

02 July 2020 | [Nature & environment](#)

Focus on wildlife crime

FATF member countries should punish illegal wildlife trade

In a first global report on illegal wildlife trafficking, the Financial Action Task Force (FATF) described it as a global threat comparable to organized crime such as slavery, drug and arms trafficking.



Photo: archive

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The FATF report on illegal wildlife trade worldwide expressed concern about the lack of focus on the financial implications of wildlife crime and suggested that all member governments fully implement their anti-money laundering legislation. The results of the study are based on contributions from 50 countries, including Namibia, which is a registered member of ESAAMLG - the working group in Eastern and Southern Africa against money laundering.

A total of 22 of the 45 countries surveyed stated that they consider themselves the source and breeding ground for wildlife crime. Another 18 consider themselves transit countries and 14 (also) target countries. All but nine of the countries stated that they were affected by the risks associated with the financial flows.

Illegal trade is said to generate up to \$ 23 billion a year, with criminals often abusing legitimate wildlife trade and other import-export transactions to mask illegal earnings. According to this, cash deposits are offset against alleged loans or amounts of debt. E-banking platforms, licensed cash value transfers and transfers via third parties also serve as a cover.

Extravagant surcharges can result in a rhinoceros price of \$ 65,000 / kg (N \$ 1.1 million / kg) or just \$ 9000 / kg. Between 2016 and 2017, approximately 4,500 African rhinoceros generated sales of \$ 79 million (\$ 1.36 billion) to \$ 292 million (\$ 5 billion). Ivory was considerably cheaper.

A Namibian study from the 2017 Financial Intelligence Unit in Namibia had discussed the illegal flows of finance resulting from the poaching of rhinos and elephants and has now been presented as an example. Wildlife resources, the nationality of poachers and smugglers, as well as the seizures of the people involved in Germany and suspicious transaction reports in the trade in wild animals were analyzed. For example, payments under export contracts (for the delivery of goods to Namibia) were misused by money transfer services for money laundering.

The FATF sees itself as a leading international body for combating money laundering and related crime. So far, China has represented the FATF President with Xiangmin Liu and Germany has been the Vice President since July 2019, but yesterday Marcus Pleyer from the Federal Tax Office took the lead.