

I. INTERDICTIONS OF ILLICIT DRUGS AND FIREARMS SMUGGLING IN 2004

1. Number of Interdictions

(1) Summary

A total of 562 cases of interdiction of illicit drugs were reported in 2004 (101% of the previous year's level). The amount of seizure was 1,358 kg (123% of the previous year's level) for drugs such as stimulants and cannabis (illicit drugs excluding tablet-type drugs such as MDMA and psychotropics, the same below), and 429 thousand tablets for tablet-type drugs such as MDMA and psychotropics (111% of the previous year's level).

Meanwhile, four cases of interdicted smuggling of firearms were reported (44% of the previous year's level), and five firearms were seized (14% of the previous year's level). For firearms parts, a single case of interdiction was reported (14% of the previous year's level), and one firearm part was seized (8% of the previous year's level).

Major characteristics of smuggling in 2004 were as follows:

- ① The amount of seizure for stimulants and cannabis exceeded one ton for a second year in a row (the third-largest figure ever recorded).
- ② The amounts of seizures for cannabis, tablet-type synthetic narcotics including MDMA, and cocaine recorded all-time highs.
- ③ The number of interdictions for illicit drugs has continued to increase since 2003 (the second-largest figure ever recorded).
- ④ The number of interdictions for stimulants and tablet-type synthetic narcotics such as MDMA recorded an all-time high.

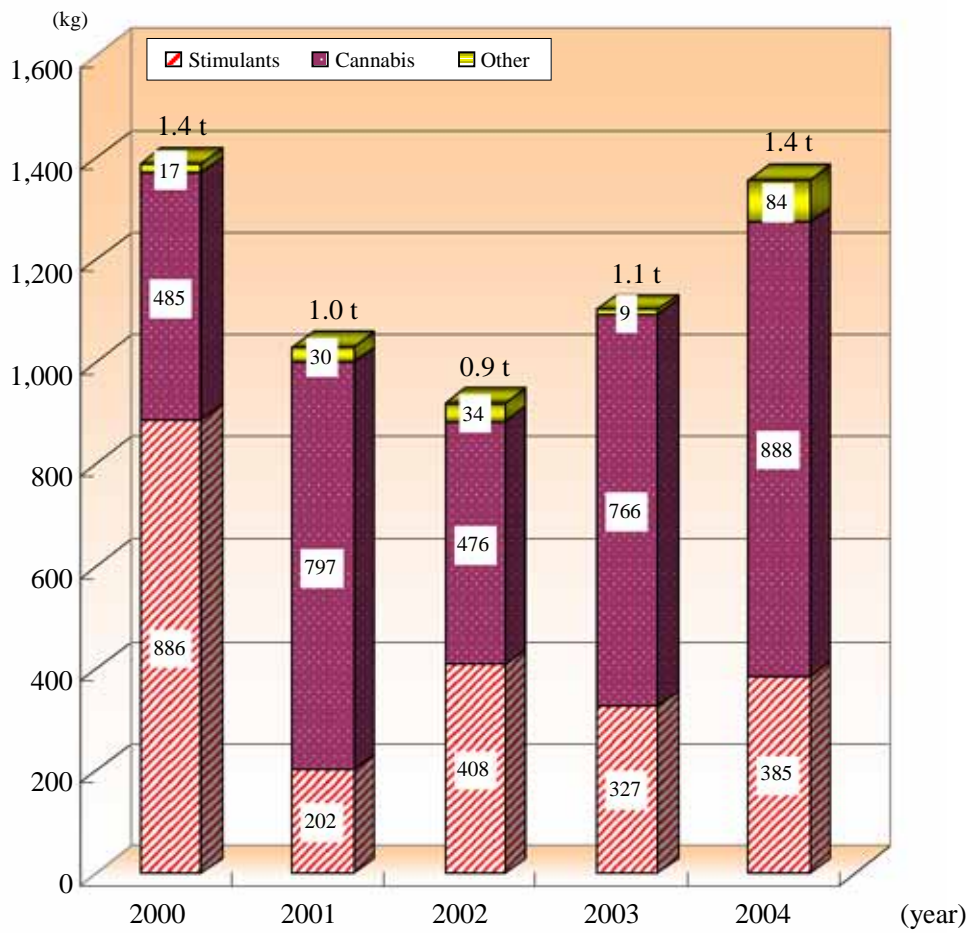
(2) Interdiction of Major Illicit Drugs and Firearms

Category		Year					Compared to 2003
		2000	2001	2002	2003	2004	
Stimulants	Cases	57	42	20	76	103	136%
	kg	886	202	408	327	385	118%
Cannabis	Cases	303	214	276	355	314	88%
	kg	485	797	476	766	888	116%
	(Herbal cannabis) Cases	217	166	191	233	242	104%
	kg	343	744	261	436	597	137%
(Cannabis resin)	Cases	86	48	85	122	72	59%
	kg	143	53	215	330	291	88%
Heroin	Cases	14	11	15	9	3	33%
	kg	6	5	19	5	0	0%
Cocaine	Cases	12	7	12	11	19	173%
	kg	7	18	14	0	83	715 times
Opium	Cases	5	2	3	2	6	300%
	kg	5	8	2	4	1	25%
MDMA	Cases	36	44	35	43	54	126%
	1,000 Tablets	85	118	172	368	401	109%
Psychotropics	Cases	89	96	89	58	63	109%
	1,000 Tablets	62	90	60	16	27	169%
Total	Cases	516	416	450	554	562	101%
	kg	1,389	1,030	918	1,104	1,358	123%
	1,000 Tablets	147	208	233	385	429	111%
Reference (Number of uses)	10,000 times	3,261	1,007	1,884	1,597	2,015	126%
Firearms	Cases	9	2	8	9	4	44%
	Quantity	123	21	13	12	5	42%
Firearms parts	Cases	0	2	3	7	1	14%
	Quantity	0	12	4	13	1	8%

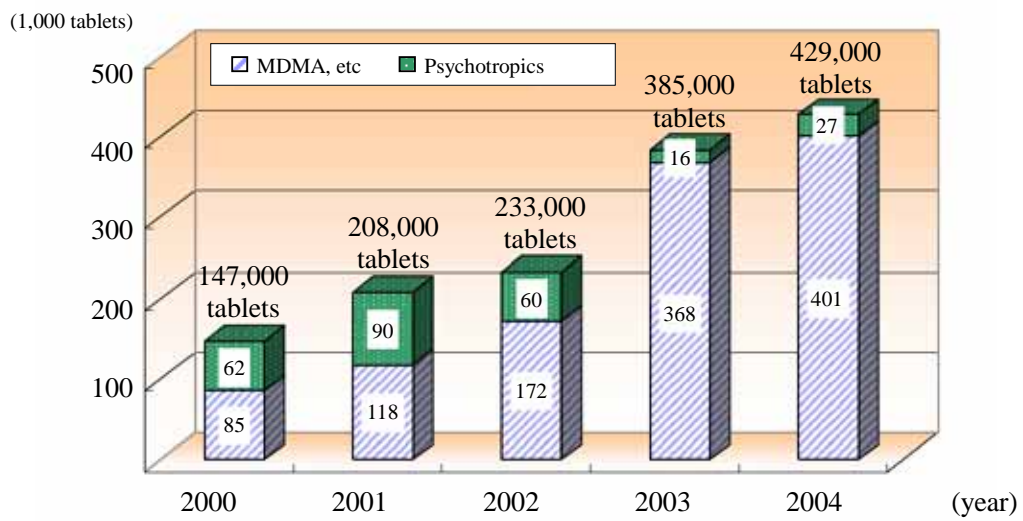
Notes:

1. The figures, which are on a detection basis, include quantities seized not only in smuggling cases detected by Customs but also in smuggling cases detected by the police and other law enforcement agencies in collaboration with Customs.
2. "Stimulants" includes its raw material.
3. "MDMA" represents the sum of all synthetic narcotics including MDMA and MDA.
4. The number of psychotropics tablets seized in 2001 includes 2,031 tablets in an export case.
5. A conversion was made for the "Number of uses" based on an average dose of abusers (stimulant: 0.03 g; herbal cannabis: 0.5 g; cannabis resin: 0.1 g; heroin: 0.01 g; cocaine: 0.03 g; opium: 0.3g; MDMA and psychotropic: 1 tablet).

(3) Transition in the Amount of Seizures for Major Illicit Drugs



(Note) Other drugs include heroin, cocaine and opium.



2. Trends in Illicit Drug Smuggling

(1) Stimulants

- T The number of interdictions reached a record high as in 2003.
- T There were increases in smuggling from Taiwan, Malaysia and Canada.
- T There was a huge increase in the number of smuggling attempts by airplane passengers.

Stimulants account for about 80% of the total number of arrests for drug abuse in 2004 (the National Police Agency's data), which makes them the most widely abused of illicit drugs in Japan.

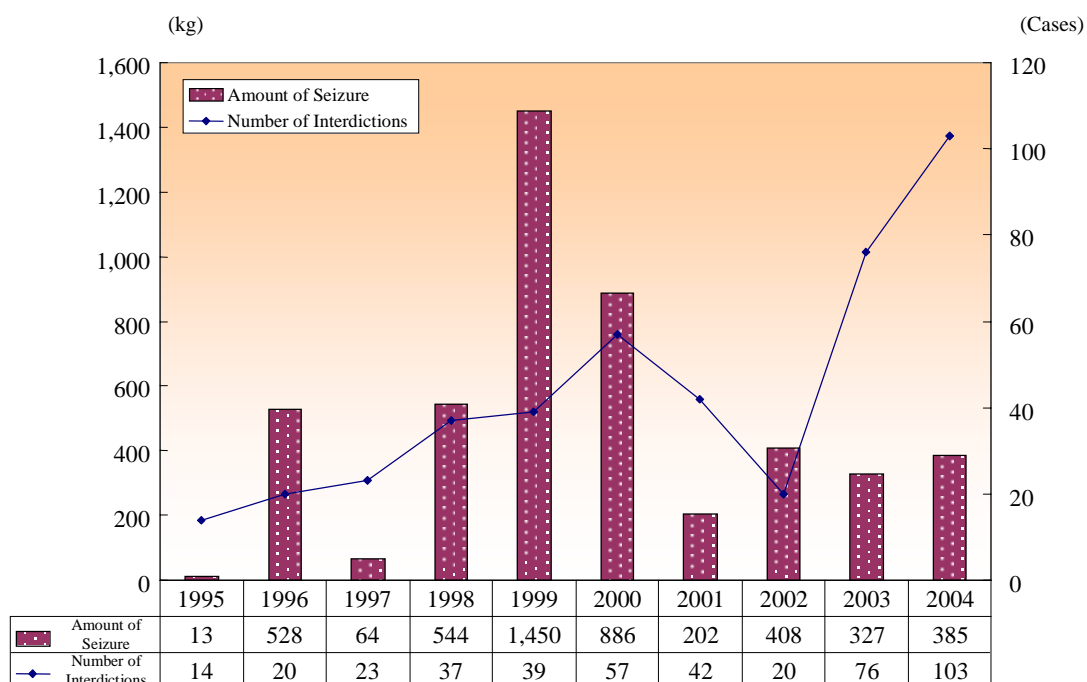
While the number of domestic arrests in 2004 dropped to 12,225 (83.6% of the previous year's level), a considerable amount of stimulants continue to be seized. Facts like this lead one to believe that the demand for stimulants remains strong in our country (the National Police Agency's data) and that the "third period of stimulant abuse" therefore has yet to be brought to an end.

The number of interdictions in 2004 was 103 (136% of the previous year's level), and the amount of seizure rose to 385 kg (118% of the previous year's level), showing a large increase over the record figure of 76 for 2003. [See Chart 1.]

While the major smuggling routes in 2004 included China, the largest source country for stimulants, increasing numbers of smugglers were sourcing stimulants from Taiwan, Malaysia and Canada. Also, a series of cases of smuggling via Indonesia, which had never been a source country for large-scale smuggling, were interdicted. These facts appear to show a growing trend towards diversification of the smuggling routes.

Concerning the method of smuggling, there was an increase in the number of smuggling attempts dealing in large quantities (by the kilogram) of stimulants, using methods such as hiding drugs in one's carry-on luggage or wearing them around one's body.

[Chart 1: Transition in the amount of seizure and the number of interdictions for stimulants]



(2) Cannabis (herbal cannabis and cannabis resin (hashish))

- T The interdiction of smuggling cases of cannabis was a record high in number.
- T The number of interdictions remained at a high level as in 2003 (the third-largest figure ever recorded).
- T A series of smuggling operations dealing in large quantities were exposed.

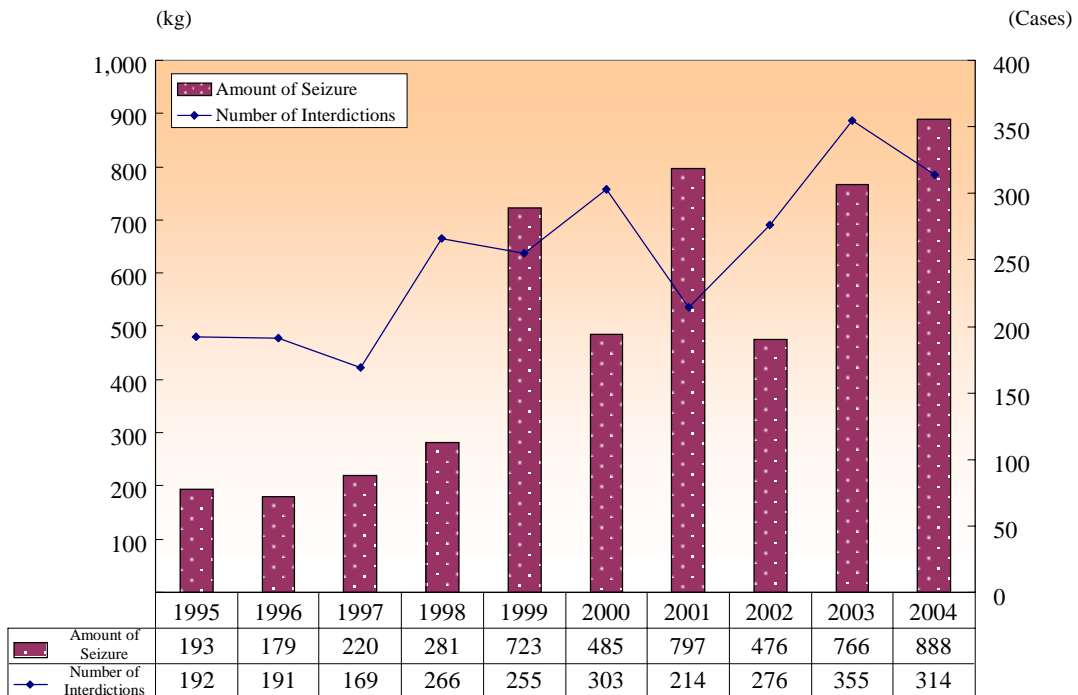
Cannabis is generally assumed to be the most abused illicit drug in the world, and in our country as well, it is the drug that has been confiscated in the largest quantity among the illicit drugs targeted for seizure in the past five years. In recent years, its abuse has been spreading, especially among the youth in their 20's, and the number of arrests for cannabis abuse in 2004 reached a record high of 2,209 (108.7% of the previous year's level, the National Police Agency's data).

The number of interdictions in 2004 dropped to 314 (88% of the previous year's level), but the amount of seizure turned out to be 888 kg (116% of the previous year's level). Since the number of interdictions is the third-largest figure ever and the amount of seizure the highest ever recorded, smuggling of cannabis is still on the increase. (The largest amount of seizure so far recorded was 797 kg for 2001.) [See Chart 2.]

The Major routes for smuggling herbal cannabis in 2004 included an African route involving countries like South Africa and Ghana, a European route involving countries like the Netherlands, and a South East Asian route involving countries like the Philippines and Thailand. The major route for smuggling cannabis resin, on the other hand, was a South Asian route via India and Nepal, which accounted for some 70% of the total amount of seizure.

Concerning the method of smuggling, there was an increase in the number of smuggling operations dealing in large quantities (by the kilogram), using international mail services or small-volume express air cargoes.

[Chart 2: Transition in the amount of seizure and the number of interdictions for cannabis]



(3) Tablet-type synthetic narcotics such as MDMA (including MDA and MDE)

T All-time records were reached in both the number of interdictions and the amount of seizure.

T There are signs to indicate that smuggling is diversifying in terms of routes and methods.

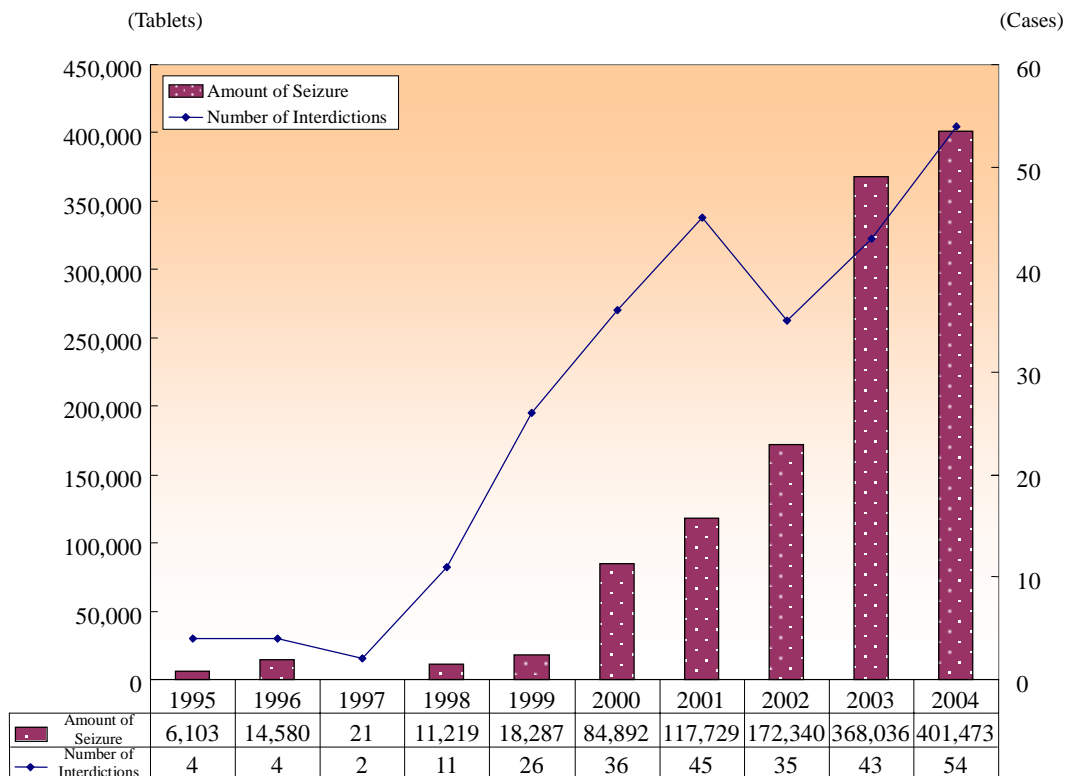
MDMA (commonly known as "Ecstasy") is a tablet-type synthetic narcotic that has pharmacological effects similar to stimulants, and there has been a massive increase in smuggling of these drugs in recent years. Due mainly to their shapes, which tend to weaken the urge to fight off these drugs, the spread of their abuse is especially marked among young people in their 20's. Consequently, the number of domestic arrests in 2004 reached a record high of 418 (163.3% of the previous year's level, the National Police Agency's data).

The number of interdictions in 2004 rose to 54 (126% of the previous year's level), and the amount of seizure reached 401 thousand tablets (109% of the previous year's level). Both these figures are the highest ever recorded, and hence smuggling of these drugs, like cannabis, is still on the increase. (The previous record for the number of interdictions was 45 for 2001, and 368 thousand tablets for 2003 for the amount of seizure.) [See Chart 3.]

The Major routes for smuggling included a European route via countries such as the Netherlands and France, which accounted for some 70% of the total amount seized. A series of cases of smuggling from China and Canada were also exposed, indicating that smuggling routes are diversifying.

Concerning the method of smuggling, while most of the past smuggling offenses were perpetrated by airplane passengers or through international mail services, large-quantity smuggling operations using sea cargoes or ship crew members were detected in 2004, indicating that smuggling methods are also on the way to diversifying.

[Chart 3: Transition in the amount of seizure and the number of interdictions for MDMA and other drugs]



(4) Cocaine

T A series of smuggling operations dealing in cocaine by the kilogram were detected, sending the amount of seizure up to a record high.

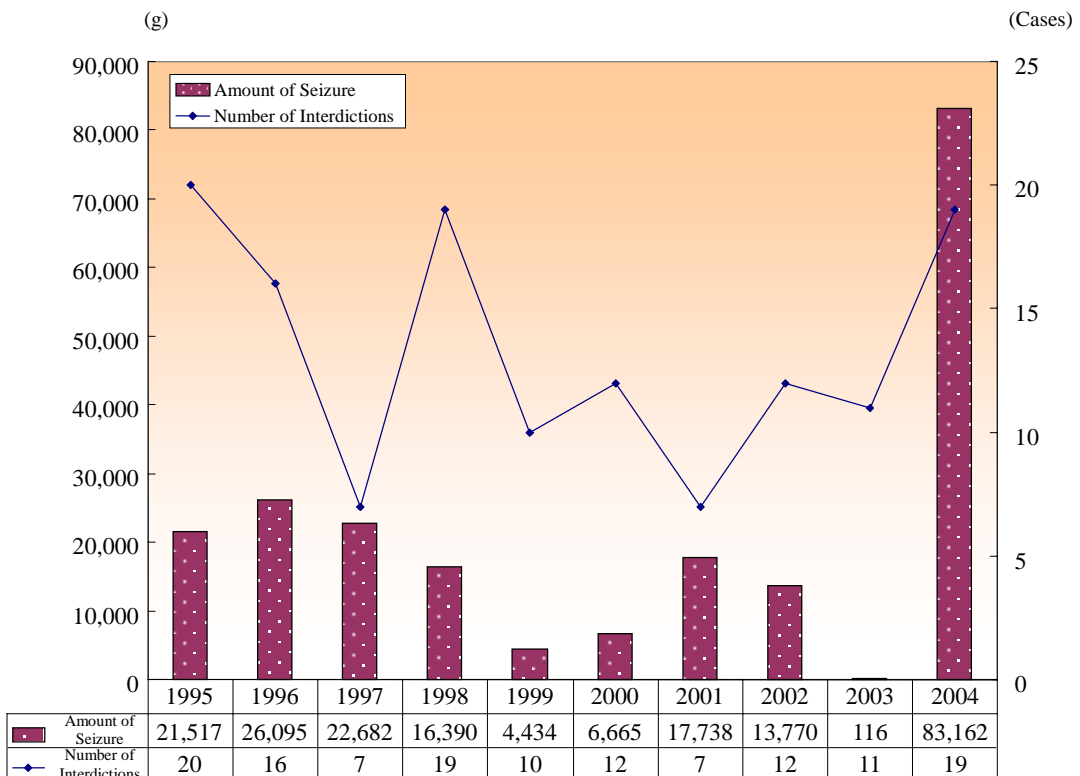
South America is the largest source of cocaine production, and most of the coca leaves used to produce cocaine are illegally grown in the three countries of Columbia, Peru and Bolivia. While it is mainly consumed in the United States and Europe, several smuggling operations dealing in large quantities of cocaine have been detected since the beginning of 2004 in the Asian-Pacific regions including Japan, Australia and Hong Kong.

76 cases of domestic arrests were reported in 2004 (131% of the previous year's level, the National Police Agency's data). While cocaine is not as widely abused as stimulants and cannabis, there is concern about the spread of its abuse in our country owing to its stimulating effects, similar to stimulants.

The number of interdictions in 2004 was 19 (173% of the previous year's level), and the amount of seizure rose to 83 kg (715 times the amount of the previous year), which far exceeded the previous record of 42 kg for 1990. [See Chart 4.]

The major sources for smuggling in 2004 were South American countries such as Columbia, Mexico and Brazil, which accounted for most of the smuggling cases. As for the method of smuggling, apart from large-scale smuggling operations via ship officers' consignments and small-volume express air cargoes, several smuggling offenses committed presumably for profits (offenses involving more than 100 grams in a single transaction) were interdicted.

[Chart 4: Transition in the amount of seizure and the number of interdictions for cocaine]

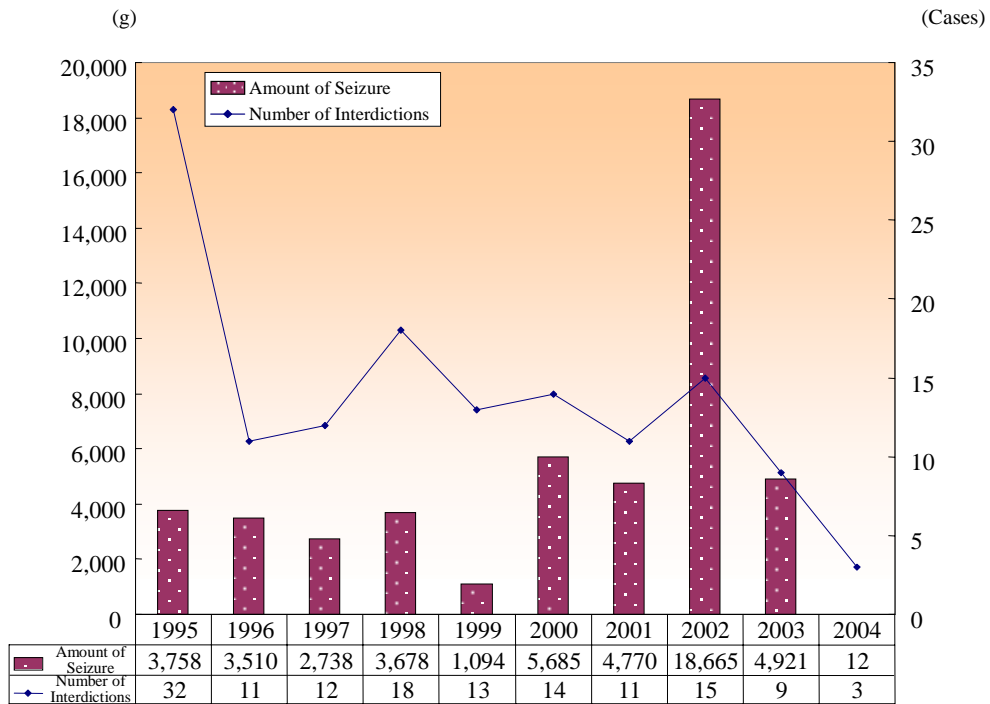


(5) Other illicit drugs: heroin, opium and psychotropics

- a. The Golden Triangle, which spreads over Thailand, Laos and Myanmar, and the Golden Crescent, encompassing Afghanistan, Pakistan and Iran, are believed to be the major areas where heroin is produced. The Golden Triangle and its neighboring areas have been the main source of the heroin smuggled into Japan.

In 2004, 3 cases (33% of the previous year) of smuggling of heroin were interdicted with a seizure of 12 g (0.3% of the previous year) of heroin. [See Chart 5.]

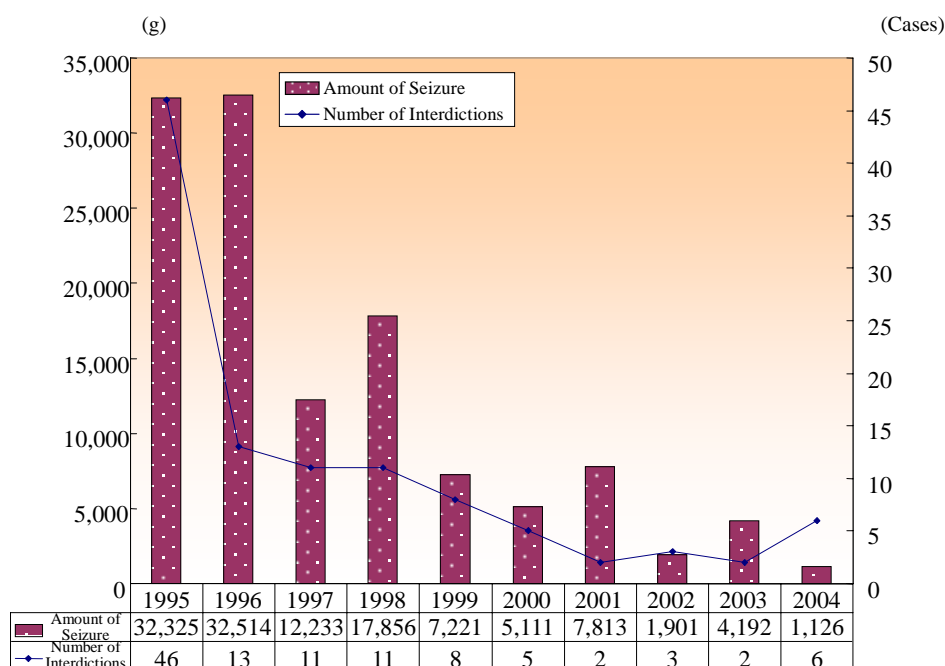
[Chart 5: Transition in the amount of seizure and the number of interdictions for heroin]



- b. Opium, like heroin, is generally assumed to be produced mostly in the Golden Triangle and the Golden Crescent, but in addition to these regions, two cases of large-quantity smuggling from Far Eastern Russian regions, perpetrated by ship crew members, were detected in the past five years.

In 2004, 6 cases (300% of the previous year) of smuggling of opium were interdicted with a seizure of 1,126 g (27% of the previous year) of opium. [See Chart 6.]

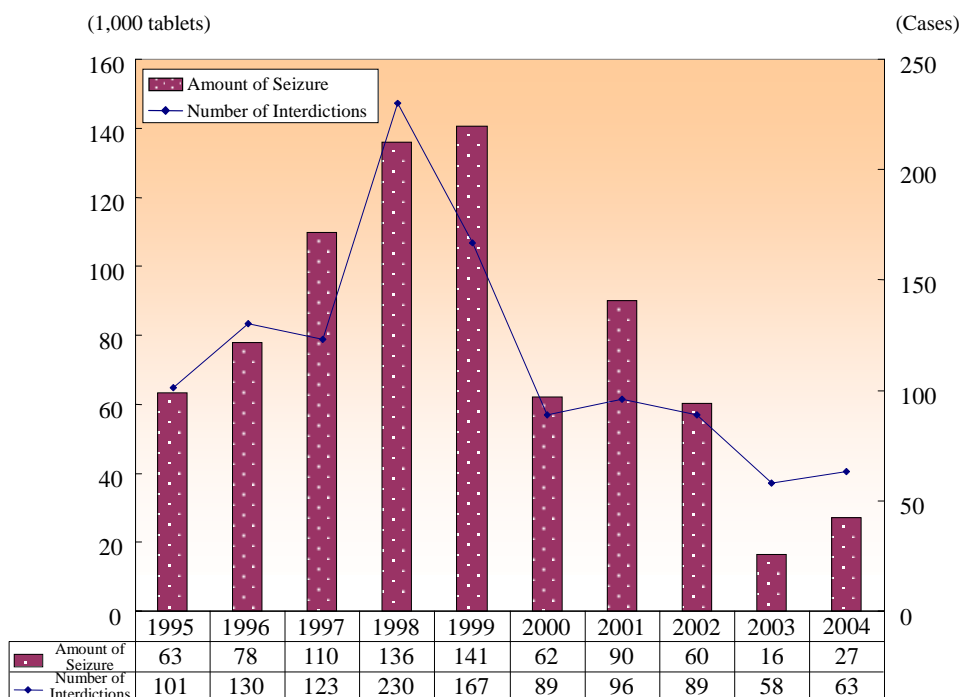
[Chart 6: Transition in the amount of seizure and the number of interdictions for opium]



- c. Psychotropics is a generic term for substances which have tranquilizing, stimulative or hallucinatory effects on the central nervous system. The number of interdictions in 2004 was 63 (109% of the previous year's level), and the amount of seizure was 27 thousand tablets (165% of the previous year's level). [See Chart 7.]

Major sources for smuggling in 2004, listed in descending order, were Thailand, the Philippines and China, smuggling from these countries representing some 90% of the total amount of seizure. About 80% of smuggling was via international mail services.

[Chart 7: Transition in the amount of seizure and the number of interdictions for psychotropics]

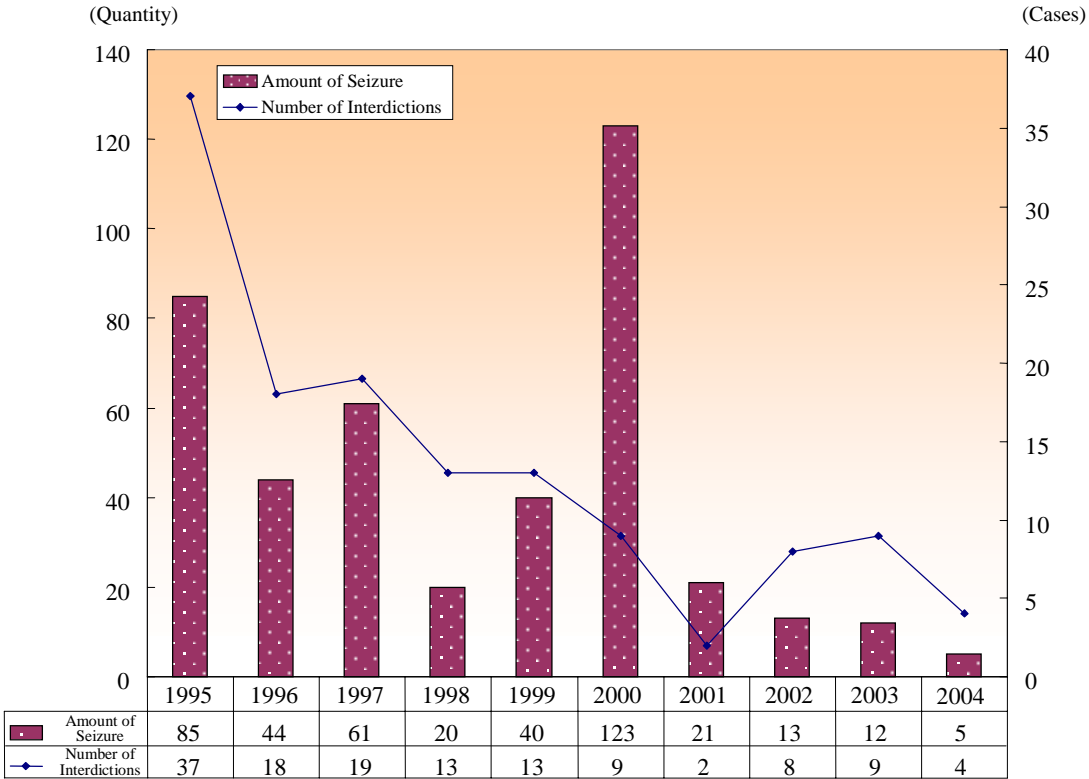


3. Trends in Firearms Smuggling

According to the National Police Agency's statistics, out of the 601 handguns seized within the country, 527 were genuine, and 74 modified. Since these genuine handguns were mostly made in foreign countries such as the United States, Russia and the Philippines, most of the handguns seized within the country are considered to have been smuggled from overseas. In contrast to the year 2000 in which large-quantity smuggling cases were interdicted, the number of cases of smuggling and the quantity of seized items have been at low levels in the recent years.

The number of interdictions for firearms in 2004 was 4 (44% of the previous year's level), and the number of seized firearms was 5 (42% of the previous year's level). For firearms parts, the number of interdictions was one (14% of the previous year's level), and the number of seized parts was also one (8% of the previous year's level). [See Chart 8.]

[Chart 8: Transition in the number of seizures and the number of interdictions for firearms]



Other smuggling offenses: smuggling of articles violating intellectual property rights

Along with socially harmful goods, articles violating intellectual property rights are designated as contrabands by the Customs Tariff Law. Most of the cases of smuggling for articles violating intellectual property rights that were interdicted by the Customs as a customs offenses involved counterfeit brand products that infringed on trademark rights. Most of the cases were smuggling from China and South Korea via international mail services or using carry-on luggage. In 2004, we took steps such as indictment against 86 cases of smuggling which involved some 150 thousand articles in total.