



BULLETIN ON ORGANISED CRIME IN SOUTHERN AFRICA



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Rhino Poaching in Southern Africa

PREFACE

This bulletin has been compiled by the United Nations Office on Drugs and Crime (UNODC) Regional Office for Southern Africa. It has been collated from a variety of open sources and is complemented by a brief assessment of trends and issues relating to transnational organised crime in the Southern African region. Assessments provided within the bulletin are compiled from a general and strategic perspective; they should not be seen as a comment on any specific cases.

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EXECUTIVE SUMMARY

Rhino poaching in Southern Africa is on the rise, driven largely by the growing purchasing power of the Far East's newly affluent classes. Increased demand for rhino horn has turned it into an extremely rare and valuable commodity: the street value of rhino horn has skyrocketed to \$65,000/kg, against \$52,000/kg of gold at current spot prices. At the epicentre of the rhino poaching epidemic is South Africa, which hosts 93 percent of the of world's white rhino population and 40 percent of the much rarer black rhino herd. The number of rhino poaching deaths in South Africa has risen dramatically in recent years, from 13 in 2007 to 448 in 2011, with projections putting the total figure for 2012 at over 600.

A major challenge is the trophy hunting legal loophole, which is commonly exploited by organised crime syndicates who use hunting permits to export illegal rhino horns to the Far East. Moreover, it appears that Asian governments are fuelling demand for rhino horn as a traditional cure for a wide range of ailments. With remaining global rhino populations dwindling and poaching on the increase, one of the more controversial proposals put forward to address the crime is legalisation of the rhino horn trade.

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AN OVERVIEW OF RHINO POACHING IN SOUTHERN AFRICA

Source: African Big Game Poaching Surges On Asian Affluence (*Reuters, 24 April 2012*)

According to conservationists, elephant and rhino poaching in Southern Africa is surging; an illegal piece of Asia's scramble for African resources, driven by the growing purchasing power of the region's newly affluent classes. Many of Africa's poaching "hot-spots" have a few things in common, notably their remoteness. Big animals tend to be far from large numbers of people and the scrutiny that goes with them, giving poachers a virtual free hand.

Mozambican officials say 18 licences of Chinese and Mozambican companies were suspended in 2011 for attempting to illegally export timber, ivory and rhino horn. South Africa is at the epicentre of rhino poaching as it hosts virtually the entire population of white rhino- 18,800 head or 93 percent- and about 40 percent of Africa's much rarer black rhino. Most of its rhinos are being slain in its famed Kruger National Park, which shares a porous border with Mozambique. Driven by Asian demand, the street value of rhino horn has skyrocketed to \$65,000 a kg, against \$52,500 for a kg of gold at current spot prices.

Experts from the Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES) highlight the shift from ordinary poachers to the involvement of well resourced transnational organised crime groups, and the challenges this creates for law enforcement.

To access the full story, go to: <http://www.reuters.com/article/2012/04/24/africa-poaching-idUSL6E8FJKY20120424>

Source: Poachers, Prostitutes and Profit (*Mail & Guardian, 22 July 2011*)

A rhino poaching syndicate is allegedly using Thai prostitutes to pose as sanctioned hunters to "shoot, cut, weigh, pay" and smuggle horns abroad. Evidence of the syndicate's modus operandi emerged this week from a statement made to the police that led to the arrest of its leader. The syndicate is alleged to have traded at least 40 rhino horns and placed an "order" for 50 more to be supplied in the next few months.

The evidence brings to light a growing trend among organised syndicates that are using hunting permits to export illegal rhino horns to the Far East. Almost a quarter of the 222 rhinos killed in South Africa this year have been "hunts" authorised by provincial conservation authorities.

To access the full story, go to: <http://mg.co.za/article/2011-07-22-poachers-prostitutes-and-profit>

Source: [Rhino DNA Project Sees Arrests](#) (*ITWeb, 20 April 2012*)

A project to build a central DNA profile database for rhinos across Africa has seen 380 arrests and 25 prison sentences. The database, known as RhODIS (Rhino DNA Index System), is used to provide forensic evidence in poaching court cases. The database currently contains DNA information on about 3 000 rhinos from SA as well as Zimbabwe, Botswana and Namibia. RhODIS is based on the same principles as the Combined DNA Index System, which is used by the FBI for forensic investigations.

To access the full story, go to:

http://www.itweb.co.za/index.php?option=com_content&view=article&id=53739:rhino-dna-project-sees-arrests

GOVERNMENTS DRIVING DEMAND FOR RHINO HORN

Source: [Revealed: Location of China's Rhino Farm and 'Horn Harvesting' Experiments](#) (*Saving Rhinos website, 20 July 2010*).

A proposal from the China Institute of Science and Technology Research, Beijing, entitled *Proposal for Protection of the Rhinoceros and the Sustainable Use of Rhinoceros Horn* - funded by the State Soft Sciences Project, Development for Traditional Chinese Medicine Research indicates that China is already farming rhinos in order to use rhino horn in traditional Chinese medicine. The rhino "farm" - referred to as the Sanya City Center for artificial propagation of the rhinoceros - is reportedly located in China's Hainan Province. It is clear that "horn harvesting" experiments are already being conducted.

To access the full story, go to: <http://www.rhinoconservation.org/2010/07/20/revealed-location-of-chinas-rhino-farm-and-horn-harvesting-experiments/>

Source: [Killing Fields: Africa's Rhinos under Threat](#) (*TIME, 13 June 2011*)

From 2006 to 2009, China imported 121 rhinos from South Africa, according to South African data. During that time, China was the only country to purchase more than a handful of the animals for zoological or breeding purposes. In a Chinese research paper, entitled "Proposal for Protection of the Rhinoceros and the Sustainable Use of Rhinoceros Horn", which surfaced in 2008, reference is made to a rhino project in Sanya on China's southern Hainan Island.

Though the Sanya rhino farm was promoted as a tourism destination to Hainan media, the website of one of the parent companies makes the firm's true ambitions clear: "To provide our pharmaceutical raw materials, the company has built an endangered animals breeding station in Sanya, Hainan province". Based on statements from a provincial Entry-Exit Inspection and Quarantine Bureau in Yunnan province it appears that the Sanya facility is not the only rhino-horn farm in China.

In June 2010, China's patent office published a patent application called a "self-suction living rhinoceros horn-scraping tool." Under current CITES regulations by which China is bound, trading in rhino horn for medicinal purposes — whether from live or dead animals — remains illegal.

To access the full story, go to: <http://www.time.com/time/magazine/article/0,9171,2075283-1,00.html>

Source: [Illegal Rhino Horn Trade: The Vietnamese Connection \(www.savingrhinos.org\)](http://www.savingrhinos.org)

Vietnamese officials were named in a comprehensive report by Animal Rights Africa on illegal rhino horn trade and rhino poaching in South Africa. In 2008 an official at the Vietnamese Embassy in Pretoria was caught by undercover cameras accepting rhino horn from a known trader. In 2008 and 2009 a diplomat at the Vietnamese Embassy in South Africa were accused of involvement in illegal rhino horn trade. After being caught on film dealing in illegal rhino horn, the embassy official was repatriated and reprimanded, but there were no further reports indicating that she had been fined or sentenced in accordance with the law.

To access the full story, go to: http://savingrhinos.org/vietnamese_rhino_horn_trade.html

THE LEGALISATION DEBATE

Source: [The Rhino Poaching Crisis: A Market Analysis \(www.wits.ac.za\)](http://www.wits.ac.za)

Establishing an appropriately structured legal trading regime for rhino horn may provide an effective and lasting solution to the rhino poaching problem for three reasons;

1. It would bring trade out into the open with visible market prices, thereby allowing for continued and accurate monitoring of ongoing consumer demand relative to supply.
2. By providing a significantly increased and potentially ongoing source of supply, the incentives for speculative stockpiling by criminals would be greatly reduced and by meeting the demand the price of horn would almost certainly drop, perhaps quite drastically, thereby reducing the profitability of the illegal market and concomitant incentives for poaching and illegal trade.
3. By becoming active market participants, legal suppliers of rhino horn gain a new source of income, which they are able to re-invest in improved protection and breeding.

This combination of three factors would allow the legal owners and custodians of rhinos to acquire control of most of the rhino horn supply simply through market means. In value terms, the illegal market size would almost certainly be greatly reduced.

To read the full article, go to: http://www.wits.ac.za/files/4jc1t_413830001332403527.pdf

Source: [Can Rhino Horn Trade Be Legalised?](#) (*Independent Online*, 3 May 2012)

The problem with the argument in favour of legalisation is that it rests entirely on the assumption that legalised supply would be able to meet the full demand for rhino horn and essentially replace the current illegal supply. Very little is known about the exact size of demand and it is being investigated whether this is a realistic ambition.

If trade was legalised, and the legal supply was not able to meet the international demand, it would have the catastrophic result of simply making illegal trade easier to execute and harder to track as it filled the gap in the market. Another economic dynamic at play is that for anyone holding rhino horn as an investment, there is a strong financial incentive that rhinos do become extinct so that new supply ceases and prices sky-rocket.

If the illegal trade in rhino horn can be fully replaced by a legal market it can only benefit the survival of the species. But decisions must be thoroughly informed as any mistake will guarantee the rhino's extinction.

To access the full story, go to: <http://www.iol.co.za/business/business-news/can-rhino-horn-trade-be-legalised-1.1287787>

INCREASED DEMAND FOR RHINO HORN IN EUROPE

Source: [Irish Rhino Smugglers Had Fake €120k](#) (*The Irish Herald*, 10 April 2012)

Two members of an Irish organised crime group known as the Rathkeale Rovers, suspected of raiding thousands of euro worth of rhino horns from natural history museums in Belgium and France in 2011, were arrested by police in Chancy, Switzerland, on 23 March 2012. They were in a van driven by a Polish national. Around €120,000 in counterfeit notes was found in the van when it was searched by police.

Although there have been no known robberies of rhino horns in Ireland, in January 2010 customs officers confiscated 10 rhino horns at Shannon Airport, suspected of being smuggled by the Rathkeale Rovers.

To access the full story, go to: <http://www.herald.ie/news/irish-rhino-smugglers-had-fake-120k-3075366.html>

Source: [Men Held In Sweden for Trading Rhino Horn](#) (*The Local*, 1 May 2012)

Two men are in police custody in Sweden on suspicion of having tried to illegally trade in rhino horn. The pair was arrested in Stockholm while coming out of an auction house, following an extended surveillance operation. They are currently being held on suspicion of breaching the Endangered Species Act. Police believe that the men are part of a broader criminal network which is also involved in trafficking, copyright piracy and armed robbery. The arrest is the first of

its kind in Sweden and in Europe. The trade in rhinoceros horn is prohibited under the 1999 Environment Act and as the species in this case is listed as endangered, the suspected offence is classified as aggravated. If found guilty, the pair risk imprisonment of up to four years.

To access the full story, go to: <http://www.thelocal.se/40566/20120501/>

ASSESSMENT

The above open sources excerpts highlight three major trends. Firstly, the involvement of European organised crime groups' points to the increasingly global nature of rhino poaching and suggests that demand is no longer confined to end-user markets in the Far East. Secondly, in addition to consumer demand in the Far East, research and/or breeding projects in Asia appear to be playing a role in fuelling demand for rhino horn as a traditional medicine to cure a wide range of ailments, from hangovers to cancer. The implication of high-level officials who have invoked diplomatic immunity to smuggle horn sheds some light on the fact that the number of horns trafficked from Southern Africa to Asia far exceeds the figures reflected in official records of legal hunting trophies. Likewise, the unusually large number of live rhino imported into Asian programmes suggests that the animals are being used for commercial exploitation. Increased demand has turned rhino horn into an extremely valuable and rare commodity, fetching prices as high as gold- 1kg of rhino can fetch up to USD \$65,000 in Vietnam.

The massive increase in demand for rhino horn over the past five years is reflected in the dramatic rise in illegal rhino poaching deaths in South Africa between 2007 and 2012. From 13 rhino poaching deaths in 2007, this number has climbed to 83 in 2008, 122 in 2009, 333 in 2010 and 448 in 2011. So far, over 200 rhino poaching deaths had been recorded in South Africa by the end of April 2012, with projections putting the number at a record high of 600 by the end of the year.

With the remaining global rhino populations dwindling and poaching on the increase, debates are raging within Southern Africa regarding possible solutions to address this crime. One of the more controversial topics is the debate surrounding legalisation- the third trend brought to light by the selected sources. While its proponents argue that legalisation will reduce demand and allow for the trade to be regulated and controlled; given the complexity of the economics of the endangered wildlife trade, it is possible that opening up the trade could fuel demand. In its global report on transnational organised crime, UNODC notes that transnational trade in endangered species is generally facilitated by the licit trade in these products, and that "if the demand is legal, it is difficult for the supply to remain so".¹

¹ UNODC (2010: 169) 'The Globalization of Crime: A Transnational Organized Crime Threat Assessment'. Available at: http://www.unodc.org/documents/data-and-analysis/tocta/TOCTA_Report_2010_low_res.pdf. Accessed on 11.05.2012

Rhino poaching has evolved into a huge, highly syndicated organised crime activity, which suggests it is unlikely that criminal groups will cease operations once the trade has been legalised. In order for CITES to consider legalising trade in rhino horn, countries wishing to legally export rhino horn would also first need to demonstrate that they have adequate law enforcement capacity to keep poaching levels under control and monitor horn stocks. It is also worth mentioning here that the pro-legalisation lobby in South Africa is mostly made up of private farmers and businessmen who own 23% of the national herd and are, in all likelihood, advocating for the opening up of legal trade out of economic self-interest. Finally, it could be useful to look at previous experiments with legalising the trade in wildlife products under controlled conditions, such as the once-off auction of ivory stockpiles in four Southern African countries in 2008, which appears to have fuelled the illegal market by re-igniting consumer appetite for ivory.

Within its mandate to assist Member States in their efforts to combat transnational organised crime UNODC can provide assistance through technical capacity building, particularly with regard to enforcement efforts such as enhanced border control operations, notably through container control programmes targeting consignments of rhino horn and through training provided to specialist investigative units. Through research and analytical work, UNODC can assist in increasing knowledge and understanding of links between poaching and other forms of transnational organised crime, thereby creating better evidence for policy and operational decisions. Lastly, through normative assistance UNODC can assist in the ratification and implementation of international treaties to enhance cooperation in mutual legal assistance between source and destination countries.