



FENTANYL IN NORTH AMERICA: CURRENT TRENDS AND STRATEGIES

Date: February 20th, 2025

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KEY EVENTS

On February 20th, 2025, Ms. Victoria Dittmar presented “Fentanyl in North America: Current Trends and Strategies” for February’s Digital Roundtable. The presentation was followed by a question-and-answer period with questions from the audience and CASIS Vancouver executives. The key points discussed were the current trends of synthetic drug markets, the effectiveness of steps being taken to dismantle the trade, and the ease of entering illicit markets.

NATURE OF DISCUSSION

Fentanyl production operations in Mexico and Canada were framed as a joint North American problem. Ms. Dittmar outlines that despite Mexico being the predominant supplier to the US markets, Canadian networks have also been alleged to traffic fentanyl to other global markets, including to Australia. She described the current steps being taken in North American countries to combat the rise in fentanyl distribution and consumption and discussed the effectiveness of them, proposing other strategies that may better target the specific complexities of the synthetic drug market.

BACKGROUND

Presentation

The fentanyl supply chain in Mexico and across North America is increasingly decentralized, adaptive, and entrepreneurial in nature. This structural shift undermines the effectiveness of traditional enforcement strategies based on territorial control and hierarchical cartels, while also calling into question the impact of more recent approaches, such as border militarization and the designation of cartels as terrorist organizations.

According to field research presented by Ms. Dittmar, the market for synthetic opioids, particularly fentanyl, no longer operates under the exclusive control of large criminal organizations. Instead, it is composed of independent actors who manage their own procurement, production facilities, distribution networks, and security arrangements. These individuals operate autonomously and maintain no formal allegiance to any single cartel, although larger groups such as the Sinaloa Cartel may serve a facilitative role by purchasing in bulk or aiding in cross-border transport.

Ms. Dittmar presented an illustrative case that occurred in May 2023, when the Chapitos faction of the Sinaloa Cartel temporarily prohibited fentanyl production in Culiacán. This internal enforcement action, motivated by market instability concerns and heightened law enforcement attention, resulted in a short-term decline in local production. However, it also triggered a wave of strategic adaptations: some producers relocated to other regions, others modified their recipes to avoid detection when certain precursors became more difficult to obtain, and select individuals secured permission from cartels to continue operating under tighter controls aimed at standardizing product quality. Ms. Dittmar characterized this event as emblematic of the fentanyl market's resilience and its dynamic capability to evolve in response to both state and non-state interventions.

The emergence of criminal entrepreneurship further complicates law enforcement efforts. The production of synthetic drugs does not require territorial control, favourable climate conditions, or agricultural inputs. Ms. Dittmar described how individuals have entered the trade by informally learning production techniques and establishing independent laboratories with relatively low capital investment. This has enabled a proliferation of micro-scale operations that are difficult to detect, disrupt, or trace through traditional interdiction methods.

Rather than exercising vertical control, major criminal organizations increasingly resemble platforms, comparable to commercial intermediaries like Uber or Amazon, through which independent producers can access distribution infrastructure. This shift undermines traditional law enforcement strategies premised on dismantling hierarchical structures or targeting leadership figures and suggests the need to reassess the strategic assumptions underlying current counter-narcotics frameworks.

Recent policy responses, including U.S. proposals to designate Mexican cartels as Foreign Terrorist Organizations (FTOs) and militarize border enforcement, were critically examined by Ms. Dittmar. She proposed that such measures risk misclassifying profit-driven organized criminal networks that function with or without certain actors as ideologically motivated terrorist groups.

The fentanyl crisis spans all three North American countries, with Canada experiencing a notable rise in domestic production, lab seizures, and potential exports, according to Ms. Dittmar. Precursor chemicals used in fentanyl synthesis are often lawfully produced and traded, and their diversion into illicit markets is facilitated by regulatory gaps in all three jurisdictions. Ms. Dittmar emphasized the difficulty of regulating dual-use precursors and noted that U.S. companies have, in some instances, inadvertently supplied precursor chemicals to traffickers operating in Mexico.

Ms. Dittmar further cautioned that symbolic policy measures, such as FTO designations, may have limited operational utility and could divert attention and resources from more effective enforcement avenues. In particular, such designations may complicate international cooperation, raise human rights concerns, and obscure distinctions between different types of violent non-state actors. Effective enforcement will likely require precise threat classification, greater emphasis on financial investigations, coordinated cross-border regulation of precursor chemicals, and the prioritization of demand-side interventions through public health frameworks.

Ms. Dittmar emphasized that synthetic drug markets represent a paradigm shift in transnational criminal activity. Their decentralized structure, rapid adaptability, and low barriers to entry present significant challenges to existing enforcement models. Effectively addressing the fentanyl crisis requires moving beyond traditional enforcement models and adopting responses that reflect the fluid, dynamic, and transnational nature of contemporary synthetic drug markets.

Question and Answer

How do criminal organizations manage to adapt so quickly to drug enforcement actions? How can the three countries take note of this adaptation to maybe create contingency policies?

Ms. Dittmar emphasized that synthetic drug markets adapt faster than enforcement measures can respond, due to the speed and low cost of relocating

labs or modifying chemical inputs. She noted that traditional tools such as scheduling substances and deploying enforcement assets are too slow to counter these shifts and called for greater collaboration with the private sector to improve intelligence-sharing and supply chain risk analysis.

How can policy makers, whether in Mexico, Canada or US, better work individually or together to fix those legal loopholes that continue to allow flow of fentanyl?

In response to this question, Ms. Dittmar clarified that traffickers primarily use legal ports of entry, often relying on U.S. citizens transporting small quantities of fentanyl to avoid detection. This practice is not a loophole but a deliberate use of legal transportation infrastructure that challenges conventional interdiction models focused on unauthorized crossings.

What problems arise for law enforcement and researchers when it comes to data collection on illicit drug markets? What implications do these challenges have on the way policy makers approach the regulation of illicit markets?

Ms. Dittmar noted Canada's integration of health and security data as a strong model for tracking evolving drug trends. She referenced how Canada has developed a relatively integrated data system linking health and security sectors, while Mexico continues to face significant gaps in fentanyl-related data collection, thereby limiting its ability to assess evolving threats and respond effectively. Ms. Dittmar further stressed the importance of routine drug analysis to identify emerging substances and inform both enforcement and harm reduction strategies.

KEY POINTS OF DISCUSSION

- **Current Trends of the Fentanyl Market:** Ms. Dittmar explained that the fentanyl trade is dominated by independent actors with little formal cartel allegiance, operating in an entirely decentralized and fragmented structure. Ms. Dittmar emphasized that these producers operate without territorial control, rely on easily modified formulas, and use existing cartel networks as logistical platforms that function more like service providers than hierarchical organizations.
- **Newly Implemented Policies:** Ms. Dittmar argued that heavy-handed law enforcement measures, such as militarized borders and terrorist

designations, reflect a fundamental misunderstanding of how the fentanyl trade operates, particularly its unstructured and adaptive nature. She further emphasized that this approach overlooks key structural vulnerabilities that the fentanyl trade actively exploits, such as regulatory gaps and financial networks, where targeted interventions would yield greater impact.

- **Easy Access into the Trade:** Synthetic drug markets are rapidly evolving toward an entrepreneurial model characterized by low barriers to entry, including minimal startup costs, with fentanyl production increasingly driven by independent actors who have immediate access to distribution channels. These factors allow producers to efficiently shift operations when targeted by law enforcement.

FURTHER READING

Appleby, P., Dittmar, V., LaSusa, M., Appleby, P., Dittmar, V., & LaSusa, M. (2024, August 1). How Mexico's CJNG Controls Guadalajara's Expanding Drug Market. InSight Crime. <https://insightcrime.org/news/mexico-cjng-controls-guadalajara-expanding-drug-market/>

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Kelshall, C. and Dittmar, V. (2019) *Accidental Power: How Non-State Actors Hijacked Legitimacy and Re-Shaped the International System*. Simon Fraser University Library: Vancouver.



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