

INVESTIGATOR

Autumn • 2018

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AGENCY

2019?

2018

2017

2016

2015

2014

2013

2012

2011

2010

2009

2008

Serial Offender:

Vietnam's continued imports of illegal Cambodian timber

Alarming emissions of a banned ozone-destroying chemical are traced to China

UK pushes ahead for one of the world's toughest ivory bans

Iceland resumes hunt of fin whales after two-year hiatus – just as minke hunts end



4



8



18



20



INTRODUCTION



Welcome to *Investigator* magazine, keeping our supporters up-to-date

on all of our latest activities and successes.

It's been a busy few months for us with the launch of the results of two high-profile investigations into illegal CFC gases in China and Vietnam's continuing timber raids on its neighbours. They've generated both media attention and rebuttals from the people and organisations involved but, as ever, we have evidence to back up our findings. I hope you enjoy reading about both investigations in this edition.

Finally, I'd like to thank you for your continued support; without it we wouldn't be able to continue investigating and campaigning against environmental crime and abuse.

Mary Rice

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UK pushes ahead for one of the world's toughest ivory bans

Just seven weeks after the end of a public consultation, the UK Government published its Ivory Bill on 23 May, touted as the toughest in Europe and one of the toughest in the world.

Its formal progress through Parliament is now under way and our campaigners have been urging MPs to give it full support so it can enter into law as soon as possible, ideally by October before the London Conference on Illegal Wildlife Trade.

"We were very pleased to see the Government publishing the Ivory Bill so soon after the

end of the consultation, which had a tremendous public response – more than 70,000 people and organisations took part, with more than 88 per cent in favour of a ban," said Senior Wildlife Campaigner Shruti Suresh. "This indicates to us the Government's genuine and serious commitment to doing what it can to stamp out the international illegal ivory trade."



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Illegal Wildlife Trade Conference returns to London

Four years ago, the UK hosted the first Illegal Wildlife Trade Conference, a landmark event bringing together heads of state and government representatives who signed up to The London Declaration, a series of commitments to tackle the trade.

Subsequent conferences in Botswana and Vietnam evaluated



@PressAssociation



It came as a shock to many when our research in 2017 revealed the UK as the world's largest exporter of legal ivory – a trade we argue stimulates consumer demand and fuels elephant poaching.

As a campaigning organisation, we have worked hard – both independently and as part of collective efforts – to achieve a comprehensive ivory trade ban in the UK.



Above: ivory seized at Heathrow Airport in 2016

Left: elephants in Botswana

The Government has stated its Ivory Bill covers ivory items of all ages, although there are some very carefully defined exemptions, and anticipates the maximum penalty for breaching the ban will be an unlimited fine or up to five years in jail. ●

progress on the various goals and this October sees the conference return to London where it will be hosted by the UK Government.

Our Wildlife campaigners have played a crucial role in these events; our expert analysis of illegal wildlife trade hotspots has allowed us to identify progress and point to examples of best-practice enforcement as well as highlighting the key remaining challenges.

Ahead of this year's conference, we have laid out our main recommendations for

participants in the special briefing *All Eyes on London*.

Debbie Banks, Tiger and Wildlife Crime Campaigns Leader, said: "The basic legislation to combat wildlife crime already exists but there remain critical gaps in the response of key source, transit and destination governments. At least 15 countries we've assessed already have the requisite national legislation – but there is an urgent need for rapid high-level commitment to real action to reverse the current high profit/low risk nature of wildlife crime." ●

Far left: the last Illegal Wildlife Trade conference in London

China's green light for trade in endangered leopards

Despite having a domestic leopard population estimated at fewer than 400, China has been issuing permits to trade and use their bones.

Endangered leopards are already Asia's most trafficked big cat, with more than 4,900 seized in China since 2000.

We tell CITES how lion bone trade drives demand for other big cats

We were horrified to learn that on the eve of the Convention on International Trade in Endangered Species (CITES) Animals Committee meeting, South Africa almost doubled its quota of lion bones for export to 1,500 skeletons a year.

The body parts of South African lions can be legally exported out of the country. The bulk is destined for South-East Asia, where many parts enter illegal trade and are eventually mis-sold as tiger, the parts of which are more highly sought after for use in a variety of 'tonics' and traditional 'medicines'.

The availability of lion parts sold as tiger perpetuates consumer demand and seriously threatens the survival of wild tigers,

leopards, snow leopards, clouded leopards and jaguars - all of which are traded illegally. In some cases body parts of all the big cats, such as teeth and claws, may be passed off as tiger. In some cases, skins of the other big cats are seen as a cheaper alternative among those who cannot afford tiger.

At July's Animals Committee in Geneva, our campaigners presented information from Chinese court records showing



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We revealed in June that a copy of a permit posted online appears to show that China's State Forestry Administration (SFA) gave permission for an individual acting on behalf of a pharmaceutical company to sell 1.2 tonnes of leopard bone to a second company, Inner Mongolia Hongmao Pharmaceutical. The authenticity of the permit is confirmed by the SFA's own website.

Hongmao Pharmaceutical manufactures a widely available 'tonic' wine, Hongmao Yaojiu, which includes leopard bone among its ingredients. It may be

using the bones of 90-130 of leopards every year.

Wildlife Campaigner Aron White said: "Given the amount of leopard bone involved and the small size of China's leopard population, it's highly likely the bones in question were sourced illegally from leopards killed outside China."

This illegal trade is primarily to meet demand from Chinese consumers and is used in similar ways to tiger bone, steeped in rice wine to make 'health tonics' and used to produce traditional 'medicines'. ●

Far left: leopard in Asia



lion parts being traded as tiger in China and gave further evidence that, instead of satiating the market, lion bone supplies actually increase the perceived availability and acceptability of tiger products.

Tiger Campaign Leader Debbie Banks warned: "Given this grave and complex situation, it is highly irresponsible for South Africa to continue to cash in on this demand with lion bone sales."

Our research will now be incorporated into a report to the CITES Standing Committee, which will recommend further actions. ●

WILDLIFE NEWS IN BRIEF

- **Illegal tiger trade isn't restricted to Asia** – on 16 July, raids in the Czech Republic revealed a nightmarish tiger slaughterhouse at the centre of an international criminal trade ring.
- **In April, an individual in China was sentenced to five years in prison and fined about £11,220 for selling 'tonic' wines made from endangered wildlife, including tigers.**
- **Plane Sight, a new analysis of global wildlife trafficking, says smugglers are highly dependent on commercial air transport to smuggle endangered animals.**

Alarming emissions of a banned ozone-destroying chemical are traced to China

When scientists spotted a mysterious spike of the banned ozone-killing chemical CFC-11 in the atmosphere in May, our investigators got on the case and swiftly tracked it down to China.

In less than two months, we published our findings in the report *Blowing It*, which made headlines around the world on such prominent international news platforms as the *New York Times*, *BBC*, *Guardian*, *Straits Times*, *the FT*, *Spiegel*, *Radio France International* and Australia's *ABC*.

This spotlight stayed on the illegal production and use of CFC-11 during a Montreal Protocol meeting in Vienna, where further investigation and the sharing of emissions data was agreed by parties.

In response to our investigation, China stated it has commenced national inspections to crack down on illegal production.

What's the problem with CFC-11?

The planet woke up to an existential threat when alarm bells were sounded in 1974 by chemists Frank Sherwood Rowland and Mario Molina, who published a paper in the science journal *Nature* showing chlorofluorocarbons (CFCs) – a family of chemicals used in many everyday applications such as refrigeration, air-conditioning and aerosols – were destroying the ozone molecules which make up the protective layer shielding Earth from the sun's harmful rays.

In 1985, the British Antarctic Survey discovered a recurring springtime hole in the ozone layer above the Antarctic and in 1987



Above, from left: the ozone layer is essential for all life on earth; barrels containing CFCs in China; a high-level executive of a chemical company involved

the international community, realising the potentially catastrophic outcome, signed the Montreal Protocol to arrest and reverse ozone depletion.

CFC bans followed and the significant reduction in the atmospheric concentration of trichlorofluoromethane (CFC-11) is deemed to be the second-largest contribution to the decline in the total atmospheric concentration of ozone-depleting chlorine since the 1990s.

A warning atmospheric spike

As CFC use was reined in around the world, the focus began to turn to the growing problem of global warming, a phenomenon

worsened by the new generation of chemicals which replaced CFCs.

Despite the significant achievements of the Montreal Protocol, the problem of illegal trade in CFCs persisted even though there was a steady decline in their atmospheric concentrations.

But in May this year, again in *Nature*, a new study reported that a steady rate of decline of CFCs in the atmosphere from 2002-12 had halved after 2012, strongly indicating a substantial increase in CFC-11 emissions, even though production was supposed to have been close to zero since 2006 and to have ended by 2010. ▶

▶ The study shows CFC-11 emissions increased to about 8-18,000 tonnes per year between 2012-17, an estimated increase of about 25 per cent.

Our investigators pick up the trail

Within weeks, our Climate investigators began to look into the situation and very shortly found compelling evidence that illegal production and use of CFC-11 in China was occurring and could be the major cause of the recorded spike.

We were able to obtain evidence from 18 different companies, operating in 10 Chinese provinces, which confirmed their use of CFC-11 as a blowing agent for the manufacture of foams utilised to insulate buildings and appliances.

And the data we gathered made it clear that the 18 cases we found were not just isolated incidents.

The information we obtained conclusively demonstrated that the use of CFC-11 in China's rigid polyurethane foam insulation sector, in particular in the building and construction subsectors, is widespread and pervasive.

Clare Perry, our Climate Campaigns Leader, said: "This is an environmental crime on a massive scale.



Acting on the intelligence

For maximum impact, our report's release was timed for just days before the 40th meeting of The Montreal Protocol's Open-Ended Working Group.

In the wake of the global media coverage of the scandal, China's rogue CFC-11 emissions were right at the top of the agenda from day one.



"It's not just a matter of illegally manufacturing and using prohibited chemicals – the ozone layer is an absolute prerequisite

In her opening remarks, Tina Birmbili of the Ozone Secretariat said it was “critical to take stock of the science and take action” and urged parties to “not relax their vigilance for a second”.

Addressing all delegates during the meeting, one of our Climate campaigners warned: “The significant quantities of CFC-11 in question here not only threaten our slowly healing ozone layer but also our climate.”

Parties at the meeting unanimously urged a response while China stated it would

cooperate and use the mechanism of the Montreal Protocol to discuss the matter in an “open, transparent and active” manner.

In a bilateral meeting, the Government of China assured us it was already taking steps to follow up on the information we had provided several weeks earlier.

The findings of further research by the Montreal Protocol’s assessment panels are due to be presented when the 30th Meeting of Parties to the Montreal Protocol is held this November in Ecuador.



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Left: one of the companies named in our report for using banned CFCs

for all life on Earth and, although there are indications it is healing, the hole in the ozone layer we’ve created is still a long way from full recovery.

“CFC-11 still accounts for a quarter of all chlorine reaching the stratosphere and ozone recovery depends on a sustained reduction in its concentrations – these extra emissions from illegal activity in China threaten that and are effectively a crime against the entire planet.”

The Montreal Protocol is deemed the world’s most effective environmental treaty to date but its reputation will be determined by how it addresses this issue. ●

CLIMATE NEWS IN BRIEF

- Our Climate team was at the first International Congress on Clean Cooling, held in Birmingham in April, to remind participants that the cooling industry remains largely ignored in the fight against climate change, despite being one of the low-hanging fruits.
- A glacier on the Kebnekaise mountain was Sweden’s highest peak – but melting due to record hot Arctic temperatures has prompted scientists to declare it is now no longer the nation’s tallest point.

Vietnam's bid for EU 'legal timber' status hasn't stopped industrial-scale theft

Vietnam has one of the largest wooden furniture manufacturing sectors in the world and strictly controls logging in its own forests.

It also has a long history of organised theft of timber on a massive scale from neighbours Laos and Cambodia.

In 2017, our report *Repeat Offender* revealed how corrupt Government officials and military personnel in Vietnam were complicit in smuggling huge quantities of illegal timber from Cambodia, despite the latter's ban on timber exports.

At the time, Vietnam was in negotiations with the European Union to sign a Forest Law Enforcement, Governance and Trade (FLEGT) Voluntary Partnership Agreement (VPA) – the mechanism by which timber

products from a country are judged to be legal and can comply with the European Union Timber Regulation (EUTR).

But despite this – and despite Vietnam being urged to crack down on the multi-million dollar illegal trade ravaging Cambodia's forests – very little had changed when our Forests investigators returned to Cambodia and the Vietnam border this year to check whether any actions have been implemented.

Our findings were released in the May report *Serial Offender*.

Same old story

Even as the Government of Vietnam was drafting laws to tackle its imports of illegal timber and so potentially open up new consumer markets in Europe, hundreds of thousands of cubic ►



Main image: a logging truck moving illegal timber

Insets: illegally felled logs in Cambodia



► metres of illegal timber was flowing unhindered across its borders from Cambodia.

With formal signing and ratification of VPA expected to take place this year, our investigators visited the region during the 2017-18 dry season to investigate whether the illegal trade had ceased.

Again, we found illegal logging occurring on an industrial scale under the direct protection of corrupt Cambodian military and forest rangers in three key areas of the country, including the supposedly protected Virachey National Park.

We were able to track timber from these sites to where it entered Vietnam, both through an official border crossing and via informal crossings.



Crime scene #1: VIRACHEY NATIONAL PARK

We first found Vietnamese companies, in collusion with corrupt government officials and military personal from both Vietnam and Cambodia, illegally logging in Virachey National Park during the 2016-17 dry season.

Large scale timber theft was still taking place in the park this year, focused primarily within the O'Kampha Community Protected Area and Phnom Panha Khlaing Community Forest.

Our undercover investigators discovered 31 illegal logging sites and three Vietnamese logging camps across the north-eastern corner of the national park.

Local sources revealed how the Vietnamese company Yin Tin had struck a deal with members of Cambodia's Border Army Unit 203 to build a road into the area and extract timber. In October 2017, Vietnamese workers arrived to construct the road from the Vietnamese border into the national park – followed soon after by chainsaws and rudimentary vehicles able to carry up to 20m³ of timber each.

To keep prying eyes away, forest rangers and members of Cambodia's armed forces blocked roads and prevented access to the forest.

Crime scene #2: LOWER SESAN 2 DAM

Ang & Associates Lawyer Co Ltd has been logging at the site of the Lower Sesan 2 Dam since 2013 and has repeatedly been accused of clearing trees outside its permitted concession. The reservoir is now almost filled – yet still the timber flows.

Our investigators visited between September 2017 and March 2018, spotting many logging areas well outside of the reservoir boundary and following vehicles moving illegally logged timber to a sprawling sawmill complex on the reservoir's banks.

This shouldn't come as a surprise to the Cambodian Government – less than a year after logging first began, the Ministry of Agriculture demanded an end to “anarchic deforestation” in the reservoir.

Nevertheless, trees in the surrounding forests have continued to be felled and laundered through the dam site.

We documented trucks avoiding official border gates and instead making use of informal nearby crossings, where timber was 'legalised' into the Vietnamese economy with paperwork from Vietnamese customs officers. ▶



► **Crime scene #3:**
PHNOM PRICH WILDLIFE SANCTUARY

Logging is outlawed in the protected area of Phnom Prich Wildlife Sanctuary but our investigators on the ground found the notion of ‘protection’ entirely absent.

In 2011 and 2012, the Cambodian Government gave logging rights to companies for 60,287 ha inside the protected area. These concessions were used as a front to launder timber stolen from outside their boundaries.

Between September 2017 and March 2018, we uncovered illegal logging operations on an unprecedented scale within the wildlife sanctuary, along with large-scale corruption implicating different elements of the Cambodian Government.

We documented a ‘road of tolls’ through the sanctuary, along which bribes are paid to different parties such as forest rangers, police, members of the armed forces and even local media.



Trucks using this road must pass four permanent ranger stations and more than 20 checkpoints manned by soldiers and military police – and did so without interference.





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Assessing the impacts of serial timber crime

During the 2017-18 dry season, if running at full capacity, these three illegal logging operations in Cambodia could have sent 1.15 million m³ of timber to Vietnam.

In July, the Handicraft & Wood Industry Association of Ho Chi Minh City wrote to us to take issue with some of the findings of the report – issues we were able to fully and publicly rebut via an open response on our website.

This is 6.5 times the amount detailed in Vietnamese import declarations for the same period and 2.6 times the official Vietnam Customs volume reports for the whole of 2017.

We will use our latest findings to continue to pressure the EU to ensure that any VPA agreed with Vietnam effectively addresses the country's continued imports of illegal timber. ●



Iceland resumes hunt of fin whales after two-year hiatus – just as minke hunts end



A two-year reprieve for endangered fin whales off Iceland ended in June when controversial multi-millionaire whaling kingpin Kristján Loftsson resumed his hunt in defiance of the international commercial whaling ban.

Ironically, just a month later the country threw in the towel on its hunts of minke whales, claiming rising costs.

Loftsson and his company Hvalur stayed ashore in 2016 and 2017, citing ongoing difficulties with

Japanese customs over imports of his fin whale products.

Fin whale meat is not popular in Iceland, leaving Japan the major market – despite the ban on international trade in whale meat.



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Above: Fin whale landed by whaling company Hvalur in Iceland

Plastics action backed

The Government has published details of its consultation on tackling plastic waste, revealing a clear mandate to act decisively against the problem.

A total of 162,000 people responded, including 222 organisations, leaving no doubt as to the widespread concern regarding the impacts of plastic pollution on our environment. Thank you to everyone who took part in the consultation.

The Government is due to announce its next steps in the Autumn budget but has already said it will explore the following:

- using tax to shift demand towards the use of recycled plastic;
- using tax to encourage better design for easier recycling;

Right: a beach in Egypt



©Vberger



As many as 238 fin whales could be killed in the current season, which sparked controversy in early July when what appeared to be a protected blue whale was killed. Subsequent analysis showed it was an extremely rare but unprotected blue/fin hybrid.

Loftsson plans to market fin whale meat, blubber and bones for iron supplements and other medicinal or food products.

"Iceland enjoys a progressive image around the world," said Ocean Campaigner Juliet Phillips. "It's staggering that it effectively enables one influential rogue whaler to trash that image with every whale his harpoons kill."

Iceland's less well known minke whale hunts were ended in late July, with a whaling company boss claiming rising costs.

Since resuming whaling in 2003, the Icelandic Government has permitted the killing of 653 minke whales. Recent years have seen a fall in numbers and this year just six whales were slaughtered in June and none in July. ●



- taxes or charges on specific items commonly littered to discourage production and use;
- using tax to ensure the right incentives are in place to encourage greater recycling of waste currently incinerated.

Senior Ocean Campaigner Sarah Baulch said: "To date, progress in introducing legislation to meaningfully tackling marine plastic has been slow. The Government must now take bold steps to reduce production and consumption of the many single-use plastics flooding the world." ●

OCEAN NEWS IN BRIEF

- **Save Vaquita Day was observed on 8 July and we renewed our call to authorities in China and Mexico to stamp out the illegal totoaba fish trade which has reduced the vaquita porpoise to fewer than 30.**
- **Australia has vowed to "vehemently" oppose a new push by Japan to undermine a global moratorium on commercial whaling.**

New industry standards unlikely to stop palm oil causing deforestation

The Roundtable on Sustainable Palm Oil (RSPO) is the world's most widely used voluntary certification scheme – but its seal of approval is unlikely to mean shoppers can buy free from worries of deforestation.

Palm oil is a vegetable oil found in literally thousands of products ranging from soaps and cosmetics to foodstuffs and its popularity is due to its comparatively low cost to produce and ready availability.

However, palm oil production around the world is widely linked to deforestation, illegal logging, human rights abuses and biodiversity loss – additional ingredients consumers are understandably loathe to add to their shopping baskets.

The RSPO is currently revising its core standards – more formally named its Principles and Criteria (P&C) – under which oil palm is certified as “sustainable”.

But our analysis, in the briefing *Double Standards*, strongly

suggests that the changes being proposed will still not stop palm oil causing deforestation, despite the body's claim it will.

Forests Campaigner Siobhan Pearce warned: “Despite the RSPO stating its new standard will cause ‘no deforestation’, it has actually created extensive loopholes which will allow just that.

“The problem here is that the RSPO has considerably adapted an agreed method on ‘no deforestation’ – the High Carbon Stock Approach (HCSA) – and has instead drawn up its own procedures and definitions to suit its own agenda.”

Our research shows that these loopholes will still allow some forests to be cleared, notably in areas that are highly forested.



Above:
deforestation
in progress

FORESTS NEWS IN BRIEF

- In June, our campaigners joined a CITES workshop to discuss guidelines for Legal Acquisition Findings, a key tool in keeping wildlife and forest contraband from unwitting import.
- Companies in Papua New Guinea are still harvesting timber unsustainably, often illegally, prompting calls for China, the main destination for the wood, to tackle forest crime with stricter enforcement.

The RSPO's current standard has been extensively criticised because it allows for deforestation, effectively 'greenwashing' a product which causes significant environmental damage.

As a result of this deep flaw, some companies have gone ahead and committed to 'no deforestation' themselves while others have dropped palm oil altogether for fear of contaminating their supply chains and brand reputations.

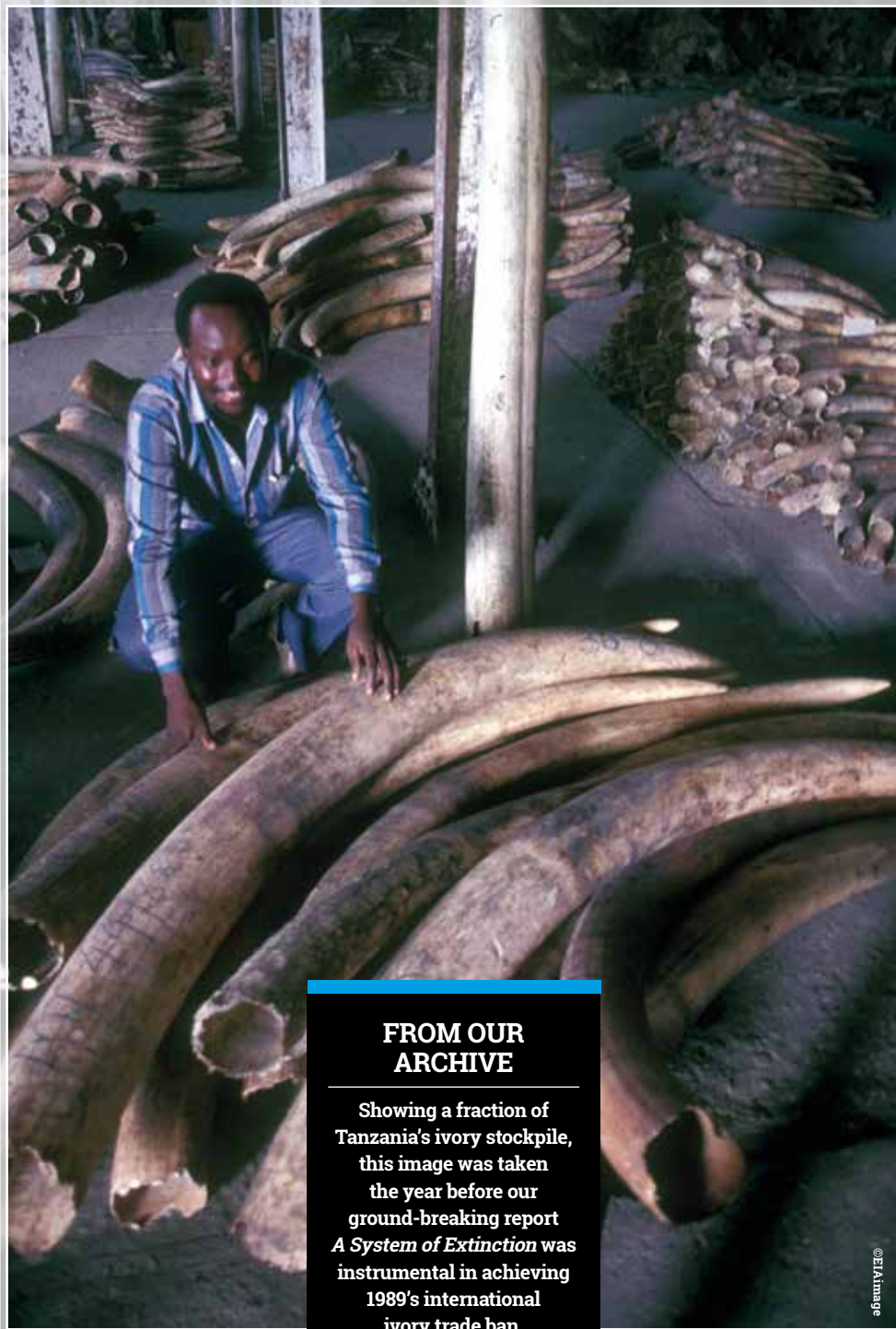
Pearce added: "The market is demanding guarantees to ensure 'no deforestation' but by failing to adopt the HCSA in full, the RSPO is only sowing confusion and, ultimately, risking its own survival in a world where 'no deforestation' is increasingly expected and demanded. ●

In June, we released the briefing *In Our Palms*, arguing that the European Union needs to act now with regulatory measures to reduce the deforestation footprint of the commodities it imports, including palm oil.

The EU is one of the world's biggest consumers of palm oil and without regulation its markets remain wide open

to palm oil and other commodities that have triggered deforestation, crime and human rights abuses.

Among the briefing's recommendations, we believe the EU should require commodities placed on its market, including palm oil, to comply with the new accepted norms of sustainability, including the principle of 'no deforestation'.



FROM OUR ARCHIVE

Showing a fraction of Tanzania's ivory stockpile, this image was taken the year before our ground-breaking report *A System of Extinction* was instrumental in achieving 1989's international ivory trade ban.



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