# Contents

1. Introduction ...................................................................................................................... 1

2. What is alternative development? .......................................................................................... 1
   Placing alternative development within wider economic development ...................................... 2

3. MOU countries and alternative development implementation ................................................. 3

4. Current situation on opium poppy cultivation in MOU countries ............................................... 5
   Factors behind cultivation of opium poppy .............................................................................. 6

5. The UN Guiding Principles on AD .......................................................................................... 7
   Main issues arising from the Guiding Principles for the GMS ................................................... 7
   - Considering development-related and infrastructural components ....................................... 8
   - Incorporating Human Development Indicators (HDI) .......................................................... 9
   - The need for long-term and coordinated strategies ............................................................. 10
   - Ensuring adequate access to land ....................................................................................... 12
   - Ensuring adequate access to markets .................................................................................. 13
   - Local ownership and community participation ................................................................. 15
   - A focus on women .............................................................................................................. 16

6. Mekong MOU on Drug Control: the way forward .................................................................. 17
   - The role of AD in the post-2015 development agenda ....................................................... 17
   - The role of the Mekong MOU on Drug Control ................................................................. 17

7. Conclusion .......................................................................................................................... 18

Appendix: International Guiding Principles on Alternative Development .................................... 19
1. Introduction

This working paper (the Paper) aims to contribute to greater consistency in the approaches to alternative development (AD) and related practices in Southeast Asia, and particularly, among the countries of the 1993 Memorandum of Understanding (MOU) on Drug Control in the Greater Mekong Subregion (GMS).1

Although some reviews of alternative development in the GMS have been written, most have been country-specific with a focus on Thailand. Accordingly, there have been very limited comparative studies of alternative development processes across all the countries in the GMS. Similarly, there is a shortage of studies and analysis that delineate what practices, methods and approaches have worked best in the region.

At the MOU Senior Official Committee (SOC) and Ministerial meetings held in Ha Noi, Viet Nam from 19 to 21 May 2015, the MOU countries identified this as a critical gap. It was also highlighted that there were differing approaches, with subsequently varying practices, to alternative development currently being implemented in the GMS and this was hampering collective efforts.

The MOU countries agreed that in order to better address persistent challenges related to illicit crop cultivation, there was a need to achieve greater consistency and regional synergy in alternative development approaches in the Subregion. This could be achieved through the sharing of best practices and experiences, and identification of what works best in terms of the sustainability of the programs. Particularly, the United Nations International Guiding Principles on Alternative Development (the Guiding Principles) were recognised as the platform through which greater regional synchronism could be achieved.

This Paper is the first step in this process. By concisely framing the current situation in relation to illicit crop cultivation, explaining key concepts and identifying the general way ahead, it is hoped that the Paper will invite an exchange of views, stimulate further discussion, and ultimately, contribute to achieving a coordinated and consistent approach to sustainable alternative development in the GMS.

2. What is alternative development?

For several decades, alternative development has been a key supply reduction strategy and one of the three pillars of the international community’s “balanced approach” towards drug control, along with crop eradication and interdiction. In general terms, UNODC defines alternative development as a concept geared towards “giving farmers an economically viable, legal alternative to growing coca or opium”.2

Alternative development has also been defined by the 1998 United Nations General Assembly Special Session on Drugs (UNGASS) as a “process to prevent and eliminate the illicit cultivation of plants containing narcotic drugs and psychotropic substances through specifically designed rural development measures in the context of sustained national growth and sustainable development efforts in countries

1 The MOU brings together six countries in East and Southeast Asia - Cambodia, China, Lao PDR, Myanmar, Thailand and Viet Nam - to contain the threat of illicit drug production, trafficking and use. UNODC is the seventh signatory to the MOU.

taking action against drugs, recognizing the particular sociocultural characteristics of the target communities and groups, within the framework of a comprehensive and permanent solution to the problem of illicit drugs”.

While the UNGASS definition is used at the international level, in the Greater Mekong Subregion, different definitions reflecting new strategies and approaches towards alternative development have been developed by a wide variety of implementing countries, donors and practitioners. This is perhaps a reflection of the fact that alternative development is a constantly evolving concept, and the movement towards refining it remains ongoing. Today, it is generally understood to encapsulate “conventional rural development applied to a drug-producing area”, “development in a drugs environment” or “development-oriented drug control”.

Despite the above definitions, however, there is no universal consensus on the precise meaning of the different concepts relating to alternative development. Overlaps exist, official definitions are scarce, and individual authors emphasizes different elements. This Paper uses the term “alternative development”, to mean the term generally accepted among Member States of the United Nations, which continues to evolve and incorporate several new elements.

**Placing alternative development within wider economic development**

The specific purpose of alternative development in its present, broader meaning is to contribute to economic development (especially in rural areas) in order to target the underlying factors and root causes of illicit drug economies.

It is important to note that the alternative development objectives of strengthening the economic and social development of target areas are not, on the whole, an end in themselves; they are a way of approaching the objectives of reducing the supply of raw material for producing drugs and for re-establishing a legal economy in drug-producing areas.

The way that the dual purpose of alternative development is approached differs from context to context. Some areas without illicit drug cultivation, but with a serious risk of developing it, may require a focus on traditional rural development. Such interventions have been included in alternative development programmes under the banner of “preventive alternative development”, showing how closely related alternative development and traditional rural development can be.

---

3 Action Plan on International Cooperation on the Eradication of Illicit Drug Crops and on Alternative Development (General Assembly resolution S-20/4 E).
4 See David Mansfield, “Development in a drugs environment: a strategic approach to ‘alternative development’”, a discussion paper by the Development-oriented Drug Control Programme (DDC)” (Eschborn, Germany, 2006).
Alternative development is aimed at contributing to an enabling environment for long-term rural development without illicit cultivation. Through its holistic approach, it acts as a catalyst in boosting development in areas with particular challenges related to the illicit drug economy (drug trafficking, violence, weak rule of law, etc.), which are often areas where few international development agencies operate.

3. MOU countries and alternative development implementation

Alternative development policies and practices vary considerably between regions and countries.

In the GMS, Thailand has been a pioneer on AD policies and practices. The country has developed a clear policy and strategy, and has hosted international events on AD and facilitated exchange programmes to visit AD projects in the country. Government agencies and Royal Family-supported projects have fully adopted AD while also making their own contributions to the alternative development concept and discourse.

Thailand has actively promoted good AD practices and lessons learned at the national, regional and international level. It has implemented at home, and promoted abroad, a development-first strategy that refrains from eradication and strict law enforcement until smallholder farmers have achieved sustainable livelihoods. The Mae Fah Luang Foundation and the Thai Royal Project – Highland Research Development Institute implement AD programmes in the north of the country. The Mae Fah Luang Foundation has also implemented AD programmes in Afghanistan, Indonesia and Myanmar.

In Myanmar, despite budgetary shortages and other difficulties, government agencies such as the Ministry for the Progress of Border Areas and National Races and Development Affairs (commonly referred to as NaTaLa - the Myanmar Language acronym) have adopted the AD approach as part of...
the national border progress and development plan, and implemented activities accordingly.

Despite being the largest opium producer in the region, and the second largest in the world, discussion on AD in Myanmar has gained momentum only relatively recently. In 1999, the Government of Myanmar adopted a 15-year plan to make the country drug-free by 2014. In mid-2013 the deadline was postponed to 2019 because of the threat posed by amphetamines and the increase in opium poppy cultivation in the country since 2006.6 In order to meet the 2019 deadline, the Myanmar government carries out eradication of poppy fields, while a limited number of AD programmes are implemented by international organisations. The Government remains committed to alternative development effort. However, currently only a few AD programmes are being implemented in the country. This is due to a lack of resources and international support, as well as political uncertainty in the regions where opium cultivation is known to occur.

In Lao PDR, alternative development has been integrated into the National Growth and Poverty Reduction Plan, as well as the work of several governmental agencies. Several international organisations implement development programmes in the northern part of the country where most of the opium poppy is being grown. UNODC also implements some AD projects in these areas.

In 2005, China started an opium crop substitution programme in northern Lao PDR and Myanmar, by providing incentives to Chinese companies (access to credit, cheap loans, import tariff waivers etc.) to undertake programmes focusing on the plantation of licit crops such as tea, rice, corn, and rubber. In response to UNODC’s questionnaire7 on alternative development in the GMS, Chinese authorities

6 Bangkok Post, Myanmar delays ‘drug-free’ target, 6 May 2013.

7 A questionnaire was sent to relevant authorities in China, Lao PDR, Myanmar and Thailand to assist in the completion of this Paper. Responses from China, Myanmar and Thailand were received.
also indicated that these programmes incorporate capacity building of local affected communities through free education, medical care and skills training.

4. Current situation on opium poppy cultivation in MOU countries

The region saw a significant decline in the level of opium poppy cultivation from 1998 to 2006, largely as a result of the continued efforts made by the regional and international community to promote alternative development programmes in Lao PDR and Myanmar. However, from 2006 to 2012, the region saw the level of opium poppy cultivation double, despite confirmation from the Governments of Lao PDR, Myanmar and Thailand that they collectively eradicated approximately 24,634 ha of opium poppy in 2012, compared to 7,928 in 2011. Worldwide, Myanmar ranks second to Afghanistan in opium poppy cultivation, comprising approximately 20% of

“Thanks to our hard work and UNODC’s help, we now have the skills, knowledge and incentive to cultivate vegetables and fruit trees. This has improved our livelihoods and gives me hope”.

Ms. Sy Chan Vakongxiong - Naseankham village, Oudomxay province, Lao PDR
the global area under production, and with the capacity to produce an estimated 690 tons of opium.

In 2014, the total combined area under opium cultivation in both Lao PDR and Myanmar was estimated to be 63,800 hectares in 2014, compared to 61,700 hectares in 2013.8 Myanmar continues to be the main poppy cultivator and opium producer in the region, with 88% of the total regional cultivation.

In Lao PDR, the area under opium cultivation is reported to have increased 66% from 2011 to 2012. This is largely attributed to:

(i) internal demand for opiates;
(ii) the high price of heroin on the international market; and
(iii) inadequate investment in alternative development projects, including product and packaging improvement, and market access for products.9

According to the World Drug Report, food security, poverty and political uncertainty are the main factors driving the increase in opium production. However, there is clear evidence that AD programmes, when implemented alongside eradication effects, can successfully reduce illicit crop cultivation and opium production, subsequently improving people’s lives.

In 2015, based on preliminary results received to date, it is expected that the total area under opium poppy cultivation in Myanmar will stabilise. If this is the case, it would represent the third year of stabilisation in the area under opium poppy cultivation after consecutive year-on-year increases since the low of 21,600 hectares in 2006. The total area under opium cultivation in Lao PDR, which was mainly located in Phongsali province, is also expected to remain stable in 2015. Nonetheless, the total areas under opium poppy cultivation are still at significantly high levels.

**Factors behind cultivation of opium poppy**

The cultivation of opium poppy is associated with difficult living conditions, increased infant mortality rates, household debt, poor accessibility to market, and the fact that poppy-growing villages have fewer alternative sources of income and receive less external agricultural assistance than non poppy-growing villages. With 72% of poppy-growing villages in Myanmar reporting that they cultivated opium in order to make more (or easy) money, or to cover basic living expenses such as food, education and housing, the reasons farmers turn to opium cultivation are clear. In the remote rural villages of Myanmar, opium is primarily used as a cash crop for financial shortfalls, and is grown by many to provide basic necessities for their families. UNODC’s 2014 Opium Survey found that among poppy-growing villages, 7% of respondents reported that it is “easier to sell poppy than other crops”.10

Mentioned by 6% of poppy-growing villages, “ease of transportation” is also a significant factor in the relative ease of cultivating poppy, as transportation difficulties are overcome because traders collect

8 UNODC, Southeast Asia Opium Survey 2014 (Bangkok, 2014).
9 UNODC, Southeast Asia Opium Survey 2014 (Bangkok, 2014).
10 UNODC, Southeast Asia Opium Survey 2014 (Bangkok, 2014).
poppy directly from poppy-growing villages, whereas other crops have to be transported to market. A variety of other responses indicated that poppy is cultivated due to a “lack of other employment options” (3%), because “the neighbours grow it” (2%), and because poppy cultivation is a “long-standing tradition” in Myanmar (2%).

Transportation and distance to market are significant incentives to grow poppy. In 2014, poppy growing villages were an average of 41 km from the nearest market, whereas non-poppy growing villages were an average of 21 km from the nearest market. By various means, this distance took an average of 1 hour 15 minutes for non-poppy-growing villages and 2 hours for poppy-growing villages, meaning that buying and selling goods entails a 4-hour round trip for the average poppy-growing village. Each 10 km increase in the distance to market increases the risk of poppy-cultivation by 18%. The willingness of opium traders to collect opium directly from villages considerably reduces the travel burden.

Echoing the reasons for cultivating poppy, the main advantages to poppy cultivation, as described by village respondents in 2014, were that it provides “more income than other crops” (66%), “opium is easy to grow” (18%), and is “easier to sell than other crops” (15%). A small number responded that it generates “more income per hectare” (1%). Taken together, these findings show that, for the purposes of alternative development efforts, any crop chosen to replace opium would need to be competitive, in terms of income generated and time and effort to grow and transport it to market, for it to be competitive with opium poppy.

From the significant levels of opium poppy cultivation that continue to occur in the Greater Mekong Subregion, it is clear that only coherent and holistic alternative development strategies can address the problem at the cultivation level.

5. The UN Guiding Principles on AD

In order to address the challenges highlighted above, it is important that the approaches to alternative development in the region be aligned and greater regional synergy be achieved. In this regard, the Guiding Principles will be an important tool to the MOU countries, in providing a reference point for future policy direction.

The Guiding Principles were based on recommendations from the International Conference on Alternative Development, held in Lima, Peru from 14 to 16 November 2012. They were adopted as a resolution by the General Assembly as the United Nations Guiding Principles on Alternative Development, on 18 December 2013.

Main issues arising from the Guiding Principles for the GMS

A number of core issues emerge from the Guiding Principles that should be particularly considered during the formulation and implementation of alternative development programmes in the Greater Mekong Subregion.

11 UNODC, Southeast Asia Opium Survey 2014 (Bangkok, 2014).
12 UNODC, Southeast Asia Opium Survey 2014 (Bangkok, 2014).
13 UNODC, Southeast Asia Opium Survey 2014 (Bangkok, 2014).
Considering development-related and infrastructural components

As has been highlighted above, economic necessity tends to play an important role in the decision of farmers to cultivate illicit crops. That is why there is a broad consensus among experts that viable, sustainable income-generating alternatives need to be available in order to decrease dependence on illicit cultivation over time. There is an intrinsic relationship between poverty and the illicit cultivation of opium in the region. Those involved in cultivating poppy are mostly poor subsistence farmers who grow opium poppy to buy food, clothes, and access to health and education.

Political support for a development-led approach to address problems related to opium cultivation has grown over the last decade. Within the MOU countries, for example, authorities accept that a development centric approach is critical in the success of any AD programme.14

It is clear that a focus on the production of alternative crops alone has proved insufficient, which is why alternative development projects should now contain (or be accompanied by) a full range of technical, marketing and infrastructural elements.

Part of the support provided by alternative development programs is of course production-related, with one of its most common forms being the transfer of the requisite skills for the transition to alternative crops. This support should also include, however, the transfer of infrastructural elements, such as collection centres, roads and bridges, and health care facilities, or production-related resources, such as the provision of a water supply system or water storage tanks for irrigation, as in UNODC projects in Oudomxay Province, Lao PDR. The success of this approach has also been highlighted in the highland areas of Thailand, where AD efforts have been accompanied by large-scale investment in roads and irrigation projects.15

As the ICAD-1 workshop concluded: “In short, poverty remains one of the key factors driving opium poppy and coca cultivation. The focus of alternative development programmes should be oriented to addressing the underlying causes of poverty and improving the socio-economic conditions of these communities. Illicit cultivation should thus be treated primarily as a development issue”.16

It is important to note that poverty here is not defined as just a function of income, but in a wider sense involving a whole range of livelihood, socio-economic and security related factors that define the ability of people to live a life in dignity. Inevitably, these factors play a significant role in the success of AD programmes. The UN Committee on Economic, Social and Cultural Rights has defined poverty as: “A human condition characterized by the sustained or chronic deprivation of the resources, capabilities, choices, security and power necessary for the enjoyment of an adequate standard of living and other civil, cultural, economic, political and social rights”.17 Similarly, according to a UNDP National

14 UNODC Questionnaire on Alternative Development, 2015.
16 ICAD (2011), op. cit.
Human Development report on Afghanistan: “human poverty is a multidimensional problem that includes inequalities in access to productive assets and social services; poor health, education and nutrition status; weak social protection systems; vulnerability to macro- and micro-level risks; human displacement; gender inequities and political marginalization”. At the ICAD-1 workshop, it was also recognised that critical pillars of a successful policy need to include the recognition that poverty is a multidimensional problem that requires a multidimensional approach. “They also need to include the important role of sustainable resource use and management, the provision of social services, and addressing the problems of conflict, crises, lack of governance, violence, rule of law and security that characterizes much of the areas where opium poppy and coca is cultivated”.

At the ICAD-1 workshop, it was also recognised that critical pillars of a successful policy need to include the recognition that poverty is a multidimensional problem that requires a multidimensional approach. “They also need to include the important role of sustainable resource use and management, the provision of social services, and addressing the problems of conflict, crises, lack of governance, violence, rule of law and security that characterizes much of the areas where opium poppy and coca is cultivated”.

There is a growing body of research and evidence suggesting that in the long run, AD can help to achieve both drug control and development objectives in certain geographical areas, provided the interventions adhere to a number of key principles and best practices. Key lessons learned in the AD field include the need for proper sequencing of policy interventions and the non-conditionality of aid. A 2008 UNODC paper recommends ensuring “that eradication is not undertaken until small-farmer households have adopted viable and sustainable livelihoods and that interventions are properly sequenced” and “not make development assistance conditional on reductions in illicit cultivation”.

The Guiding Principles also reaffirm the need for proper sequencing of interventions, and in particular stipulate that there should be no eradication of opium poppy unless small-holder farmers have access to alternative livelihoods: “To ensure, when considering crop control measures, that small-farmer households have opportunities for viable and sustainable licit livelihoods so that measures may be properly sequenced in a sustainable fashion and appropriately coordinated”.

Incorporating Human Development Indicators (HDI)

A key element of adequately gauging alternative development indicators is to look beyond short-term


20 UNODC/CND/2008/WG.3/2, op. cit.
reductions in illicit cultivation and focus instead on long-term development outcomes, which will also contribute to decreasing cultivation levels in the long run. According to a 2008 UNODC evaluation report, “alternative development must be evaluated through indicators of human development and not technically as a function of illicit production statistics... Moreover, the association of eradication with development interventions aimed at reducing illicit cultivation alienates the wider development community”.21 As the participants of the ICAD-1 workshop in Thailand stated: “While reductions in cultivation – and impact measurement based on that objective – are not an adequate measure of real progress or long-term impact in drugs control, a direct relationship exists between improved social and economic conditions of an area and the sustained reduction of illicit cultivation”.22

The final ICAD-1 workshop declaration in Thailand concluded that “control of illicit cultivation needs to be based on a more human-centric development approach to address the underlying causes and insecurities that enable and encourage cultivation, and need to be distinct from (though coordinated with) law enforcement. Under such an approach, impact measurement of AD programmes should take into account human development indicators, in addition to opium poppy cultivation estimates”. The ICAD-1 declaration stressed that the assessment of quantitative and qualitative impacts of alternative development programmes should reflect the Millennium Development Goals.

The Guiding Principles state that it is important to “apply, in addition to estimates of illicit cultivation and other illicit activities related to the world drug problem, indicators related to human development, socioeconomic conditions, rural development and the alleviation of poverty, as well as institutional and environmental indicators, when assessing alternative development programmes in order to ensure that the outcomes are in line with national and international development objectives, including the Millennium Development Goals, and that they reflect accountable use of donor funds and truly benefit the affected communities.”

The need for long-term and coordinated strategies

The political component of alternative development is based principally on political and financial support by Governments to alternative development or to other rural development strategies that may directly or indirectly affect the driving factors of illicit cultivation. Long-term political support is essential to the success of alternative development projects, as such support is required to build long-term licit alternatives and transfer skills in areas where alternative development takes place. Time is needed to address not only the economic drivers behind illicit cultivation, but also the building of trust with local communities. As farmers are often involved in activities linked to illicit markets on the basis of rational choice, it takes time before they can be convinced that licit alternatives can provide them with a sustainable and profitable source of income.

Thailand provides a good example of progress through substantial, long-term investment by international donors, non-governmental organisations, the private sector and Governments.23 The political component of alternative development often concerns supply reduction in line with national and international drug control strategies, but in a broader context of increasing stability, security and the rule of law. Law

21 Commission on Narcotics Drugs (CND), The World Drugs Problem, Fifth Report of the Executive Director, Thematic debate on the follow-up to the twentieth special session of the General Assembly: general overview and progress achieved by Governments in meeting the goals and targets for the years 2003 and 2008 set out in the Political Declaration adopted by the Assembly at its twentieth special session, Fifty-first session, Vienna, 10-14 March 2008, E/CN.7/2008/2/Ad.
22 ICAD 2011, op. cit.
enforcement measures, such as interdiction or crop eradication, accompany alternative development within a broader political strategy to reduce illicit cultivation. They attempt to impose order in areas where there is no, or limited, rule of law.

While crop reduction is undoubtedly a core purpose of alternative development, today it is defined as an integrated and holistic approach to address the drivers of illicit cultivation. Accordingly, it should incorporate a programmatic approach and be part of a national development plan that involves all stakeholders, including local communities, civil society organisations, development organisations, donors, and government agencies. Alternative development programmes should be mainstreamed as part of broader national development strategies, while maintaining focus on the purpose of crop reduction.

The Guiding Principles reaffirm that it is “crucial to provide, within a holistic and integrated development approach, essential basic services and legal livelihood opportunities to the communities affected by, or in some cases vulnerable to, illicit crop cultivation; To recognize that alternative development, including, as appropriate, preventive alternative development, requires the implementation of articulated short-, medium- and long-term plans and actions from all relevant stakeholders to promote positive and sustainable socioeconomic changes in the affected and, in some cases, vulnerable areas.”

Related to this is the importance of regional cooperation and a long-term commitment from the MOU countries and international donors to support AD interventions. In order for AD strategies to gain wider impact and achieve sustainable results, it is crucial for interventions to look beyond short-term illicit crop substitution projects and put greater emphasis on broader and long-term rural development programmes and strategies.

Support for AD programmes in the main opium cultivation areas in Myanmar and Lao PDR, by international donors, as well as national governments, has been relatively low. While Thailand has a substantial national AD programme and also funds some AD programmes abroad, including in Myanmar, greater resources and financial support need to be mobilised by the MOU countries, both individually and collectively.

The Guiding Principles call on Member States “to undertake to increase long-term investment in sustainable crop control strategies targeting the illicit cultivation of crops, in coordination with other development measures, in order to contribute
to the sustainability of social and economic development and poverty eradication”, and recognize that: “long-term cooperation, coordination and the commitment of multilevel and multisectoral stakeholders are essential to a holistic and integrated approach to the effectiveness and sustainability of alternative development programmes”.

Ensuring adequate access to land

Communities involved in opium cultivation in the region have faced serious problems with land tenure security and local laws which often do not protect them. This has been earmarked as an area that requires significant improvement, particularly in Myanmar. Policies need to consider the fact that agricultural investment and government policy direction can lead to land grabbing. This risks leaving communities in poppy growing regions vulnerable to becoming landless wage labourers if they lose their land to debt failure or land grabbing. This also has the potential effect of compelling them to find remote fields to cultivate licit or illicit crops, depending on circumstances. Directly linked to efforts to eradicate hunger and poverty, the promotion of secure tenure rights and equitable access to land, fisheries and forests is also very relevant for the planning and implementation of alternative development programmes.

It is important to note that at the global level, it has been recognised that secure and equitable rights to land and natural resources are central to achieving sustainable development. When people can no longer grow licit cash crops because they lack access to land, they may turn to growing illicit cash crops in remote areas where they face less immediate competition or pressure. Many alternative cash crops, for example rubber, require long-term engagement of farmers, since they require several years to produce yields. Without access to land, farmers are not willing to engage in cultivating long-term cash crops, and experience from the fields show that there is clearly a higher prevalence of illicit cultivation by farmers without access to land. A recent technical briefing paper stated that land rights “empower people and provide a sense of dignity. They enhance food security and are fundamental to achieving the right to food and increasing the productivity of small-scale food producers”. Land rights also have broader social implications, such as promoting more inclusive and equitable societies, specifically the participation and empowerment of women.

In its 2013 Southeast Asia Opium Survey, UNODC stressed the importance of access to land and the link with opium cultivation: “Of all the elements examined in the survey, land availability is possibly the most important factor behind the continuing existence of
opium poppy cultivation”. The right to work land and land ownership have a number of benefits that cannot be dismissed. On the environmental front, a long term connection to land reduces shifting cultivation and supports conservation through reducing deforestation. In terms of livelihood choice, land rights provide an element of ownership which can inevitably affect decisions on short term versus long term crops, resulting in increased income when compare to subsistence farming.

The importance of land tenure and other related resource management issues to building licit and sustainable livelihoods was also discussed in ICAD-1, where it was recognised that “monoculture”

29 generates a number of risks for the local communities including environmental degradation, dependence on market demands and prices, and reduction in agricultural areas affecting food security and other livelihoods”. Furthermore, the ICAD-1 workshop declaration called on stakeholders “to take into account land rights and other related land management resources when designing, implementing, monitoring and evaluating alternative development programmes, including internationally recognized rights of the indigenous peoples and local communities”.30

There are various negative social and economic impacts of promoting monoculture as an approach within AD, as this often leads to the dispossession of farm and grazing lands for local communities, limits access to communal spaces, such as community forests, negatively impacts on biodiversity and ecosystems, including water quality and availability, and makes farming communities vulnerable to price fluctuations and plant diseases.31 The importance of these issues was also reinforced at a GIZ-UNODC expert group meeting on AD in Berlin, where participants emphasised that “land tenure and land property rights are a fundamental principle for the long-term commitment of the community and the success of AD programmes, especially in areas where small-scale agriculture is prevailing”. The group also underlined that AD interventions “should include proper land tenure rights and operate within a clear legal framework that benefits and protects the rights of smallholder farmers”, and that decisions on the allocation, use and management of land “must have the participation and consent of local communities”.32

Within MOU countries, a commitment to land rights and land tenure security should prioritise and privilege local communities and their land tenure security and related rights, as well as their aspirations for the future. Communities should not only have access to land, but should also have the power to use it in the way they see fit. They should also be advised on the responsibilities of land ownership. It should further be noted that the promotion of land rights is a strategy that goes beyond alternative development programmes, encompassing broader national development plans or strategies.

The Guiding Principles affirm therefore that it is important to: “Take into account land rights and other related land management resources when designing, implementing, monitoring and evaluating AD programmes, including those of indigenous peoples and local communities, in accordance with national legal frameworks.”

Ensuring adequate access to markets

In political declarations and the Guiding Principles, countries are clearly urged to increase market access to products of alternative development. Lack of access to markets is one of the drivers of cultivation of crops that have illicit uses and is among the critical factors in determining the sustainability of alternative development programmes. The debate on AD has always stressed the importance of ensuring the existence of licit markets for AD products.

AD interventions should be built upon a demand-driven approach, envisioning high-quality products for a competitive market that are integrated into a well-defined value-chain. In addition, AD should be based on local knowledge and skills. Products from alternative development programmes should arise from existing skill-sets and experiences of the local population. Products that are marketed to appeal to consumer sympathy tend not to translate to a sustainable income for the community. The creation of market links should not be viewed in isolation. Rather, markets must be prioritised in terms of access and costs of production. International markets cannot be the sole focus or target of production with local, national and regional markets also important.

---

29 Monoculture is the agricultural practice of producing or growing a single crop, plant, or livestock species, variety, or breed in a field or farming system at a time.
30 ICAD 2011, op. cit.
31 E/CN.7/2014/CRP.7, op. cit.
32 Ibid.
for consideration. Nevertheless, regardless of production, adequate infrastructure such as roads, and collection and processing facilities, must be provided or costs to market become unbearable and the sustainability of interventions are greatly diminished.

The focus on market mechanisms, however, does not relieve the state from its duties. A demand-driven approach requires market research as well as adequate policies, institutional frameworks, and financial support. It is important to provide resources and technical assistance to identify market niches, establish new markets, facilitate financial support and marketing, and encourage participation of the private sector and civil society. In addition, the position of farmers should be strengthened by stimulating local ownership and responsibility through associations and cooperatives, and by promoting the entrepreneurial abilities of farmers. These are all important steps in addressing the question of how to measure the success of AD.33

The Guiding Principles encourage Member States to “combine local wisdom, indigenous knowledge, public-private partnerships and available resources to promote, inter alia, a legal market driven product development approach when applicable, capacity-building, skills training of the involved population, effective management and the entrepreneurial spirit, in order to support the creation of internal and sustainable commercial systems and a viable value chain at the local level, when applicable.” This addresses the common challenge of producers being seen as the providers of raw material and assists in removing the “middleman”, thereby ensuring that producers receive a fair share of the earnings.

UNODC Project Snapshot: Houaphan Alternative Development Project in Lao PDR (LAOK98)

Goal: This project was initiated to increase the food security of 5 farmer opium growing communities, ensuring their continued development and preventing a return to poppy farming.

- 50% of food insufficient households have overcome food insecurity
- 42km of access roads have been constructed, providing villagers with better access to regional markets
- 140 villages have received financial management training, allowing them to better manage personal & village finances
- 276 opium addicts (including 34 women) have been detoxified, allowing them to become more economically and socially productive community members

Result: Villages saw increased food security, better infrastructure and fewer residents with drug addictions. This increased villagers’ quality of life, while also reducing the likelihood of them returning to growing opium.

implementation, monitoring and evaluation of alternative development programmes and projects”.

Local ownership and community participation

There is a general consensus that alternative development interventions can work only if they manage to achieve or build on the involvement of local communities or beneficiaries. Direct participation by farmers and communities plays a key role in the design and planning of alternative development activities, especially in areas where no effective public institutions can fulfill this role. Over the years, the emphasis in alternative development has shifted from focusing merely on technical and economic aspects to a more integrated vision of the problem, and a long-term perspective regarding development and security of the area under consideration.

In spite of this progress, considerable challenges remain in terms of the articulation of alternative development and the interaction between governmental bodies and local communities. The latter is often characterised by a lack of State presence in illicit-drug growing areas and by widespread mistrust at the community level towards government agencies. In Thailand, a successful participatory approach has been based on the creation of “learning organisations” in local communities that were able to take on board new ideas and methods of working. In addition, local community representatives or volunteers were brought on board from the beginning to serve as a two-way link between projects and the community. This ensured that there was effective communication in local languages, community members were fully engaged throughout the project, and the local representatives received firsthand experience, enabling them to be at the heart of their community’s development process.

Responses from the MOU countries to UNODC’s questionnaire on alternative development have indicated that there is not sufficient involvement from local communities in the decision-making processes on drug control policies, and alternative development programmes, that have a direct impact on their lives and livelihoods. The active participation of local

35 Mae Fah Luang Foundation under Royal Patronage, “It can be done”, pp. 6-7.
36 Source: UNODC Questionnaire.
communities should be encouraged in all phases of AD programmes in order to truly reflect the needs of targeted communities.

Accordingly, the Guiding Principles call upon all Member States to apply their utmost efforts to: “promote local ownership and participation of the involved parties in the design, implementation, monitoring and evaluation of alternative development programmes and projects”, as well as to: “foster empowerment, including articulation, communication and participation, of the community and local authorities and other stakeholders, to sustain the achievements of the projects and programmes.”

A focus on women

Many alternative development programmes have a specific focus on women and their empowerment. Practices and experiences from outside the region have found that the involvement of women can play a critical role in increasing the impact of alternative development. In Lao PDR and Viet Nam, UNODC projects have created special microcredit funds for women, and worked through the respective women’s unions to ensure the participation of women in village development committees.

This was supplemented by adult education, literacy classes, and the development of numerical skills. Women became more empowered when they had a regular income, and this helped them become more involved in decision-making processes and, in Lao PDR, even to be elected as village head and district chiefs.

37 A 2010, USAID-sponsored alternative development programme in Peru found that focusing on the leadership of women, networking, and empowerment in general, was also seen to contribute to the promotion of broader public issues, leading to an enabling environment in which communities could sustainably reduce illicit coca cultivation.

6. Mekong MOU on Drug Control: the way forward

As mentioned previously, the countries of the Mekong MOU on Drug Control have reaffirmed their commitment to moving towards a consistent, integrated, and holistic approach to alternative development that is based on the Guiding Principles.

The role of AD in the post-2015 development agenda

As the MOU countries move towards collectively incorporating the Guiding Principles to their AD approaches, it is important to emphasise that while drug control may be one of the objectives of alternative development, it is certainly not the only one. When viewed holistically, alternative development is meant to be part of a nationwide strategy for poverty elimination.

In this regard, the new Sustainable Development Goals (the post-2015 development agenda) could provide the MOU countries with a new vision and provide alternative development with a new theoretical framework, adding to socioeconomic development — its “traditional” pillar. New elements such as the rule of law and the development of effective, accountable and inclusive institutions are, in part, already addressed by alternative development.

The wide scope of the Sustainable Development Goals do not only cover socioeconomic development (which was the primary focus of the Millennium Development Goals); they also recognise a broader dimension of development, which encompasses the environment, participatory and representative decision-making, security, and the rule of law. During the discussions on the post-2015 development agenda, there was recognition that illicit markets are a great constraint to sustainable development. In its report, the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda recommended that Member States and the international community “stem the external stressors that lead to conflict, including those related to organized crime”. It called upon Member States to pay greater attention to reducing risks and improving outcomes by strengthening the licit sector and focusing on areas where illicit sectors pose significant risks to development and governance outcomes.

Similarly, in its report, the Open Working Group of the General Assembly on Sustainable Development Goals recognised that the illicit sector is an element to be addressed in the context of the post-2015 development agenda and included, within Goal 16, the target of significantly reducing illicit financial and arms flows, strengthening the recovery and return of stolen assets, and combating all forms of organised crime by 2030. In the synthesis report on the post-2015 sustainable development agenda entitled “The road to dignity by 2030: ending poverty, transforming all lives and protecting the planet”, the Secretary-General also highlighted that “providing an enabling environment to build inclusive and peaceful societies, ensure social cohesion and respect for the rule of law will require rebuilding institutions at the country level to ensure that the gains from peace are not reversed.”

The role of the Mekong MOU on Drug Control

The MOU provides an ideal platform through which the MOU countries can consider the issues outlined above to a greater extent, harness the recommendations therein, and move towards implementing regional strategies based on the Guiding Principles.

The MOU contains a practical approach to addressing the drug problem, through clearly defined activities and initiatives that address specific problems and operational weaknesses. As the engine that drives the MOU process, the Subregional Action Plan (SAP) contains action-oriented programmes that assist member governments to fight illicit drug production, trafficking and abuse.

As one of the five thematic areas of the SAP’s operation, Sustainable Alternative Development (Thematic Area 5) is a key component of the MOU’s coordinated and holistic approach to address the drug problem in the Subregion. The main objective to be achieved as part of this thematic area is the development of national and sub-regional
institutional capacities to reduce illicit opium production and provide alternative livelihood opportunities for current / former opium producing communities.

Based on the analysis of opium poppy crop cultivation in Myanmar and Lao PDR, the activities of the SAP under Sustainable Alternative Development contribute to four outcomes, through the delivery of nine key outputs that in turn fall under the outcomes. Through this framework, the MOU countries are well placed to move towards the implementation of holistic and strategic alternative development programmes in the Subregion.

7. Conclusion

After decades of discussions around AD and learning from the field, significant insights, and principles have been developed to guide Members States, donors, international agencies, civil society organisations and other stakeholders on how best to implement AD strategies and programmes. While there is an impressive body of studies and declarations, all of which have provided input into the Guiding Principles, more needs to be done to delineate the best practices and approaches for the Greater Mekong Subregion.

For the countries of the Mekong MOU On Drug Control, implementing the Guiding Principles is an important first step in this process. However, a successful collaborative AD strategy will not only narrow the discussion down to practical details about their implementation, but consider several yet unresolved nuances that have emerged in the AD discourse and practice over time, especially in the new context of the post-2015 development agenda.

As this important new chapter begins for AD in the region, adequate financial, political, and social resources will also have to be made available to provide real alternatives to communities involved in illicit cultivation of opium poppy. Ultimately, such interventions will need to follow the many lessons learned, and apply the Guiding Principles over time, turning rhetoric into reality on the ground.
Appendix

International Guiding Principles on Alternative Development

B. Actions and implementation measures

18. States Members of the United Nations, international organizations, regional organizations, development agencies, donors and international financial institutions, as well as civil society, should apply their utmost efforts, as appropriate:

(a) To target illicit cultivation and production of crops used for the production and manufacture of illicit drugs, and address related factors, by alleviating poverty, by strengthening the rule of law and institutional frameworks, as appropriate, and by promoting sustainable development aimed at enhancing the welfare of the population;

(b) To build and maintain confidence, dialogue and cooperation with and between stakeholders, from people at the community level and local authorities to leaders at the national and regional levels, so as to ensure participation and ownership for long-term sustainability;

(c) To implement long-term projects and programmes to provide opportunities to fight poverty, diversify livelihoods and strengthen development, institutional frameworks and the rule of law;

(d) To develop policies and programmes that take into account an evidence- and science-based assessment of the potential impact of alternative development on the illicit cultivation of crops used for the illicit production and manufacture of narcotic drugs and psychotropic substances, and on rural and socioeconomic development, including the gender dimension related thereto, and the environment;

(e) To take into account the need to promote the diversification of licit crops cultivated and licit economic activities undertaken when implementing alternative development programmes;

(f) Owing to the transnational nature of drug-related crimes, to encourage and support coordinated cross-border collaboration and alternative development activities, where appropriate and feasible, with the support of international cooperation;

(g) To address with specific measures the situation of women, children, youth and other high-risk populations, including, in some cases, dependent drug users, owing to their vulnerability and exploitation in the illicit drug economy;

(h) To provide, within a holistic and integrated development approach, essential basic services and legal livelihood opportunities to the communities affected by, or in some cases vulnerable to, illicit crop cultivation;

(i) To recognize that alternative development, including, as appropriate, preventive alternative development, requires the implementation of articulated short-, medium- and long-term plans and actions from all relevant stakeholders to promote positive and sustainable socioeconomic changes in the affected and, in some cases, vulnerable areas;

(j) To promote coordination and encourage alternative development programmes which contain complementary measures at the local, regional and national levels;

(k) To ensure, when considering crop control measures, that small-farmer households have opportunities for viable and sustainable licit livelihoods so that the measures may be properly sequenced in a sustainable fashion and appropriately coordinated, taking into account the circumstances of the region, country or area concerned;

(l) To ensure that programmes or projects related to alternative development effectively discourage the illicit cultivation of crops used for the illicit production and manufacture of drugs;

(m) To also ensure that drug control programmes are implemented in a comprehensive and balanced manner, so
as to avoid the shifting of illicit crop cultivation domestically, as well as from one country or region to another;

(n) To respect the legitimate interests and specific needs of the local affected and, in some cases, vulnerable population when designing and implementing alternative development programmes;

(o) To address basic human needs, in full conformity with the three drug conventions and relevant human rights instruments, in order to promote the welfare of targeted communities;

(p) To integrate those communities which are in marginalized regions into the economic and political mainstream; as appropriate, such integration should involve supporting access to roads, schools, primary health-care services, electricity and other services and infrastructure;

(q) To promote increased coordination and cooperation between relevant governmental agencies, when appropriate, and adopt an integrated approach to drug control that involves all relevant stakeholders;

(r) To ensure that the implementation of alternative development programmes is conducted in a manner that helps to enhance synergy and confidence among national Governments, regional authorities and local administrations and communities with regard to building local ownership and coordination and cooperation;

(s) To promote the strengthening of the justice and security sectors and social development, as well as institutional legal frameworks and anti-corruption measures, in a manner conducive to enhancing alternative development efforts;

(t) To promote governance capabilities, when appropriate, in order to strengthen the rule of law, including at the local level;

(u) To ensure that measures aimed at strengthening the rule of law are included in development-oriented drug control policies in order to, inter alia, support farmers in their efforts to stop, and in some cases prevent, the cultivation of illicit crops;

(v) To apply, in addition to estimates of illicit cultivation and other illicit activities related to the world drug problem, indicators related to human development, socioeconomic conditions, rural development and the alleviation of poverty, as well as institutional and environmental indicators, when assessing alternative development programmes in order to ensure that the outcomes are in line with national and international development objectives, including the Millennium Development Goals, and that they reflect accountable use of donor funds and truly benefit the affected communities;

(w) To utilize objective impact evaluations that examine a broad range of social, economic and environmental factors and incorporate the lessons learned from these evaluations in future projects to ensure that the design and implementation of alternative development programmes are based on a reliable and evidence-based evaluation and thorough analysis of local socioeconomic, geographical and cultural realities, as well as the assessment of benefits and risks;

(x) To undertake further research and strengthen data collection with a view to providing a basis for more effective and evidence-based alternative development programmes, as well as conduct research to assess the factors leading to the illicit cultivation of drug crops used for the production and manufacture of narcotic drugs and psychotropic substances;

(y) To utilize data and conduct analysis to identify areas, communities and affected populations that are vulnerable to illicit cultivation and its related illicit activities, and tailor the implementation of programmes and projects to address identified needs;

(z) To encourage partners in cross-border alternative development activities to consider measures to support the implementation of alternative development strategies and programmes, which may include special preferential policies, protection of property rights and facilitation of the import and export of products, in accordance with relevant international law, including trade agreements;
(aa) To enhance technical support, including exchange of expertise, best practices and resources, while seeking to secure long-term flexible funding for alternative development programmes in order to ensure their sustainability;

(bb) To consider the possibility of creating an international fund for alternative development programmes that could be used to face major emergency situations, in order to ensure continuity;

(cc) To recognize that international cooperation resources for the implementation of alternative development programmes should be used in consultation and in coordination with partner countries to support joint efforts to eliminate, reduce and, in some cases, prevent the cultivation of illicit crops through reducing poverty and enhancing rural development in areas affected by, or in some cases vulnerable to, illicit cultivation and engaging in effective law enforcement measures;

(dd) Recognize that long-term cooperation, coordination and the commitment of multilevel and multisectoral stakeholders are essential to a holistic and integrated approach to the effectiveness and sustainability of alternative development programmes;

(ee) Consider voluntary and pragmatic measures in appropriate forums, with a view to enabling alternative development products to gain easier access to international markets, in accordance with applicable multilateral trade rules and treaties and taking into consideration the ongoing negotiation processes in the framework of the World Trade Organization; these might include promoting cost-effective marketing regimes in the field of alternative development, including, as appropriate, preventive alternative development, such as a global stamp for products stemming from alternative development programmes and voluntary certification to support the sustainability of alternative development products;

(ff) Promote, where appropriate, a favourable socioeconomic infrastructure, including the development of roads and transportation networks, the promotion and enhancement of farmer associations, microfinance schemes and schemes aimed at enhancing the effectiveness of the management of available financing resources;

(gg) Combine local wisdom, indigenous knowledge, public-private partnerships and available resources to promote, inter alia, a legal market-driven product development approach when applicable, capacity-building, skills training of the involved population, effective management and the entrepreneurial spirit, in order to support the creation of internal and sustainable commercial systems and a viable value chain at the local level, when applicable;

(hh) Support policies conducive to cooperation with the international financial institutions and, where appropriate, private sector involvement and investment to help to ensure long-term sustainability, including through the use of public-private partnerships, and to encourage alternative development in rural associations or cooperatives and support their management capacity, in order to maximize value from primary production and to ensure the integration of areas affected by, or in some cases vulnerable to, illicit cultivation into national, regional and, as appropriate, international markets;

(ii) Promote local ownership and participation of the involved parties in the design, implementation, monitoring and evaluation of alternative development programmes and projects;

(jj) Foster empowerment, including articulation, communication and participation, of the community and local authorities and other stakeholders, to sustain the achievements of the projects and programmes;

(kk) Take into account land rights and other related land management resources when designing, implementing, monitoring and evaluating alternative development programmes, including those of indigenous peoples and local communities, in accordance with national legal frameworks;

(ll) Raise awareness among rural communities of the negative impacts that illicit drug crop cultivation, related deforestation and the illicit use of natural resources, in disregard of national or international laws, may have on long-term development and the environment.