



Prepared Statement of:  
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Human Rights and International Organizations**

*Tackling Fentanyl: The China Connection*

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Chairman Smith, Ranking Member Bass, distinguished members of the Subcommittee: Thank you for the opportunity to testify today and for the efforts of this committee to highlight the tragedy that is unfolding every day in families and communities across this country.

We have all heard and read the stories of promising young lives cut short, of families bankrupted emotionally and financially—often in failed attempts to save loved ones from addiction. Since I was nominated, I have found that people want to share tragic stories about the devastating impact of addiction and overdose on their families and their friends, even as they ask me -- as they should -- what we are doing to help. The battle against opioids is being fought on many fronts. Doctors, nurses and other health care professionals are providing treatment and running prevention programs to help keep more Americans from joining the long line of Americans lost in this epidemic. Men and women in law enforcement are fighting drug dealers on our streets and leading interdiction efforts to prevent opioids from entering our country. This Administration has committed considerable resources and energy toward fighting this epidemic and toward the essential work that must be done on all fronts. My dedicated Bureau of International Narcotics and Law Enforcement Affairs (INL) team is a part of this larger effort. We understand that the work we do to forge partnerships and consensus, to secure international cooperation, and to use foreign assistance to build the capacity of our partners to help disrupt the flow of opioids and other illicit narcotics to our country is about one thing: contributing to a larger effort in our country to save America lives, American families, and American communities.

This opioid epidemic is the most severe drug crisis our country has ever faced, claiming tens of thousands of American lives annually. This crisis arose largely from over reliance on prescription opioids and increasing availability of heroin that led to rapid increases in opioid misuse. The emergence of dangerous new synthetic drugs, often mixed into supplies of heroin or other illicit drugs and trafficked through global illicit supply chains, has now morphed this crisis into an ever more deadly phenomenon with complex transnational linkages. The Centers for Disease Control and Prevention (CDC) estimates that more than 72,000 Americans died from drug overdoses in 2017. Over forty percent of these deaths involved synthetic opioids like fentanyl. Between 2012 and 2016, the number of overdose deaths involving synthetic opioids increased by nearly 640 percent, and provisional data from 2017 suggest that this trend is continuing upwards. A confluence of dangerous new trends in the transnational production, sales, and trafficking of illicit drugs has contributed to this tragic climb in American deaths.

Criminals are developing new substances at a rate faster than national and international frameworks can respond. Production costs are low, and drug traffickers, using low-level criminal chemists, can tailor the expected psychoactive effects of new psychoactive drug substances, or NPS, to meet consumer demand. The United Nations Office on Drugs and Crime (UNODC) reports that there are currently more than 800 new known synthetic drugs, with approximately one new substance created each week. At the same time, interrupting illicit drug production has become more challenging; unlike drugs derived from plant-based crops, synthetic drugs have lower overhead requirements -- they are immune to weather conditions, and do not require large tracts of land or workers to cultivate them. Synthetic drugs can be produced wherever the necessary chemicals can be obtained.

Traffickers have exploited the boom in global access to information and technology to facilitate their lethal trade. Illegal drug producers exploit the perceived anonymity and convenience of the Internet, including the “Dark Web,” encrypted peer-to-peer messaging applications, and other emerging information and communications technologies to market and sell aggressively to global clients, including directly to American drug users. Due to the extreme potency of synthetic opioids in particular, small quantities can readily be trafficked through international mail and express consignment shipments, in addition to traditional trafficking methods, yielding substantial illicit profits. Criminal misuse of these tools makes today’s illicit drug trade highly profitable and difficult to monitor, investigate, and disrupt.

In October 2017, President Trump directed the Department of Health and Human Services to declare this epidemic a national public health emergency and has made combating this deadly drug crisis a cornerstone of his Administration. The vast majority of emerging synthetic drugs available in the United States will continue to be produced overseas, and the methods and locations of production and trafficking will continue to diversify. We cannot stem the flow of this crisis while ignoring its international components. Disrupting the illicit supply chains that are fueling thousands of American deaths is the Department of State’s top drug control priority, and we are working tirelessly to facilitate the work of our partners to arrest the criminals and dismantle the criminal organizations facilitating this illicit trade. The Department of State’s Bureau of International Narcotics and Law Enforcement Affairs (INL) is leading our response to these international challenges through our foreign assistance programs and diplomatic engagement.

With China, a primary source of illicit synthetic drugs coming to the United States, the Department of State is building upon the commitments made during President Trump’s November 2017 meeting with President Xi to explore opportunities to deepen existing bilateral counternarcotics cooperation. This bilateral cooperation has yielded concrete results, including arrests, seizures, and takedowns of clandestine labs by Chinese law enforcement. Law enforcement information sharing has increased, including information used to combat the export of drugs that are controlled in the United States but not in China. Additionally, since 2015, China has taken significant action, primarily at the United States’ request, to domestically control 143 substances, including 23 fentanyl analogues and the two key precursors to fentanyl production. And most recently on August 29, China’s National Narcotics Control Commission announced controls on 32 additional NPS, which will bring the total to 175. We continue to encourage China to use every available tool to aggressively counter the threat from illegal production and trafficking of synthetic opioids. Further, the Department of State is engaging with China to promote effective drug demand reduction through prevention, treatment, and recovery support. In May, several members of China’s government participated in a study visit to Washington, D.C. to observe best practices in the treatment and prevention of drug use, and further bilateral expert exchanges are being discussed.

Some of the synthetic opioids from China are flowing through Mexico, where traffickers sometimes mix them with cocaine and heroin before shipping them across our southwest border. Countering this flow is part of our partnership with the Mexican government to disrupt drug production, dismantle drug distribution networks, prosecute drug traffickers, and deny transnational criminal organizations’ access to illicit revenue.

In addition to bilateral engagement with China and Mexico, the Department of State is using multilateral channels to address the proliferation of illicit synthetic drugs, including synthetic opioids. The Department uses foreign assistance to support real-time coordination and information sharing between law enforcement and forensic officials around the world. This international cooperation increases the identification, detection, and tracking of synthetic drugs and precursor chemicals in illicit markets worldwide. These programs illuminate emerging synthetic drug and precursor chemical trafficking trends and alert law enforcement and forensic practitioners to the presence of these substances in illicit markets. In turn, law enforcement officials worldwide use this information to solve drug trafficking cases. To reduce the presence of these drugs in illicit U.S. markets, we are also working through multilateral organizations to deliver specialized training that will strengthen the capacities of key countries, such as those in the western hemisphere, to intercept suspicious drugs and chemicals being sold online and shipped through the mail and express consignments.

An essential component of our efforts to address these threats is to adapt the international architecture to more effectively address these new 21<sup>st</sup> century challenges. For example, we must accelerate the rate at which these drugs are controlled at the international, regional, and national levels. Increased controls can drastically reduce the availability of these drugs for criminal purposes and will save American lives. As is the case in our cooperation with China, these international controls also can lay the groundwork for enhanced law enforcement cooperation with key nations. In March 2018, we continued mobilizing a response to the new synthetic drug threat through the international community at the UN Commission on Narcotics Drugs. With U.S. leadership, the world came together to control the deadly opioid carfentanil, plus five other fentanyl analogues. This was preceded by action, at the 2017 CND at our behest, to control the two primary fentanyl precursor chemicals NPP and ANPP. Recently, at U.S. instigation, the International Narcotics Control Board (INCB) issued a call to all nations to voluntarily restrict 93 new substances with no known medical use, including fentanyl analogs.

However, international controls are only the first step. It is also imperative to ensure that countries are able to institute these treaty-mandated controls at the national level. Key countries involved in the illicit trafficking of drugs, such as those in Central America, require significant capacity-building support to be able to establish the national regulatory frameworks to control drugs and precursor chemicals. For this reason, INL is training foreign law enforcement, regulatory, and forensic officials to establish the required domestic controls and to increase the identification and detection of these substances and chemicals in order to disrupt the illicit markets.

We are cognizant of the grave threat posed by synthetic drugs and the evolving nature of the illicit opioid trade, which is compounded by the rise of the internet and globalization. So, shortly after I arrived in INL, my team and I decided to take a hard look at what was missing in our strategy and to give some critical thought to how to realign our strategy to be more nimble, more adaptive, and more exhaustive in our approach to rise to the challenge of the dynamic threats we are combating. This process is still underway, but I can already tell you that we intend to use our diplomatic and foreign assistance tools – and our critical partnerships in law enforcement – to attack each link of the illicit synthetic drug manufacturing and supply chains, including production, sales, and transport. We will focus our detection and interdiction efforts across transit routes and at key borders and, working with overseas and U.S. government

partners, we will take on online sales and the use of cryptocurrencies. The private sector largely controls the tools of commerce upon which the traffickers operate, and therefore it is a vital part of the solution. So, we plan to seek increased cooperation with industry to explore how we can work together to make licit modes of commerce inhospitable to criminals without encumbering entrepreneurs and businesses with unnecessary regulation.

To counter the production of dangerous synthetic substances, INL is considering what additional steps it can take with international partners to prevent the diversion of legitimate chemicals for illegal uses, support partner governments' abilities to seize and dispose of diverted chemicals, and build law enforcement capacities to detect and safely dismantle clandestine labs. INL is looking at additional efforts, together with our allies, to strengthen international institutions to identify emerging threats so governments can mobilize their public health and law enforcement agencies to counter more rapidly these challenges as they arise.

INL will continue to support efforts to improve the ability of law enforcement to confront the threat posed by the online trafficking of illicit synthetic drugs and chemicals. In its training programs, INL will need to tap into U.S law enforcement expertise to provide foreign law enforcement counterparts with the skills to investigate, prosecute, and dismantle online drug vendors, including on the "Dark Web." This includes training and technical assistance on following the digital money trail when drug vendors use cryptocurrencies to facilitate transactions. The online marketplace allows direct interactions between illegal drug producers and users, subverting the hierarchical cartel organization and making it harder for law enforcement to investigate and detect them. We must continue to collaborate across the U.S. government to curb illicit online sales of synthetic drugs and precursor chemicals. To do this, INL plans to deepen relationships with our interagency colleagues to identify new opportunities for partnership and complementary interventions aimed at reducing online trafficking of drugs and chemicals.

We are exploring new partnerships to expand global capacities to detect and interdict synthetic drugs shipped through the mail and express consignment shipping, including by expanding the global collection and sharing of advanced electronic data (AED). This AED helps regulatory and law enforcement authorities prioritize screening to target suspicious shipments. INL also aims to broaden its cooperation with U.S. law enforcement partners to expand training and the use of technology to detect and interdict suspicious mail and shipping at international ports and other facilities, keeping them from U.S. shores.

In addition to working to reduce the availability of synthetic drugs entering the United States, INL will build upon its efforts with international partners to share research and promote best practices for prevention and treatment interventions. This includes supporting public health messaging on the risks of synthetics, assisting foreign governments in implementing evidence-based prevention, treatment, and recovery support services, and fostering the adoption evidence-based practices to reduce the likelihood of accidental exposure to dangerous synthetic drugs. INL is working with international partners to improve data collection on synthetics, including consumption trends, toxicological screening of synthetic drug profiles, and the prevalence of toxic adulterants in illicit drug supplies.

This is an enormous undertaking, and INL cannot do it alone. For an effective response, we will rely on close coordination with interagency partners, civil society, private industry,

international organizations, and partner governments. Any person in a nation with internet access and international shipping services can import this deadly opioid crisis, so we know this is not a uniquely American concern and we know that many countries are already experiencing significant impacts. This crisis is a global one touching many other countries, including those in Latin America, Europe, and Africa. According to UNODC's 2018 World Drug Report, opioid misuse remains high in Africa, the Middle East, and Oceania, and it has been expanding in Western Europe and North America. An estimated 168,000 deaths globally were directly attributed to drug use disorders in 2015, with more than 75 percent of cases involving opioids. This international problem requires a smart, strategic, and coordinated international response. In practical terms, this means that we are not alone and our diplomacy needs to focus on calling other impacted countries to ensure that they share our commitment and dedication to tackling this issue.

Mr. Chairman, Ranking Member Bass, and members of the Subcommittee, the Department of State is fully committed to fighting the new threat posed by the proliferation and new trafficking modalities of synthetic drugs. It is not an easy task, and the new initiatives and programs we think will be needed will take relentless effort, but we are driven by the goal of securing the health and safety of American citizens. I know this is an issue about which you and your constituents care deeply, and it is one that I care deeply about, because it affects so many American lives. I look forward to working with Congress as we seek to disrupt the flow of synthetic drugs, particularly deadly opioids, and thereby save American lives.