

**Prepared Statement of
Catherine E. Semcer
Research Fellow
Property and Environment Research Center
U.S. House Committee on Natural Resources Subcommittee on Water, Oceans,
and Wildlife
Hearing on Wildlife Trafficking and the Growing Online Marketplace
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Main Points

- **The illegal wildlife trade is a significant threat to the United States, and the scale of the threat is growing.**
- **The surest way to reduce this threat is by reducing the supply of illegal wildlife products. This can be achieved by curtailing poaching.**
- **Curtailing poaching depends on increased economic opportunity and benefits sharing with people living in and adjacent to conservation areas as well as strong law enforcement.**
- **The United States must invest more in public-private partnerships that are capable of creating the conditions and meeting the resource needs necessary to curtail poaching.**

INTRODUCTION

Distinguished members of the House Natural Resources Committee, thank you for the opportunity to appear before you to provide testimony on Wildlife Trafficking and the Growing Online Marketplace. My name is Catherine Semcer. I am a research fellow with the Property and Environment Research Center (PERC), a conservation research institute based in Bozeman, Montana.

In addition to my position with PERC, I am also a research fellow with the African Wildlife Economy Institute at Stellenbosch University in South Africa and a member of the Sustainable Use and Livelihoods Specialist Group of the International Union for Conservation of Nature. I also serve on the board of advisors of the Game Rangers Association of Africa, the continent's largest guild of protected area managers, game wardens, and anti-poaching professionals.

The illegal wildlife trade is a significant threat to the United States and its allies. The industrial-scale killing of wildlife in which it is based contributes to systemic risks to the global economy created by ecological degradation. The trafficking of wildlife and wildlife products increases the risk of wildlife-borne diseases spilling over into our civilization as well as enables transnational organized crime and other actors that threaten peace and prosperity across regions.

Effectively engaging with the threat presented by the illegal wildlife trade must involve addressing the corruption, limited legal authorities, and enforcement capabilities that enable it.

At the same time the United States must get ahead of the threat by increasing the opportunity costs for involvement in wildlife crime and decreasing the social license of wildlife criminals in communities at the beginning of the supply chain. Through thoughtful policies and interventions, the United States can empower law enforcement, decrease opportunities for criminal networks to recruit and function, prevent wildlife from being illegally killed or captured, and decrease the supply of illegal wildlife products available online and elsewhere.

THE ILLEGAL WILDLIFE TRADE IS A GLOBAL THREAT

The illegal wildlife trade has been recognized by administrations from both parties as a major crime¹ and threat to U.S. national security.² While ivory and rhino horn often dominate the headlines, the depth of the trade is much greater and includes everything from birds and reptiles to big cats and fish. It encompasses both living wildlife, such as for the exotic pet trade, as well as wildlife products, such as lion bones and pangolin scales used in traditional Chinese medicine.

While recent United Nations reporting recognizes China as the dominant market for illegal wildlife and wildlife products, the trade is global and includes the United States.³ The growing presence of trafficked wildlife and wildlife products in online marketplaces reflects the increased ability of suppliers to reach global consumers.⁴ It also reflects the growing use of online marketplaces by consumers. In some parts of the world, the movement of the illegal wildlife trade to online platforms has been a reaction to the closure of physical markets selling wildlife in the wake of the Covid-19 pandemic.

Online marketplaces provide trafficking networks the benefits of increased decentralization and anonymity. Sellers and buyers are able to communicate and transact behind false identities and encryption, and they need not ever meet face to face to conduct business. This increases operational security for trafficking networks at the end of the supply chain while decreasing operational risk. This in turn increases the network's overall effectiveness and vitality.

At the same time, the expansion of the illegal wildlife trade to online platforms also increases the risk presented by the trade. Concerns have been raised that the shutting down of physical, legal wildlife markets in the wake of Covid-19, and the movement of these markets to illicit and online spaces, may make it more difficult to trace the origins of future zoonotic disease outbreaks.

One of the surest ways to reduce wildlife crime online, and the illegal wildlife trade's prevalence in general as well as the larger risks associated with wildlife trafficking, is to disrupt the supply chain as close to the source as possible. This can be achieved via policies and programs that use legal markets such as for hunting to empower law enforcement, increase the opportunity costs

¹ Executive Order 13773. Enforcing Federal Law With Respect to Transnational Criminal Organizations and Preventing International Trafficking. February 9, 2017.

² Executive Order 13648. Combating Wildlife Trafficking. July 1, 2013.

³ United Nations Office on Drugs and Crime. 2020. World Wildlife Crime Report: Trafficking in Protected Species.

⁴ Farhadinia, M.S., et. al. Belt and Road Initiative May Create new Supplies for Illegal Wildlife Trade in Large Carnivores. August 12, 2019. Nature Ecology and Evolution.

for involvement in poaching, and decrease the social license of criminal networks in the rural communities that live closest to wildlife.

CURTAILING POACHING IS KEY TO ENGAGING WITH THE THREAT OF ILLEGAL WILDLIFE TRAFFICKING

Poaching is the point of production for the illegal wildlife trade. Poaching, however, is different from hunting. These differences must be appreciated to engage the threat of wildlife trafficking effectively and comprehensively.

Poaching

Poaching is the illegal killing or capturing of a wild animal. Poaching is typically indiscriminate in nature and can lead to severe depletions of wildlife resources. For example, the poaching of elephants in East Africa to supply the illegal ivory trade resulted in a 50 percent reduction in the region's elephant population between 2006 and 2016.⁵

Because poaching is illegal and conducted absent the sale of authorizations or licenses from wildlife authorities, it makes no financial contribution to conservation agencies or programs. The only beneficiaries of poaching are the poachers themselves and the trafficking networks they supply.

Poverty and a lack of economic opportunity are key drivers of involvement in poaching,⁶ as is failure to address human-wildlife conflict and to share the economic benefits of conservation areas with local communities.⁷

Hunting

Hunting is the legal, regulated, and selective killing of wildlife under license. Hunting is a form of sustainable use of biodiversity and is recognized as a wildlife conservation enabler by the U.S. Fish and Wildlife Service, United Nations, World Bank, International Union for Conservation of Nature, and other institutions. Such sustainable use of biodiversity is also a pillar of the United Nations Sustainable Development Goals, the Convention on Biological Diversity, and the Convention on International Trade in Endangered Species.

Hunting can improve the health of species populations, such as through the removal of post-breeding southern black rhinoceros males, whose behavior prevents younger males from breeding and increasing the species numbers. It can also contribute to the health of ecosystems,

⁵ Thouless, CR, Dublin, HT, Blanc, JJ, Skinner, DP, Daniel, TE, Taylor, RD, Maisels, F, Frederick, HL, and P. Bouche. 2016. African Elephant Status Report: An Update from the African Elephant Database. International Union for Conservation of Nature. Species Survival Commission. Occasional Paper. 60.

⁶ See e.g., Hariohay, MK, Ranke, PS, Fyumagwa, RD, Kideghesho, J, and E. Roskaft. 2019. Drivers of Conservation Crimes in the Rungwa-Kizigo-Muhsesi Game Reserves, Central Tanzania. *Global Ecology and Conservation*. 17.

⁷ Travers, H., Archer, L.J., Mwedde, G., Roe, D., Baker, J., Plumptre, AJ, Rwetsiba, A., and EJ Millner-Gulland. 2019. Understanding Complex Drivers of Wildlife Crime to Design Effective Conservation Interventions. *Conservation Biology*. 33(6).

such as through the control of locally overabundant elephants and other species whose large numbers can shrink the tree cover needed to sustain rhinos and other wildlife.

In Africa, hunting is also a significant source of funding for national wildlife authorities that enables them to combat poaching and the illegal wildlife trade. For example, the Tanzania Wildlife Authority, the country's primary wildlife law enforcement agency, receives 60 percent of its revenue from the sale of hunting licenses and permits.⁸ In the country's Selous Game Reserve, 50 percent of hunting revenues are invested in anti-poaching activities.⁹

Zimbabwe's primary wildlife law enforcement agency, the Zimbabwe Parks and Wildlife Management Authority (Zimparks), also relies on hunting related revenues for 60 percent of its operating budget.¹⁰ It is worth noting that in September 2020 Zimparks conducted the largest known confiscation of illegally trafficked primates in Africa. Primates are an order of special concern due to their high potential to shed viruses to humans, potentially leading to disease outbreaks and pandemics.¹¹

Hunting revenues also enable community and private-sector programs to curtail wildlife crime. In Zimbabwe for example hunting revenues employ community game scouts who average more than 3,000 patrol days each year over 10,000 square miles of territory where the national wildlife authority generally lacks capacity to patrol.¹²

In addition to support for wildlife law enforcement, hunting has helped address the aforementioned drivers of poaching by increasing household incomes and other benefits stemming from conservation areas. Community based natural resource management programs in Zimbabwe that employ hunting directly benefit more than 80,000 households in more than 730 villages via revenue sharing agreements with hunting operators. In the period between 2010 and 2015 these agreements also provided more than \$320,000 to fund social service programs including the rehabilitation of schools, the building of homes for teachers, schools, community mills, medical clinics, and the drilling of wells. During this same timeframe these agreements also provided more than \$65,000 to offset the costs of human-wildlife conflict.¹³

While Zimbabwe has not been immune to poaching activity, its community-based natural resource management and sustainable-use programs have allowed it to develop the second largest elephant population in Africa, as well as healthy populations of other species. This correlation is suggestive of efficacy in comparison to approaches rooted in command and control policies and restrictions on the use of biodiversity.

⁸ Estes, R. 2015. Hunting Helps Conserve African Wildlife Habitat. African Indaba. 13:4

⁹ International Union for Conservation of Nature. Informing Decisions About Trophy Hunting. Briefing Paper. September 2016.

¹⁰ The Herald. July 12, 2017. Government Stops Zimparks Funding.

¹¹ Conly, JM, and BL Johnston. 2008. The Infectious Disease Consequences of Monkey Business. Canadian Journal of Infectious Diseases and Medical Microbiology. 19(1): 12-14.

¹² CAMPFIRE Association. 2016. The Role of Trophy Hunting of Elephant in Support of the Zimbabwe CAMPFIRE Program. Final Report. CAMPFIRE Association. Mukuvisi Woodlands. Harare, Zimbabwe.

¹³ Supra note 12

ANTI-POACHING EFFORTS IN AFRICA ARE UNDER RESOURCED

Despite the contributions of hunting and other programs to anti-poaching efforts, these efforts are under-resourced. Nearly 60 percent of rangers in Africa surveyed felt they did not have enough equipment or adequate training to do their jobs effectively.¹⁴

This reality is rooted in chronic shortfalls of capital that have plagued African conservation areas. Available funding is estimated to cover only 10 percent to 20 percent of the management needs of conservation areas, including law enforcement.¹⁵

At the same time, the cost of doing the job effectively is relatively low. For example, fully funding the 282 state-administered conservation areas that support African lion populations is estimated to cost approximately \$1.5 billion a year. However, these areas currently operate on a total annual budget of \$381 million.¹⁶

THE ENABLING ENVIRONMENT FOR WILDLIFE CRIME NETWORKS IS EXPANDING AND THE THREAT OF POACHING IS INCREASING

The economic impacts of the Covid-19 pandemic have increased the risk factors for poaching and expanded the enabling environment for wildlife crime networks.

African conservation has historically been overly reliant on photo-tourism and trophy hunting to justify and fund wildlife conservation. Travel restrictions stemming from the pandemic have crippled Africa's tourism sector and removed a key funding stream for conservation law enforcement and other efforts. Conservation areas and law enforcement agencies are now operating with smaller budgets than before. At the same time, economic benefits accruing to rural communities from conservation areas have been absent for more than a year.¹⁷

More than half-a-billion people in Africa risk falling into extreme poverty due to the impacts of Covid-19.¹⁸ African countries, faced with debt burdens and shrinking GDP, are also under growing pressure to increase logging and other forms of development in areas important to

¹⁴ Singh, R., Gan, M, Barlow, C., Long, B., Mcvey, D., De Kock, R., Barassi, G., Avino, FA, and M. Belecky. 2020. What Do Rangers Feel? Perceptions from Asia, Africa, and Latin America. Parks. International Union for Conservation of Nature World Commission on Protected Areas. 26.1

¹⁵ International Union for Conservation of Nature Regional Office for Eastern and Southern Africa. 2020. Closing the Gap: The Financing and Resourcing of Protected and Conserved Areas in Eastern and Southern Africa. Nairobi, Kenya.

¹⁶ Lindsey, P.A., Miller, J.R.B., Petracca, L.S., Coad, L., Dickman, L.J, Fitzgerald K.H, Flyman, M.V, Funston, P.J., Henschel, F., Kasiki, S., Knights, K., Loveridge, A. J., Macdonald, D.W., Mandisodza-Chikerema, R. L., Nazerali, S, Plumtre, A.J., Stevens, R., Van Zyl, H. W. and Hunter, L. T. B. (2018). More Than \$1 Billion Needed Annually to Secure Africa's Protected Areas with Lions. Proceedings of the National Academy of Sciences 115 (45)

¹⁷ Lindsey, P., Allan, J., Brehony, P., Dickman, A., Robson, A., Begg, C., Bhammar, H., Blanken, L., Breuer, T., Fitzgerald, K., Flyman, M., Gandiwa, P., Giva, N., Kaelo, D., Nampindo, S., Nyambe, N., Steiner, K., parker, A., Roe, D., Thomson, P., Trimble, M., Caron, A., and P. Tyrell. 2020. Conniving Africa's Wildlife and Wildlands Through the Covid-19 Crisis and Beyond. Nature Ecology and Evolution. 4. 1300-1310.

¹⁸ B. Tong. 2020. Covid-19 Has Pushed Extreme Poverty Numbers in Africa to Over Half-A-Billion. Organization for Economic Cooperation and Development. Development Matters. October, 12.

wildlife. The road networks and other infrastructure accompanying such development increases the ease with which poachers can access wildlife for trafficking.¹⁹

While some decreases in rhino and elephant poaching during the Covid-19 lockdown have been well publicized, a large body of anecdotal reports indicates that poaching overall has been on the rise.²⁰ This suggests a potential increase in the number of people who, because of current circumstances, have been willing to cross the threshold into criminal activity. Changing those circumstances to increase the opportunity costs of involvement in criminal activity is of paramount importance.

RECOMMENDATIONS

To effectively address wildlife trafficking, the United States must increase its commitment to curtailing poaching. Taking the following steps can help achieve this goal.

Build back better to discourage involvement in wildlife crime

President Biden has committed the United States to pursuing a green economic recovery from the Covid-19 pandemic. The U.S. commitment should be inclusive of its international conservation and development programs. Specific attention should be given to reducing the funding gaps for protected area management, including anti-poaching efforts.

The U.S. Fish and Wildlife Service should work with other agencies, including the International Development Finance Corporation, to leverage the growing pool of ESG investors and corporations concerned by the business risks of ecological degradation. Public-private partnerships should be established to increase the flow of capital in and around African protected areas in ways that increase economic opportunity and the opportunity costs of involvement in wildlife crime. A position should be created within the U.S. Fish and Wildlife Service to build these partnerships and coordinate action.

The U.S. Fish and Wildlife Service should also work with partner nations and the private sector to identify ways in which funding streams for African conservation efforts can be diversified beyond tourism so that efforts are more resilient and economic opportunities around conservation areas are more varied and widespread.

Engage with the threat honestly

Policymakers must avoid falling prey to politically convenient misinformation, such as that currently en vogue concerning hunting. False equivalencies between poaching, the illegal wildlife trade, and legal hunting should not be introduced into policy debates. Blanket bans on

¹⁹ L, Usongo. 2003. Preliminary Results on Movements of Radio Collared Elephants in Lobeke National Park, South East Cameroon. *Pachyderm*. 34.

²⁰ See e.g. Conservation International. 2020. Poaching, Deforestation, Reportedly on the Rise Since Covid-19 Lockdowns. Accessible at <https://www.conservation.org/blog/poaching-deforestation-reportedly-on-the-rise-since-covid-19-lockdowns>

trade, importation, and possession of wildlife and wildlife products should be avoided in favor of actions that discourage and target criminal activity. The likely effects of any bans, or efforts to discourage hunting in Africa, on the capacity of wildlife law enforcement programs abroad should be given due consideration before they are adopted.

Hunting may make some people uncomfortable. However, we should accept that imperfect and even uncomfortable solutions may be the best options available for confronting potentially existential threats, such as the spillover of zoonotic disease.

Increase awareness of and offset the costs of regulation

Listings of foreign species under the Endangered Species Act can result in restrictions on the importation of hunting trophies into the United States and decrease the willingness of American hunters to hunt overseas. When listing foreign species, the U.S. Fish and Wildlife Service should identify and make public the potential financial and operational impacts on wildlife law enforcement activities in the countries where the listed species is found.

The United States should also work with the private sector to establish mechanisms and funding streams to address wildlife law enforcement shortfalls experienced by the public or private sectors that result from Endangered Species Act implementation, including import restrictions.

CONCLUSION

Thank you for the opportunity to testify today. The Property and Environment Research Center is committed to curtailing wildlife crime and appreciates the committee's interest in the matter. I look forward to answering any questions you have.