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The Legal Wildlife Trade - Hidden In Plain Sight

Why is the world shocked about China offering tax incentives to export wildlife to the world? An interesting question is: Why does China believe that this is valid trade option and why did it believe the country's action would likely go unquestioned? The answer is that the legal trade in wildlife has gone unquestioned and unscrutinised for decades.

Business and governments around the world know big profits can be made from selling off wildlife, despite the risks. Epidemiologists and immunologists have known for decades that humans are vulnerable to zoonotic diseases, because the line between us and exotic animals has long been breached given the rapid growth in the *legal* trade of wildlife. Paradoxically, over the timeframe, **the legal trade in exotic species has been encouraged and supported to grow**. A shocking oversight that can be traced directly to today's lost lives and wrecked economies.

Before COVID-19 few people would have known about China's 22,000 legal captive breeding facilities. But China is just a microcosm of the world. Not only has China's 22,000 captive breeding facilities been hiding in plain sight, but also with barely a blip in the global media, in 2019, South Africa reclassified 33 wild species (including lions, cheetahs and rhinos) as farm animals, to make commercial breeding and selling easier.

And it is ironic that the most watched and talked about Netflix series during the global lockdown is Tiger King: Murder, Mayhem and Madness. While the series focuses on the eccentric (and often criminal) characters involved in the legal captive breeding of big cats in the USA, the program has avoided laying bare the thriving market for wild tiger cubs, to be bizarrely flaunted for big dollars. No one asked the question "Given the numbers in these legal captive breeding facilities, where do these tigers all go, before they reach a point when they can take off a customer's finger!?" It highlights yet another example that the global 'legal' trade in wildlife is not only below the radar, there is no radar.

China has used the tax incentive on exports, to support its domestic businesses who are breeding exotic species, because this has been an acceptable way to make big money for decades and it has not been scrutinised, there are no legal trade analytics for endangered species.

Now COVID-19 means some trade is being scrutinised **but only very narrowly**, the main focus being exotic meat from 'wet markets'. But if we take a step back in the supply chain, the risks involved aren't only about 'wet markets' they are also about legal captive breeding facilities. **These captive breeding facilities are the source of product to the fashion, food (including wet markets) and medicine industries etc. As a result, this issue goes beyond wild meat markets and dodgy zoos, to some of the world's leading luxury brands.**

For example, Europe is addicted to the trade in wildlife. A 2016 European Parliament Report states: "The wildlife trade is one of the most lucrative trades in the world. The legal trade into the EU alone is worth EUR 100 billion [US\$112 billion] annually." Endangered species contribute to the mindboggling value of the luxury market via the personal luxury sector.

This is a massive, and unscrutinised, global trade is, **according to the United Nations Environment Programme, growing at 2-3 times the pace of the global economy**. And a May 2019 IPBES report confirmed trade as the second biggest contributor to the extinction crisis.

It is no surprise that China believes that it is OK to stimulate its trade by offering tax incentives to export exotic wildlife. It has done this because commercialisation of wildlife for huge profits is an acceptable practice globally.

It has taken COVID-19, a global lockdown, health crisis and economic downturn to pay attention to one of the most lucrative trades in the world that has been supported to grow unnoticed and unchecked. As far back as 2012 a UK Parliamentary Report valued the global **legal** trade in endangered species as US\$320 billion annually. The legal trade in endangered species is facilitated by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). CITES has 183 CITES signatory parties and most still use still use a 1970s paper-based trade permit and management system, which doesn't integrate with customs.

In a world were big data rules you must ask why one of the most lucrative trades in the world is facilitated using a system akin to a fixed line telephone and a typewriter? This lax monitoring and the commitment to the commercialisation of nature results in CITES signatory countries, such as China, not seeing any problem in offering tax incentives for exports.

Once we are out of this global health crisis, it is safe to say industries will lobby their governments to re-open the legal trade and supply chains and governments will likely comply with their wishes, on the basis that they need to quickly rebuild economies. In the last few weeks there have been other examples; on the 27th March 2020 Indonesia announced it would loosen export legality licensing requirements for timber, as a part of the country's Covid-19 trade stimulus strategy (http://www.ttjonline.com/news/indonesians-withdraw-export-legality-licensing-requirement-7842649?fbclid=lwAR21hPR__JRkNJWIOCTUNmufQJ2gUPZxz-dsBtPv41DTs66omlc-yCw9W60). This action received little attention in the global press but will undoubtedly lead to illegal logging providing opportunities to harvest wildlife (legally and illegally) for the global trade.

As a result of all of this, For the Love of Wildlife and Nature Needs More are lobbying for a modern, well-resourced and transparent global tracking system of the legal trade in all wildlife and plants. Attention may now be on China, but it is the global business and trade community that has shown no leadership in modernising the system that facilitates and monitors this worldwide legal trade in endangered species, CITES. Given no leadership has been shown at the international level, it is no surprise that individual countries and national governments have not invested in modernising domestic systems and legislation.

Only by investing in and upgrading the flawed and inadequate CITES trade permit and management system that facilitates the international legal trade can supply-chains be made transparent to address the future biosecurity risks inherent in any trade in exotic wildlife. We are actively lobbying the 183 CITES signatory parties to push for adoption of electronic permitting by 2022, but this also needs a push from industry.

The primary purpose of CITES is to ensure that the international legal trade in endangered wild animals and plants does not threaten their survival, but it is also the <u>only</u> vehicle to address the issues of traceability, risk management and monitoring in the legal trade.

About Nature Needs More

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