

**TESTIMONY OF BENITO A. PEREZ, CHIEF, LAW ENFORCEMENT  
U.S. FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR, BEFORE  
THE U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON NATURAL  
RESOURCES, REGARDING, “POACHING AMERICAN SECURITY: IMPACTS TO  
ILLEGAL WILDLIFE TRADE”**

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Mr. Chairman and Members of the Committee, I am Benito Perez, Chief of the U.S. Fish and Wildlife Service’s (Service) Office of Law Enforcement. I am pleased to be here today to discuss illegal wildlife trade and our work to combat it.

The Service is the lead Federal agency for wildlife law enforcement, including the enforcement of U.S. laws and treaties that regulate international wildlife trade. Our mandate includes inspecting wildlife imports and exports for compliance with U.S. wildlife laws and regulations; intercepting illegal shipments; and investigating and dismantling wildlife smuggling networks.

**Overview of Illegal Wildlife Trade**

Illegal wildlife trade has long been recognized as a threat to species worldwide. Although U.S. and global efforts to stem it date back over four decades, it continues to thrive.

More than 30,000 species now receive protection under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). Listings under CITES have increased by more than 75 percent since the early 1990s. Trade and trafficking have played a major role in pushing such species as elephants, tigers, rhinos, and sea turtles to the brink of extinction. Other wildlife “commodities” subject to significant trade pressures range from sturgeon and corals to parrots and tortoises.

From the traffickers’ perspective, illegal wildlife trade represents an excellent return on investment. Poachers, middlemen, and retailers all enjoy the opportunity to reap significant monetary gain. Commodities that first sell for the equivalent of nickels, dimes, or dollars in the source country can yield hundreds, or even thousands more dollars at the point of final sale.

Poaching wildlife is viable because the monetary gain often exceeds the income that would be available from legitimate sources. Last spring, the Associated Press reported that a poacher can earn \$180 for the tusks of a forest elephant and \$6,000 for its meat in an area where the average legally earned income is \$1 a day.

The retailer of illegal wildlife enjoys the benefit of exponential markups. In a recent Service investigation, sea turtle skins purchased for \$70 wholesale in Mexico were used to make a pair of sea turtle boots that could be sold for up to \$480 in the U.S. retail market. Wildlife traffickers in India have been quoted in the British press claiming even higher profit margins – examples include selling a snow leopard pelt for 10 times the price paid to the poacher and selling ivory for 100 times the purchase price.

Many commodities in the illegal wildlife trade represent “high end” goods in and of themselves. Admittedly, the market value of illegal goods is hard to precisely determine (as is the overall value of illegal wildlife trade), but we can provide some examples by looking at a range of values from import/export declarations, market research, actual investigations, and studies by conservation groups. A shahtoosh shawl (which requires the slaughter of three to five Tibetan antelope) can fetch as much as \$19,000. The retail value of the parts (bone, skin, teeth, claws and skull) of an adult male tiger can total over \$70,000. While the starting price for a snow leopard skin in China may be as little as \$250, our investigations show that that skin may ultimately sell in the west for as much as \$15,000.

Despite years of public outreach to discourage the consumption of protected species, demand persists and black markets flourish. The impact of such demand has been exacerbated by the globalization of the world economy. The ease of travel, transport, and transaction that characterizes the global marketplace has bolstered illegal wildlife trade, facilitating its conduct and foiling its detection.

The opportunity for massive profits is clearly present, and we have often dealt with groups whose operations demonstrate detailed planning, significant financial support, sophisticated forgery and alteration of permits and certifications, and international management of shipments. These are among the indicators for organized crime developed by the CITES Secretariat and the United Nations Office on Drugs and Crime. We have encountered clearly identified “organized crime” elements in some Service cases. Two recent examples involved caviar smuggling rings with professed ties to the “Russian mafia”.

None of the Service’s investigations show a definitive link between the illegal wildlife trade and terrorism or other groups that pose a direct threat to U.S. national security. However, other witnesses at today’s hearing that have a broader global perspective may well provide greater insight into the nexus between illegal wildlife trade and instability within other nations.

Additional examination of these issues may be warranted by those with expertise in national security, terrorism, and organized crime.

### **U.S. Role in Illegal Wildlife Trade**

The U.S. is a major consumer nation in the wildlife trade black market. Annually, about \$10 million worth of illegal wildlife is seized – an amount that probably only scratches the surface of the wildlife contraband coming into this country. Over the past four years (2004-2008), our inspectors most often seized or refused wildlife shipments from Mexico, China, and Canada – countries that are also among our leading trading partners for legal wildlife and wildlife products. Nations that rank among the top suppliers of shipments stopped for wildlife violations include the Philippines, Hong Kong, Thailand, Italy, Indonesia, the United Kingdom, and Vietnam.

Service investigations show that the U.S. is a key end market for rare reptiles, birds, corals, cycads and orchids – everything from parrots in Mexico to Komodo dragons from Indonesia to radiated tortoises from Madagascar. The U.S. is also a prime market for elephant ivory and

ivory carvings and other art or handicraft items made from the feathers, fur, claws and other parts of protected species. For example, sea turtle eggs and meat are frequently intercepted at some ports of entry as are queen conch meat and shells and Asian medicinals made from rhino, tiger, seal, and other endangered wildlife. Other examples of items that have been intercepted by Service law enforcement include snow leopard and other spotted cat furs; rare mounted butterfly specimens; improperly imported reptilian leather goods made from CITES-listed crocodile, caiman, and lizard; leopard, bontebok and other trophies lacking permits; and an array of other wildlife products and parts ranging from beluga caviar, whale meat, and iguana eggs to coral jewelry, giant clam shells and meat, and primate skulls.

It would, however, be short-sighted to depict the U.S. solely as a consumer nation when it comes to wildlife trafficking. We are a supplier nation for certain commodities and must recognize that if such trade is left unchecked, it may ultimately prove as much a threat to some of our own species as it has been for many endangered exotics.

A review of Service investigations over the past 10 years shows that a number of U.S. resources are subject to unlawful take and trade. Examples include a case worked in conjunction with the NOAA Office of Law Enforcement involving juvenile leopard sharks unlawfully harvested from California waters for both the domestic and European “pet” markets; the illegal collection and sale of freshwater mussel shell from rivers in the Midwest and Southeast for cultured pearl production in Asia; the trafficking of live eels from the eastern seaboard for Asian food markets; and the harvest and unlawful export of coral reef organisms from the Florida Keys National Marine Sanctuary.

Strong demand exists in overseas markets for U.S. reptiles, including those valued as pets or high priced collectibles as well as those eventually destined for consumption as food. In fact, export markets have put so much pressure on some domestic turtle populations that in 2006 the United States listed the alligator snapping turtle and all 12 species of map turtles native to this country under CITES Appendix III to better regulate this trade.

Developments in the global illegal trade also affect our native wildlife populations. Black market caviar trafficking and habitat degradation have sent Caspian Sea sturgeon populations plummeting. Such population declines have drastically reduced the availability of caviar from this source and have led to increased exploitation of U.S. sturgeon and paddlefish for caviar production, some of which has been sold in this country falsely labeled as Russian roe. Domestic sturgeon caviar is selling for up to \$880 a pound, while paddlefish caviar can fetch as much as \$373 per pound.

### **Service Role in Policing Wildlife Trade**

As the lead Federal agency in this arena, the Service works to curb illegal wildlife trade through inspection activities, investigations, and international liaison and capacity building. The strategic goals and objectives of our Law Enforcement program include “preventing the unlawful import/export and interstate commerce of foreign fish, wildlife and plants” and “protecting the Nation’s fish, wildlife and plants from unlawful exploitation.”

The Office of Law Enforcement's strategic plan recognizes that our ability to achieve these goals will depend in part on how effectively we work with other law enforcement agencies, both in this country and around the world. Our objectives therefore also include increased cooperation with law enforcement partners on information sharing and investigations. The Service works with a number of partners including resource management agencies in developing nations and customs and wildlife authorities worldwide; entities such as Interpol and the CITES Secretariat; and other Federal agencies that also police trade, such as Customs and Border Protection (CBP), NOAA Office of Law Enforcement, Agriculture, the U.S. Department of State and the Food and Drug Administration. Cooperative efforts range from joint investigative work with counterparts in this country to training programs for officers in countries that are working to improve their enforcement capabilities and infrastructure.

Cooperation with other enforcement agencies is particularly important given the size and scope of our law enforcement program. At present, the Service has a force of 114 uniformed wildlife inspectors at 38 ports of entry who work exclusively on import/export control. In FY 2007, our inspectors examined more than 179,000 declared shipments of wildlife and wildlife products.

In addition to seizures of unlawfully imported wildlife and wildlife products, Service wildlife inspectors also conducted focused proactive inspection operations at air and ocean cargo, passenger terminals, and international mail facilities to intercept wildlife trafficking. For example, an inspection "blitz" of passenger flights arriving in Atlanta from the Caribbean and Central America during peak sea turtle nesting season resulted in the seizure of 69 sea turtle eggs; a similar enforcement operation conducted in Miami recovered over 200 sea turtle eggs along with a commercial shipment of queen conch shells and caiman products that lacked CITES permits. Other examples include "strike force" enforcement operations with Customs counterparts in Los Angeles to look for smuggled wildlife in cargo arriving at Los Angeles International Airport and at ocean cargo and mail facilities in the area. Inspectors in New York now staff a "Special Operations Team" that similarly conducts proactive cargo inspections as well as sweeps of passenger flights at John F. Kennedy International Airport.

Our special agents, who currently number 191, conduct investigations involving both native species and global trafficking, and our four-person intelligence unit supports both our domestic and international enforcement work. Investigative priorities focus on unlawful commercialization of protected wildlife, including species listed under CITES as well as those species listed under our Endangered Species Act.

In FY 2007, our agents completed a three-year covert investigation that uncovered large-scale smuggling of sea turtle shell, skin, and products from China and Mexico to the United States and resulted in joint enforcement action in this country and Mexico. Agents were able to document an organized network of individuals involved in the sea turtle skin trade from "start to finish," tracing the links between fishermen, wholesalers, tanners and processors, boot makers, "mules" (individuals paid to smuggle product across the border), importers, and retailers. More than 4,000 sea turtle skins were offered to agents during the course of this investigation, and traffickers dealing in shells boasted of being able to supply enough to fill a semi-trailer.

In another key case, Service investigators sent a Japanese butterfly expert to prison for trafficking in endangered species. The defendant, who described himself to undercover agents as the world's premier butterfly smuggler, pleaded guilty to 17 felony charges. During the course of the investigation, he sold almost \$30,000 worth of protected butterflies and offered to sell another \$300,000 worth to undercover agents; species included such rarities as the endangered giant swallowtail butterfly and endangered Queen Alexandra birdwing – the world's largest butterfly.

Our agents worked with NOAA-Fisheries and the United Kingdom to document trafficking in more than \$450,000 worth of sperm whale teeth. Defendants in this country included the owner of two scrimshaw businesses in Hawaii who was sentenced to pay a \$120,000 criminal fine and another purchaser who was fined \$150,000. A third defendant who orchestrated the smuggling will be sentenced after testifying against a British whale tooth/ivory supplier in the United Kingdom. The case documented the smuggling and illegal interstate sale of hundreds of teeth extracted from whales illegally hunted and killed by fishing fleets.

Service and NOAA Fisheries agents teamed with Environment Canada to break up a multi-nation smuggling network dealing in queen conch meat from Caribbean and South American countries. The individuals and companies involved (which include defendants from Canada, the United States and Haiti) are believed to have illegally traded 263,953 pounds of queen conch meat valued at more than \$2.6 million – the equivalent of nearly seven fully loaded semi-trailers. The investigation, code-named Operation Shell Game, traced unlawful conch meat exports from the Dominican Republic, Haiti, Jamaica, Honduras, and Columbia. Wildlife experts estimate that the meat involved in this case represents between 798,000 and 1.05 million CITES-protected queen conch.

Other investigative successes last year saw our agents expose a leopard poaching and trophy smuggling operation involving South African guides and U.S. hunters and the laundering of trophies through Zimbabwe. The work of Service officers led to guilty pleas from a California man who smuggled live eagle owl eggs from Austria and to the conviction of a Philadelphia storeowner who sold more than \$30,000 worth of endangered animal parts and accepted a \$11,400 order for a tiger and jaguar skin from undercover operatives.

Another important tool used to address illegal wildlife trade is capacity building and training. For example, over the past two years, the Service conducted wildlife enforcement training programs for officers in Brazil and Mongolia. We worked in close partnership with the Association of Southeast Asian Nations to assist that organization in setting up a regional Wildlife Enforcement Network (ASEAN-WEN) and conducted criminal investigators training under its auspices in the Philippines and Thailand in 2006 and in Indonesia in 2007. This past summer, our agents returned to the first two countries to conduct training validation studies and provide additional technical assistance to ongoing enforcement efforts.

In 2007, in cooperation with and funded by the Department of State, for the sixth consecutive year, the Service conducted a two-week wildlife investigative training course as part of the core curriculum at the International Law Enforcement Academy (ILEA) in Botswana. Thirty-two officers from nine sub-Saharan African nations completed the program, bringing the total

number of officers trained since its inception to 182. This partnership has fostered information sharing among African nations and the United States, improving collective efforts to prevent global trafficking in African wildlife resources.

These efforts represent a continuation of the Service's longstanding commitment to building global wildlife law enforcement capacity – a commitment that dates back to the 1980s and that has been reinforced in recent years. In fact, since 2000, our agents and inspectors have taught over 30 different overseas training courses reaching officers in 58 different countries.

For the past twenty years, the Service has also operated the only forensics laboratory in the world dedicated to crimes against wildlife. Our forensic specialists examine, identify, and compare evidence using a wide range of scientific procedures and instruments, in the attempt to link suspect, victim and crime scene with physical evidence. In order to meet the forensic needs of wildlife law enforcement officers at the federal, state and international levels, the lab's forensic specialists will conduct crime scene investigations, examine submitted items of evidence, and provide expert witness testimony in court. In performing this mission, the lab supports federal law enforcement efforts of our special agents and wildlife inspectors throughout the United States, all fifty State Fish & Game Commissions, and approximately 150 foreign countries who have signed CITES.

### **The Road Ahead**

The United States must sustain and solidify its efforts to enforce U.S. laws and treaties that regulate wildlife trade and protect global and U.S. species. We must also provide continued support to enforcement capacity building overseas as well as to on-the-ground conservation programs and economic development efforts in range countries – efforts that can help address the complex socio-economic problems that promote poaching and fuel illegal wildlife trade.

Near-term developments that will strengthen U.S. enforcement efforts include the Service's participation in the International Trade Data System/Automated Customs Environment – an interagency effort to improve the policing and processing of all trade entering and leaving the United States. Benefits for our trade interdiction efforts will include better access to shipment data for screening purposes and increased intelligence sharing with other Federal agencies.

Improved intelligence gathering and sharing has become increasingly important to efforts to address global wildlife trafficking. Further attention is needed both in this country and in the global community to facilitating information exchange, not only among agencies focused on wildlife crime, but across the broader enforcement spectrum.

We also look to continue our training support to other nations through ILEA in Botswana, opportunities arranged by the Department of the Interior's International Technical Assistance Program and the U.S. Agency for International Development, and other mechanisms, including our engagement with ASEAN-WEN. A Service special agent is now on detail in Thailand working as a technical expert and advisor on training programs for this regional enforcement network.

Such networks, which include the North American Wildlife Enforcement Group, the Lusaka Task Force in Africa, ASEAN-WEN, and the International Monitoring, Control and Surveillance Network for Fisheries Related Activities play a particularly important role in addressing global wildlife trade. As our experience with ASEAN-WEN shows, the United States can play a pivotal role in promoting the creation of such networks and can further buttress such alliances through ongoing technical or training assistance.

## **Conclusion**

The Service is committed to conserving wildlife not only in this country, but throughout the world. The Service will continue working with other nations, international groups, and federal enforcement counterparts in this country and abroad to combat illegal wildlife trade. We welcome the Committee's interest in strengthening U.S. efforts in this arena and appreciate the opportunity to participate in this hearing. This concludes my prepared remarks, and I would be happy to respond to any questions that you may have.