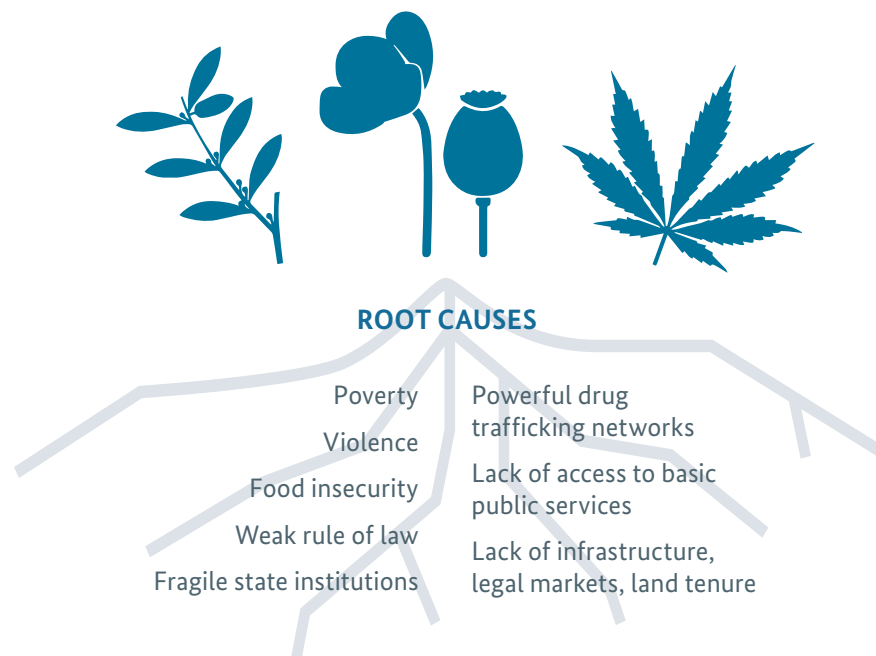
## 2.2. Alternative Development promotes sustainable change

The aim of the German approach to Alternative Development is to reduce the dependency of smallholder families on drug crop cultivation in the long term, to offer alternative options of income and hence to improve their living conditions. As part of integral rural development, legal economic prospects are created, thus improving income-generating opportunities. Smallholder farmers are supported in cultivating and marketing sustainable, locally adapted crops such as coffee and cocoa. Alternatives to drug crop cultivation may also be found outside the agricul-

tural sector, for example in eco-tourism. German development cooperation follows the basic principle of addressing the root causes, not merely the symptoms of drug economies. This holistic approach combines measures of:

- rural development
- alleviation of poverty
- promoting access to land and land rights
- environment and climate protection
- strengthening the rule of law, security and good governance

**Alternative Development addresses the root causes of illicit drug crop cultivation, rather than just fighting the symptoms.**





## Sustainable change



**Providing** training in good agricultural practices



**Advising** on establishment of co-operatives



**Creating** infrastructure to access markets



**Promoting** profitable value chains



**Helping** farmers acquire land titles



**Promoting** education and healthcare



**Strengthening** the role of women



In this context, the focus is on promoting profitable value chains to generate income for small-holder families. Incorporating the private sector can enhance the competitiveness and quality of products as well as improve the long-term chances of success. In addition, food security, the promotion of education, health care and infrastructure measures are important success factors along with the creation of local administrative structures. In over four decades, Alternative Development measures have been implemented

in Asia, Latin America and South East Europe with a broad network of partners. These include the United Nations Office on Drugs and Crime (UNODC), the Thai Mae Fah Luang Foundation under Royal Patronage (MFLF) and numerous non-governmental organisations, such as the International Drug Policy Consortium (IDPC), the Transnational Institute (TNI) and the Global Initiative Against Transnational Organized Crime (GI-TOC).

## Guidelines on Alternative Development

Experience from drug crop cultivation regions shows that Alternative Development measures are only successful if the achievement of the goals does not solely depend on a reduction in the drugs supply. A reduction in the cultivation regions occurs as a result of a development process and is not a condition for implementing measures (*non-conditionality*). Legal alternatives should be established before drug crops are destroyed to ensure that the livelihoods of smallholder farmers are not endangered (*proper sequencing*). Those affected are not compelled to take part in measures if that would expose them to higher risks (*do no harm*). In Peru, for example, vegetable gardens were created to provide food security for the smallholder farmers until agroforestry systems could be set up for bananas, cocoa and coffee. As part of the income diversification strategy, the measures also

promoted livestock and, in some cases, small fish farms. As a result, livelihoods were sustainably secured for the smallholder farmers during the transition from coca to legal alternatives.<sup>12</sup>



**Alternative Development helps to integrate marginalised small-scale farmers in the legal economy, overcoming inequalities within society and between regions. It supports the provision of infrastructure, as well as access to public services and legal markets.**

<sup>12</sup> UNODC project PERU87, Sustainable agricultural development to reduce poverty through an environmentally sustainable and women empowering approach in Peru and Bolivia, funded by BMZ from 2011 to 2016.

### 3. Our achievements

#### → Alternative Development is becoming increasingly important in international and European drug policy

Germany has been actively shaping global drug policy at the level of the United Nations (UN) and the EU for years. The main bodies include the UN Commission on Narcotic Drugs (CND) and the EU Horizontal Working Party on Drugs (HDG).

✓ At the United Nations General Assembly Special Session on the World Drug Problem (UNGASS) in 2016, Germany negotiated a separate chapter on Alternative Development and socio-economic aspects of drug policy in the outcome document on behalf of the EU for the first time. Together with Thailand and Peru, four resolutions on development-oriented drug policy have been successfully submitted and adopted by the CND since then.

✓ BMZ played a crucial role in the formulation of the chapter on international cooperation in the EU Drug Strategy 2013–2020 and the EU Drug Action Plans (2013–2016, 2017–2020), in which

Alternative Development has become an important pillar of a balanced EU drug policy. Germany played a major role in the Council Conclusions on Alternative Development adopted in December 2018, which highlight the European approach to a development-oriented drug policy.

✓ In 2019, BMZ was involved in drawing up international guidelines on human rights in drug policy.<sup>13</sup> They provide a guideline for governments that want to gear their drug policy more strongly towards the rights of all affected individuals as well as to development and health.

#### → More and more countries see Alternative Development as an element of their national drug policies

✓ Through cooperation within the Global Partnership on Drug Policies and Development (GPDPD), we accompany drug producing countries that have pursued rather restrictive drug policies in the past on their way to adopt development policy and human rights approaches and even to become active supporters of progressive drug policies at international level. Thus, we have assisted Colombia in incorporating environmental measures into its policy on coca cultivation, which now integrates the protection and sustainable use of forest ecosystems too. Myanmar has included development approaches in its national drug strategy, and Thailand has adopted the principle of harm reduction in dealing with drug use at national level.



<sup>13</sup> The guidelines were developed by the International Centre on Human Rights and Drug Policy at the University of Essex and the United Nations Development Programme (UNDP): <https://www.humanrights-drugpolicy.org>



✓ Since 2011, BMZ has been supporting COPO-LAD, a Cooperation Programme between Latin America, the Caribbean and the European Union on Drugs Policies, by providing expertise on the implementation of the Alternative Development component.<sup>14</sup> As a result, Guatemala, Paraguay and Mexico have set up their own national bodies for Alternative Development. Guatemala, Jamaica, Paraguay, Mexico, and Trinidad and Tobago have implemented Alternative Development measures for the first time.

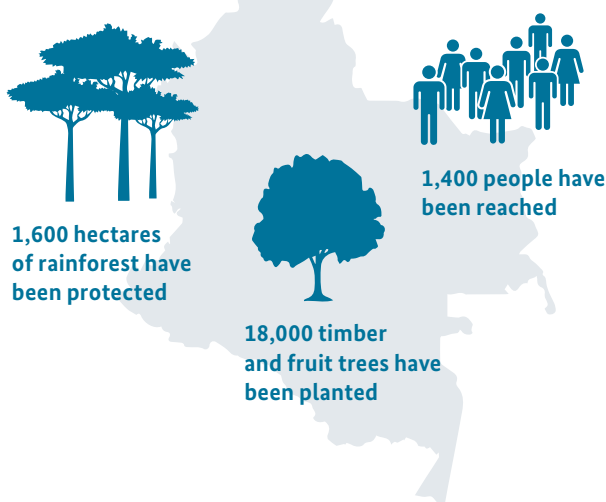
## → Using Alternative Development to generate legal income

The profit margins for smallholder households at the beginning of the value chain are extremely small. Only 1.5% of the profits from the global cocaine economy are accounted for by smallholder households that grow coca plants. The huge profits of the global drug economy emerge only at the end of the chain – in the countries of transit and destination. Thus, Colombian smallholders receive less for coca leaves (EUR 1 per kg) than for alternative legal agricultural products such as coffee (EUR 2 per kg).

### Myanmar: From cooperative coffee growing to Fairtrade certification



### Alternative Development in Colombia



✓ In Colombia, Alternative Development measures in the coca cultivation regions of Putumayo, Caquetá, Guaviare and Meta, have protected 1,600 hectares of forest and planted more than 18,000 native timber and fruit trees, thereby providing additional sources of income for the people living there. A total of 1,400 people have benefited from these measures.

✓ Since 2011, BMZ has been promoting measures implemented by the UNODC office in Myanmar to reduce opium cultivation and improve living conditions for the communities in the region. Coffee cultivation is one of the main alternative sources of income. The Green Gold Coffee Cooperative, founded in 2014, which almost 1,000 smallholder farmers from 55 villages have now joined, entered into a partnership with the French coffee company Malongo in 2017, guaranteeing the producers fair prices and a commitment to purchase their coffee for five years. The Cooperative actively promotes gender equality and the abolition of child labour and obtained Fairtrade certification in 2019.

<sup>14</sup> Website of COPOLAD, the Cooperation Programme between Latin America, the Caribbean and the European Union on drugs policies, led by Spain's International and Ibero-American Foundation for Administration and Public Policies (FIIAPP): <http://copolad.eu/en>

## 4. Outlook: facing the challenges together

The production of cocaine and heroin has reached record levels. In 2017, more people died of an overdose of heroin or other opiates than ever before.<sup>15</sup> At the same time, record amounts of cocaine were seized in the EU<sup>16</sup> and also in Germany.<sup>17</sup>

In view of the alarming figures, new drug policy approaches in drug crop cultivation countries are more important than ever. Germany is therefore continuing to advocate using development-oriented approaches to achieve a long-term reduction in the cultivation of illicit drug crops.

At international level, a change is becoming apparent in the way countries are dealing with cannabis and cannabis products. More and more countries, including Germany, are adopting laws to regulate the medical use. This might increase the demand for legally cultivated medical cannabis and open up development potentials in regions in which cannabis has only been grown illegally to date.

The current Alternative Development approach in partner countries is also being extended to cover other illegal drug-related activities in urban and rural areas, such as the transport and trade of illegal drugs. The new trafficking routes bring African countries into focus. The Alternative Development approach thus needs to be further developed and adapted to the specific problems. There are already some examples: Alternative Development measures in rural drug-trafficking regions near the borders between Thailand, Myanmar and Laos are promoting legal income-generating opportunities for the local population.

One of the tasks of Germany's EU Council Presidency in the second half of 2020 in the field of drug and addiction policy is to negotiate the new EU Agenda and Action Plan on Drugs (2021–2025). Together with our European partners, we are committed to a human rights and development-oriented approach to drug crop cultivation. Alternative Development should be anchored in the relevant documents as part of EU drug policy and hence promoted as an important element of EU development cooperation.

<sup>15</sup> United Nations Office on Drugs and Crime (2020): World Drug Report 2020, <https://wdr.unodc.org/wdr2020/>

<sup>16</sup> EMCDDA (2019): European Drug Report, p. 14, [https://www.emcdda.europa.eu/system/files/publications/11364/20191724\\_TDAT19001ENN\\_PDF.pdf](https://www.emcdda.europa.eu/system/files/publications/11364/20191724_TDAT19001ENN_PDF.pdf)

<sup>17</sup> German Federal Criminal Police Office – BKA (2019): Rauschgiftkriminalität. Bundeslagebild 2018 ('Drug crime. Federal situation report 2018'), p. 20, <https://www.bka.de/SharedDocs/Downloads/DE/Publikationen/JahresberichteUndLagebilder/Rauschgiftkriminalitaet/2018RauschgiftBundeslagebildZ.html;jsessionid=91F4CF5A37B44E05F3537672E0111457.live2292?nn=27972>

## 5. What is needed now

Development-oriented drug policy requires greater commitment and political will, both in the drug crop cultivation countries and in the countries of transit and destination. The following points need to be focused on in the next years:

- Consistent implementation of the resolutions adopted at UNGASS in 2016, thereby strengthening the global commitment to a development-oriented drug policy approach
- A new EU Drugs Agenda and Action Plan on Drugs (2021–2025) that takes even greater emphasis on development policy aspects
- More financial resources for the implementation of Alternative Development by the countries concerned and the international community
- An extension of Alternative Development measures in line with international human rights obligations, taking into account gender equality and the sustainable use of natural resources
- Greater involvement of the private sector and civil society in planning and implementing Alternative Development measures
- Review of the feasibility and potential of medical cannabis as a legal value chain for Alternative Development in developing countries
- New indicators that measure the success of Alternative Development more clearly, because the reduction of drug crop cultivation is not useful as an indicator on its own
- The expansion of the scientific evidence base on development-oriented drug policy with regard to the role of women and young people in drug crop cultivation
- Adaptation of the current Alternative Development approaches to the drug transit countries in Africa.





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