



## III. U.S. Chemical Control

The Drug Enforcement Administration (DEA) employs a multi-faceted approach to combat drug trafficking which includes enforcement, interdiction, and education. A lesser known approach which combines elements from all three of these facets is chemical control. Large quantities of chemicals are required to synthesize, extract, and purify most illicit drugs. The DEA has long recognized the need to monitor these chemicals as part of its overall drug control strategy.

During the 1980's there was a tremendous increase in the clandestine production of controlled substances, particularly methamphetamine. There was also a proliferation of clandestine laboratories producing controlled substance analogues, very potent and dangerous variations of controlled narcotics, stimulants, and hallucinogens. Furthermore, DEA learned that U.S. firms were exporting large quantities of chemicals, such as acetone, methylethylketone, and potassium permanganate to cocaine producing countries. Significant amounts of these chemicals ultimately were diverted to clandestine cocaine laboratories. It became clear that mandatory controls were needed to control the distribution of these chemicals in order to have an impact on the clandestine laboratory problem.

DEA embarked upon a broad chemical control program in 1989 that began with the Chemical Diversion and Trafficking Act (CDTA) of 1988. The CDTA regulated 12 precursor chemicals, eight essential chemicals, tableting machines and encapsulating machines by imposing recordkeeping and import/export reporting requirements on transactions involving these products. It resulted in effectively reducing the supply of illicit methamphetamine. The number of clandestine laboratories seized in the first three years following the law's implementation reversed the trend of the previous three decades and resulted in a decline. Currently, DEA

monitors 41 chemicals which are commonly used in illicit drug production. Maintaining this success requires continuous effort to thwart traffickers' never-ending search for new methods of diversion and new precursor materials.

The foundation of the government's program to prevent chemical diversion is based on additional laws such as the Domestic Chemical Diversion Control Act of 1993 (DCDCA), the Comprehensive Methamphetamine Control Act of 1996 (MCA), the Methamphetamine Anti-Proliferation Act of 2000 (MAPA), and the Combat Methamphetamine Epidemic Act of 2005 (CMEA). This is illustrated by changes in the patterns of diversion:

- » When the quantity of U.S. chemicals shipped to cocaine manufacturing areas declined, chemical suppliers from other parts of the world emerged as new sources of supply. The U.S. government then undertook an aggressive international campaign to educate and elicit the support of other nations in establishing chemical controls. Today, there is a broad level of international agreement regarding the actions that must be taken to achieve chemical control. Many nations have passed laws to prevent the diversion of chemicals.
- » As a result of government controls, ephedrine and other chemicals used to manufacture methamphetamine became more difficult to divert. Traffickers then began using over-the-counter capsules and tablets that contained these ingredients. As chemicals rendered into legitimate medicines purportedly for the commercial market, these products were exempted from the CDTA requirements. The DCDCA closed this loophole and required DEA registration for all manufacturers, distributors, importers, and exporters of List I chemicals. It also established recordkeeping and reporting requirements for transactions in single-entity ephedrine products.
- » When single-entity ephedrine products became regulated, drug traffickers turned to pseudoephedrine. This was

addressed by the MCA which expanded regulatory control of lawfully marketed drug products containing ephedrine, pseudoephedrine, and phenylpropanolamine (PPA)<sup>1</sup>.

- » MAPA focused on the continuing retail level diversion by constricting retail transactions of pseudoephedrine and PPA drug products. It reduced the threshold for such transactions from 24 grams to nine grams of pseudoephedrine or PPA base in a single transaction and limited package sizes to contain no more than three grams of pseudoephedrine or PPA base. The Act also increased penalties for chemical diversion and provided for restitution to the government for cleanup costs.
- » The CMEA further restricted retail level transactions by redefining nonprescription products that contain ephedrine, pseudoephedrine, and PPA as “scheduled listed chemical products (SLCPs).” The Act requires all regulated sellers of SLCPs to complete a required training and self-certification process effective September 30, 2006. On this date, stores were required to keep all SLCPs behind the counter or in a locked cabinet. Consumers wishing to purchase SLCPs are required to show identification and sign a logbook for each purchase. The Act also implements daily sales limits of 3.6 grams per purchaser and purchase limits of nine grams of these products in a 30 day period to any person.

All of these Federal laws (CDTA, DCDCA, MCA, MAPA, and CMEA) imposed varying degrees of reporting requirements on the chemical and pharmaceutical industries. Yet the involvement of private industry and the public should not be limited to the laws enacted by Congress. The voluntary support by industry constitutes a powerful resource for protecting the health and safety of the nation. DEA encourages each firm to be vigilant and to become a partner in combating the diversion of chemicals used in illegal drug production.

It is DEA's goal to effectively regulate while maintaining a positive working relationship with the regulated community and seeks to educate the regulated community on the various laws regarding precursor chemicals and their implementing regulations. DEA understands that it can best serve the public interest by working in voluntary cooperation with the chemical industry in developing programs designed to prevent the diversion of regulated chemicals into the illicit market.

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<sup>1</sup> Due to concerns regarding harmful side effects that phenylpropanolamine (PPA) can have, on November 6, 2000 the Food and Drug Administration invoked a voluntary withdrawal of over-the counter PPA products intended for human consumption.



