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# TRACKING BLOOD MONEY

Financial investigations into  
wildlife crime in East Africa



AMANDA GORE

SEPTEMBER 2021





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Amanda Gore

September 2021

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The research for this report has relied heavily on a number of court documents in Kenya, Tanzania and Uganda, complemented by a review of media articles and other investigative reports. We also express our gratitude to officials and experts who granted interviews to include in the final report.

## ABOUT THE AUTHOR

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Cover: Ivory and seized animal parts are destroyed in Myanmar, October 2018. © Ye Aung Thu/AFP via Getty Images  
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# EXECUTIVE SUMMARY

Wildlife crime in East Africa, such as elephant poaching and the ivory trade, is motivated by financial gain. © Thibault Van Stratum/Art in All of Us





**B**oniface Mathew Malyongo was, by most accounts, the perfect fit for a Hollywood villain. Nicknamed ‘Shetani’ (Satan, or the devil, in Kiswahili), he was allegedly one of the most prolific elephant poachers and ivory traffickers in the world, accused by some of controlling as many as 15 poaching gangs responsible for killing up to 10 000 elephants in five countries.

The Leonardo DiCaprio-produced documentary, *The Ivory Game*, which culminated with dramatic footage of Malyongo’s arrest in Tanzania, assured him a certain degree of global infamy. And when he was jailed for 12 years in 2018, conservation organizations and activists around the world rejoiced.

But Malyongo appealed, and in 2020 Tanzania’s Court of Appeal quashed the conviction. For conservationists, it was a stunning reversal – the court ruled that there were basic errors and police missteps that fatally compromised the chain of evidence, a complete lack of evidence to prove the key elements of the crimes and an overreliance on confessions as proof of guilt.

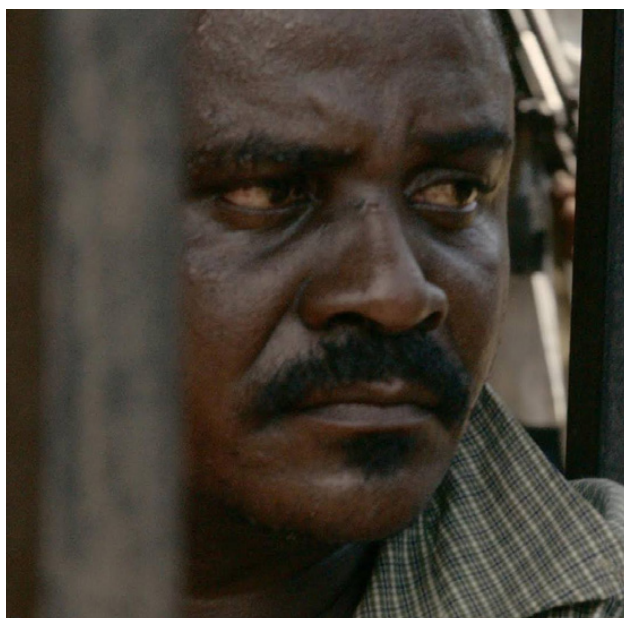
Despite charging Malyongo with ‘leading organized crime’, as defined in Tanzania’s Economic and Organized Crime Control Act, investigators and prosecutors produced no hard evidence that he organized, directed or financed a ‘criminal racket’, or reaped a profit from it.

The case and the vast sums involved could have been a chance to unravel the financial threads underpinning an alleged transnational syndicate, yet no financial investigation was ever done. Police seized four vehicles and identified several properties, including a house and a supermarket, which, they said, had been obtained as a result of poaching activities. But that is where the financial inquiries stopped. No attempt was made to produce evidence showing how the syndicate financed its operations, where the money originated, how it flowed or how it was laundered. While the effect of the judgment is that Malyongo has been found innocent, the conduct of the public officials in this case, the police and prosecutors, is a matter that deserves scrutiny.

## Financial investigations linked to wildlife crime

Owing to their generally light penalties, conservation laws seldom serve as a real deterrent to criminals involved in trafficking commodities such as ivory, rhino horn, timber, pangolin scales and shark fin. In contrast, instituting financial-crime charges, such as those relating to money laundering, corruption, tax evasion or fraud, may carry tougher sentences or penalties. In assisting law enforcement authorities in identifying key members of criminal networks, financial investigations offer alternative avenues for law enforcement, and as a result, efforts to encourage and inculcate more creative legal and financial-crime approaches to tackling the illegal wildlife trade are increasingly seen.

Financial investigation often allows for assets linked to criminal activity to be identified and specific financial tools and techniques can then be applied to freeze, seize or recover the proceeds (and instrumentalities) of the crime (depending on the national legislation).<sup>1</sup> On paper, these tools exist across many East African countries, yet their application is lacking.



Boniface Mathew Malyango, known as 'Shetani', was alleged to be one of the major ivory traffickers operating in East Africa. © Terra Mater Factual Studios/The Ivory Game

The missed opportunities, perhaps evident in the Malyango case, are unfortunately common and reveal a glaring gap in the strategy to combat wildlife crime, and other crimes, that neglects to focus on offenders across the criminal supply chain.

In Kenya, for example, authorities have been active in identifying the assets of those engaging in wildlife crime only to have the cases suddenly stop, with restrained assets left to dissipate. Similarly, a money-laundering charge initiated by Ugandan authorities in 2017 is also still waiting further judicial action.

The approach of criminal gangs engaged in wildlife crime is not different from any other legitimate business, with the ultimate aim being profit and financial gain. In source countries, wildlife crime can provide local communities with income opportunities that would otherwise not be available owing to limited local economic growth and limited job opportunities. Poaching and trafficking activities are often performed in groups, each with a distinct role in the criminal supply chain: from sourcing the product to organizing transportation, financing and buyer liaison, and logistics and shipping. Transactions at the poaching site often involve cash payments or mobile-money transfers, with the equivalent of US\$20 being enough to poach an elephant. Being relatively small amounts, these payments can easily go undetected by anti-money laundering officials.

*Hawala* networks – unregulated money-transfer services – are frequently used to move money across national borders. For example, a market vendor may also act as a *hawaladar* (money merchant), who organizes the transfer of funds through social network systems. The *hawaladar* may be given cash and then, in return, sends funds to the recipient abroad through his or her network contacts. Mobile money and social media platforms such as WeChat, LINE and M-PESA are also commonly used to move funds and facilitate communication between key players across the criminal network.



Currency controls in China also affect money transfers. With restrictions on capital movement limited to a maximum of US\$50 000 per person per year, creative ways to move money have been firmly established. Indications from ongoing investigations show that barter trade is common – a ‘goods for goods’ exchange, where goods imported from China (cars, spare parts, miscellaneous household items, etc.) are exchanged for wildlife or timber products. In addition, Chinese nationals have also historically used Hong Kong shell companies, friends’ or family members’ accounts, gambling institutions and casinos along with making domestic bank transfers within China rather than use bank accounts abroad.

In East Africa, one case shows alternative remittance systems were used to move money from Thailand to Kenya; in another case, money was moved through the formal banking system from a Vietnamese company to an individual in Côte d’Ivoire. Legitimate and shell companies are also frequently used to disguise the origin and destination of the funds when using the formal banking system.

Profits from the resale of wildlife products can be significant, and trafficking kingpins can accumulate luxurious properties, vehicles, gold and other luxury goods, which can be subject to seizure by authorities during investigations.

Corruption can also facilitate wildlife crime, especially when politically exposed persons protect those engaging in illicit trade, and in return for payment ensure smooth delivery of products across a country or region. Criminal groups often create a web of corrupt agents to facilitate illicit shipments to destination markets, including customs agents facilitating the shipments out of a country to local police who allow free passage of containers across borders. More worryingly, corrupt officials working in the justice system, including arresting officers, investigations staff, prosecutors, magistrates or judges, have also been found to be a key part of facilitating networks’ operations ensuring that there are no penalties or consequences to engaging in wildlife crime.

Financial investigations in the context of wildlife crime are gaining momentum across sub-Saharan Africa, with prosecutions,<sup>2</sup> asset forfeitures and blocked money flows already seen in countries such as Guinea, Côte d’Ivoire, Gabon, South Africa, Tanzania and Namibia. Thailand has also demonstrated some success in applying financial investigations to the illegal wildlife trade, with fairly extensive asset seizures (US\$4 million in a case in 2015). Another case in Thailand, in 2021, targeting a well-known trafficker, has applied civil forfeiture laws to a network involved in wildlife crime and trafficking timber, drugs and weapons, which operated across several countries in South East Asia.

However, despite financial investigations increasingly being relied upon to solve the complex problems associated with transnational organized crime and international wildlife-crime networks, tracking financial flows and money movements that facilitate these operations across international borders is still proving difficult for national authorities. This report examines the progress of selected East African nations (Kenya, Tanzania and Uganda) in applying financial investigation tools to wildlife-crime cases, and finds that:

- Financial gain is the key driver and underlying motivation of those engaging in wildlife crime across the criminal supply chain.
- Wildlife crime provides local communities with income opportunities that are not available through the formal employment sector.
- The profits gained by syndicates are difficult to match through alternative legitimate business models and hence there is no incentive to cease the trading of wildlife products.
- There has been some progress in combatting the illegal wildlife trade with the use of financial investigations in these countries, although their effectiveness is still constrained.
- The use of organized crime units and multi-agency task forces, which promote domestic cooperation and information sharing, has led to some progress in combatting the illegal wildlife trade.




# THE ARREST

## OF NGUYEN MAU CHIEN

Rhino horns and ivory products worth around US\$17.4 million are held in Hong Kong's customs department, November 2011. © Dickson Lee/South China Morning Post via Getty Images



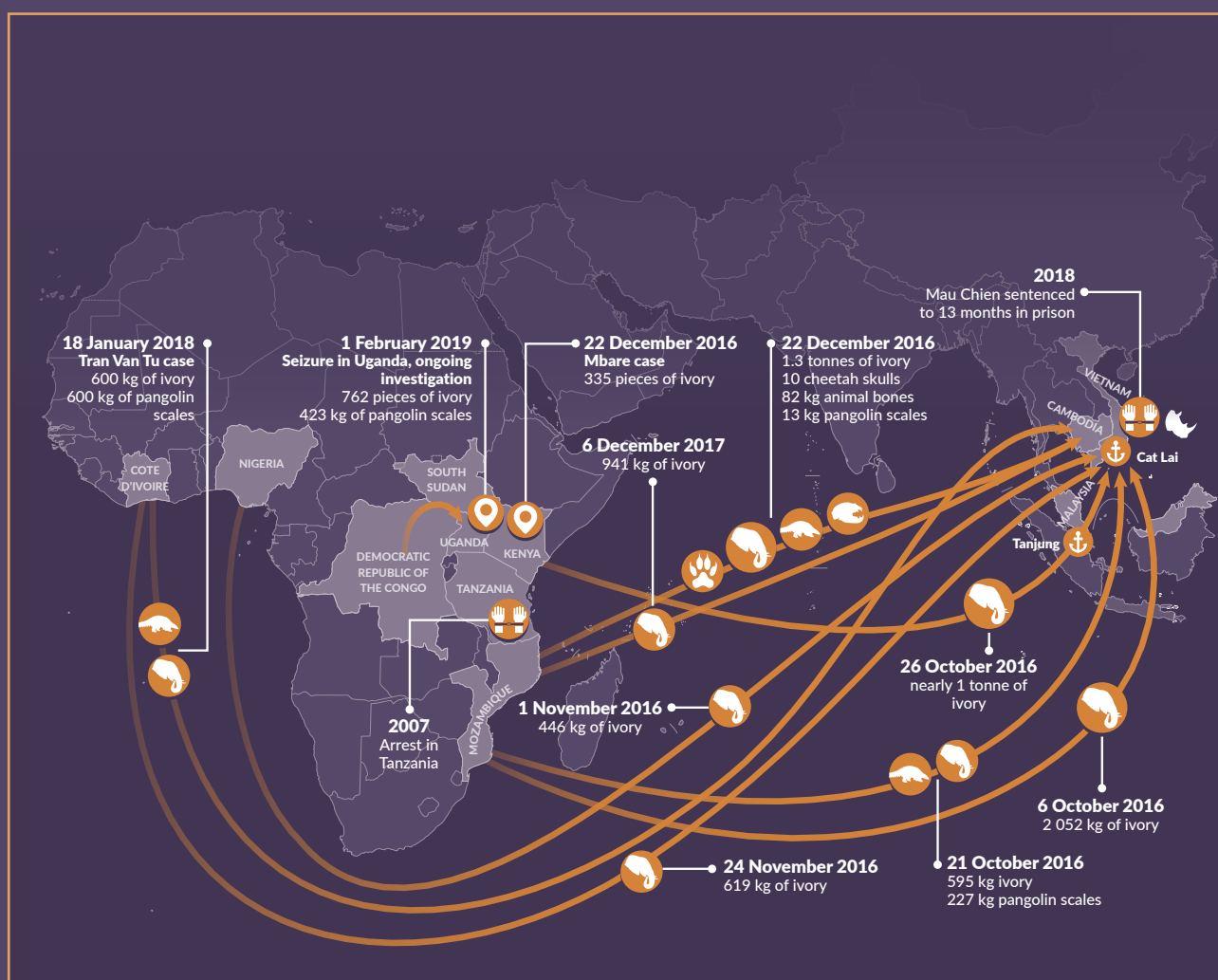


**T**he 2017 arrest of Vietnamese national Nguyen Mau Chien in Hanoi was a milestone for many combatting wildlife crime. Over the course of a decade, Nguyen Mau Chien had gained notoriety for his role in illegal tiger farming and the transnational shipment of ivory, rhino horn and pangolin scales from several African ports.

Nguyen Mau Chien was first sanctioned for wildlife offences in Tanzania in 2007, before being released by authorities.<sup>3</sup> In 2018, authorities finally caught up with him in Vietnam and he was sentenced to 13 months in prison after being found in possession of more than 36 kilograms of rhino horn. Nguyen Mau Chien claimed that the rhino horn had been brought from South Africa before product was moved by air to Malaysia, Thailand and Cambodia, from where it was then shipped by boat and train for sale in Vietnam.<sup>4</sup>

But a review of open source seizure records suggests that Nguyen Mau Chien was involved in more than just trafficking the rhino horn for which he was convicted. As detailed below, more than 10 other seizures have the hallmarks of this network (see Figure 1), with five seizures alone being linked to Cam Transit, a Cambodian company registered in 2015. The modus operandi was to conceal pieces of ivory, and sometimes also pangolin scales, with wax inside hollowed-out timber before shipping it out of an African port. Several changes in destination would typically occur with the shipment to help obscure the actual routing of the contraband along with utilizing transit locations to obscure the real origin of the goods. Bills of lading reviewed from the 2017 Kenyan seizure (the Mbare case) show an email address using Nguyen Mau Chien's name. Cam Transit has also been linked to multiple seizures of wildlife products primarily from Nigeria, Mozambique, Kenya and Côte d'Ivoire. Figure 1 details Mau Chien's footprint in the region.

With Nguyen Mau Chien's arrest in Tanzania in 2007 and links to shipments of ivory from Kenya in 2017 found in subsequent investigations, members of this network seem to have been strategically positioned to source wildlife products and ship them to any destination. A seizure of ivory and pangolin scales in Uganda in 2019 also had the hallmarks of the network that Nguyen Mau Chien has been linked to. Except for the Tran Van Tu case in Côte d'Ivoire in 2018, which revealed key details regarding the financial flows associated with Nguyen Mau Chien's network and links back to Vietnam, little or no financial investigation was conducted in the cases shown in Figure 1.



**FIGURE 1** Trafficking cases potentially linked to Nguyen Mau Chien's network.

Date	Event	Potential link to Nguyen Mau Chien's network
2007	<b>Arrest in Tanzania</b> Nguyen Mau Chien arrested in Tanzania for wildlife crimes. Fined and subsequently released.	Arrested in Tanzania
6 October 2016	<b>Ivory moved from Mozambique to Vietnam<sup>5</sup></b> 2 052 kg of ivory sent from Mozambique to Vietnam, concealed in timber. Shipment seized at the Cat Lai port near Ho Chi Minh City, Vietnam.	Cam Transit listed as the receiver of the shipment.
21 October 2016	<b>Shipment from Mozambique to Vietnam<sup>6</sup></b> 595 kg of ivory and 270 kg of pangolin scales shipped from Mozambique to Vietnam, hidden in bundles of hollowed-out logs (2 m long, 30–40 cm wide).	Concealment in timber
26 October 2016	<b>Shipment from Kenya to Vietnam<sup>7</sup></b> In Vietnam, customs officials seize nearly 1 tonne of ivory hidden in a timber shipment from Kenya; shipment transferred through Malaysia's Tanjung port before arriving in Vietnam.	Concealment in timber
1 November 2016	<b>Shipment from Nigeria to Vietnam<sup>8</sup></b> 446 kg of ivory shipped from Nigeria found concealed in timber in a container at the Cat Lai port, Vietnam.	Concealment in timber



Date	Event	Potential link to Nguyen Mau Chien's network
24 November 2016	<b>Shipment from Côte d'Ivoire to Vietnam</b> <sup>9</sup> 619 kg of ivory smuggled from Côte d'Ivoire to Vietnam, likely handled by the network linked to Tran Van Tu; ivory packed in wax inside hollowed-out timber, with wood nails used to evade X-ray checks.	Cam Transit listed as the receiver of the shipment.
22 December 2016	<b>Shipment from Mozambique to Cambodia</b> <sup>10</sup> 1.3 tonnes of ivory, 10 cheetah skulls, 82 kg of animal bones and 13 kg of pangolin scales seized in Cambodia.	Cam Transit listed as the receiver. <sup>11</sup>
22 December 2016	<b>Mbare case, Kenya</b> 335 pieces of ivory (1 970 kg) <sup>12</sup> bound for Cambodia seized in Kenya. The ivory, valued at 197 million Kenyan shillings (US\$2 million), was hidden in hollowed out wooden logs and declared as ceramics. The ivory was likely police exhibits as it had red markings. The accused were acquitted.	Cam Transit listed as the receiver of the shipment.
6 December 2017	<b>Shipment from Mozambique to Cambodia</b> <sup>13</sup> 941 kg of ivory (279 pieces) discovered in three abandoned containers with hollowed-out logs.	Cam Transit listed as the receiver of the shipment.
18 January 2018	<b>Tran Van Tu case, Côte d'Ivoire</b> <sup>14</sup> 600 kg of ivory (valued at US\$450 000) and 600 kg of pangolin scales (valued at US\$350 000) seized in Cambodia. Six people were arrested and jailed for 18 months. Two suspects were reported to be from Côte d'Ivoire and one from Guinea. The ivory reportedly had diverse sources, including Gabon, Nigeria, Mozambique and Uganda.	Cam Transit listed as the receiver of the shipment, although seizures took place at residential properties.
2018	<b>Nguyen Mau Chien case, Vietnam</b> <sup>15</sup> Nguyen Mau Chien sentenced to 13 months in prison in Vietnam after being found in possession of more than 30 kg of rhino horn.	Jailed in Vietnam
1 February 2019	<b>Seizure in Uganda, ongoing investigation</b> <sup>16</sup> 762 pieces of ivory and 423 kg of pangolin scales seized in three containers, purportedly originating from the Democratic Republic of Congo (DRC) and transiting through South Sudan.	Products concealed in teak sourced from the DRC.



Vietnamese national Nguyen Mau Chien, known for his role in the transnational shipment of ivory, rhino horn and pangolin scales, is arrested in Vietnam in 2018. © Education for Nature Vietnam (left), Savetherhino.org (right)



A full-page background image featuring a rhinoceros in the foreground, partially obscured by tall grass. In the background, a city skyline is visible under a clear blue sky. A light-colored geometric graphic, consisting of several intersecting curved lines, is overlaid on the image. The title text is positioned in the lower-left quadrant, overlapping the rhinoceros and the savanna landscape.

# FINANCIAL INVESTIGATIONS

## INTO WILDLIFE CRIME IN KENYA

There are a number of intricate connections between wildlife and financial crime in Kenya. Here, a rhino roams the outskirts of Nairobi. © Verónica Paradinas Duro



## The financial-crime landscape

A number of risks for financial crime are observed in Kenya, including terrorism, corruption, fraud and organized crime, together with high levels of drug trafficking, human trafficking, wildlife crime and cybercrime. The use of innovative technologies create a rapidly evolving landscape of financial products, which make reporting and law enforcement investigations challenging.

Kenya's Financial Reporting Centre was established in 2012, but a permanent head was appointed only in 2017. Although the unit was constrained by a lack of resources in its early years, it has increased its capacity since the appointment of the new head in 2017. Similarly, the asset recovery agency was established pursuant to the Proceeds of Crimes and Anti-Money Laundering Act and became operational in 2013. According to the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) in 2019, the asset recovery agency has investigated 20 cases and preserved assets worth 1.1 billion Kenyan shillings (KSh) with assets worth KSh72 million being forfeited to the government.<sup>17</sup> In addition, assets worth KSh2.5 billion were recovered and bank accounts holding KSh264 million were frozen pending determination of recovery proceedings.<sup>18</sup> In 2019, Kenyan authorities fined rogue banks to a total of US\$3.75 million for failing to comply with anti-money laundering regulations.<sup>19</sup> Failure to report suspicious transactions and tipping off clients under investigation are common in Kenya.





Eastleigh, a neighbourhood of Nairobi known for its Somali population, is a haven for illicit money transfers.

© Simon Maina/AFP via Getty Images

## Kenya's 'Little Somalia'

Investigations show that foreign-exchange bureaus and money-transfer services are often used to send and receive illicit funds in Kenya. The Kromah indictment issued by US authorities in 2019 (for more of which, see later) stated that the Uganda-based Kromah network preferentially used the Kenyan financial system, especially money-service bureaus, for their transactions and used falsified documents relating to property transactions as documentation for authorities should they require it.

Eastleigh, a Nairobi suburb colloquially known as 'Little Somalia', has also been shown to be a haven for illicit money transfers through money exchangers. The Diamond Trust Bank in Eastleigh was recently implicated in facilitating money transfers linked to the DusitD2 terrorist attacks in 2019, when on a single day in January 2019, a total of KSh5.2 million (US\$ 51 793) was withdrawn from the bank in 13 tranches of KSh400 000 (US\$3 984) each.<sup>20</sup> The manager of the Diamond Trust Bank in Eastleigh was charged for failing to report the transactions that led to the terrorist attack.<sup>21</sup>

Large amounts of cash, both in local currency (Ksh) and US dollars, are also frequently stockpiled in houses to facilitate transactions, circumventing the formal financial system. In 2019, President Uhuru Kenyatta sought to eradicate 'dirty' cash when he announced that a new currency would be introduced and that the old currency would no longer be legal tender. The assumption was that criminals kept large amounts of bulk cash and that scrapping the old note would be a way to 'smoke out the dirty money'.<sup>22</sup> In addition to cash payments, mobile-money platforms such as M-PESA are often used to transfer funds between poachers and transporters or in the chain of lower-level activities for bringing products to local middlemen.<sup>23</sup> M-PESA is one of the most common methods of payment used by Kenyans and made up approximately 44 per cent of Kenya's GDP in 2018. Investigations into the DusitD2 terrorist attack also detailed 52 M-PESA accounts receiving KSh9 million (US\$900 000) shortly before the attacks.

A number of case studies illustrate the intricate connections between wildlife and financial crime in Kenya.



## Following the money: The Utawala case

The criminal trial of Moazu Kromah, arrested by Ugandan authorities in 2017 on charges of unlawful possession of protected species along with money laundering, revealed a series of receipts from local money-transfer services, that were alleged to be in Kromah's possession, with amounts of between US\$20 000 and US\$30 000 allegedly being sent to Abdinur Ibrahim Ali, an accused in the Kenyan Utawala case. While investigating trans-national activities in the Kromah case, authorities were alerted to a potential trafficking incident in the Nairobi suburb of Utawala. Kenyan authorities subsequently acted on the tip-off and searched a residence in June 2017, where they seized 216 kilograms of ivory, valued at KSh21 676 000 (US\$216 000), allegedly sourced from the Democratic Republic of Congo. Kromah has pleaded not guilty to the charges against him. The case is ongoing and he has yet to be convicted.

The 'cartel' allegedly revealed in the Kromah case is alleged to operate across various parts of Africa, with strong links to Uganda and Guinea. Working for Chinese buyers abroad, Kromah and his associates were also indicted by US authorities in 2019. The Kenya-linked Utawala case implicated six Kenyan and Somali nationals involved in a number of business interests in Kenya, including mining, money-exchange services, an international travel agency and a flower export business.<sup>24</sup>

A financial investigation commenced in 2017, but no outcomes have yet been seen. The following key facts were found during the investigation:

- M-PESA was allegedly used to facilitate bribes paid to customs officials at the Jomo Kenyatta International

Airport (Nairobi) to ensure safe passage of the ivory to its onward destination.

- A Hong Kong company declared as both a freight forwarder and a furniture company was implicated. It had no physical presence in Hong Kong, but was run out of Guangdong, China, by a Kenyan national. Funds were deposited in the company's accounts from several African countries, totalling more than US\$1.2 million over a period of 6–8 months.
- Receipts also showed money transfers from Thailand to Kenya in the amount of US\$20 000–US\$35 000.

Abdinur Ibrahim Ali, the alleged ringleader, is reported to be a businessman based in Ethiopia. Media reports claim that he works with Guinean nationals in Uganda and Chinese nationals, some of whom are involved in the construction industry in Kenya.<sup>25</sup>

Ahmed Mohamud Salah (also known as Ahmed Mahabub Gedi) is known for running a travel agency in Mozambique, International Travel Services, which also has operations in Alberta, Canada. Gedi was arrested as the alleged 'money man' of the group when trying to cross the Kenya–Tanzania border with fraudulent documents. He was suspected to be the *hawaladar*, likely having moved money through his international travel agency, which links to both Mozambique and Canada.

Despite strong initial efforts in identifying the financial data linked to the network, the case now appears to have gone cold, with several postponements of court appearances being reported and challenges to move the case through the criminal justice system.



Ivory seized in Utawala, a suburb of Nairobi, believed to be sourced from the Democratic Republic of Congo. © Amanda Gore

## Fuji Motors and the Feisal case

In a country where corruption is already rife, its scourge is particularly prevalent in the Kenyan police service, and testimony and/or evidence that emerged during the Feisal case<sup>26</sup> suggests that corruption may act as a key facilitator of the illegal wildlife trade.

Police raided Fuji Motors, a car dealership in Mombasa, in June 2014 after a tip-off from an informer 'concerning some ivory that was hidden somewhere in Tudor [Mombasa]'. Case insiders reveal that the police were merely going to ask for a bribe, turn a blind eye and consider it a good evening's work. But something went very wrong. Despite conflicting details in the statements from police officers – some noting having arrived at the scene straight away and others recalling having to wait almost three hours for the premises to be unlocked – accounts describe police identifying a wooden store at the dealership and forcefully gaining access as the dealership manager arrived on-site without its keys. Inside, officers found 314 pieces of ivory (2 152 kilograms), which were described in testimony in court as being '... 72 manila sacks containing ivory covered with a red canvas'.<sup>27</sup>

Speculation around the investigation points to a number of corrupt deals: regional politicians were rumoured to have been key facilitators and corrupt police officers were alleged to have tampered with evidence. Court proceedings describe that, when officers arrived to inspect the dealership premises, the officer in charge had a private conversation with the on-site manager, which raised speculation by other witnesses about potential bribes: 'The 1st accused and the OCS [officer commanding police station] stepped aside and had a discussion for 15-20mins which agitated the officers. They became impatient and asked the OCS what was happening since this was an operation.'<sup>28</sup>

**Kenyan national Feisal Mohamed Ali, convicted for owning a supply of more than 2 000 kilograms of ivory, is acquitted of all charges by a Kenyan court, August 2018.**

© Andrew Kasuku/AFP via Getty Images







Investigations revealed the ivory belonged to Feisal Mohamed Ali and that he had transported the ivory and stored it at the dealership premises. Feisal was finally tracked down in December 2014, hiding out in Tanzania. He was convicted on 22 July 2016, and sentenced to 20 years' imprisonment and fined KSh20 million, a celebrated result in the international conservation community. However, he lodged an appeal on 2 August 2016, and was acquitted of all charges two years later, on 3 August 2018.

Although authorities did not consider a formal financial investigation to look at potential money laundering charges since the start of the case in 2014, it appears that some work may have been done to investigate corrupt elements. However, as seen with other cases in the region, it is unclear whether this work yielded any further results as no information has been released on any formal financial investigation in process or concluded.

**A Kenya wildlife service officer holds an ivory tusk as evidence in the case against Feisal Mohamed Ali, known as the 'ivory kingpin'.** © *Stringer/AFP via Getty Images*



## A different cup of tea: The Sheikh case

Thai customs officials were tipped off by executives at the Indochina International Group when the bill of lading for a shipment of tea from Kenya was changed mid-shipment. The shipment, declared as 11 tonnes of tea leaves – a commodity fast-tracked out of Kenya owing to its key export status – was found to contain 511 pieces of ivory (3.1 tonnes) when seized on arrival at the Thai port of Laem Chabang on 25 April 2015. Officials from the Kenya Revenue Authority quickly identified a second container that had also been declared to be shipping tea leaves from Kenya and noted a number of similarities to the shipment intercepted in Thailand. This resulted in a second seizure of 1 783 pieces of ivory (3.7 tonnes) and other wildlife products in Singapore (see Figure 2).

On 3 June 2015, Mahmoud Sheikh received a call from a friend to tell him the police were looking for him. He met with officers at the Baobab Beach Club in Diani upon his return from Tanzania, where they waited for his two sons to arrive from Tanzania before questioning proceeded. Later that evening, Sheikh and his sons were arrested for dealing in wildlife trophies without a licence, export of wildlife specimens, and engaging in organized crime. Nine accused were eventually charged,<sup>29</sup> including customs officials, transporters linked to the shipment and brothers Nicholas and Samuel Jefwa.

Investigations found that the shipments were exported by Potential Quality Supplies, a company owned by the Jefwa brothers.<sup>30</sup> No business records or a registered business address could be found for the company, which suggests it had been set up for the sole purpose of shipping the ivory. Nicholas was a former employee of the Siginon Group, which were involved in storing the tea for onward transport out of Mombasa.

Despite an international warrant being issued, the brothers still escaped arrest. They are believed to have escaped to Tanzania initially, but according to key sources may now be in South Sudan, the Democratic Republic of the Congo or the Central African Republic. According to the Directorate of Criminal Investigations chief at the time, it is believed

that they may have been protected by wealthy individuals in Kenya.<sup>31</sup>

Court records document the evidence linking the Sheikh family to the seizures including a supermarket receipt, 'ivory chips' and an 'electronic cutter' found at a house where it is believed ivory was packed into consignments of tea. A media report noted that some of the ivory may have been sourced from Tanzania: 'According to an entry permit dated the same day, a Tanzanian-registered vehicle that allegedly delivered pineapples to Mombasa could have been used to transport the ivory haul. Mr Said is also said to own a fleet of cars and a four-storey building in Majengo.'<sup>32</sup>

In May that year, authorities were active in identifying a number of assets linked to seven key individuals and, as part of a financial investigation, the Kenya Revenue Authority was able to identify:

- seven motor vehicles (with an additional two vehicles being sought by the police for furtherance of the investigation);
- land in Mombasa worth KSh50 million; and
- 13 bank accounts.

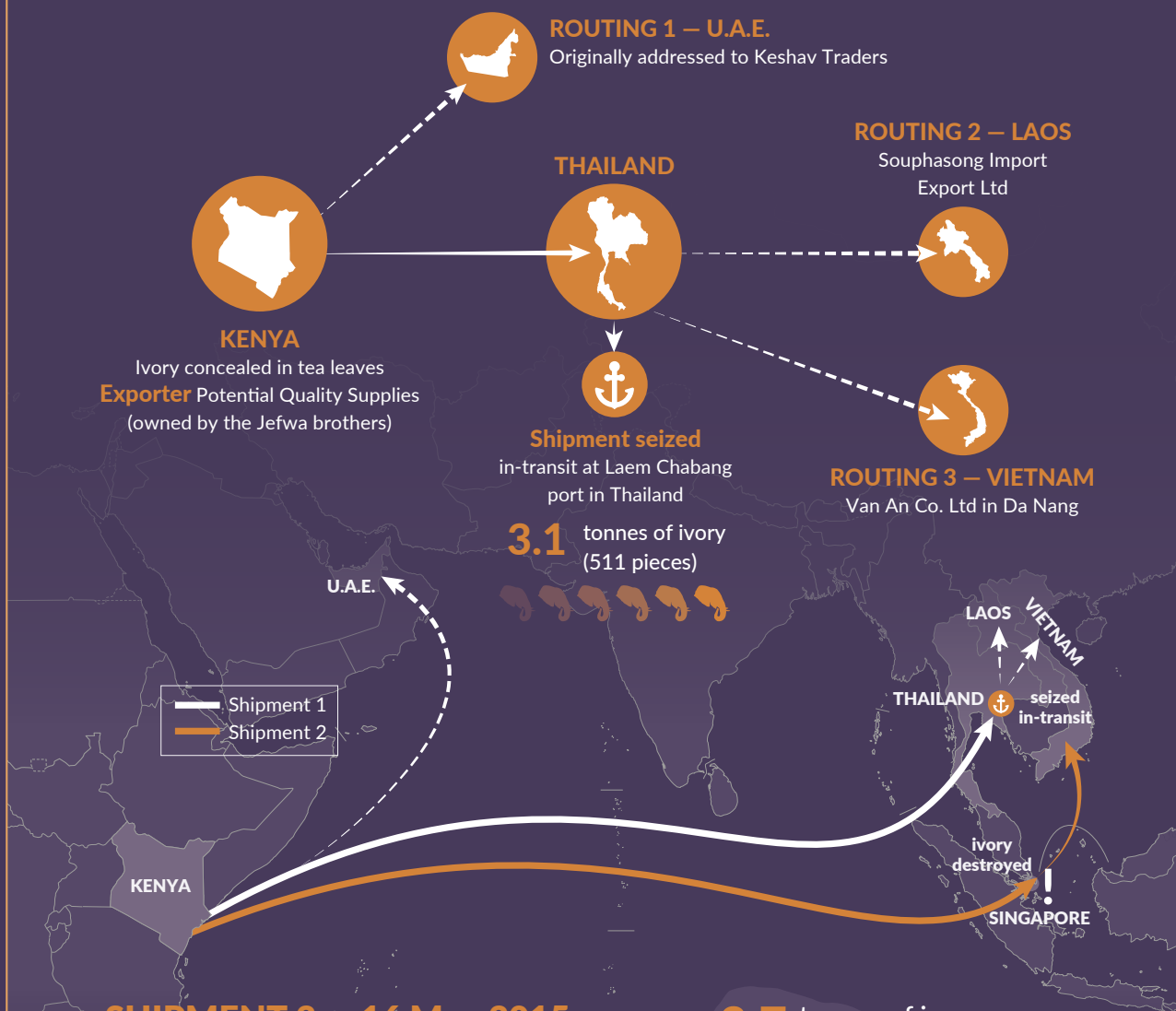
Court documents submitted in July 2015 also allege that some of the accused have unexplained wealth and that they have benefitted economically through proxy entities. An investigation into tax evasion was also recommended.

The financial investigation in this case started strong, with the Kenya Revenue Authority competently identifying bank accounts, financial transactions and assets linked to the suspects. However, the impact of this work has since waned. The assets appear to still be under restraint pending the final outcome of the case, but it is likely that the bank accounts have been depleted and the vehicles depreciated. With multiple changes to the magistrates assigned to the case, much of the early momentum with respect to the financial investigation has been lost.



## SHIPMENT 1 – 25 April 2015

### THE THAILAND SEIZURE



## SHIPMENT 2 – 16 May 2015

### THE SINGAPORE SEIZURE

The “second” shipment was sent from Kenya to Vietnam via Singapore.

**Seizure location** Singapore

**Cover** Tea leaves



**3.7 tonnes of ivory (1 783 pieces)**

The ivory was apparently **destroyed in Singapore**, which prevented the case from progressing in Kenya, as Kenyan law requires the ivory to be physically presented in court for the case to progress.

**22 canine teeth**

**4 pieces of rhino horn**

**FIGURE 2** Case routing of two ivory seizures linked to Mohamed Sheikh.





# ADDRESSING WILDLIFE CRIME

## IN TANZANIA THROUGH FINANCIAL INVESTIGATION

The Dar es Salaam port, Tanzania. Established companies in the country have been known to enable the illegal wildlife trade and help move funds between Tanzania and Asian destinations. © Jean-Denis Joubert/Gamma-Rapho via Getty Images





## The financial-crime landscape

In Tanzania, progress in investigating the financial elements of wildlife crime follows a similar pattern to what is seen in Kenya, despite Tanzania having established a financial intelligence unit in 2007, relatively early compared with in Kenya (2012) and Uganda (2014). An Asset Forfeiture and Recovery Desk was also established within the National Prosecutions Services in Tanzania in 2009, and now is a stand-alone directorate in the service. By January 2019, according to ESAAMLG, the total value of restraint orders issued since the inception of this unit amounted to US\$3.2 million and the total value of forfeiture and confiscation orders was noted as US\$34 million.<sup>33</sup>

## Money movements

Cash and mobile money are popular payment methods in wildlife crime in Tanzania, along with regular use of money-transfer services, foreign-exchange bureaus and other unregulated financial service platforms. As in Kenya, conditions in Tanzania are also conducive to barter trade, where containers of contraband are traded for supplies from Asia such as motor vehicles, spare parts or other machinery. Using barter trade methods helps to obscure financial footprints in a possible investigation and more sophisticated investigative techniques are required to detect such activities. Casinos, which have a notable presence in mid-city Dar es Salaam, also create a vulnerable area for moving funds to advance illicit transactions. There have been allegations in other African countries of money linked to wildlife crime being moved through these facilities, especially through so-called VIP rooms.



**Tanzania has traditionally been a source and transit country for wildlife products such as tortoises, among others.**

© Alexis Rosenfeld/Getty Images

Evidence from ongoing cases suggest that funds linked to wildlife crime may be moving through foreign-exchange bureaus, with criminals beneficially owning these facilities in some cases to obscure any reporting requirements. Moving funds through established businesses is also well documented, with a mix of legal and illegal funds flowing through company accounts. Locally established companies dealing in seafood, basic foodstuffs, import/export and freight have been known to commingle funds to advance the illegal wildlife trade and help move funds between Tanzania and primarily Asian destinations.

Tanzania lost 63 per cent of its elephant population between 2000 and 2014 according to local sources. However, seizures from the ports of Dar es Salaam or Zanzibar were last reported in August 2015, which suggests criminal groups exporting wildlife products having changed their routing. Tanzania has traditionally been seen as a source and transit country for wildlife products, with key items including elephant ivory, rhino horn, sea cucumbers, tortoises, lion claws and teeth, hippo teeth, pangolin scales and illegally sourced timber.<sup>34</sup> A historical review of wildlife-crime cases shows a growing momentum by Tanzanian authorities to apply asset forfeiture laws to recover the instrumentalities and proceeds of crime. Similarly, authorities have been tracing money flows across mobile-money platforms to identify, and subsequently arrest, members of a poaching syndicate.



## Corruption in Tanzania

The Anti-Corruption Squad, Tanzania's first anti-corruption agency, was set up in 1974. In 1991, the agency was reorganized and renamed as the Prevention of Corruption Bureau<sup>35</sup> and later (2016) the agency established an operational team dedicated to investigating corruption linked to the management of wildlife and other natural resources. In Zanzibar, an independent system allows police to investigate corruption under the direction of the attorney-general.

Although there are no concluded corruption matters relating to wildlife crime as yet in Tanzania, notable active cases in which financial investigations have been pursued include 14 suspects caught in possession of 660 pieces of ivory, valued at US\$2 105 181, and another case in which six suspects were caught with 413 pieces of ivory, valued at US\$1 755 000, and two pieces of hippo teeth, valued at US\$1 500.

Although most of the Tanzanian wildlife cases relate to ivory, there is one notable exception. The Song Lei case<sup>36</sup> involved four Chinese nationals – Song Lei, Xiao Shaodan, Chen Jianlin and Hu Liang – who were caught with 11 rhino horns from Malawi (valued at US\$418 000) in 2015. The court sentenced the accused to 20 years' imprisonment each and to pay a fine of US\$4 180 000. Financial queries led to one vehicle being forfeited to the state, although no further financial investigations or analysis was undertaken. Xiao Shaodan, Chen Jianlin and Hu Liang were all acquitted on appeal in August 2019. In this case, formal financial investigation techniques could have identified additional information on the wider network involved in the trafficking of rhino horn.

**Africa is a source market for illegally traded timber destined for Asian markets, together with wildlife products.** © Lisette van der Kroon/Shutterstock







Chinese national Yang Feng Glan, known as the 'Ivory Queen', is led to court on charges of trafficking elephant tusks, February 2019, Tanzania.

© AFP/via Getty Images

## The Queen of Ivory is dethroned

Salvius Matembo ('Matembo') was arrested at the Kilimanjaro Bar in a suburb of Dar es Salaam, where he was meant to conclude a deal for buying a new vehicle. But the sale had fallen through and two civilian police officers targeted him and his younger brother, who was with him at the bar, as they left. The two brothers were swiftly taken to an unknown location. After three days, his brother was released but Matembo stayed in isolation for another seven days before he was taken to officials in relation to the ivory case. Matembo was suspected by police of organizing the transportation of elephant tusks from dealers across Tanzania and also from Kenya, Uganda and Mozambique. He would allegedly show drivers the ivory once it was procured and assure drivers that he had all the necessary permits to transport the ivory. His official business was dealing in cattle, grains and secondhand vehicles, and he was allegedly also involved in trading stolen cars. Court documents show that Matembo offered to pay a cash bribe to an arresting officer for his release and to disrupt the law enforcement investigation, but the police officer testified to refusing this offer.



On 20 April 2014, Julius Philemon Manase was arrested and confessed to be part of an illegal ivory syndicate involved in buying and exporting elephant tusks with co-accused Matembo. Manase was responsible for purchasing tusks from various dealers in Tanzania and neighbouring countries and would sell them to Yang Feng Glan – the so-called Ivory Queen – and other buyers for onward transit to consumer countries. Court documents show he owned a bar and a motel in Majumba Sita, on the outskirts of Dar es Salaam, which he acquired in 2011. Manase alleged that he was beaten by police and ‘hung upside down like a bat’ upon his arrest.

Yang Feng Glan arrived in Tanzania in 1975 to work as a translator for a Chinese company building a railroad between Dar es Salaam and Zambia. In 1998, she opened a Chinese restaurant called Beijing in Dar es Salaam, which became a meeting place for concluding ivory transactions. She also served as the secretary general of the Tanzania–China Africa Business Council, where, it is alleged, she moved money through business accounts to further her trade in ivory. Yang was arrested at Seacliff, a hotel and casino complex in Dar es Salaam, on her way to a party on 28 September 2015.

### Findings of the financial investigation

The financial investigation revealed a number of cash payments made to those involved in sourcing, transporting and hiding the ivory. The manager from Barclays also provided evidence in relation to the bank accounts of Manase and Yang. Analysis of the accounts showed transactions undertaken in Dodoma, Tanzania’s official seat of government, and some domestic transactions between Yang Feng and Manase amounting to between US\$5 000 and US\$10 000. Manase also received payments of TSh10 million (US\$4 200) and TSh20 million (US\$8 400) respectively from unknown parties. The investigation further pointed to mobile money having been used to move funds, although no formal investigation into this aspect was documented.

All three of the accused were convicted in February 2019 based on a seizure of 860 tusks worth around US\$3.25 million. An appeal was filed on 3 January 2020, but subsequently rejected, leaving Tanzanian authorities to recover the identified assets of the accused.

SOURCE: Information taken from Economic crime case no. 21 of 2014, *Republic versus Salvius Francis Matembo, Manase Julius Philemon and Yang Feng Glan*, Magistrates’ Court of Dar es Salaam at Kisutu, Tanzania.





# FINANCIAL INVESTIGATION

## AS AN APPROACH TO COMBAT WILDLIFE CRIME IN UGANDA

Kampala, Uganda. The country is a source and transit country for illicit wildlife products and a key logistics hub for wildlife crime. © Thomas Trutschel/Photothek via Getty Images





## The financial-crime landscape

Corruption is entrenched in Uganda and citizens attest that corruption is a way of life in the country. In 2020, the Transparency International Corruption Perceptions Index noted Uganda to have an even higher level of perceived corruption than its neighbour Kenya (142/180 versus 124/180).<sup>37</sup> High-risk financial-crime activities in Uganda include corruption, fraud, terrorism, abuse of public resources, smuggling in wildlife products and gold, drug trafficking, and tax evasion. Money-transfer services have also been widely used by international networks to transfer and remit funds.

Uganda is known both as a source and transit country for illicit wildlife products and appears to serve as a key logistics hub for wildlife crime, with a number of local and foreign nationals working together to transport, repackage and sometimes source wildlife products for onward transport. A 2018 TRAFFIC report, an NGO focused on monitoring the trade in wildlife products, states that '[i]n the case of ivory, the poaching chain in Uganda most frequently starts from level three up to level four (level five is usually at the destination country) since poaching for sourcing ivory is very rare'.<sup>38</sup> Indications are that exporters and those higher up in criminal supply chains appear to operate with relative impunity, profiting from the illegal wildlife trade in Uganda.

Furthermore, Uganda appears to host a number of powerful players who exploit the weaknesses of the law enforcement process to advance their criminal goals. Government officials have also been seen to be complicit and cases can sometimes stall without reaching any conclusions. In 2014, the Uganda Wildlife Authority admitted that 1 335 kilograms of ivory was missing from its 'secure' stockpiles, an amount which officials estimated to be valued at around US\$1.1 million.<sup>39</sup>

The Uganda-based Kromah investigation in 2017 revealed international bank transactions between Laos and Uganda, hence a charge of money laundering was subsequently added to the case. The US-based Kromah case (2019) also highlighted that syndicate members from Uganda used the Kenyan financial system to transfer funds for illicit wildlife products sold to international buyers. In addition, there is preliminary case-based evidence of wildlife-crime syndicates using cash-intensive legitimate businesses or general trading companies such as investment companies, timber and furniture companies, bars and restaurants, a car wash business, and businesses trading in used shoes and clothing to advance payments related to illicit wildlife products, and cash-based transactions appear to be prevalent, as observed in a recent case relating to trade in leopard skins concealed as used shoes.

In January 2019, the Uganda Revenue Authority seized a shipment of teak logs in which 762 pieces of ivory (3 299 kilograms) and 423 kilograms of pangolin scales were found concealed in wax. The illicit products, valued at US\$2 352 187 and US\$1 271 100, respectively, were sourced from the Democratic Republic of the Congo via South Sudan.<sup>40</sup> Two Vietnamese nationals, Nguyen Son Dong and Pham Van Chieu, were initially arrested; a total of five Vietnamese nationals were eventually charged for illegal possession of wildlife products. The modus operandi revealed by the case bore a striking resemblance to the facts in the Nguyen Mau Chien case, discussed above. A media release issued by the revenue authority in early 2019 listed 18 suspects wanted in connection with the seizure and authorities have commenced a financial investigation into the seizure.

## Corruption in Uganda

**High-level government officials are alleged to be facilitating wildlife crime in Uganda.**

© Afrianto Silalahi/Barcroft  
Media via Getty Images

Uganda's anti-corruption authority has not yet linked criminal syndicates involved in wildlife crime with associated corruption cases. However, allegations that link high-level government officials as being central to facilitating wildlife crime are common across the country. Asset recovery linked to cases of wildlife crime has generally been limited to the odd motorbike.







**Left:** ivory and cutting machinery uncovered during a police raid in Kampala. *Photo: courtesy of the EAGLE Network;*  
**right:** Vixay Keosavang (centre) has been associated with a number of wildlife-related cases. *Photo supplied*

## The Garden City arrest

Garden City Mall in Kampala was an unlikely scene for the arrest of a major wildlife trafficker. However, Guinean national Bangaly Kourouma, who had evaded police after being released on bond after an earlier arrest, was reported to be conducting a deal involving rhino horn and ivory there on 17 February 2017. His arrest led police to a property where they found his co-accused, Moazu Kromah and Mohammed Kourama, the latter also from Guinea, along with elephant tusks, cutting machines, weighing scales, ivory with special markings, Western Union money transfer slips and cheque books issued by the Diamond Trust Bank in Kenya.

Two smartphones belonging to Kromah, a Liberian national and the alleged leader of the gang, revealed ivory tally sheets, photographs of ivory, Western Union money-transfer receipts and text messages with foreign telephone numbers relating to transactions involving ivory. TRAFFIC subsequently verified the ivory in the Kromah case as originating from Burundi stockpiles.

The three men were arrested on wildlife-crime charges for unlawful possession of 437 pieces of ivory (1 303 kilograms) valued at more than US\$9 billion (US\$2 570 000). Additional charges included unlawful importation, conspiracy to commit a felony and money laundering. Ugandan authorities were also able to identify a property in Uganda in the name of one of Kromah's relatives as part of the investigation. Financial investigations showed US\$190 000 received from Vannaseng Trading, one of three notorious Laotian companies allegedly given carte blanche by the Laos government to participate in illegal wildlife trade.<sup>41</sup> Vannaseng had operations not far from the headquarters of the Xaysavang network headed by Vixay Keosavang, which has been associated with multiple wildlife-crime cases, and US authorities have put up a reward of US\$1 million for information leading to his arrest.<sup>42</sup> The Xaysavang network are more commonly known for the pseudo-hunts of rhino and obtaining lion bones in South Africa to sell on the black market in Asia. The Kromah cases in both Uganda and the US are ongoing.




A photograph of a scout in a green and brown camouflage uniform and a tan hat, standing in front of a light-colored wall. He is holding two large, curved elephant tusks. The tusks have handwritten text in blue ink, including 'No 16-21/04/2014', '31kg', 'Caudal = 117cm', 'Arc = 195', 'No 16-21/04/2014', '31kg', 'Caudal = 117cm', 'Arc = 195', 'No 16-21/04/2014', '31kg', 'Caudal = 117cm', 'Arc = 195'. The background shows a dark, wooded area. A large white graphic element, resembling a stylized 'X' or a network diagram, is overlaid on the top left of the image.

# **LIMITATIONS**

## **OF TRACKING MONEY FLOWS IN INVESTIGATING WILDLIFE CRIMES**

A scout stands among elephant tusks confiscated from poachers at Garamba National Park, DRC. © Tony Karumba/AFP via Getty Images





**T**racking money flows is not a complete solution to investigating wildlife crimes. Obtaining financial data linked to a crime can be challenging and the success of financial investigations often relies on several factors, such as the overarching national legislation, cultural and political aspects, the level of resourcing in enforcement agencies, and international cooperation mechanisms between countries. Some key challenges are described, supported by brief case examples where applicable.

## **Ability of authorities to conduct financial investigations in a timely manner**

Official requests for bank accounts and financial data generally move slowly. The collection of data, analyzing complex transactions and networks and sourcing supplementary information all take time. Investigations are also subject to the normal criminal justice processes, of which the timelines are beyond the control of the investigators. Cases often go cold or take years to resolve, as demonstrated in many Kenyan cases.



▲ Dawie Groenewald was arrested in 2010 on multiple counts of racketeering, including illegal trade in rhino horn. © Julian Rademeyer



▲ New infrastructure, such as that created by China's Belt and Road Initiative, may be enabling cross-border wildlife trafficking routes. © Luis Tato/Bloomberg via Getty Images

In September 2010, South African authorities arrested Dawie Groenewald on 1 872 counts of racketeering, including illegal trade in rhino horn. US authorities also issued an indictment in 2014 against Groenewald and his brother, Janneman (who has since died), along with their trading companies, Valinor Trading CC (South Africa) and Out of Africa Adventurous Safaris (South Africa and the US), for facilitating illegal safari hunts for US citizens in South Africa. Under the US indictment,

the brothers are facing Lacey Act charges and violations, including aiding and abetting; mail fraud; international money laundering; and structuring bank deposits to avoid federal reporting requirements. This US case showed some early positive signs of using financial investigations to combat wildlife crime, but by 2020 this case had still not yet progressed to convict or recover any linked assets. The South African case is also ongoing.

## Limitations of international cooperation in cross-border crimes

In some cases, money will move domestically in a destination country, which complicates financial investigations for the purpose of law enforcement in source countries. Law enforcement typically has to focus primarily on evidence that can be collected locally, which can limit the scope of the investigation. Formal information-exchange mechanisms may also be unreliable and take considerable time to access.

Either informal or formal mechanisms can facilitate international cooperation. Informal information-sharing channels can include information being shared between financial intelligence units if they are members of the Egmont group, but the information

cannot be submitted as formal evidence in an investigation. In addition, when funds are traced back to syndicates in other countries (destination or transit), the transit or destination country is not guaranteed to conduct an adequate financial investigation to understand the entire supply chain.

An investigation in West Africa revealed a money trail that linked back to a well-known wildlife-crime syndicate in South East Asia. The specific country's authorities were approached to conduct their own financial investigation into the network funding the purchase of wildlife products, but no action has yet been taken.



## Information-sharing mechanisms between government agencies

Information relevant to advancing wildlife-crime investigations is often held across multiple law enforcement agencies and in some cases it is difficult to identify a 'lead' agency. If information-sharing mechanisms are not in place across the different agencies, investigations can stall. Some countries, such as Tanzania, have put formal processes and standard operating procedures in place, which could lead to a greater chance of success when applying financial investigations to wildlife-crime cases.

The investigation of a recent seizure of ivory and pangolin scales in Uganda is likely to reveal links to several linked international seizures. However, authorities in Uganda do not currently have any mechanisms to share information across government agencies, which hindered the financial investigation early on.

## Lack of resources and expertise in the criminal justice system

One of the most cited reasons for not conducting financial investigations is the lack of resources and expertise. Financial resources that can be dedicated to wildlife-crime cases are not always available and the technical skills, funding and other key factors required can prevent these cases from progressing. Financial investigations are also complex and rely on a high degree of problem-solving and the ability to analyze complex financial data.

A financial investigation supported a case relating to the arrest of six suspects involved in shipping ivory and pangolin scales from West Africa to South East Asia. Sound financial evidence was collected, but the lack of appreciation by the judicial officer meant that the evidence was never reviewed or considered as part of the case.

**Lack of information-sharing mechanisms and financial resources in the region hinder efforts to counter wildlife crime.**

© Christian Charisius/picture alliance via Getty Images





Forestry authority officials destroy ivory pieces confiscated in China, showcasing the country's efforts to counter the illegal ivory trade, Beijing, 2015.  
© Feature China/Barcroft  
Media via Getty Images

## Limitations of anti-money laundering infrastructure and anti-corruption agencies

Banks and reporting institutions are generally mandated by law to report suspicious transactions to a country's national financial intelligence unit, which will conduct further analysis on the transactions and put together information from other intelligence sources and national databases to be sent to the appropriate law enforcement agency for investigation. What constitutes a reporting entity depends on the national legislation and can differ across countries. Unfortunately, the anti-money laundering system will only ever be as strong as its weakest link: if the prosecution in a country is unable to find the resources to prosecute the case, the case will fail. This phenomenon is not unique to the anti-money laundering system, though: anti-corruption agencies often fall prey to the same weaknesses. If the prosecutors, magistrates or judges do not sufficiently prioritize or understand cases, new successes are unlikely.

## Corruption and political will

Corruption is rife in many countries that make up the illicit supply chain for wildlife products. Anti-corruption agencies are particularly prone to political influence in that cases will not succeed if they are linked to high-level politicians.



## Alternative strategies to combat wildlife crime: US NEXUS cases

There is some evidence of success being brought through actions initiated by the US government in cases where corruption has proved to be too pervasive in the criminal justice chain at a national level. A so-called US NEXUS case can be proven when there is sufficient connection with the United States to warrant the

involvement of US law enforcement. There is also extraterritorial jurisdiction over the 'Laundering of monetary instruments' charge by a non-US citizen if the government can prove that the conduct occurred in part in the US and the series of transactions exceeded US\$10 000.

### A money-laundering case against a turtle-smuggling network

In 2019, US authorities issued an indictment for a Chinese national, Kang Juntao, involved in trafficking five species of turtles from the US to Hong Kong seemingly for onward sale on the black market in China, Hong Kong and Japan. None of the necessary CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora) or customs permits for the CITES Appendix II species were available. The turtles, bound and hidden in socks to avoid detection by authorities, were smuggled with false documentation. The investigation revealed that Kang Juntao involved at least six middlemen in the US, who he recruited through social-media platforms and reptile-sales websites. The middlemen were often Chinese nationals who had entered the US on student visas. About 1 500 turtles in total were smuggled from the US, valued at approximately US\$2 225 000.

Kang Juntao was arrested in Malaysia in 2019 and has been charged with money laundering. The charge alleges that Kang Juntao sent funds to the US to promote the smuggling of goods and conducting a series of online payments through Paypal from Chinese banks. Investigations showed that a total of 40 payments were made for the purchase and shipping of wildlife products over a period of 18 months (June 2017 to December 2018), totalling

US\$78 382, which exceeded the US\$10 000 threshold. The maximum penalty for this offence is 20 years' imprisonment. Kang was successfully extradited in December 2020 to the US and the case is currently ongoing.



**Turtles are a sought-after commodity in black markets in China, Hong Kong and Japan.** © AFP via Getty Images




A woman in a dark blue police uniform and a bright yellow high-visibility vest is kneeling on the floor, examining a leopard skin rug. She is wearing white gloves. In the background, there are several large wooden crates filled with numerous pieces of ivory. The scene is set in a warehouse or storage area. The text "LESSONS ON USING FINANCIAL INVESTIGATIONS TO COMBAT ORGANIZED CRIME NETWORKS" is overlaid in large white letters.

# LESSONS ON USING FINANCIAL INVESTIGATIONS TO COMBAT ORGANIZED CRIME NETWORKS

Financial investigations can provide insight into the activities employed by wildlife crime networks.

© Laurent Fievet/AFP via Getty Images





**T**he case reviews described in this report do suggest some key factors that could contribute to financial investigation being used successfully in addressing wildlife crime.

## **Involvement of organized crime investigative units**

In some countries, investigative units focused on organized crime are able to take the lead on wildlife-crime investigations and conduct financial investigations alongside the predicate offence. Such an approach can reduce challenges of collecting and sharing information across different government agencies. An organized crime unit generally has wider-ranging powers and is usually somewhat better resourced than national police units, which could help to advance wildlife-crime investigations. The establishment of an organized crime unit can create the necessary collaboration across law enforcement to successfully pursue wildlife-crime cases and secondary crimes such as drug trafficking or human smuggling so often seen linked to wildlife crime. Kenya has recently set up a transnational organized crime unit with a small team dedicated only to this issue.

## **The use of multi-agency task forces**

The increasing prevalence of multi-agency task force teams has seen some positive results. These task force teams usually consist of a number of government agencies brought together for a common purpose and goal to combat wildlife crime. Public-private partnerships are also common, bringing together financial institutions and law enforcement to share information and collaborate with respect to combating financial crime. Some promising examples from sub-Saharan Africa are included below.

### **Namibia Anti-Poaching Team**

The Namibia Anti-Poaching Team was formed in 2016 under a cabinet directive circulated to all law enforcement agencies to assist the Ministry of Environment (MET) with measures to curb poaching activities, with a particular focus on rhinos and elephants. This team consists of the Namibian Police, the National Defence Force and members of the MET Wildlife Protection Services. In addition, the Blue Rhino Task Team is a separate initiative dedicated to investigation of criminal cases related to the killing and trafficking of wildlife products. Blue Rhino is a collaborative initiative that was established between the MET and the Namibian Police, approved by the Inspector General of the Namibian Police, and consists of members of MET and the Namibian Police. It is supported by a local non-profit law enforcement organization for funding. From a financial-crime perspective, Namibia now considers the Proceeds of Crime Act in all its wildlife cases, notably in relation to recovering the proceeds and instrumentalities of crime but also with consideration of criminal charges such as money laundering.

### **National Task Force on Anti-Poaching, Tanzania**

Tanzania has also had some success in combatting wildlife crime with the introduction of a multi-agency task force in August 2016,<sup>43</sup> in line with the country's national strategy to combat poaching and illegal wildlife trade (2014). The unit aims to conduct well-coordinated joint intelligence-led operations in preventing and combatting poaching and trafficking of wildlife and forest products. Tanzania has been active in applying confiscation orders to assets known to be the proceeds and instrumentalities of crime. Two new cases from 2019 will also consider money-laundering charges.

## **Making non-profit organizations part of the law enforcement community**

Another key tenant of success in combatting wildlife crime is the support of locally embedded non-profit organizations to the local law enforcement community. In some cases, these organizations provide much needed funding and expertise to law enforcement agencies. For example, EAGLE Enforcement supports law enforcement authorities in West and central Africa in arresting wildlife-crime perpetrators, and the Natural

Conservation Resource Network in Uganda supports wildlife-crime prosecutions. There are also examples of various other locally run non-profit organizations that can support and promote wildlife-crime arrests and support investigation into financial components of the crime. The key is for the organization to gain the trust of law enforcement agencies and contribute to successful outcomes.

## **Identify the entire supply chain through financial investigations**

When money flows can be tracked across jurisdictions, law enforcement has a much clearer picture of the illicit supply chain and how the networks are structured. A case study in Vietnam showed that long-tailed macaques were being sourced illegally from neighbouring countries in South East Asia, and supplied to companies in the UK,

Germany and the US. It is important that both the supply chain and the final consumers are identified to determine what legal action can be taken. This approach can be effective in developed jurisdictions where the justice system is less prone to corruption.



## Concluding thoughts

Wildlife is a key source of income for a number of East African countries, with regard to both foreign currency earnings through tourism and local job creation.

Protecting these natural resources is essential to the well-being of the local economies.

Despite some progress, few financial investigations into wildlife crime have been successfully concluded. Although the importance of financial-crime investigations is increasingly recognized, it will take time for results to filter through the criminal justice system to create any real or lasting change. Law enforcement authorities in East Africa have now started to recognize the value of targeting assets used in advancing the crime, but criminal charges are proving difficult owing to a number of barriers in the judicial system.

Various options need to be leveraged to combat wildlife crime. Although financial investigations offer new avenues to map out the wider networks involved in wildlife crime and offer alternative legal avenues to pursue convictions, enforcement is a reactive mechanism and the resources are already exploited. Proactive methods must be employed to pre-empt action before the crime occurs. This could be by identifying key weaknesses across the supply chain, companies that may be consumers of illegally sourced products and new

litigation strategies to deter companies from engaging in behaviours that encourage illegal sourcing of wildlife products.

In summary:

- Financial investigations have commenced in relation to wildlife crime cases in East Africa, but it may take time for these investigations to yield effective results and cases may be subject to interference by corrupt actors.
- Financial investigations can provide additional insight into the strategies employed in wildlife crime and open new avenues to understand the global activities of criminal operations.
- Money movements take many forms in East Africa and law enforcement authorities should look beyond the traditional mechanisms of obtaining bank accounts. A variety of evidence needs to be collected from multiple sources, including data on mobile-money transactions and payments made through money-transfer services and forex bureaus, financial records of suspected companies, and records of any barter trade in the context of illicit goods. Asset recovery mechanisms should also be actively considered to recover the instrumentalities and proceeds of the crime.



The protection of natural resources is essential to the well-being of local economies. Here, a Malaysian Wildlife official displays seized rhino horns in Kuala Lumpur, August 2018. © Manan Vatsyayana/AFP via Getty Images

# NOTES

- 1 Financial investigations may involve a number of stakeholders, such as: banks, financial institutions and reporting entities; financial intelligence units; and law enforcement agencies. Reporting entities are defined in national legislation and can include law firms, accounting firms, real estate agents, car dealerships, etc. Their role is to report suspicious transactions (such as large cash payments and deposits or unusual transactions) that can reasonably be suspected to be linked to other financial crimes. These entities typically report to a country's financial intelligence unit, which analyzes and packages the information for use by the appropriate law enforcement agency (e.g. the wildlife authority, police, the anti-corruption agency, the organized-crime unit, customs, the inland revenue and taxation office, etc.) in a formal investigation and prosecution.
- 2 Ansoumane Doumbouya, the CITES management officer in Guinea, was prosecuted for providing fraudulent CITES permits to wildlife trafficking networks exporting chimpanzees, monkeys, manatees and parrots to predominantly Asian markets. Six network members were also implicated in the case. However, the charges were light and Doumbouya was eventually pardoned by the president.
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- 11 Phan Soumy, Ivory importer still at large, The Cambodia Daily, 23 December 2016, <https://english.cambodiadaily.com/news/ivory-importer-large-another-two-tons-intercepted-122361/>.
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# GLOBAL INITIATIVE

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