



Department of Justice

STATEMENT

OF

**ROBERT G. DREHER
ACTING ASSISTANT ATTORNEY GENERAL
ENVIRONMENT AND NATURAL RESOURCES DIVISION**

BEFORE THE

**COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES**

HEARING ENTITLED

**“INTERNATIONAL WILDLIFE TRAFFICKING THREATS TO
CONSERVATION AND NATIONAL SECURITY”**

PRESENTED ON

FEBRUARY 26, 2014

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I. INTRODUCTION

Chairman Royce, Representative Engel, and Members of the Committee on Foreign Affairs, thank you for the opportunity to appear before you today to discuss the work of the Environment and Natural Resources Division of the U.S. Department of Justice (“ENRD” or the “Division”) with respect to the Administration’s efforts to combat wildlife trafficking. I have the privilege to serve as the Acting Assistant Attorney General for ENRD, and I am grateful for the opportunity to represent the interests of the United States.

**II. OVERVIEW OF THE ENVIRONMENT AND NATURAL RESOURCES
DIVISION**

The Environment and Natural Resources Division is a core litigating component of the U.S. Department of Justice (the “Department”). Founded more than a century ago, it has built a distinguished record of legal excellence. The Division is organized into nine litigating sections (Appellate; Environmental Crimes; Environmental Defense; Environmental Enforcement; Indian Resources; Land Acquisition; Law and Policy; Natural Resources; and Wildlife and Marine Resources), and an Executive Office that provides administrative support. ENRD has a staff of over 600, more than 400 of whom are attorneys.

The Division functions as the Nation’s environmental lawyer, representing virtually every federal agency in courts across the United States and its territories and possessions in civil and criminal cases that arise under an array of federal statutes. Our work furthers the Department’s strategic goals to prevent crime and enforce federal laws, defend the interests of the United States, promote national security, and ensure the fair administration of justice at the federal, state, local and tribal levels.

III. ENRD'S WORK WITH RESPECT TO WILDLIFE TRAFFICKING

For the purposes of today's hearing, I would like to highlight the work of the Division in the areas of prosecuting wildlife and wildlife-related crimes; conducting capacity building and training in this area; and the Division's role in developing and, going forward, implementing the National Strategy for Combating Wildlife Trafficking.

The Department of Justice, principally through the work of the Environment Division, has long been a leader in the fight against wildlife trafficking. Combating wildlife trafficking is a top priority for the Department. Earlier this month Associate Attorney General Tony West led the United States delegation at the London Conference on the Illegal Wildlife Trade, where high-level representatives from more than 40 countries gathered and issued a declaration emphasizing that urgent action is necessary to end wildlife trafficking and eliminate demand through high-level political commitment and international cooperation.

The Division has a separate section devoted to the prosecution of environmental crimes, including wildlife crime. The Environmental Crimes Section has 35 dedicated criminal prosecutors who often work together with U.S. Attorneys' Offices around the country and our federal agency partners (such as the U.S. Fish and Wildlife Service and the National Oceanic and Atmospheric Administration) in the area of wildlife trafficking. Our cases enforce the Endangered Species Act and the Lacey Act, as well as statutes prohibiting smuggling, criminal conspiracy, and related crimes. We have had significant successes over the years prosecuting smugglers and traffickers in: elephant ivory, endangered rhino horns, South African leopard, Asian and African tortoises and reptiles, and many other forms of protected wildlife. Some cases that exemplify these critical enforcement efforts are discussed below.

The Department also works in the international sphere by assisting and working with enforcement partners in source, transit, and destination countries for illegal trade in protected wildlife. The Department works in close collaboration with the State Department and various international organizations to promote more proactive international law enforcement operations, including through efforts to train investigators, prosecutors, and judges. Some examples of these activities are discussed in more detail below.

Most recently, the Department of Justice has engaged deeply in the Administration's effort to combat wildlife trafficking in its role as one of the three agency co-chairs of the Presidential Task Force on Wildlife Trafficking, established by President Obama's July 1, 2013 Executive Order on Combating Wildlife Trafficking. I had the honor of serving as a Task Force co-chair (as the Attorney General's delegate) and working with the other co-chairs from the Departments of State and the Interior, and the other Task Force agencies, to craft the National Strategy for Combating Wildlife Trafficking. The Strategy was announced by the White House on February 11, 2014 and it identifies three key priority areas: (1) strengthening domestic and global enforcement; (2) reducing demand for illegally traded wildlife at home and abroad; and (3) strengthening partnerships with foreign governments, international organizations, NGOs, local communities, private industry, and others to combat illegal wildlife poaching and trade. I discuss below the Department's role with respect to these key objectives.

A. Wildlife Trafficking Prosecutions

The two primary federal anti-wildlife trafficking statutes that the Department enforces are the Lacey Act and the Endangered Species Act. The Lacey Act reaches two broad categories of wildlife offenses: illegal trafficking in wildlife and false labeling. The Endangered Species Act establishes a U.S. program for the conservation of endangered and threatened species. The Endangered Species Act makes it illegal to traffic in listed endangered or threatened species without a permit and also implements our international treaty obligations under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)—a treaty establishing limits on trade in certain species of wildlife.

The types of cases we prosecute for illegal trafficking are varied. While many involve individuals trafficking in illegal wildlife and wildlife parts, we are also seeing the involvement of criminal organizations, including transnational criminal organizations that may threaten the security interests of the U.S. and its allies. We routinely seek punishment that includes sentences for significant periods of incarceration, fines, and restitution or community service to help mitigate harm caused by the offense; forfeiture of the wildlife and instrumentalities used to commit the offense; and, where wildlife traffickers also violate laws against smuggling or other related crimes, disgorgement of the proceeds of the illegal conduct.

A prominent example of the Division's robust prosecution of illegal wildlife trafficking is "Operation Crash," an ongoing multi-agency effort to detect, deter, and prosecute those engaged in the illegal killing of rhinoceros and the illegal trafficking of endangered rhinoceros horns. This initiative has resulted in multiple convictions, significant jail time, penalties, and asset forfeiture. In one case, *United States v. Zhifei Li* (D.N.J), the defendant pled guilty on December 20, 2013, to organizing an illegal wildlife smuggling conspiracy in which 30 raw rhinoceros horns and numerous objects made from rhino horn and elephant ivory (worth more than \$4.5 million) were smuggled from the United States to China. Li pleaded guilty to a total of 11 counts: one count of conspiracy to smuggle and conspiracy to violate the Lacey Act, six smuggling violations, one Lacey Act trafficking violation, and two counts of making false wildlife documents. Li admitted that he was the "boss" of three antique dealers in the United States whom he paid to help obtain wildlife items and smuggle to him through Hong Kong. One of those individuals was Qiang Wang, aka "Jeffrey Wang," who was sentenced to serve 37 months' incarceration for smuggling Asian artifacts, including "libation cups," made from rhinoceros horn and ivory (*United States v. Qiang Wang* (S.D.N.Y.)). More information about the Li case is available at <http://www.justice.gov/opa/pr/2013/December/13-enrd-1335.html> and information about the Wang case is at <http://www.justice.gov/opa/pr/2013/December/13-enrd-1284.html>.

Another recent "Operation Crash" success is *United States v. Michael Slattery, Jr.*, (E.D.N.Y.). On January 10, 2014, Slattery (an Irish national) was sentenced to serve 14 months' incarceration, followed by three years' supervised release. Slattery also will pay a \$10,000 fine and forfeit \$50,000 of proceeds from his illegal trade in rhinoceros horns. In 2010, Slattery traveled from England to Texas to acquire black rhinoceros horns. Mr. Slattery admitted to illegal trafficking throughout the United States, and is alleged to belong to an organized criminal group engaged in rhino horn trafficking. This organized criminal element speaks to the scope,

scale, and lawlessness of this problem. More information about this case is available at: <http://www.justice.gov/opa/pr/2013/November/13-enrd-1181.html>.

“Operation Crash” cases, like the Wang case above, may also include charges related to the illegal smuggling and sale of elephant ivory. The Division has seen success in other elephant ivory cases. In *United States v. Tania Siyam* (N.D. Ohio), Siyam, a Canadian citizen, was sentenced in August 2008 to five years’ incarceration and a \$100,000 fine for illegally smuggling ivory from Cameroon into the United States. Siyam originally operated art import and export businesses in Montréal (Canada) and Cameroon that were fronts for smuggling products from endangered and protected wildlife species, including raw elephant ivory. The two ivory shipments to Ohio included parts from at least 21 African elephants.

Another ivory case, *United States v. Kemo Sylla, et al.* (E.D.N.Y.), concerned the illegal importation of ivory over a two-year period through New York’s JFK Airport. The ivory was disguised as African handicrafts and wooden instruments. The six defendants pleaded guilty to Lacey Act violations and received sentences ranging from one year of probation to 14 months’ incarceration. A number of the defendants also were ordered to pay fines to the Lacey Act Reward Fund. More information about this case is available at: www.justice.gov/usao/nye/pr/2011/2011mar03.html.

Still other prosecutions involve the illegal import or export of endangered species. For instance, in *United States v. Nathaniel Swanson* (W.D. Wash.), three defendants were recently sentenced (following guilty pleas) to incarceration (ranging from 5 months to one year), supervised release and an order to pay \$28,583 in restitution for conspiracy to smuggle various turtle and reptile species from the United States to Hong Kong, including Eastern box turtles, North American wood turtles, and ornate box turtles. One of the defendants also illegally imported several protected turtle species from Hong Kong, including black-breasted leaf turtles, Chinese striped-necked turtles, big-headed turtles, fly river turtles, and an Arakan forest turtle. The Arakan forest turtle is critically endangered, having once been presumed extinct. The illegal trafficking spanned approximately four years. More information about this case is available at <http://www.justice.gov/usao/waw/press/2014/January/swanson.html>.

B. Working in the International Sphere: Training and Capacity Building

For many years, prosecutors and other Division attorneys have worked closely with our foreign government partners to build their capacity to develop and effectively enforce their wildlife trafficking laws, better enabling them to combat local poaching and the attendant illegal wildlife trade. The Division’s training efforts have focused on the legal, investigative, and prosecution aspects of enforcing against wildlife crime. We seek to help our partners craft strong laws, strengthen their investigation and evidence gathering capabilities, and improve their judicial and prosecutorial effectiveness. Our experience has shown that such training develops more effective partners to investigate and prosecute transnational environmental crimes, increases our ability to enforce U.S. criminal statutes that have extraterritorial dimensions while also helping law enforcement officials in the U.S. and other countries meet their enforcement obligations under international environmental and free trade agreements. These training

initiatives also foster positive relationships with prosecutors in other countries in a way that better enables us to share information and assist in prosecuting transnational crimes.

We often conduct our international training in close collaboration with the Department of State and other federal agencies, such as the Department of the Interior and the U.S. Forest Service. Capacity building may be conducted bilaterally (in the United States or a partner nation) or in multilateral fora, and our programs may span a range of environmental crimes. In particular, I would like to highlight the Division's extensive participation in training and general support for foreign investigators, prosecutors and judges through the various Wildlife Enforcement Networks ("WENs"). These include the Association of Southeast Asian Nations WEN ("ASEAN-WEN"), South Asia WEN, and Central American WEN, as well as the launch of WENs in Central, Southern, and the Horn of Africa. We have conducted workshops in multiple countries in these regions that involved dozens of agencies from the host countries, and typically have included hundreds of participants representing government, the judiciary, industry and civil society. The workshops are a mix of direct course instruction on legal and wildlife trafficking enforcement issues, including presentations by U.S. environmental prosecutors, and an opportunity for representatives from the different countries to exchange views on the issues they face. Thus, these sessions are both a valuable training opportunity as well as an opportunity to develop a law enforcement network in that region.

The Division has also been involved in numerous international training efforts focused on enhancing prosecutions brought under the Lacey Act, the United States' oldest plant and wildlife protection statute. With the amendment of the Lacey Act in 2008 to protect a broader range of plants and plant products, much of our recent capacity building work has focused on the trade in illegally harvested and traded timber and timber products, an illegal trade conservatively estimated at a value of \$10-\$15 billion worldwide. The National Strategy recognizes that wildlife trafficking is facilitated and exacerbated by the illegal harvest and trade in plants and trees, which destroys needed habitat and opens access to previously remote populations of highly endangered wildlife.

ENRD has conducted numerous training sessions abroad on investigating and prosecuting illegal logging cases in Indonesia, Brazil, Peru, Honduras, and Russia with financial support from the State Department and Agency for International Development. The training agenda may vary somewhat from country-to-country, but is typically done in close collaboration with the foreign government and local prosecutors. Such collaboration benefits and strengthens criminal law enforcement in both countries.

The Division conducts further international capacity building in the area of illegal wildlife trafficking through its participation in INTERPOL (specifically the Wildlife Crime Working Group, Environmental Crime Committee, and Fisheries Crime Working Group) as well as the International Law Enforcement Academy (with programs for eastern European and southeast Asian law enforcement officials).

C. The National Strategy to Combat Wildlife Trafficking

The Department is proud of its record of achievement in this area, but the National Strategy is a reminder that more must be done. The National Strategy calls for a “whole of government” approach and increased federal coordination to address three key priorities: (1) using the full range of mechanisms to enhance domestic and international law enforcement to curb the illegal flow of wildlife; (2) reducing the demand for illegally traded wildlife; and (3) using the United States’ influence to mobilize global support for the fight against wildlife trafficking. The National Strategy resulted from the analysis, contributions, and expertise of 17 federal agencies, led by the Task Force co-chairs, the United States Departments of State, Interior and Justice. The National Strategy also benefitted from the contributions of the Advisory Council on Wildlife Trafficking established by the July 1, 2013, Executive Order. Coming from outside the government, the Advisory Council brought experience and diverse skills to the process and represented the many different communities that will have to be engaged as partners to tackle this problem.

The result is a robust, coordinated and far-reaching National Strategy that addresses the multiple dimensions of this growing crisis, and the Department is proud to have played a major role in developing the National Strategy. Naturally, the Department’s role in that process, and our expected role in implementing it, is focused on that first priority -- domestic and global law enforcement. Strong enforcement is critical to stopping those who kill and traffic in these animals, whether on land or in the oceans. And, as is described above, the Department of Justice has for many years aggressively pursued and prosecuted those engaged in the illegal wildlife trade. We have also worked vigorously to train and support partner countries in their efforts to stanch this terrible crime.

As we look toward the implementation of the National Strategy, those enforcement and capacity building efforts will be enhanced and intensified. Department prosecutors will continue to target traffickers and their networks, investigate and prosecute them, bring down their leaders, and disrupt the illicit finance that flows to and from these syndicates. We will focus on making illegal wildlife trafficking much less profitable by using the tools of fines and penalties, seizure and forfeiture, and payment of restitution to those victimized by illegal trafficking. The Department will also strengthen our coordination of enforcement efforts, looking for ways to improve the way we work with our federal partner agencies (including through the improved sharing of intelligence), as well as state and tribal authorities.

We also look forward to working with the Congress to strengthen existing laws and adopt new legislation to improve the tools available to address this challenge. The law should place wildlife trafficking on an equal footing with other serious crimes, for example, by recognizing wildlife trafficking as a predicate crime for money laundering. We can also more effectively fight the scourge of wildlife trafficking if Congress passes legislation that allows for investing funds generated through wildlife trafficking prosecutions into conservation efforts or to combating wildlife trafficking, as well as to ensure adequate authority to forfeit all proceeds of wildlife trafficking.

Looking globally, the Department will continue to help source, transit and demand countries to build their capacity to take action against illegal wildlife traffickers. Given the transnational dimension of this problem, we will continue our support and training of existing Wildlife Enforcement Networks and look to support additional regional WENs, where appropriate. And more directly, recognizing that illegal wildlife trafficking is a growing area of transnational organized crime, we will support and engage in enforcement initiatives together with the enforcement authorities of other nations. Such efforts, of course, just as those domestically, will target the assets and seek to impede the financial capacity of international wildlife traffickers.

IV. CONCLUSION

In closing, I would like to assure the Committee that ENRD remains fully committed to doing its part.

Mr. Chairman, I would be pleased to answer your questions and those of Members of the Committee.