There have been many highlights of the year for Transform, but chief among them was the beginning of a new programme of work in Latin America. With challenges to prohibition now emerging across the region – most notably in Uruguay, Guatemala, Colombia and Mexico – this year provided a unique opportunity for Transform to use its expertise to assist high-level figures who are driving the debate on the future of international drug policy and law.

In partnership with a prominent NGO based in Mexico City, México Unido Contra la Delincuencia, we have recruited our first overseas employee, Lisa Sánchez, who will act as Transform’s Latin American Programme Manager. Lisa will work to engage with the media, policy makers, business leaders and other NGOs in the region, bringing Transform’s authoritative range of resources to a new audience. This programme of work has already accomplished a great deal, which you can read about on page 4 of this report.

This year saw significant developments in North America too. In a historic step, two US states, Washington and Colorado, voted to become the first political jurisdictions anywhere in the world to legally regulate the production and supply of cannabis. This could be a game-changer for the drug policy reform movement and, regardless of how its implementation actually plays out, it is already having ramifications around the world, creating political cover for leaders across the globe to speak out against prohibition.

Even in the UK, progress is occurring, with the Home Affairs Select Committee calling on the government to set up a Royal Commission on drug policy – something Transform has been campaigning for for years, and we have been working very closely with key policy makers to progress the debate.

Drug policy reform has advanced at a tremendous pace over the past twelve months, and with its unrivalled skills and resources, Transform is perfectly positioned to move even closer to achieving its vision.

– Gary Wallace, Chair of the Board of Trustees
Our Vision
An end to the war on drugs and the establishment of effective and humane systems of drug regulation

Our Mission
We will play a key role in supporting countries to call for alternatives to the war on drugs by 2015

Our Goals
• Normalise and build trust in legal regulation with a range of audiences nationally and internationally
• Use a call to review all the options for reform to mainstream the reform debate into other sectors, and strengthen the position of reform-minded policy makers
• Support and encourage a coalition of Latin American governments to call for the war on drugs to be replaced with legal regulation
• Maximise Transform’s impact with policymakers by reaching a wide public audience, targeting key influencers and winning over the media
Latin America Work

Transform took the strategic decision in 2012 to launch a Latin American programme of work, in collaboration with the NGO México Unido Contra la Delincuencia (MUCD). The drug war’s staggering costs to the region – with over 80,000 killed in drug-related violence in Mexico alone since 2006 – have prompted several leaders to speak out and demand that alternative policies be explored. This has led to the first real cracks appearing within the global prohibitionist system. With the right support, countries in the region will be able to lead the world towards an end to the war on drugs.

We have:

• Employed a Mexico-based Latin American Programme Manager to work with policymakers, NGOs, the business community and experts in the region
• Advised the Uruguayan government and President on the country’s plans to legally regulate cannabis
• Launched the Spanish translation of our flagship book, ‘After the War on Drugs: Blueprint for Regulation’, in Mexico City to a high profile audience of policymakers, businessmen, journalists and experts
• Generated great media coverage, including a 30 minute interview on Mexico’s TV Azteca, and more than 40 articles across Latin America, with the foreword published by ‘El Tiempo’, Colombia’s biggest selling daily newspaper
• Facilitated a workshop with Latin American drug policy experts on a new Spanish version of our key publication ‘Tools for the Debate’
• Given expert advice to the Organization of American States drug policy review

Our Latin American project is enabling us to directly engage the business community and policymakers, build partnerships with local NGOs and activists, develop new resources and empower supporters of reform from Argentina to Mexico.

To find out more about MUCD, visit their website at http://www.mucd.org.mx/
Lisa Sánchez and Steve Rolles on their visit to advise the Uruguayan government

Latin American concerns lead to UN review of drug policy

Following a request from 22 Latin countries, the UN General Assembly will hold a Special Session to review the effectiveness of the global drug control system in 2016

Drug policy expert workshop in Mexico City

Coverage of the ‘Blueprint for Regulation’ launch in Mexico’s ‘Reforma’ newspaper
Count the Costs

Transform’s Count the Costs initiative continues to make progress in engaging with organisations and experts from outside the drugs sector, using a unique range of resources to help with our outreach. This year, we:

- Led the production of ‘The Alternative World Drug Report’, a 108-page report detailing the full range of disastrous consequences which result from pursuing a global war on drugs. The report was launched to coincide with the publication of the United Nations Office on Drugs and Crime’s official 2012 World Drug Report
- Published five briefings examining how the war on drugs threatens public health, creates crime, causes environmental damage and fuels stigma and discrimination, as well as one outlining the different options for reform, and several Spanish translations

- Reached a total of over 100 organisations supporting Count the Costs, including major groups such as Human Rights Watch and the International AIDS Society
- Launched a Russian Count the Costs website, with two translated briefings

The collaboration of NGO expertise in the Count the Costs initiative has enabled us to produce arguably the most comprehensive critique of the war on drugs currently available. Transform staff have met with senior personnel from leading NGOs in a range of sectors including Christian Aid, Health Poverty Action and the British Medical Association to assist them as they begin to take a public stance on the drugs issue. Mainstreaming the drug policy reform debate into high-profile NGOs with massive supporter bases will provide pressure and cover to encourage politicians to back reform.
"Count the Costs is a timely initiative. The failed war on drugs has empowered organised crime, destabilised governments, violated human rights and devastated human lives everywhere."

Fernando Henrique Cardoso
Former President of Brazil
November 2011
**UK Work**

Transform continues to work in an advisory capacity with organisations, individuals and politicians in the UK. This year our expertise was sought in a variety of ways:

- Transform was invited to provide evidence to the Home Affairs Select Committee Inquiry into Drug Policy, which called for a Royal Commission to explore alternative approaches

- We acted as a consultant to the International Institute for Strategic Studies on a book entitled ‘Drugs, Insecurity and Failed States: the Problems of Prohibition’, which received considerable media attention

- Transform sits on the Independent Advisory Panel of the internationally renowned think tank Chatham House and worked on a series of workshops for its ‘Drugs and Organized Crime’ programme

- Transform was invited to sit on the expert reference group and act as a researcher and writer for The British Medical Association’s report ‘Drugs of dependence: The role of medical professionals’

- Transform staff met with and advised senior politicians from all the leading UK political parties

In the UK we are playing a key role, including working to persuade audiences as diverse as the Deputy Prime Minister and The Sun newspaper (with more than 7 million readers) to support calls for reform and a review of the current prohibitionist approach to drugs. In doing so, we are laying the groundwork for the cross-party support that real change will require.
“We have been engaged in a war on drugs for more than 30 years. We are plainly losing it. We have not achieved very much progress. The same problems come round and round.”

Rt Hon Ken Clarke MP, UK Justice Secretary
July 2012

“If you were waging any other war where you have 2,000 fatalities a year, your enemies are making billions in profits, constantly throwing new weapons at you and targeting more young people — you’d have to say you are losing and it’s time to do something different.

I’m anti-drugs — it’s for that reason I’m pro reform.”

Rt Hon Nick Clegg MP, Deputy Prime Minister
December 2012
Transform continued to be the first port of call for media analysis on drug policy reform in the UK, and increasingly for international media too. Highlights include:

- Transform staff were featured in 27 international news articles and 10 TV broadcasts
- Participating in the most high-profile debate on drug policy reform ever, hosted by Google and broadcast online to millions. The event featured many prominent public figures, including President Santos of Colombia; Richard Branson; Louise Arbour, former UN High Commissioner for Human Rights; Antonio Maria Costa, former Executive Director of the UNODC; and former US Drug Tsar Barry McCaffrey
- Working to persuade the UK’s biggest selling paper, The Sun, to change its editorial stance on drug policy. This led to an op-ed arguing for legal regulation by Nigel Inkster, former Assistant Chief of MI6; a poll showing most Britons want a review of all drug policy options; and a ‘Sun Says’ leader backing a review of legal regulation
- The two main newspapers in Uruguay, El País and Republica, covered Transform’s visit to advise the government on their drugs strategy
- A significant and widespread amount of media coverage for Transform in Mexico’s main newspapers, and a 30 minute prime-time TV interview with Sergio Sarmiento, one of Mexico’s most distinguished broadcasters

Downloads of ‘After the War on Drugs: Blueprint for Regulation’ since publication in 2009: now over 500,000
DRUGS POLICY

Rethinking the war on drugs
A policy debate on how to reduce the casualties

Danny Kushlick

By Nigel Inkster
Ex-Assistant Chef of MI5

Most Brits want to try making drugs legal, a shock new poll reveals.

Danger drug... user prepares cocaine

Survey shock

Steve Rolles
Senior policy analyst, Transform Drug Policy Foundation

Steve Rolles
Senior policy analyst, Transform Drug Policy Foundation

Survey shock

Damage

EXCLUSIVE by Tom Newton Dunn

Steve Rolles
Senior policy analyst, Transform Drug Policy Foundation
Future Projects

We have an exciting programme of work planned for the next two years, for which we will be seeking funding.

1. **New Website**
   Transform’s website will be redesigned, streamlined and updated to improve its impact and functionality. The website will be launched with a fundraising video featuring high-profile supporters of reform.

2. **Latin America Project**
   Continue and expand our programme of work in Latin America, including funding for our Mexico-based Latin American Programme Manager, UK support work, production of new publications and outreach to key Latin American audiences. We are also seeking funding to translate, launch and disseminate a Portuguese translation of ‘Blueprint for Regulation’

3. **Increase staff capacity**
   To meet the growing demand for expertise in drug policy reform, we are looking to increase staff hours.

4. **Count the Costs Phase 3**
   Outreach and face-to-face advocacy with key organisations, including staging events and dissemination of our ‘Alternative World Drug Report’ and latest briefings.

5. **How to Regulate Cannabis**
   This will be an authoritative and practical guide to cannabis legalisation, detailing how regulation can and does work on the ground, illustrated by best practise case studies.
“The United Nations should exercise its leadership, as is its mandate ... and conduct deep reflection to analyze all available options, including regulatory or market measures, in order to establish a new paradigm that prevents the flow of resources to organized crime organizations.”

President Santos of Colombia, President Calderón of Mexico and President Molina of Guatemala Statement to the General Assembly of the United Nations, October 2012
Finances

**Income**

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<th>Description</th>
<th>£</th>
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<td>Total incoming resources</td>
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**Expenditure**

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<th>Description</th>
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<tbody>
<tr>
<td>Salaries</td>
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<tr>
<td>Other direct charitable expenditure</td>
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<tr>
<td>Administrative and accountancy expenses</td>
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<td>Total resources expended</td>
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<td>Net (deficit)</td>
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<tr>
<td>Total funds as of 01/04/2011</td>
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<tr>
<td>Total funds as of 31/03/2012</td>
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We would like to express gratitude to all the individual donors and charitable trusts that have supported our work over the past year. We are particularly grateful to Henry Hoare, Paul Birch, Dr Susan Blackmore, Ricardo B. Salinas and Ken Aylmer as well as the following trusts:

- The Open Society Foundations
- The Esmée Fairbairn Foundation
- The Linnet Trust
- The Glass House Trust
- The Tedworth Charitable Trust

Transform Funders

Transform is a charitable foundation overseen by a board of trustees:

Chair: Gary Wallace
Treasurer: Nina Edmonds

- Paul Birch
- Jolene Crawford
- Mark Dunn (appointed 17.10.11)
- Roger Golland (appointed 21.05.12)
- Mike Jay
- Axel Klein
- David Seymour (appointed 10.09.12)
- James Varty
- John Whitaker (appointed 21.05.12)

- Lawrie Jones (resigned 21.05.12)
- Nalin Jay (resigned 21.05.12)
- Neil Anderson (resigned 01.12)
Transform Drug Policy Foundation is a registered charity (No.1100518) and a limited company (No.4862177)

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