



U. S. Department of Justice
Drug Enforcement Administration

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**Justice Department Officials to Announce Arrests and
Disruptions of the Fentanyl Precursor Chemical Supply Chain**

Department of Justice Press Conference – June 23, 2023

DEA Administrator Anne Milgram Remarks as Prepared

Thank you, Attorney General Garland and Deputy Attorney General Monaco.

Fentanyl is the greatest threat to Americans today. It is devastating families across our country and killing Americans from all walks of life. And it is the leading cause of death for Americans between the ages of 18 to 45.

The Drug Enforcement Administration is actively targeting every single aspect of the global fentanyl supply chain—so that we can put an end to the most devastating drug crisis our country has ever seen.

The two drug cartels that are responsible for the influx of fentanyl into the United States—the Sinaloa and Jalisco Cartels—work with chemical companies based in the People’s Republic of China to get their raw materials. Those companies, and the individuals who work for them, provide drug traffickers with the ingredients necessary to make fentanyl—chemicals called fentanyl precursors. Nearly all fentanyl precursors are manufactured and shipped from China.

For the first time ever, we have charged four PRC companies with fentanyl trafficking conspiracy. We have also charged eight PRC nationals who work for those companies and we have taken two of them into custody. And we have seized more than 200 kilograms of fentanyl precursors in these investigations alone, enough to make millions of deadly doses of fentanyl.

Make no mistake—The charged defendants knew exactly what they were doing. As alleged in the indictments unsealed today, the defendants provided their customers with the blueprints for making fentanyl—a poison that is killing Americans. They provided the chemicals. They gave advice on how to mix them. They made changes to the recipe when an ingredient wasn’t available. They told a customer to substitute one ingredient for another to make twice as much. They employed chemists to troubleshoot when customers had questions. They mislabeled packages and falsified customs forms to get the chemicals across borders. They even disguised the chemicals at a molecular level—

adding a molecule to “mask” the precursors so they would not be detected as banned substances during transport, and teaching their customers how to remove that molecule after receipt.

As alleged, these defendants gave their customers the raw materials and the scientific know-how to make fentanyl. And they knew exactly who they were working with. They talked freely about having clients in America and Mexico and, specifically, in Sinaloa, Mexico, where the Sinaloa Cartel is based.

These cases show that fentanyl precursors are cheap. In just one example: a defendant sold two kilograms of fentanyl precursors for approximately \$1,000—those precursors can yield 1.75 million lethal doses of fentanyl, which is less than one cent per lethal dose. The amount of fentanyl that can be made depends only on the amount of chemicals that can be purchased. At prices like these, the amounts are limitless.

And these cases show that fentanyl precursors are easily bought online. These companies advertised fentanyl precursors on social media—on Facebook and LinkedIn. They used encrypted applications like WhatsApp to speak with customers and coordinate shipments. They disguised the shipments as legitimate goods—with fake labels and falsified customs paperwork that said that what was inside was “dog food” or “raw cosmetic materials” when in fact they were fentanyl precursors. And they took payment in Bitcoin and other cryptocurrencies, to try to hide who they were and make it harder to follow the money back.

This is the unprecedented threat we are dealing with: Synthetic chemicals. Shipped as powders. Advertised on social media. Coordinated through encrypted communications. Paid for in cryptocurrency. And that is why more than 110,000 Americans died from drug poisonings last year alone.

Today’s indictments target the threat where it starts.

I want to thank the men and women of the

- DEA’s Special Operations Division Bilateral Investigation Unit
- DEA’s New York Field Division
- DEA’s New York Drug Enforcement Task Force
- five other DEA offices who assisted with these investigations
- and our prosecution partners in the Southern and Eastern Districts of New York

who all worked tirelessly on these investigations.

I also want to thank our law enforcement partners at the Royal Thai Police and the Fiji Police Force for their assistance.

Today’s charges continue DEA’s work to target the global fentanyl supply chain. In April, we announced the indictment of 28 members and associates of the Sinaloa Cartel and tracked them across the globe, from China, to Central America, to Mexico, to the United States. In May, we announced the results of a year-long operation that involved the arrests of 3,337 associates of the Sinaloa and Jalisco Cartels in the United States. After those announcements, one of the defendants in this case told a confidential source: that was “bad news for us.”

We know that the criminals are watching. Here is our message to you.

There is more bad news coming. With every investigation, with every indictment, we are coming after you. And we will not relent, until this crisis ends.