



Department of Justice

**STATEMENT
FOR THE RECORD
ENVIRONMENT AND NATURAL RESOURCES DIVISION
DEPARTMENT OF JUSTICE**

**BEFORE THE
SUBCOMMITTEES ON AFRICAN AFFAIRS AND
EAST ASIAN AND PACIFIC AFFAIRS
COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE**

**HEARING ENTITLED
"THE ESCALATING INTERNATIONAL WILDLIFE TRAFFICKING CRISIS:
ECOLOGICAL, ECONOMIC AND NATIONAL SECURITY ISSUES"**

**ON
MAY 21, 2014**

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I. INTRODUCTION

Chairmen Coons and Cardin, and Members of the Committee on Foreign Relations Subcommittees on African Affairs and East Asian and Pacific Affairs, thank you for the opportunity to submit to you this testimony discussing 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.

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, ENRD 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 about 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 this hearing, this testimony highlights the work of the Division in prosecuting wildlife and wildlife-related crimes; conducting capacity-building and training on wildlife-related issues; and helping to develop and implement 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 year, 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 those who smuggle and traffic in elephant ivory, endangered rhinoceros 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 collaborating with enforcement partners in source, transit, and destination countries for illegal trade in protected wildlife. The Department works closely 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. The Department, principally through ENRD, has worked closely 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, announced by the White House on February 11, 2014, identifies three key priorities: (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. The Department is committed to contributing to the implementation of all aspects of the Strategy, though our primary efforts naturally focus on enforcement. The work we do to improve domestic and global enforcement includes not only our own case work but also our substantial efforts to improve enforcement through international capacity-building and training.

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 this past December 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 each of conspiracy to smuggle and conspiracy to violate the Lacey Act, seven 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, a/k/a "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.). This past January, 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

As the Strategy recognizes, wildlife trafficking is a global problem that requires a global solution. 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 fighting 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. The Division has participated extensively in training and providing 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 Africa, Southern Africa, and the Horn of Africa. In multiple countries in these regions, we have conducted workshops 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 and 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 Lacey Act is the United States' oldest plant and wildlife protection statute and is one of our primary tools to fight wildlife trafficking. With the amendment of the Lacey Act in 2008 to protect a broader range of plants and plant products, the State Department and the U.S. Agency for International Development have provided funding for much of our recent capacity-building work, focused on the trade in illegally harvested and traded timber and timber products, an illegal trade conservatively estimated at a value of \$10 to \$15 billion worldwide. ENRD has conducted numerous training sessions abroad on investigating and prosecuting illegal logging cases in Indonesia, Brazil, Peru, Honduras, and Russia. 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 both here and abroad. These capacity-building efforts further our efforts to combat wildlife trafficking. As the National Strategy recognizes, 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.

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) and the International Law Enforcement Academy (with programs for eastern European and Southeast Asian law enforcement officials).

The Division is also working closely with the Office of the United States Trade Representative to promote conservation objectives and to combat wildlife trafficking by pursuing commitments including with respect to law enforcement cooperation in U.S. free trade agreements, like the Trans-Pacific Partnership Agreement.

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 priorities: (1) enhancing domestic and international law enforcement to curb the illegal flow of wildlife; (2) reducing the demand for illegally traded wildlife; and (3) building and strengthening global cooperation and public/private partnerships to support the fight against wildlife trafficking. The National Strategy resulted from the analysis, contributions, and expertise of multiple federal agencies, and it 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 brings a wide range of experience and skills to the process and represents 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. The Strategy recognizes that 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 work to implement 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 Congress to strengthen existing laws and develop 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 using funds generated through wildlife trafficking prosecutions to mitigate the harms caused by that 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 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. These efforts will target the assets and seek to impede the financial capacity of international wildlife traffickers.

IV. CONCLUSION

In closing, the Department remains fully committed to working with the Administration and Congress to do all that we can to stop those who poach and traffic illegally in wildlife.