

# Illegal Wildlife Trade: Leadership By The Transportation And Logistics Sector

## *An Introduction and Discussion Document*

Transportation and logistics businesses such as passenger and cargo airlines, shipping companies, express couriers and freight forwarders are becoming increasingly vulnerable to exploitation by illegal wildlife traffickers. This discussion document illustrates why and how this is happening, outlines potential risks to companies, and identifies new opportunities for the sector to eliminate illegal wildlife commodities from their supply chains and transport/cargo profile.

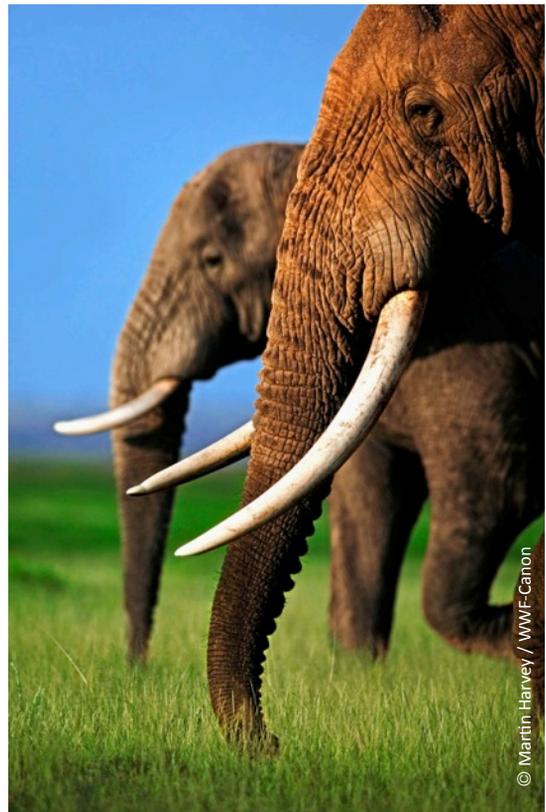
### What is the problem?

The illegal trade in wild animals, plants and their products is a business worth up to USD10 billion per year (with the exclusion of fisheries and timber), making it **one of the most lucrative types of transnational crime** along with the illegal trade in drugs, counterfeit goods, humans and weapons. The scale of the illegal wildlife trade in Asia has grown exponentially in recent years, largely driven by economic development and a consequent surge in purchasing power that has included demand for luxury commodities to demonstrate a social status, for gifting purposes, or for traditional uses including medicine.

This demand directly affects wild species populations. **Poaching and trafficking in elephant ivory is at its highest level in 25 years**, and the killing of rhinos has escalated from just 13 animals in 2007 to over 1,200 in 2014 in South Africa alone. Wildlife trafficking is not only decimating wild populations of fauna and flora, driving some fast towards extinction, but it also hinders sustainable social and economic development. Moreover, it poses a risk to national and international security.

The illegal trade in wildlife remains comparatively low-risk and high-profit, and is often run by criminal networks with broad international reach and linkages to other forms of trafficking as well as other illicit activities and money laundering.

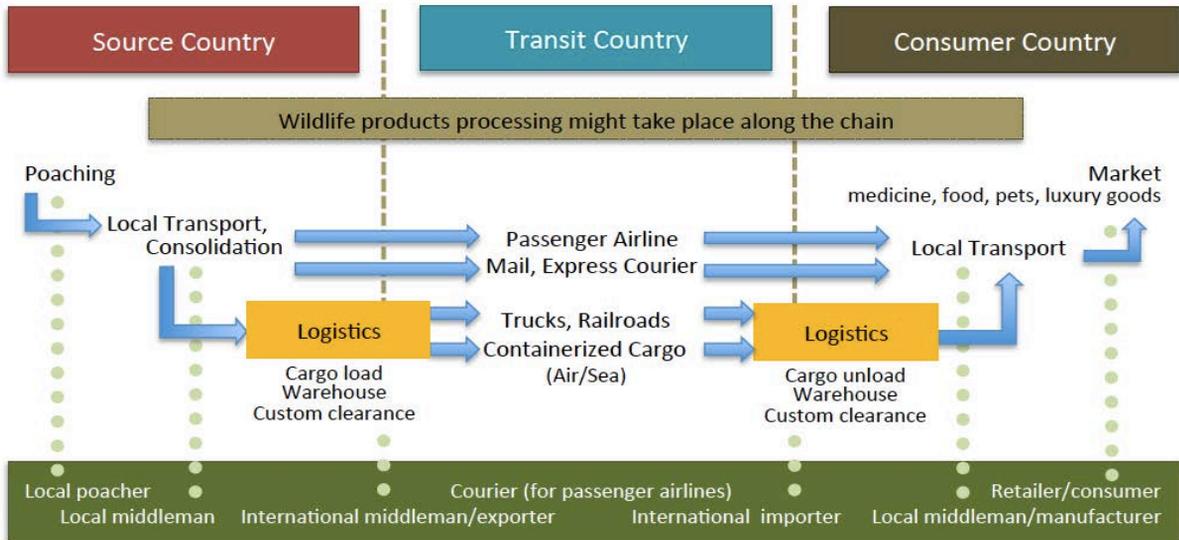
Corruption at various points along the trade chain further facilitates the ease of trafficking in wildlife. Just as we need to intensify efforts to combat illegal trade in drugs, humans and weapons, so too do we need to intensify efforts to combat the illegal trade in wildlife. This requires a scaled-up global response along various trade pathways, with sustained, concerted efforts from all actors, including carriers that may be unwittingly complicit within the transport, logistics, shipping and goods freight sectors by air, sea and land.



## The Illegal wildlife trade chain

The illegal wildlife trade chain typically involves several players working in source, transit and consumer countries (Figure 1). **International wildlife trafficking is a logistics and transport intensive activity** and wildlife products often have discrete smuggling methods, trafficking routes and markets.

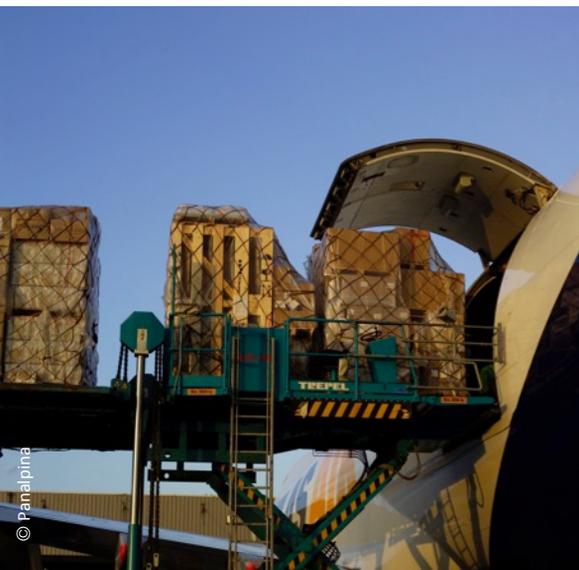
Traffickers typically use the same transportation means as legal importers, but falsify documentation, exploit regulatory loopholes, take advantage of under-resourced law enforcement agencies or obtain genuine documents through corruption.



**Figure 1.** Generic international illegal wildlife trade chain and methods of transportation. © M. Zavagli

Africa has become one of the largest sources of fauna and flora species to supply criminal networks trading to East and South-east Asia. Wildlife products illegally leave the African continent by air or by sea through increasingly sophisticated routes and concealment methods (see Table 1). In some cases traffickers set up 'shell' companies to hide ownership details or use import-export firms handling raw materials or agricultural produce to ship illegal commodities within legal cargoes, using container shipping or other means.

Given the high reliance of traffickers on logistics, land, air and sea carriers to move their commodities, companies are increasingly exposed to risk and often inadvertently become a critical link within illegal wildlife trade chains.





**Table 1**

Transport industry modalities used in moving illegal wildlife commodities between Africa and Asia

AIR		SEA
<b>Passenger airlines</b>	<b>Air cargo carriers and couriers</b>	<b>Shipping lines</b>
<p>Used for small shipments of live animals or high-value, low weight animal products typically hidden in carry-on or checked-in luggage, or on passengers. Most of the illegal rhino horn trade to Asia is based on passenger air travel using specially recruited couriers.</p> <p><i>Examples of smuggled wildlife:</i> Rhino horns, elephant ivory, hippo teeth, birds, turtles and tortoises, geckoes and other small lizards</p>	<p>Used for larger shipments of either live animals or their products / derivatives. National airmail and express parcel service companies are also utilized for sending relatively small and light illegal parcels containing wildlife.</p> <p><i>Examples of smuggled wildlife:</i> Pangolin products, elephant ivory, animal skins, tortoises, rare plants, rhino horns and lion products</p>	<p>Used for bulky and heavy weight consignments generally mixed with legal commodities in sealed containers. Containerized shipping accounts for nearly 3/4 of the large-scale ivory seizures by weight since 2009.</p> <p><i>Examples of smuggled wildlife:</i> Elephant ivory, timber, pangolin products, animal skins, seahorses</p>
		
<p>In November 2014, two Vietnamese men were arrested at Johannesburg airport, South Africa with a record haul of 18 rhino horns hidden in suitcases, weighing 41 kilos, during a stopover on a flight from Mozambique to Vietnam.</p>	<p>In February 2010 more than two tons of ivory were seized at the transit cargo warehouse at Suvarnabhumi airport. The consignment was being sent to Laos from Dubai International Airport and declared as mobile phone parts.</p>	<p>In December 2012, some 1,500 elephant tusks hidden amongst pieces of timber in two containers were discovered by Malaysian customs officials at the country's main port of Klang, in a shipment originating from the west African nation of Togo.</p>

## Risks and opportunities for the transportation and logistics sector

Even when companies follow legal procedures and are in full compliance with existing regulations, they can still unknowingly become a conduit for illegal wildlife trade, exposing themselves to potential reputational, economic and legal risks (see Table 3, below). These potential risks can, however, provide opportunities to demonstrate a company's commitment to an illegal wildlife-free business, through adoption of approaches and policies that address wildlife conservation and trade concerns. This can also provide marketing opportunities and economic benefits (Table 4).

Some airlines and shipping companies already demonstrate leadership by going beyond their legal obligations, for example by putting a total or partial embargo on species products such as shark fin, committing to not carry illegal, unregulated, and unreported seafood, or supporting passenger awareness campaigns regarding illegal wildlife trade.

**Table 3. Examples of potential risk faced by transportation and logistic companies.**

### REPUTATIONAL RISK

Media attention on wildlife trafficking issues is increasing globally; illegal wildlife activities are reported daily, often disclosing names and details of implicated parties. This can portray a negative image for individual companies. Concerned consumers/passengers as well as businesses increasingly motivated by responsible practices might choose to boycott companies implicated in wildlife trafficking.

### LEGAL RISK

Authorities might increase scrutiny over companies that are repeatedly found implicated in wildlife seizures, and business partners might take a company to court for alleged breach in regulation depending on countries laws.

### ECONOMIC RISK

Reputational as well as legal risks may result in significant economic loss, including as a result of lost business opportunities. Legal proceedings or enhanced scrutiny could translate to interruption of the flow of products and services, port congestion and delivery disruption.

**Table 4. Measures that could be adopted by the sector include:**

- Adopt an illegal wildlife-free corporate policy (e.g. adopt a policy of zero tolerance to illegal wildlife trade and include commitments from staff not to endorse or engage in illegal wildlife trade activities as part of Corporate Codes of Conduct).
- Raise awareness among employees, clients and passengers of the risks associated with illegal wildlife trafficking as well as corporate policies or codes of conduct.
- Include illegal wildlife products in existing protocols and guidelines used to control other types of illicit commodities.
- Develop simple toolkits to support training of employees and enable them to implement existing and new approaches to control illegal wildlife trade.
- Improve cargo acceptance rules, increase screening of packages and strengthen internal due diligence.
- Become an Authorized Economic Operator (AEO) under the World Customs Organization's Framework of Standards to Secure and Facilitate global trade (SAFE).

## The way forward

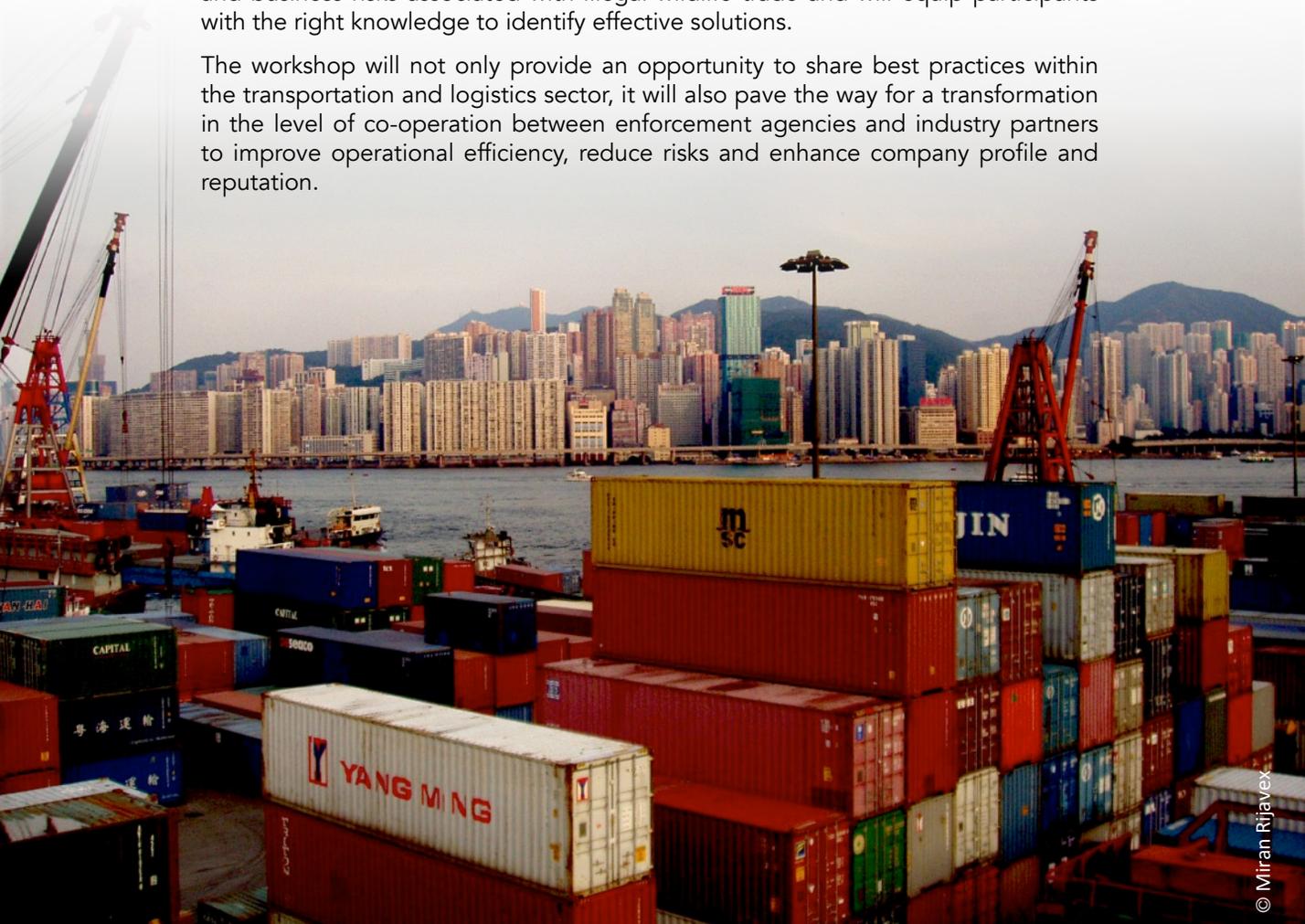
Broad, concerted efforts are needed to win the battle against wildlife crime. The **transportation and logistics sector can play an important role** by complementing actions taken by governments, such as legislation and enforcement, and activities by other organizations, including environmental NGOs and watchdog groups.

The 'Wildlife Trafficking, Response, Assessment and Priority Setting' (Wildlife TRAPS) project, implemented by TRAFFIC, the wildlife trade monitoring network, and funded by USAID, provides a **platform for engagement with and support to companies in the transportation and logistics sector** that are committed to eliminate illegal wildlife and their derivatives from their trade chains.

TRAFFIC, in collaboration with the World Customs Organization (WCO), is convening an initial consultative workshop from 29 to 30 January 2015 in Bangkok, offering a unique opportunity to stimulate leadership and collaboration among key players in the industry along with enforcement agencies and other international partners.

The participation of leaders from air and sea carriers, logistic companies, law enforcement agencies, UN organizations and wildlife experts will bring together the necessary diversity of expertise to gain a deeper understanding of the impacts and business risks associated with illegal wildlife trade and will equip participants with the right knowledge to identify effective solutions.

The workshop will not only provide an opportunity to share best practices within the transportation and logistics sector, it will also pave the way for a transformation in the level of co-operation between enforcement agencies and industry partners to improve operational efficiency, reduce risks and enhance company profile and reputation.



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