

INVESTIGATOR

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AGENCY

Checking out on plastics:

Our survey reveals the contribution that
supermarkets are making to the plastic problem

We expose the web of
corruption at the heart
of Myanmar's teak trade

Our Hydra Report
exposes Vietnam's ivory
trafficking syndicates

We reveal the
burgeoning illicit
HFC trade



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INTRODUCTION



Welcome to the *Investigator* magazine, keeping our supporters

up-to-date on all of our latest activities and successes.

Inside, you can find out about the launch of two major new reports and our new Pangolin project to help this most trafficked of all mammals. *Checking out on Plastics* is the most comprehensive survey to date of UK supermarkets and plastic pollution; while *State of Corruption* blew the lid off decades of illegal teak trade in Myanmar.

Thank you for your ongoing support, without which we simply couldn't achieve so much.

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Hydra report lifts the lid on Vietnam's ivory trafficking syndicates

In September, we released a new exposé of key players in Vietnamese ivory trafficking syndicates.

Exposing the Hydra revealed how these criminal organisations have become increasingly prolific and pose a growing threat to elephants and other endangered species.

The report documented two years of work during which our undercover investigators infiltrated several ivory trafficking syndicates.

What they learnt allowed us to build a comprehensive picture of how these organisations are structured, how they co-operate and how they diversify to traffic other species such as rhinos and pangolins.

The volumes of poached ivory involved are jaw-dropping, with the illegal traders we



UK acts to shut down its legal ivory trade

As 2018 drew to a close, we were very pleased to see the UK Government's Ivory Bill receive Royal Assent to become law.

This means that, in future, most ivory sales in, to and from the UK will be treated as criminal offences.



met revealing that at least 22 successful shipments of ivory from Africa, potentially worth \$14 million, had occurred between January 2016 and November 2017.

China closed its domestic legal ivory market in January last year and stepped up enforcement but the Government of Vietnam has yet to demonstrate serious commitment to tackling the problem.

This failure has allowed Vietnam's organised wildlife criminals to expand rapidly and we expressed concern that, unchecked, they will fill the gap left by Chinese syndicates which have ceased operating

Our undercover investigators came across illegal ivory and exposed links between the syndicate and government officials



due to improved enforcement in China and some parts of Africa.

Mary Rice, our Executive Director, warned that despite Vietnam hosting the high-level international Illegal Wildlife Trade Conference in 2016, its claims to have made great progress in tackling illegal ivory trade are pointedly undermined by the fact that the country is a major and fast-growing hub for illegal wildlife trade.

“Vietnam has made repeated promises under the Convention on Illegal Trade in Endangered Species to tackle ivory and rhino horn trafficking but to date these remain empty words,” she said. ●

Back in January 2016, we helped to start the ball rolling when we led 26 organisations to petition the UK Government to close its domestic ivory market.

And we kept up the momentum and pressure when our 2017 trade study revealed the UK to be the biggest legal importer of ivory in the world, as well as the largest exporter of legal ivory to the trafficking hotspots of Hong Kong and China.

Once the Government's consultation on the Ivory Bill actually got under way, we led a coalition of organisations to spread awareness and urge people to participate in support of a ban. ●

Below and far left: Elephants in Chobe National Park, Botswana



Pangolin project launches to protect the world's only scaled mammal

In the past decade, our investigations and monitoring have identified a fast-growing illegal trade in pangolins.

During that time, a staggering number of these scaly anteaters have been poached in Asia and Africa. It is now the world's most trafficked mammal and such an ongoing rate of exploitation will drive pangolins to extinction.

Our maps of illegal trade seizures have already proven to be a useful tool for enforcement and to build on these efforts and help to secure a future for pangolins, we launched

our Pangolin project in September. With it we are seeking to use our unique knowledge to expose and disrupt the transnational organised criminal syndicates increasingly turning to pangolins as a lucrative alternative to ivory and rhino horn.

Pangolins are poached for use as food, for traditional 'medicines' and even for decorative carvings of their scales. ●



Last key player of Shuidong syndicate arrested



In January, Chinese authorities confirmed the capture of Ou, one of the key players in a massive ivory smuggling syndicate based in Shuidong, China. He was repatriated from Nigeria.

We first exposed Ou and his fellow criminals in our 2017 report *The Shuidong Connection*, which documented our extensive undercover investigation into the syndicate based in the obscure Chinese town.

Before publication, we shared the information with the relevant

China's 'legal trade' of tigers and rhinos quietly goes ahead

Late last year, we issued a warning that plans by China to allow commercial trade in tiger bone and rhino horn from farmed animals for use in traditional Chinese medicine research and clinical treatments could sound the death knell for both species.



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Widespread domestic and international outcry spurred the Government to claim the policy was being delayed and that the ban remained in place – however, a document issued by a provincial authority in March appears to implement the new policy and states that permits to buy or sell tiger and rhino products can be applied for in “special circumstances”.

Aron White, Wildlife Campaigner, said: “This is contributing to an ongoing ambiguity around the legality of tiger trade, in which demand for tiger parts and products is continuing to thrive. An announcement of a total ban on the trade in any big cat parts and products, from any source – including captive-bred – is urgently needed.”

Chinese authorities and urged them to use the information to crack down on the group's illegal activity.


The China Customs Anti-Smuggling Bureau launched an extensive raid involving up to 500 officers in which they snared one of the three key figures identified in our investigations, Wang, who was subsequently jailed for 15 years.

The second key ivory trafficker, Xie, was tracked down in Tanzania and voluntarily returned to China to face trial; he was jailed for six years. Ou is understood to be awaiting trial.

Far left: Xie, Ou and Wang

WILDLIFE NEWS IN BRIEF

- We await news from China's National People's Congress regarding a proposed ban on the use of pangolin products for traditional Chinese medicine.
- News emerged in November of nine arrests in South Africa in a bust of an international criminal operation trafficking parts of tigers and lions, prompting us to urge South Africa to outlaw commercial breeding of tigers and related trade.



We expose the web of corruption at the heart of Myanmar's teak trade

Following two years of undercover investigations, in February we revealed how Myanmar's multi-million dollar international trade in teak wood is riddled with crime and high-level corruption.



Our report *State of Corruption: The top-level conspiracy behind the global trade in Myanmar's stolen teak* documented our painstaking work to track down the near-mythic 'Burmese teak kingpin' at the hub of an international network of traders.

Business associates described him as the 'Shadow President of Burmese Teak', and alleged the late Cheng Pui Chee (known as Chetta Apipatana in Thailand) conspired with and bribed senior military and Government officials in Myanmar.

Cheng and his network established a secret system of fraudulent trade in Myanmar's most valuable teak logs, with much of the illicit timber going

into China, India and Thailand and shipped via Malaysia into Europe and the US for the luxury yacht sector.

Once logging quotas have been acquired in Myanmar, the highest quality grades of teak are supposed to be returned to the Government for the State-run Myanmar Timber Enterprise to auction off. Instead, Cheng and his conspirators ensured the logs were systematically mis-graded, reducing the buying price, and illegally channelled into trade.

Faith Doherty, our Forests Campaigns Leader, said: "Our investigations have laid bare a tangled web of businesses, criminal players and corrupt officials and politicians, with this 'Shadow President' in the middle pulling the strands, not only bribing key figures in authority but



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Above: logging trucks at a Burmese border crossing

even going so far as to pay for the education of their children and so effectively buying himself another generation of influence.

“Our findings also put paid to the constant refrain and official lie that the only illegal timber trade in Myanmar is being carried out by armed ethnic organisations in conflict with the State when the reality is that it has been, and is, conducted with the knowledge and active participation of key figures in the Government.”

Since the report’s release we submitted a dossier of evidence to German and European enforcement authorities regarding German company Alfred Neumann GmbH’s imports of Myanmar teak. ●

FORESTS NEWS IN BRIEF

- Our senior Forests campaigners were at the European Parliament in January to sound a note of caution over an imminent EU timber trade deal with Vietnam, identified by us as a key player in illegal timber trade.
- We submitted recommendations to the European Commission’s public consultation on proposals to combat deforestation and forest degradation, urging strong regulatory action to reflect the serious threat to forests and climate.

Palm oil ‘no deforestation’ policies need legal clout behind them



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Palm oil production has a bad reputation for its environmental and social damage and our research reveals efforts to address it are only partially successful.

Our January briefing *Promises in Practice* shows that although deforestation rates in Indonesia’s Papua and West Papua provinces have fallen to about half of what might be expected under business-as-usual,

forest loss is still happening.

We recommend that the voluntary nature of ‘no deforestation, no peat, no exploitation’ (NDPE) policies be replaced with binding regulatory measures. ●

Iceland steps up its whaling with new quotas as Japan quits the IWC

The Government of Iceland took a big step in the wrong direction in February when it announced new whaling quotas for the next five years.

The move came despite growing opposition to the country's rogue whaling from businessmen and politicians concerned about the damage to its image as a tourist destination.

Fisheries Minister Kristján Þór Júlíusson announced an annual quota of 209 protected fin whales and 217 minke whales, which could result in the slaughter of up to 2,130 baleen whales over the five years.

Clare Perry, our Ocean Campaigns Leader, said: "This is a crushing disappointment and huge step backwards for a country otherwise seen as progressive.

Whale slaughtering activity in Iceland



Top-level UN meeting grapples with plastic pollution

The United Nations Environment Assembly (UNEA), the world's highest environmental decision-making body, met for a fourth time in Kenya in March to discuss actions to address marine plastic pollution.

Our campaigners attended the meeting to push for a new binding global treaty on plastic pollution, calling for a solution that tackles the problem at source by putting a cap on the production of single-use plastic.

However, concerted lobbying led by the US meant that ambitious





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“We respectfully urge the Government of Iceland to consider the mounting opposition to whaling, in its own country and around the world, and bring Iceland in from the cold by revoking these quotas.”

Iceland’s most high-profile whaling is conducted by multi-millionaire Kristján Loftsson and his company Hvalur hf, which resumed slaughtering endangered fin whales in defiance of the international ban on commercial whaling last year after a two-year hiatus.

In December, Japan officially confirmed its decision to quit the International Whaling Commission (IWC) with effect from June 2019.

Japan’s withdrawal is seen as a retaliatory measure to September’s defeat of its IWC Reform Proposal at the organisation’s bi-annual meeting in Brazil, at which our Ocean campaigners coordinated opposition.

Japan’s proposal would have undermined the international moratorium on commercial whaling setting catch quotas and convening a diplomatic conference to amend the International Convention for the Regulation of Whaling.

“Rather than concede defeat in the face of the vast majority of world opinion, Japan has instead chosen to risk becoming an international pariah on this issue,” said Perry. ●



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proposals were blocked and the final text of the two plastic-related resolutions was watered down. Countries most affected by plastic pollution including the Philippines, Malaysia and Senegal were against the resolutions being weakened.

We will continue to push for a joined-up international approach. The opportunity to establish a global treaty on plastic pollution remains on the table, with an extension to the mandate of the expert working group looking into the issue, allowing for the possibility of more ambitious action at the next UNEA. ●

OCEAN NEWS IN BRIEF

- Scientists announced in March that only 10 vaquita porpoises are estimated to survive in the world – virtually assuring the animal’s extinction without bold and immediate action. The world’s smallest cetacean is being killed in illegal gillnets used to poach totoaba fish.
- Nearly 40 UK MPs are backing a motion which calls for a complete ban of the country’s plastic waste exports to developing countries, it was announced in February.

Supermarket action far behind customers when it comes to checking out on plastic



In recent years, plastic pollution has emerged as a serious global threat – and the plastics from supermarkets comprise a large portion of the total amount flooding the UK each year.

Each year, up to 12 million tonnes of plastics leak into the ocean. They do not degrade harmlessly but break down into tiny toxic particles – microplastics – which enter the marine food chain at its lowest levels and travel upwards until they may find themselves in the foods many of us eat every day.

But plastic pollution can be tackled. Progress has been made

Customer demand for less plastics



Plastic packaging left from purchasing the fruit and vegetables shown

through campaigning against single-use plastics such as carrier bags, microbeads in rinse-off products and plastic packaging, but there is still work to do.

Now, in partnership with Greenpeace UK, we turned our attention to the plastic used by supermarkets throughout their supply chain and produced the most comprehensive survey to

date to determine the scale of the problem and to put it firmly on the agenda of responsible CEOs.

Our key findings

In our December report *Checking out on Plastics*, we revealed startling figures regarding the amount of plastics used each year and, of even greater concern, a dearth of plans to

NEEDS
TO DO
BETTER

POOR

Overall
score
out of 10

5.7

Iceland

REDUCING
SINGLE-USE
PLASTIC



ELIMINATING
NON-RECYCLABLE
PLASTIC



49%

TRANSPARENCY



5.3

Morrisons



4.7

WAITROSE
& PARTNERS



4.6

M&S



4.5

TESCO



4.3

ASDA



4.2

CO
OP



4.1

LDI



4.1

LODL



3.2

Sainsbury's



Scorecard calculation

In May 2018, EIA UK and Greenpeace UK sent a survey to 18 UK grocery retailers on their actions to tackle plastic pollution.

The questionnaire comprised 22 questions related to use, management, targets and reduction plans for single-use plastic.

Their responses were reviewed against objective criteria to determine numerical scores, depending on how ambitious the retailer's actions or commitments are. Questions which were irrelevant for particular retailers were removed from their scoring criteria (if they did not offer online shopping, for example).

Each question was grouped into four categories – commitment to reduce single-use plastics, commitment to eliminate non-recyclable plastics, supply chain actions and transparency. These categories were weighted to place a greater emphasis on actions demonstrating commitment to reducing single-use plastic.

Total scores were calculated for each retailer, ranking them from highest to lowest, to produce the overall league table.

Of the leading UK supermarkets, only Ocado did not respond to the survey.

substantially reduce them.

Most commitments made by major high street retailers fall far short of the ambition needed to reduce our collective dependency on single-use plastics.

And there's no room for complacency even among those brands which came on top in our survey – our findings indicate that even the best have room for improvement.

We have three main requests for retailers:

- 1. Set year-on-year targets to reduce their single-use plastic footprint**
- 2. Urgently eliminate unnecessary and non-recyclable plastic packaging**
- 3. Introduce transparency by releasing annual audits of single-use plastic use.**

Juliet Phillips, Ocean Campaigner, said: "Despite public pressure for action on plastic being at an all-time high, our survey shows that UK supermarket giants are failing to keep up.

"With seven supermarkets alone passing more than 59 billion pieces of plastic packaging across their checkouts every year, the

true scale of their footprint is now becoming apparent."

Single-use plastics

Packaging is one of the most common forms of single-use plastics and, in terms of targets to reduce the use of packaging, Iceland came out ahead of the pack with its commitment to eliminate own-brand single-use plastic packaging by 2023.

Only four others have plastic-specific reduction targets, to be achieved at a much slower pace of up to five per cent a year.

All major supermarkets (except Iceland due to its phase-out pledge) are committed to increasing the levels of recycled content used in plastic packaging.

Reusable and refillable packaging

Providing reusable and refillable packaging can significantly help supermarkets reduce their single-use plastic footprint and they can also cut single-use packaging by selling loose, unpackaged goods.

Unfortunately, these options are currently thin on the ground but at least Morrisons, Tesco, Waitrose and Sainsbury's allow their customers to



use their own containers for certain products bought over-the-counter and Morrisons is trialling a refillable format for nuts, seeds and dried fruit.

Recyclability of own-brand packaging

Plastics which can't be recycled have no role in a circular economy and must be the first to go.

We found Tesco, Sainsbury's, Morrisons, Lidl and Asda have committed to eliminate non-recyclable plastic packaging by 2025 – a considerable delay on our recommendation of 2019 – with Aldi, Co-op, M&S and Waitrose having adopted more urgent timeframes.

Single-use items

Plastic bags, straws, bottles, cutlery, cotton buds and on-the-go food wrappers are particularly prominent in marine pollution – and many originate from supermarkets.

Retailers acting to end sales or introduce initiatives to prevent these items from entering the marine environment could make a significant difference to ocean pollution.

Our survey found a staggering



Above: Plastic remains a serious threat to marine life

number of commonly littered plastic items, including bags, water bottles, coffee cups and single-use plastic cutlery, are being sold or even given away free by supermarkets, with limited plans to act on most of them.

Plastic bags

Plastic bags have swiftly become the poster child for the unacceptable face of single-use plastic pollution – an appalling 1.2 billion single-use plastic bags, more than 958 million bags for life and 1.3 billion ultra-lightweight plastic produce bags are consumed every year by the 10 supermarkets participating in the survey.



The carrier bag charge has resulted in an overall drop of 86 per cent in single-use bag numbers. Companies including Asda, Iceland, Lidl, Tesco, McColl's, Morrisons and Waitrose report they are phasing out single-use plastic bags.

Unfortunately, evidence suggests many customers have instead taken to using so-called 'bags for life' as a single-use item, even though they contain more plastic.

Supply chains

The plastics shoppers encounter in the aisle are just one part of a supermarket's total footprint. From the tiny pellets used to

manufacture all plastic items, to fields of polytunnels on the farm, plastic runs throughout the entire supply chain.

Most retailers are only in the early stages of monitoring and managing plastic in their supply chains and it does not appear that the UK's largest are systematically applying their buying power to push brands to eliminate single-use or non-recyclable plastics.

Customer and staff engagement

All supermarkets we quizzed reported initiatives under way to engage with staff and consumers about reducing plastic waste, from internal communications and training to customer engagement and raising awareness.

Moving forward

We will be repeating the survey again this year to maintain the pressure on supermarkets to play their key role in the plastic problem, tracking progress and holding firms to account on their pledges. ●

Illegal trade in climate-harming refrigerants is on the rise

The European Union revised its F-gas Regulation in 2014 to phase out hydrofluorocarbons (HFCs) – but this move to combat global warming is already being undermined by a growing illegal trade in the powerful greenhouse gases.

We've seen this pattern before, particularly following the phase-out of chlorofluorocarbons (CFCs) under the Montreal Protocol from 1987.

With the introduction of quotas in the marketplace for these refrigerant gases, tied to deadlines as a means to phase them out, the prices increase and so criminals seek to undercut the market with illegal supplies.

Our report *Doors Wide Open: Europe's flourishing illegal trade in hydrofluorocarbons (HFCs)*, released in April, is the first significant research of its kind into the burgeoning illicit HFC trade.

HFCs are being smuggled into the EU in both bulk shipments

and smaller consignments, often packaged in illegal disposable cylinders, and are sold on the market through various channels including web-based platforms.

Illegal HFCs are now coming into Europe from China directly and also via countries bordering the Black Sea, in particular Russia, Ukraine, Turkey and Albania. Key entry points are thought to be Poland, Latvia and Denmark in the north and Croatia, Greece, Bulgaria and Malta in the south.

Clare Perry, our Climate Campaigns Leader, warned: "Cutting HFC use is one of the most effective tools to help prevent runaway climate change but its impact could be significantly undermined by illegal trade."



Methods of illegal trade

It can take place via small scale smuggling over land and sea borders, offloading in transit, large shipments of non-quota HFCs or HFCs in excess of quota and illegal internet sales.



“Cutting HFC use is one of the most effective tools to help prevent runaway climate change but its impact could be significantly undermined by illegal trade.”

As early as 2016, and despite huge stockpiling of HFCs in 2014 before the revised F-gas Regulation came into effect, reports of illegal HFCs in European markets began to emerge.

Major HFC producer Honeywell claimed 10 million tonnes of CO₂ equivalent HFCs had been illegally imported in 2015, more than five per cent of the total allocation.

Our campaigners have since seen reported illegal HFC trade escalate, with 2018 witnessing reports of a deluge of illegal HFC use and trade throughout the EU.

In late 2018, we conducted two surveys, one to gauge efforts by EU member states to comply with the F-gas Regulation and the second to get information on the illegal trade directly from key industry stakeholders.

The key finding of the report is a cause for concern as industry indicates that large-scale illegal HFC trade and use is occurring in the absence of effective enforcement by member states.

More than 80 per cent of the companies we surveyed were

aware of or suspected illegal HFC trade and 72 per cent had seen or been offered refrigerants in illegal disposable cylinders.

Tellingly, customs data for 2018 demonstrates that a large number of EU countries recorded significantly increased HFC imports compared to 2016, despite the major HFC supply cut of 37 per cent. Our analysis indicates that bulk HFC imports in 2018 were too high for compliance with the 2018 quota. There were also significant discrepancies between Chinese export figures and Europe's import data which could indicate

fraudulent import declarations.

This is effectively open smuggling of HFCs, with the illegal imports openly shipped through customs and taking advantage of the inability to confirm available quotas in real time.

Additionally, there is also a significant volume of cross-border smuggling of HFCs happening under the radar of authorities.

Doors Wide Open makes a number of recommendations, including the need to implement a licencing system for customs officials to access real-time information on quotas, look to improve reporting and monitoring of HFC trade with exporting countries, revise the



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Above: HFCs ship in a variety of sizes

Montreal Protocol takes action after we expose China's illegal CFCs

After we exposed China's illegal production and use of ozone-destroying CFC-11, the 30th Meeting of the Parties to the Montreal Protocol responded by taking immediate action on the unexpected emissions.

Ahead of November's meeting in Ecuador, we released the new report *Tip of the Iceberg: Implications of Illegal CFC Production and Use*, examining the implications of the illegal CFC use.

Our campaigners were pleased to see the meeting adopt a decision requesting information to be

Right: Staff at Dacheng Desheng Chemical Co Ltd show barrels containing CFC-11



©EIAimage



ban on non-refillable cylinders to prohibit the use of all disposable cylinders, ensure capacity-building, training and support for customs personnel and the creation of a system to compare reported data under the F-gas Regulation with customs data and look into discrepancies. ●

CLIMATE NEWS IN BRIEF

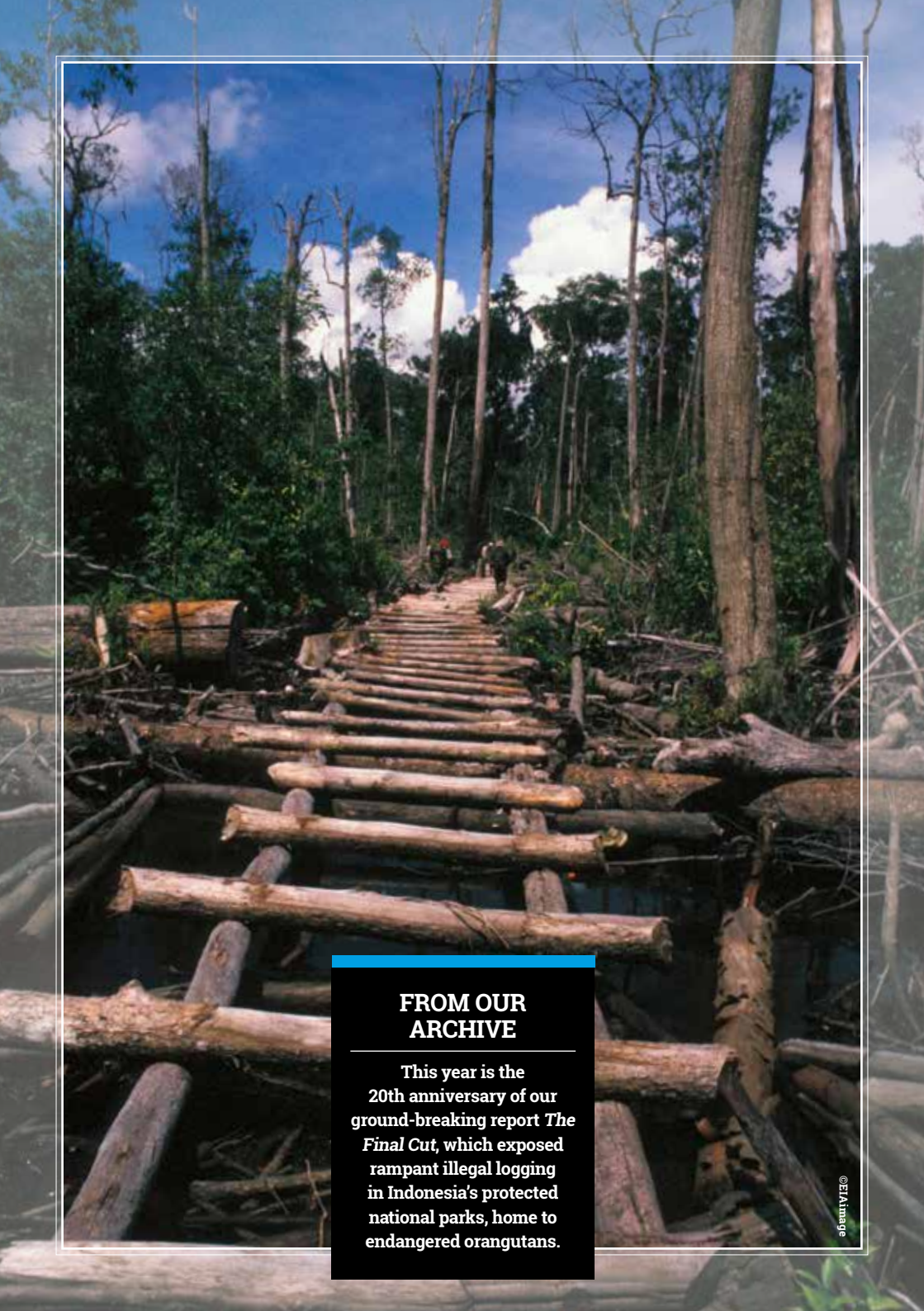
- Illegal refrigerant imports, either smuggled or imported outside of the EU quota system, cost the Polish treasury an estimated €7m in lost revenue in 2018. Greece and Lithuania lost €20m and €5m respectively.
- Polish authorities seized nearly 25 tonnes of illegal hydrofluorocarbon (HFC) refrigerants in April. The shipment from Ukraine is believed to be the largest seizure of its kind in Europe and is estimated to be worth about €600,000.



provided for the next meeting on atmospheric CFC-11 levels, along with analysis of current monitoring, reporting and verification under the Protocol.

The decision also calls on Parties to take measures ensuring the phase-out of CFC-11 is sustained in their countries and to share information relating to any illegal CFC-11 production or use.

During the discussion, China shared information on a nationwide enforcement effort which had resulted in the discovery of two illegal CFC-11 production sites. ●



FROM OUR ARCHIVE

This year is the 20th anniversary of our ground-breaking report *The Final Cut*, which exposed rampant illegal logging in Indonesia's protected national parks, home to endangered orangutans.



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with intelligence



**“If it wasn’t for EIA
the world would be
a darker place”.**

Mary, EIA supporter.

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