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“The Escalating International Wildlife Trafficking Crisis: Ecological, Economic and National Security Issues”

**Introduction**

Good afternoon Chairman Coons, Chairman Cardin, Ranking Member Flake, Ranking Member Rubio and other Members of the Subcommittee. On behalf of U.S. Agency for International Development (USAID) Administrator Shah, I would like to thank the Committee for holding today’s hearing and giving me the opportunity to testify.

President Obama set forth a new vision of a results-driven USAID that would lead the world in development. We have risen to this challenge, pioneering a new model of development that emphasizes partnerships, innovation, and results. We are guided in these efforts by a new mission statement: we partner to end extreme poverty and promote resilient democratic societies while advancing our security and prosperity. Combating wildlife trafficking and the promotion of conservation are critically important to USAID and our mission. Conservation, which includes combating wildlife trafficking, is fundamental to human development and in achieving sustainable development.

USAID along with our U.S. government counterparts represented here today are deeply concerned by the recent disturbing surge in poaching and the threat it represents to wildlife diversity. The slaughter of thousands of animals and the murder of park rangers trying to protect these species must be stopped.

USAID has a long-standing commitment to conserve and protect wildlife, reflecting, as Secretary Kerry recently noted the United States’ deep and abiding conservation tradition. Millions of Americans treasure the world’s natural heritage and support safeguarding its wildlife. The increased flood of criminal trafficking not only raises the specter of species extinction and ecological disturbance, but also undermines conservation achievements, erodes economic prospects and saps national security. As a result, USAID has tripled its support to address this crisis over the past two years, investing an estimated \$40 million this year to develop innovative solutions in anti-poaching, community conservation, and the reduction of consumer demand for trafficked products.

USAID's wildlife trafficking efforts are underway within the context of the Administration's *National Strategy for Combating Wildlife Trafficking*. The *National Strategy* establishes guiding principles and priorities for U.S. efforts to stem the illegal trade in wildlife via enhanced interagency cooperation and coordination. The *National Strategy* also affirms our Government's resolve to work in partnership with other governments, local communities, nongovernmental organizations (NGO), the private sector and others to combat wildlife trafficking.

Today, rhino horn is more valuable per ounce than gold. The illegal and brutal capture and culling of wildlife trigger a host of additional serious problems: the proceeds fund weapons for terrorist networks and militias, local inhabitants are harmed, livelihoods and local economies are disrupted, and the rule of law threatened. Poaching also threatens tourism, which is often a major source of economic growth in developing countries such as Tanzania and Botswana. The broad destabilizing effects of wildlife trafficking creates incentives for corruption (including inside the wildlife management agencies that are responsible for protecting wildlife) discourages foreign investment, and disrupts ecosystems with far-reaching consequences. In my time at USAID, I have met people who can send their kids to school because of income earned from ecotourism, who have enough food because they are harvesting wild fish sustainably and who are healthy because of the clean water protected by forested hillsides. When nature is lost and the environment is degraded, the poorest in the world usually suffer the most.

### **USAID Role in Combating Wildlife Trafficking**

In helping to implement the *National Strategy*, USAID's vision is to adapt and deploy a range of development tools and interventions to significantly reduce illegal wildlife trafficking. Historically, USAID's anti-poaching work has focused on community-based conservation. A particularly successful effort was with our Namibian partners. For almost 15 years, USAID invested \$40 million in this program to establish community "conservancies" where local people were given the rights to manage and benefit from their natural resources. As a result of this transformational program, community opinion changed in favor of wildlife and wildlife populations increased along with the economic benefits to communities. Today, one in eight Namibians is a member of a conservancy, the economic benefits and wildlife populations continue to grow, and there is almost no recorded poaching in the conservancies in Namibia. Similar success has been seen in Nepal, where in 2013 no tigers, elephants or rhinos were poached. This was due, in part, to 20 years of USAID support to communities to manage their forests. We also credit US Fish and Wildlife Service grants for rhino conservation as part of these successes, and appreciate the recent work of the Millennium Challenge Corporation in investing in Namibia's conservancies.

These examples demonstrate that regions with a history of long-term investment in community conservation are more resistant to the current poaching crisis. As we move forward, it is important to recognize that this success required major investments and consistent effort over decades. We recognize as well that we are only one part of the answer, and that we must work with other partners, such as our U.S. government colleagues, the private sector, NGOs and host country governments. Together we can work to strengthen the front-lines, build political will, and foment cultural changes to reduce demand and underlying corruption.

While we take pride in these successes, we face the stark reality that since 2008, the tremendous growth in demand for wildlife products (including in the United States) has fueled a poaching rate that has completely overwhelmed previously secure regions. Forest elephant populations in Central Africa declined by 62 percent between 2002 and 2011. Relentless poaching in South Africa's Kruger National Park is threatening the world's largest white rhino population. And in our oceans, illegal shark finning is pushing many shark species to the brink of extinction. Today's wildlife traffickers are sophisticated, organized and violent, using all of the financial, political and technological tools at their disposal. New approaches, new partnerships and better coordination at the local, national and international level are needed if we are to save these precious resources.

Pursuant to the *National Strategy*, our efforts will focus on three main goals: stop the demand for wildlife products, stop the poaching and stop the trafficking.

To achieve these goals:

1. USAID will nearly double direct funding to combat wildlife trafficking to an estimated annual \$40 million, up from over \$20 million in the previous fiscal year. It is worth noting that this \$40 million estimate is conservative as many of our biodiversity programs in our \$200 million per year conservation portfolio contribute indirectly to anti-trafficking efforts such as protecting critical habitats for wildlife.
2. We will focus on wildlife trafficking hotspots in those source, transit and demand countries that have made a political commitment to address the issue.
3. We will concentrate the majority of FY14 funding in Africa, the center of the elephant and rhino poaching crisis, followed by Asia, where both consumer demand and poaching continue to rise.

To do all that, our first step is to analyze the country-level factors affecting and being affected by illicit trade. The analysis yields a suite of support activities to be undertaken. That may mean helping communities manage wildlife at the same time that we provide training and equipment to park rangers. In other cases, we work with national governments to develop new wildlife policies. Our analysis also recognizes that we cannot – and should not - do everything. We work with other agencies, NGOs and private companies to achieve impact. And, we emphasize

that programs won't succeed unless the counterpart government is committed to achieving success. Once designed, we monitor and measure progress, generating evidence about what works.

### **Stop the Demand**

USAID supports activities that help shut down illicit markets. In 2012, a monitoring report from USAID's partner International Fund for Animal Welfare led to a crackdown by the Chinese State Forestry Police on websites and antique markets in China. The police disrupted 13 criminal gangs, arrested or fined more than 1,000 illegal traders and seized more than 130,000 wild animals and 2,000 animal products. Authorities shut down more than 7,000 street shops and over 600 websites selling banned animals, and removed 1,600 related online messages. This effort was the largest police action to date tackling the massive online trade in illegal wildlife in China. When the same websites were revisited four months later, the number of wildlife products for sale had decreased by more than 50 percent. Continuous monitoring shows that the effect of the enforcement action has kept the illegal trade below previous levels.

A growing part of USAID's portfolio seeks to reduce consumer demand for wildlife, the root cause of wildlife trafficking. We have a five-year program that supports public awareness campaigns to reduce demand for wildlife in Thailand, Vietnam and China. For example, its iThink campaign uses local celebrities and high-profile government officials in public service campaigns to create a groundswell of public opinion against wildlife purchases. The "Fin Free Thailand" campaign recently unveiled its "Blue List" of 100 hotels that will no longer serve shark-fin soup or any shark meat, an example of working with the private sector to achieve greater impact. Other activities focus on Asia's youth, who have tremendous power to influence their peers – and parents – to stop buying illegal wildlife products.

### **Stop the Poaching**

On the supply side, USAID fights poaching in more than 25 countries, often with our colleagues at the Department of State, the U.S. Fish & Wildlife Service and other federal agencies. We work with governments to ensure that poachers are prosecuted and held accountable. For example, in countries such as Kenya, Tanzania and the Philippines, USAID is providing support to wildlife-focused Ministries to develop national anti-poaching strategies; improve ranger capacity; enhance information networks; and reform out-of-date wildlife laws, including penalties.

One example of this work is in the Salonga National Park in the Democratic Republic of the Congo, home to rare forest elephants and the endangered bonobo. When USAID-supported collections of park patrol data revealed in early 2012 that heavily armed elephant poachers had

infiltrated the park and overwhelmed under-trained and ill-equipped park guards, the Congolese government committed more than 300 military personnel to root out the poachers through “Operation Bonobo.” In collaboration with National Park authorities, the military conducted a sweep of the park and surrounding communities. As of September 2012, authorities had arrested 30 suspected poachers, seven of whom have been sentenced to prison. In addition, more than 120 high-powered firearms were confiscated, including assault rifles. Since then, nearly all signs of hunting have disappeared, and elephants have returned to areas they avoided during the siege.

As we support anti-poaching efforts on the frontlines, we will also continue to invest in communities that live with and benefit from wildlife. Local communities are increasingly recognized as key partners with government in the fight against poaching, de facto “gatekeepers” because they often live next to protected areas that support wildlife populations. By increasing the economic returns from conservation, wildlife becomes more valuable alive than dead, building a local constituency for action on protection. Community-based conservation is a key part of USAID’s approach because it provides the foundation for lasting success, as we have seen throughout our work.

### **Stop the Trafficking**

In the illegal wildlife supply chain, poachers profit the least and are easily replaced. Targeting mid- and high-level traffickers is a more effective strategy to shut down trafficking networks. Much work remains to be done in this area. USAID supports activities to help build strong criminal cases against traffickers. For example, in the Philippines, we and our colleagues in the U.S. Department of the Interior, including the U.S. Fish & Wildlife Service, advise and support the Philippine government to improve environmental law enforcement. Together, we are helping to build robust systems to prosecute wildlife traffickers, including the development of “rules of procedure” for environmental cases, institutionalized training for prosecutors and judges to prosecute wildlife crimes, and capacity-building for wildlife forensics.

USAID was also an early funder of the “WEN” – or Wildlife Enforcement Network – enforcement model, starting in 2005. This program, in concert particularly with the Department of State, forged regional cooperation between police, customs, judicial, and environmental agencies in the ten ASEAN countries. ASEAN-WEN established a model that is now being replicated in other regions, with support from USAID and our interagency colleagues.

USAID is also supporting some efforts to map and shut down the transit routes through which illegal wildlife is trafficked. Wildlife traffickers use complex shipping routes that frequently change, conceal illicit cargo on transport vessels and falsify documents at ports of exit and entry. For example, USAID assessments have revealed direct links between the abalone trade and drug trafficking and provided new insights into the complexity of ivory trade routes, including

seasonal changes and the opening of new export and import nodes. These findings will inform targeted interventions in that will help disrupt illegal trade between Africa and Asia.

## **Final Remarks**

Despite the strong programs and successes I have just described, there is no denying that we are in the throes of a poaching crisis. Almost every week, a new article details fresh atrocities committed against wildlife. But there are also encouraging signs of increased global vigilance, cooperation and effort.

Since President Obama issued the Executive Order to Combat Wildlife Trafficking last summer, we have also been examining how else USAID can best support the global effort to combat wildlife trafficking. It is clear that community conservation should remain a major focus that we must continue our work with governments on the frontlines and in the courts and that we must stamp out consumer demand. But what about new approaches? As you know, there is a renewed focus on using science, technology, innovation and partnership at USAID to solve intractable development problems. We are also applying this to the illicit trade in wildlife.

Later this year, we will launch the Wildlife Trafficking Tech Challenge, a new program that will seek the most creative, innovative and promising science and technology solutions to wildlife crime. We will focus on four critically important areas where technology has the potential to make big impacts: (1) understanding and shutting down transit routes, (2) improving forensic tools and intelligence gathering to build strong criminal cases, (3) understanding and reducing consumer demand and (4) combating corruption along the illegal wildlife supply chain. This program will specifically draw in applicants from fields outside of conservation, such as software engineers, forensic scientists, social media experts and universities. We hope some of your constituents will participate so that fresh eyes and new partnerships will complement our ongoing conservation work to reduce the slaughter.

I would like to thank you again for your support on this issue and for the opportunity to speak with you today. I look forward to your questions and any thoughts you might have on how we might engage your constituencies in the fight against wildlife trafficking. Attached to my written testimony for the record is a copy of the 2013 USAID Biodiversity Conservation Report which details all of USAID's programming to combat wildlife trafficking.