



The Commission on Crime Prevention and Criminal Justice (CCPCJ)

MUNUC 34



TABLE OF CONTENTS

CHAIR LETTER.....	3
HISTORY OF COMMITTEE.....	7
TOPIC A: MONEY LAUNDERING.....	8
Statement of the Problem.....	8
History of the Problem.....	16
Past Actions.....	20
Possible Solutions.....	23
Bloc Positions.....	26
Glossary.....	30
Bibliography.....	33
TOPIC B: WILDLIFE TRAFFICKING AND ILLEGAL LOGGING.....	38
Statement of the Problem.....	38
History of the Problem.....	47
Past Actions.....	51
Possible Solutions.....	54
Bloc Positions.....	58
Glossary.....	68
Bibliography.....	70

CHAIR LETTER

Dear delegates,

Welcome to MUNUC 34 and the Commission on Crime Prevention and Criminal Justice (CCPCJ)!

My name is Joanna Zhuang and I am one of your co-chairs for this committee. Before you dive into this background guide, I wanted to take a moment to introduce myself and talk a little bit about our expectations and advice for your participation in this committee.

I was born in Shanghai, China, but I grew up in Vancouver, Canada. I am a third year at the College, majoring in philosophy and economics. I know these majors do not seem common for a person participating in Model UN, but like many of you, my interest in MUN started in high school, and I continued this path at the University of Chicago. Besides MUNUC, I am also the Deputy Director of Delegate Affairs in ChoMUN, the collegiate MUN conference hosted by the UChicago. Outside of MUN, I am a member of the Chicago Maroon's podcast team, presenting news on the weekly podcast, and a board member of the Women in Economics organization. As someone who participated in high school and collegiate MUN, I am excited to be your chair for this committee, and I look forward to seeing all of you at the conference!

In CCPCJ, you are asked to prepare for two topics: money laundering as well as wildlife trafficking and illegal logging. By engaging in the discussions of these topics, you will learn about two of the most urgent issues that the world is facing today. Topic A, money laundering, will require you to think about how money laundering is associated with other crimes and helping to stop money laundering is an effective way to prevent other crimes. Topic B, wildlife trafficking and illegal logging, will force you to examine how illegal wildlife trading and logging impacts our society. This topic will also help to raise your awareness on how often this issue is being overlooked by governmental and intergovernmental organizations.

To fully participate in the debates with other delegates, I encourage all of you to do your research—what is the problem, your country's position in these topics, solutions, etc. Research is very important because it will help you understand the topics and participate in discussions with other delegates better. Please note that the information in this background guide is not exhaustive—it is a starting point for your research. There are many aspects of the topics left for you to explore. In addition to understanding the topics of discussion, you should focus on providing a solution to the current issue. In the Possible Solutions sections of this background guide, I drafted many questions for you to consider when you are thinking about solutions.

Welcome to the CCPCJ! And I look forward to meeting you.

Best,

Joanna Zhuang

Dear delegates,

Welcome to MUNUC 34 and the Commission on Crime Prevention and Criminal Justice (CCPCJ)! We are truly thrilled about having you in this committee.

My name is Kelly Nguyen, and I will be your co-chair for this committee. I also want to take this opportunity to introduce myself and talk a bit about the committee. I am from Los Angeles, California and I am a third year pre-med student majoring in biochemistry and minoring in neuroscience. Despite my STEM background, I was drawn to MUNUC in college and I have had wonderful experiences interacting with delegates at our conferences. Outside of the organization, I am a part of UChicago's Maroon Tutor Match and a member of our school's MEDLIFE chapter, which serves underserved communities in Southern America. The issues our committee focuses on are significant and I cannot wait to see how you can contribute this year. I am looking forward to meeting all of you soon!

We are asking you to prepare two different topics: Money Laundering and Wildlife Trafficking and Illegal Logging. We ask that you engage meaningfully with these topics as they are real world salient issues that require urgent attention and action. You will have the opportunity to acquaint yourself with these topics to collaborate with your fellow delegates during the conference to come up with thorough potential solutions. All of the sections in the background guide are meant to give you a head start and introduce you to these two important issues. We encourage you do more research into these topics (especially about your country's position) if you think it is necessary; but most importantly we encourage you to critically think about the potential solutions you, representing your delegation and keeping in mind the context of the issue, will want to bring up while committee is in session and think about the delegations you might want to work with.

I understand that facing a medium-sized traditional committee can sometimes be daunting, especially if it is your first time attending a conference. But we encourage you to participate as much as you can and also to have fun. The Dais will be available to help you improve throughout the conference and also your peers will always help you improve. If you have any questions, do not hesitate to email me at kmnguyen@uchicago.edu

Again, welcome to the CCPCJ, and I look forward to meeting you at MUNUC 34!

Best,

Kelly Nguyen

HISTORY OF THE COMMITTEE

The Commission on Crime Prevention and Criminal Justice (CCPCJ) is a commission within the United Nations Economic and Social Council (ECOSOC). It was established in ECOSOC resolution in 1992 upon the request of the United Nations General Assembly.¹ CCPCJ holds annual sessions for countries to discuss issues related with crime combat and crime prevention. Starting in 2011, the United Nations Commission on Narcotic Drugs joined CCPCJ in reconvened sessions.²

CCPCJ consists of 40 member states which includes 12 African countries, 9 Asian countries, 8 Latin American and Caribbean countries, 4 Eastern European countries, and 7 Western European and other countries.³ Unlike some of the other committees, every country has equal voting power in this committee. Because CCPCJ is part of the ECOSOC and works along with the General Assembly, it does not have the power to enforce any rule or guideline of the established resolution on any country. CCPCJ centers around topics of discussion such as drugs, human trafficking, and many other crime prevention strategies and the treatment of prisoners such as juvenile delinquency. Currently, CCPCJ works with other United Nations organizations toward the 2030 Sustainable Development Agenda.

¹ UNODC. "The Commission on Crime Prevention and Criminal Justice." United Nations : Office on Drugs and Crime. Accessed September 28, 2021. <https://www.unodc.org/unodc/en/commissions/CCPCJ/index.html>.

² UNODC.

³ UNODC.

TOPIC A: MONEY LAUNDERING

Statement of the Problem

What is money laundering?

Money laundering is a term used to describe turning money that has been obtained from illegal sources, such as from selling drugs or terrorist funding, into money that appears to be earned from legal sources. Usually, money laundering involves a series of complex bank or commercial transactions so that money eventually “launders.” The term “money laundering” is suspected to be originated from the American-Italian gangster/mafia boss Al Capone, who purchased laundromats, coin-based laundry machines, and mixed his illegal money obtained from prostitution and bootlegged liquor sales with other legal business to legitimize his money. The Al Capone case will be further discussed in the History of the Problem section. Nonetheless, regardless of the origin of the word, money laundering is a good metaphor (and in the case of Al Capone—literal) for the activity it describes, in which the UN General Assembly defines money laundering in 1995 as “any act or attempted act to disguise the source of money or assets derived from criminal activity.”⁴

There are many reasons criminals launder their money. But the first and main reason for money laundering is personal gain, i.e., acquiring wealth that can be spent. Which is why this first and main reason will be the focus of this background guide. The second reason is for passion. Criminals who launder money for passion, revenge, or other feelings count a minute percentage of the overall group— but this reason will not be covered in depth as their implications are not as political. It is also them who operate under such a reason the hardest to catch and track. And the last main reason is for terrorist funding. After the 9-11 terrorist attack, governments and authorities put much more focus on money laundering for terrorist attacks as it can help countries combat terrorism. It is important to note that money laundering is not a stand-alone criminal activity. Rather, it is a means to a monetary

⁴ Financial Transactions and Reports Analysis Centre of Canada, “Guideline 1: Backgrounder,” Financial Transactions and Reports Analysis Centre of Canada, March 23, 2021, <https://www.fintrac-canafe.gc.ca/guidance-directives/overview-apercu/Guide1/1-eng>.

gain for other criminal activities, such as drug trafficking, prostitution, etc. Therefore, delegates should be aware that combating money laundering is also a way to fight other illegal activities.

For many criminals, often, their illegal profits include large amounts of money, which is why storing this money as physical cash is not a secure or convenient way. Not only is this cash easy to be robbed, but the paper bills themselves are susceptible to rotting if stored in the long term. Therefore, transferring illegal money into a legitimate financial institution such as commercial banks becomes a safer and more efficient way to store illegally obtained money. Having the “dirty” money laundered and stored “clean” in banks also enables other options that a normal bank offers to its clients, i.e., criminals are able to wire the money globally and to buy in financial products in order to earn more money. In addition, another main advantage of money laundering is that it offers criminals a legitimized way to spend their money. Paying for fancy cars, jewels, and houses in cash can easily attract police and law enforcement attention, whereas transferring that illegal money into a bank and pretending that it is obtained from a legal source makes the money more accessible for expenditure and camouflaged from catching unwanted attention from law enforcement.

One of the main problems with money laundering is that it is hard to pinpoint these activities. Unlike scams and Ponzi schemes, the nature of money laundering is secretive. So, to notice and catch the people who launder money is harder. Many money laundering victims may not even realize that they are the victims of such criminal activity. It has been calculated that approximately \$2 trillion is being laundered every year in the United States,⁵ which is comparable to about 11-12% of United States annual Growth Domestic Product (GDP) and 2-5% of the global GDP.⁶

Anti-money laundering (AML) is a term used in policies and regulations that combat money laundering. These days, most financial institutions have AML policies to detect money laundering activities. Organizations such as the **Financial Action Task Force on Money Laundering (FATF)**, established in 1989 by leaders in the G-7 Summit,⁷ and the United Nations Office on Drugs and Crimes (UNODC), target activities relating to money laundering and publish many reports on this

⁵ Kevin Sullivan, *Anti-Money Laundering in a Nutshell Awareness and Compliance for Financial Personnel and Business* (Berkeley, CA: Apress, 2015), 28.

⁶ James Chen, “Money Laundering,” Investopedia (Investopedia, June 10, 2021), <https://www.investopedia.com/terms/m/moneylaundering.asp>.

⁷ Chen, “Money Laundering”

issue. The FATF and UNODC also form AML guidelines for financial institutions across the globe to combat money laundering. Meanwhile, in 1970, the United States has established the **Bank Secrecy Act**,⁸ which drew the baseline that banks having any cash transaction above \$10,000 or suspicious activity will need to submit a suspicious activity report (SAR) to the Department of the Treasury. Other information regarding the establishment of regulations will be indicated in the History of the Problem.

In the Statement of the Problem, a rough account of the main methods of money laundering and other important aspects, including electronic and reverse money laundering will be given.

Main Methods of Money Laundering

The process of money laundering has three stages: placement, layering, and integration. The first stage is **placement**, which is the direct placement of dirty money into a financial institution. The placement phase is sometimes referred to as the “choke” point,⁹ meaning that it is time when the money as well as criminals are most vulnerable to police discovery. Usually, criminals obtain their illegal profits, such as from selling drugs, in cash. This means that it is hard to deposit large sums of cash into banks without the notice of the financial institution. The second stage is **layering**, which is when criminals initiate a series of complex monetary transactions to distance themselves from the money. These transactions can include but are not limited to transferring money from one account/bank to another, buying commodities or securities, purchasing properties, etc. Some process of layering involves foreign banks and some involves casinos (the dirty money can be converted to chips which appears to be winnings). The purpose of layering is to make the money “harder for authorities to track.”¹⁰ The final stage is **integration**. Integration is the process of integrating the laundered money back into the economy. In other words, criminals can now use this money and spend it.

⁸ Chen, “Money Laundering”

⁹ Sullivan, “Anti-Money Laundering in a Nutshell,” 36.

¹⁰ Sullivan, “Anti-Money Laundering in a Nutshell,” 38.

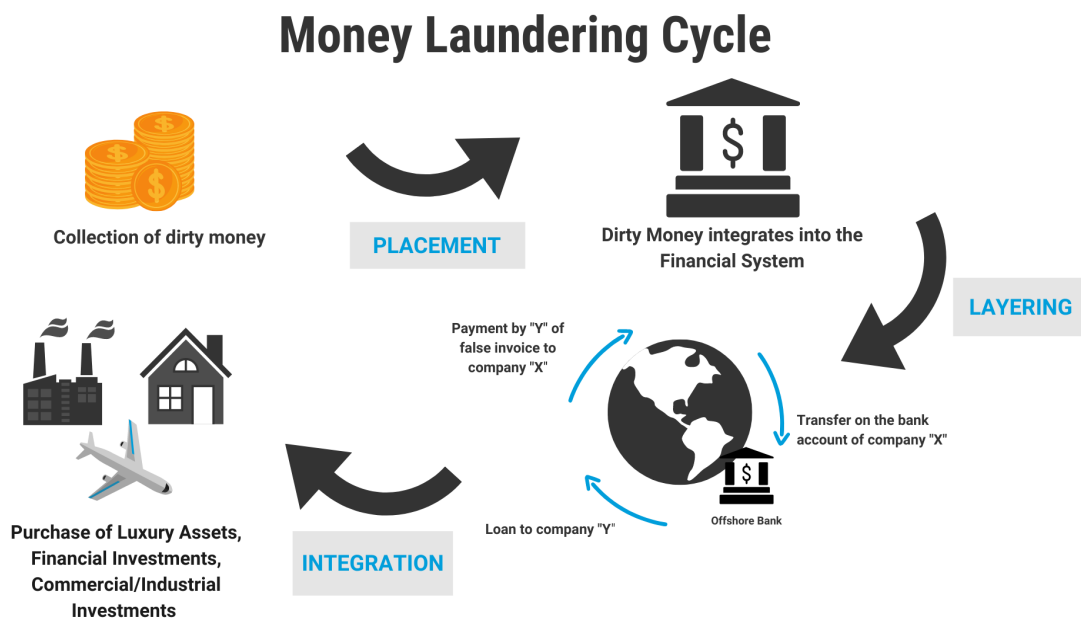


Figure 1. Diagram of Money Laundering Cycle¹¹

There are many ways in which money laundering can be done. **Smurfing**, also known as structuring, is the breaking down of a large sum of money into smaller amounts under \$10,000 and transferring into bank accounts to avoid the SAR. **Bulk cash smuggling** is another way to launder the money in which people physically smuggle cash to another jurisdiction/country and deposit into banks that have better bank secrecy law and less strict AML policies. During the process of smuggling, "launderers have tried to hide it in automobile transmissions, phony television sets, battery chargers, electrical appliances, diaper boxes, and grocery goods."¹² Many launderers also have tried to hide the money in airline couriers, private planes, commercial vessels, and the U.S. Postal Service.¹³ Gold is another common way to launder money. Criminals can purchase gold using cash from refiners or wholesalers. Purchased gold will be melted down into small pieces and carried across borders. Sometimes small gold pieces will even be painted with silver for further disguise. Gold is then sold by the criminal to obtain money. Shell companies can be used for money laundering as well. **Shell**

¹¹ "Money Laundering"

¹² Sullivan, "Anti-Money Laundering in a Nutshell," 54.

¹³ Ibid.

companies are companies that only exist on paper, i.e., they do not have actual employees or operational assets. The owner of the company can use the money to buy anything under its name.

Double invoicing is another method in which a company creates two invoices that contain different charges for one purchase. In this method, businesses deposit illegally obtained money as a large portion of its revenue, and those businesses are often cash-intensive, e.g., bars and restaurants. Trade-based laundering is one of the most complex forms of money laundering. Double invoicing can be used in trade-based laundering. For instance, the artwork market has been accused of being “particularly suitable vehicles for money launderers... because they transfer easily and store quickly”¹⁴ due to the subjective value of art works as well as the secrecy of auction houses about the identity of the buyer and the seller. There are many other methods for money laundering, such as exchange currencies, which delegates are free to explore for their position papers on their own.

Electronic Money Laundering and Cryptocurrencies

Online wire transfer is another way for money laundering. Wire transfer is part of the layering process. In addition to wire transfer, there are many anonymous money transfers done online. Jean-Loup Richet, a researcher at the ESSEC Business School, investigated different ways of money laundering done by cybercriminals. This report was written for the UNODC. Richet indicates that cyber criminals use Liberty Reserve, a digital currency exchanger service that changes dollars into digital currency, to send and receive money anonymously.¹⁵ In May 2013, the founder of Liberty Reserve was charged with money laundering for \$6 billion.¹⁶

Another common virtual way to launder money is through online gaming. In online games, such as Second Life and World of Warcraft, gamers are able to change their money into virtual goods or cash and can later be changed back.¹⁷ Other online methods of money laundering include micro

¹⁴ Graham Bowley and William K. Rashbaum, “Has the Art Market Become an Unwitting Partner in Crime?,” The New York Times (The New York Times, February 19, 2017), <https://www.nytimes.com/2017/02/19/arts/design/has-the-art-market-become-an-unwitting-partner-in-crime.html>.

¹⁵ Jean-Loup Richet, “Laundering Money Online: a Review of Cybercriminals Methods,” arXiv.org, October 9, 2013, <https://arxiv.org/abs/1310.2368>.

¹⁶ Kim Zetter, “Liberty Reserve Founder Indicted on \$6 Billion Money-Laundering Charges,” Wired (Conde Nast, May 28, 2013), <https://www.wired.com/2013/05/liberty-reserve-indicted/>.

¹⁷ Richet, “Laundering Money Online”.

laundering through sites like Paypal or job advertising sites to avoid attention. A criminal can deposit funds into the money apps and move them from one account to another to disguise the source of the money. One growing situation is “using virtual credit cards as an alternative to prepaid mobile cards; they could be funded with a scammed bank account — and used as a foundation of a PayPal account that would be laundered through a micro-laundering scheme.”¹⁸

An emerging form of money laundering has appeared since the introduction of cryptocurrency. According to Forbes, in 2020, around 1.1% of all cryptocurrency transactions were illegal.¹⁹ International rules for money laundering using Bitcoin and similar currencies have been lacking. Money laundering in cryptocurrencies deserves far more attention today. The issue with cryptocurrency money laundering is that the technology used in these currencies are complex, which makes it difficult to track transactions. For other virtual money laundering methods, such as money laundering through gaming, the technology itself is not as complex and can be traced back to users easily.

Cryptocurrencies are fairly new digital currencies that are secured using cryptography. They are “decentralized networks based on blockchain technologies — a distributed ledger enforced by a disparate network of computers.”²⁰ The current most renowned cryptocurrency in the world is Bitcoin, yet there are numerous other currencies, such as Dogecoins, that are also operating on the internet. Bitcoin is hard to use for money laundering due to how widely it is known. However, other currencies that are privacy-oriented, such as Dash, Monero, or ZCash, can become tools for criminal activities, i.e., money laundering. By estimate, in 2019, criminal entities moved about \$2.8 billion in Bitcoin to exchanges, and around \$1 billion in 2018.²¹

As crypto exchanges are becoming more prominent in society, it can appear as a risk for AML actions. Many of these risks have not been addressed by authorities because crypto exchange is a

¹⁸ Ibid.

¹⁹ Tatiana Koffman, “The Hidden Truth Behind Money Laundering, Banks And Cryptocurrency,” Forbes (Forbes Magazine, September 28, 2020), <https://www.forbes.com/sites/tatianakoffman/2020/09/27/the-hidden-truth-behind-money-laundering-banks-and-cryptocurrency/?sh=3f8aefe7b37a>.

²⁰ Jake Frankenfield, “Cryptocurrency,” Investopedia (Investopedia, May 25, 2021), <https://www.investopedia.com/terms/c/cryptocurrency.asp>.

²¹ Mike Orcutt, “Criminals Laundered \$2.8 Billion in 2019 Using Crypto Exchanges, Finds a New Analysis,” MIT Technology Review (MIT Technology Review, April 2, 2020), <https://www.technologyreview.com/2020/01/16/130843/cryptocurrency-money-laundering-exchanges/>.

relatively new way of monetary transaction and has only been popularized in recent years. Even though there are regulations against crypto exchanges, these regulations are not as comprehensive as those for other crimes which have been an issue for decades, centuries, or even thousands of years. Characteristics that constitute cryptocurrencies, such as the anonymity of transactions, vulnerabilities to hackers, and malicious software can all be taken advantage of by criminals. Sometimes, money that is used in cryptocurrencies can even be used to fund terrorists. For instance, at the beginning of 2019, the al-Qassam Brigades, a military group for the Palestinian organization Hamas, posted page on social media for “bitcoin donations to fund its campaign of terror.”²² This option for bitcoin donation was later moved to its official websites.²³ Due to the anonymity of cryptocurrencies, these transactions and funding can be hard to trace and detect since they use blockchain technology (in comparison to a simple IP address trace).

The process of money laundering in cryptocurrencies is more complex than that of traditional methods. This background guide will not explain the details of such a transaction. If delegates are interested in the specific details, they are encouraged to research online with the resources provided in footnotes and encouraged to do their own research, too.

Reverse Money Laundering

In addition to the traditional methods of money laundering and electronic laundering, reverse money laundering is used mainly to fund terrorists. As a result of the funding, terrorists are able to conduct destructive activities to our society. This method is crucial for delegates to investigate as combat against reverse money laundering can help to defund terrorists.

Reverse money laundering is a process that is the opposite to money laundering. Instead of adding dirty money into the economy and making it appear clean, reverse money laundering takes clean money out to make it appear dirty. In other words, criminals can disguise money that is obtained from a legitimate source and use it for illicit activities. The reasons in which a person may use reverse money include but are not limited to tax avoidance, bribery, and terrorist funding. Because reverse

²² DOJ. “Global Disruption of Three Terror Finance Cyber-Enabled Campaigns.” The United States Department of Justice, August 13, 2020. <https://www.justice.gov/opa/pr/global-disruption-three-terror-finance-cyber-enabled-campaigns>.

²³ DOJ.

money laundering takes out money from official circulation, it is even harder to trace than traditional money laundering. Reverse money laundering cases are less prominent to the public than money laundering cases, but they do exist. In 2014, an FBI agent Emmanuel V. Pascau claimed that many people who are associated with the Chee Kung Tong organization as well as California State Senator Leland Yee, engaged in reverse money laundering activities.²⁴

This criminal activity has become especially severe in Russia and other former Soviet Union countries. "The Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG) reported that the Russian Federation, Ukraine, Turkey, Serbia, Kyrgyzstan, Uzbekistan, Armenia, and Kazakhstan have encountered a substantial shrinkage of tax base and shifting money supply balance in favor of cash."²⁵ These processes contribute to much of the shadow economy—an underground economy where people trade illegally (often because of illegal products or services) without reporting their revenue to governmental tax agencies.

Meanwhile, terrorist organizations can also be funded through traditional methods of money laundering. Usually, the money laundering scheme is circular, in which the person who launders the money is the recipient of the clean money. On the other hand, money laundering for terrorists is linear, meaning the person who launders the money is not the recipient. UNODC identifies four stages for terrorist funding through money laundering: raise, store, move, and use.²⁶

²⁴ Joe Eskenazi, "The Many Faces of Leland Yee: A Politician's Calculated Rise and Dramatic Fall," SF Weekly, April 16, 2014, <https://www.sfweekly.com/news/the-many-faces-of-leland-yee-a-politicians-calculated-rise-and-dramatic-fall/>.

²⁵ FATF and MENAFATF (2015), Money Laundering through the Physical Transportation of Cash, FATF, Paris, France and MENAFATF, Manama, Bahrain, www.fatf-gafi.org/publications/methodsandtrends/documents/ml-through-physical-transportation-of-cash.html

²⁶ "Money Laundering," United Nations : Office on Drugs and Crime, accessed June 27, 2021, <https://www.unodc.org/unodc/en/money-laundering/overview.html>.

History of the Problem

Origin of Money Laundering and the 20th Century

Historically, the existence of money laundering can be traced back to at least 2000 years, where Chinese merchants “cycled money through various businesses and complex financial transactions to hide the income from government bureaucrats.”²⁷

Some historians believed that money laundering emerged during the period of Prohibition in the United States. The **Prohibition** period is a time where the U.S. imposed a nationwide constitutional prohibition to alcoholic beverages from the 1920s to 30s.²⁸ There were many social factors that contributed to the Prohibition, such as a call for temperance and the need for saving grains for World War soldiers. Consequently, the Prohibition encouraged the rise of underground criminal activities associated with prostitution and bootlegging, the illegal manufacture and distribution of alcohol. The measures of the Prohibition mostly backfired given the unintended consequences of this policy as organized crime activities surged. One of the most widely-known bootleggers was **Al Capone**, a Chicago gangster who “earned a staggering \$60 million [equivalent to \$820 million today] from bootleg operations and speakeasies.”²⁹ As Al Capone profited from bootlegging, he found using and explaining the source of the money difficult. An accountant solved Al Capone’s problem by purchasing cash-only laundromats and disguise the illegitimate money Al Capone made from prostitution and bootlegging as from legal businesses. Some believed that the word money laundering originated from Al Capone’s activity, but has never been verified.

Prior to the 1980s, money laundering was barely considered as a crime in the United States. Even Al Capone was sent to jail for tax evasion rather than money laundering, which later, by definition, money laundering can also encompass tax evasion “in progress”.³⁰ One of the reasons to launder money is to avoid paying taxes. In Al Capone’s case, he did not report money which he made from

²⁷ CA Mayur Joshi, “Origin of Money Laundering and Its History,” Indiaforensic, March 4, 2021, <https://indiaforensic.com/certifications/origin-of-money-laundering/>.

²⁸ History.com Editors, “Prohibition,” History.com (A&E Television Networks, October 29, 2009), <https://www.history.com/topics/roaring-twenties/prohibition>.

²⁹ History.com Editors, “Prohibition”.

³⁰ KYC-Chain, “The History Of Money Laundering - KYC-Chain,” KYC (KYC-Chain, August 16, 2019), <https://kyc-chain.com/the-history-of-money-laundering/>.

illegal activities to the Internal Revenue Agency, which constitutes tax evasion. Nevertheless, starting in the 1980s, during the War on Drugs (a U.S.-led campaign that aims to reduce global drug trades, War on Drugs is a phrase introduced by President Nixon in 1971), rules were made against money laundering as an attempt to track drug crimes to catch drug dealers and their drug empires.³¹ Meanwhile, from a law enforcement perspective, individuals who are charged with money laundering will have their property confiscated until proven innocent. In 1986, U.S. imposed the U.S. Money Laundering Control Act,³² which was then followed by many other countries in the world. Before the U.S. Money Laundering Control Act, money laundering which often relates with other criminal activities was called “specified unlawful activities” (SUAs). Yet, with this act, money laundering formally became a federal crime for the first time in U.S. history.

September 11 Terrorist Attack and the 21st Century

The event that prompted the U.S. government to tighten its Anti Money Laundering (AML) laws is the September 11 Terrorist Attack (9-11). Post 9-11, the government increased their focus on combating terrorism. Hence, the Patriot Act was established. Within Title III of the **Patriot Act**, the government “directed financial institutions to expand their AML programs”³³ and increase their awareness of abnormal activities in foreign bank accounts. Title III changed parts of the original 1986 Money Laundering Control Act to strengthen the communication between the government and financial institutions regarding international transactions and crimes.

The G7 Summit, an inter-governmental political forum consisting of Canada, USA, France, Germany, Italy, Japan, and the United Kingdom, created the Financial Action Task Force on Money Laundering (FATF) in 1989. It is the first gathering of globally powerful countries on the discussion of money laundering. In 2001, FATF expanded its mission to AML for financing terrorism. At the beginning of the 21st century, G7 countries used FATF to pressure other countries into combating money laundering by increasing surveillance and information sharing between countries. Around 2000 and

³¹ Ibid.

³² Ibid.

³³ Ibid.

2001, FATF even listed a number of countries who are “deficient”³⁴ in their AML policies, which became known as the “name and shame” tactic. This “name and shame” tactic is a soft power technique to persuade countries to tighten their securities policies against money laundering with the pressure of international scandal. Through this naming process, issues and scandals in deficient AML countries will be reported internationally, which would prompt these countries to create AML policies.

Starting in the 2010s, a number of banks were under investigation of breaching money laundering regulations and many of them were heavily fined. Deutsche Bank was investigated due to its involvement in helping clients transfer illegally obtained money, which was revealed by the Panama Papers,³⁵ a data leak about offshore accounts and financial attorney-client information of the law firm Mossack Fonseca. There were about 11.5 million leaked documents, equivalent to about 2.6 terabytes of data.³⁶ The personal data of 12 world leaders and 128 public officials and politicians, hundreds of celebrities and wealthy people across 200 countries was leaked.³⁷ In a related case, it was found in 2018 that Danske Bank, Denmark’s largest bank, had funneled about €200 billion through its local branch in Estonia.³⁸ About 15,000 non-resident customers were “involved in suspicious transactions between 2007 and 2015.”³⁹ Although warnings started in 2007 with a large number of suspicious Russian deposits, it was not until 2014 that a whistleblower contacted senior management and this issue was taken seriously.⁴⁰ Deutsche Bank was implicated in this case as well. This can be considered as one of the biggest money laundering scandals in Europe.

From 2011 to 2015, major banks faced numerous AML policies breaches. In December 2012, HSBC, the Hong Kong and Shanghai Banking Corporation Limited, was fined \$1.9 billion for breaching

³⁴ FATF and MENAFATF (2015), Money Laundering through the Physical Transportation of Cash , FATF, Paris, France and MENAFATF, Manama, Bahrain, www.fatf-gafi.org/publications/methodsandtrends/documents/ml-through-physical-transportation-of-cash.html

³⁵ KYC-Chain, “The History Of Money Laundering”

³⁶ “The Panama Papers: Exposing the Rogue Offshore Finance Industry.” ICIJ. International Consortium of Investigative Journalists, April 3, 2021. <https://www.icij.org/investigations/panama-papers/>.

³⁷ Lusher, Adam. “The World Leaders Linked to the Massive Tax Haven Leak.” The Independent. Independent Digital News and Media, April 5, 2016. <https://www.independent.co.uk/news/world/politics/panama-papers-assad-putin-poroshenko-mubarak-al-saud-pm-iceland-sigmundur-davio-gunnlaugsson-a6967411.html>.

³⁸ KYC-Chain, “The History Of Money Laundering”

³⁹ Ibid.

⁴⁰ Ibid.

U.S.⁴¹ AML laws. In July 2014, BNP Paribas, a French bank, was fined \$8.9 billion also for a breach of AML laws. These cases demonstrate that commercial banking is a financial sector which AML policies should focus more on.

Online gaming platforms are another large target for money launderers. In 2019, the popular online computer game, Fortnite, became the target method for money laundering for cybercriminals.⁴² Fortnite's currency, "V-Bucks" is used as a tool for money laundering, in which criminals use stolen credit cards to buy V-Bucks, and then resell them at a lower price to gain profit.

⁴¹ BBC, "HSBC to Pay \$1.9bn in US Money Laundering Penalties," BBC News (BBC, December 11, 2012), <https://www.bbc.com/news/business-20673466>.

⁴² KYC-Chain, "The History Of Money Laundering"

Past Actions

Financial Action Task Force (FATF): 40 + 9 Recommendations

In 1988, The UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances recognized that the laundering of proceeds from drug trafficking can be considered a crime. Hence, international cooperation and mutual assistance would be necessary to locate and seize the financial assets of criminal enterprises.⁴³ This conclusion led to the creation of the Financial Action Task Force (FATF), which issued 40 recommendations aimed at detecting, preventing, and punishing the abuse of the international financial system.⁴⁴

These recommendations provided an AML strategy consisting of two primary components: enhanced efficacy of criminal justice systems and better transparency of financial operations.⁴⁵ The former led to measures that encouraged the reporting of all suspicious transactions to national authorities and collaboration between financial institutions and national law enforcement agencies. The latter helped establish “**customer due diligence**” rules - procedures which check a client's background to determine their identity and the level of risk they possess before opening accounts or conducting financial transactions.⁴⁶ Other guidelines also placed suspected corrupted officials under higher scrutiny or restricted cross-border transportation of cash. Together, these recommendations encourage countries to assess where their financial system is most at risk, and how they can best allocate their resources to resolve these issues.⁴⁷

Since 1990, nine special recommendations have been added to incorporate money laundering's connection to international terrorism, such as the proliferation of weapons of mass destruction. Indeed, revisiting these recommendations is important for the future when new developments (i.e. digital currencies) and technologies allow criminals to launder money more efficiently without

⁴³ “International Conventions and Organizations that Deal with Money Laundering,” CICAD-OAS, accessed July 5, 2021, http://www.cicad.oas.org/Main/Template.asp?File=/lavado_activos/framework_eng.asp

⁴⁴ “25 years and Beyond,” FATF-GAFI, accessed July 2, 2021, <https://www.fatf-gafi.org/media/fatf/documents/brochuresannualreports/FATF%2025%20years.pdf>

⁴⁵ Sabrina Adamoli, “Money laundering,” Britannica, accessed July 2, 2021, <https://www.britannica.com/topic/money-laundering#ref1199319>

⁴⁶ Adamoli, “Money laundering”

⁴⁷ KYC-Chain, “An Overview of the FATF Recommendations - KYC-Chain,” KYC (KYC-Chain, January 16, 2020), <https://kyc-chain.com/an-overview-of-the-fatf-recommendations/>

detection. It should be noted that high-risk countries who fail to implement these guidelines will be added to the “Non-Cooperative Countries or Territories” (NCCTs) - known as the FATF Blacklist - and suffer from more expensive trading costs in the global economy.⁴⁸

Global Programme against Money Laundering (GPML)

Created in 1997, the **Global Programme against Money Laundering** is a research and assistance project within the United Nations Office for Drug Control and Crime Prevention (ODCCP). Its goal is to provide technical assistance and training to member states so that international action against money laundering is more effective.⁴⁹ The GPML has created a comprehensive program that offers several services, including a website (IMoLIN) with AML/CFT (Combating the Financing of Terrorism) information, a database on legislation and other relevant documents, and advisory services and training.⁵⁰

In fact, the GPML’s mentorship program is one of the most successful and well-known activities against money laundering. Responding to countries’ requests for more specialized assistance, GPML sends mentors with professional expertise to train people and build institutions, thereby improving AML/CFT infrastructure. Mentors serve as residential advisors for 1-4 years, passing on their relevant skills and knowledge. They determine the specific needs of financial institutions, provide advice on real cases, and facilitate international cooperation or cross-border legal assistance.⁵¹

More importantly, the reaction from assisted states and donors has been found to be extremely positive. Examples where successful instruction took place include West Africa, in which GPML established a “train-the-trainers” programs in Senegal, Côte d’Ivoire, Ghana, and Benin in 2015. In the same year, a GPML mentor in Hanoi strengthened operational capacities in Burma, Cambodia,

⁴⁸ “25 years and Beyond,” FATF-GAFI, accessed July 2, 2021, <https://www.fatf-gafi.org/media/fatf/documents/brochuresannualreports/FATF%2025%20years.pdf>

⁴⁹ “United Nations Office on Drugs and Crime (UNODC): GPML Objectives”, FATF-GAFI, accessed July 3, 2021, <https://www.fatf-gafi.org/pages/unitednationsofficeondrugsandcrimeunodc.html>,

⁵⁰ “In-depth evaluation of the United Nations Global Programme against Money Laundering, Proceeds of Crime and the Financing of Terrorism (GPML)”, UNODC, (UNODC, February 2011), http://intlmgmt.cipa.cornell.edu/sessions/development/GPML_11-84020_Ebook.pdf

⁵¹ Bureau of International Narcotics and Law Enforcement Affairs, “United Nations Global Programme against Money Laundering, Proceeds of Crime, and the Financing of Terrorism”, accessed July 6, 2021, <https://2009-2017.state.gov/j/inl/rls/nrcrpt/2016/vol2/253363.htm>

Laos, and Vietnam by revising money laundering offense definitions in the countries' penal codes. In addition, they conducted training workshops on bulk cash smuggling, AML/CFT investigations, and raising awareness, while also distributing pocket guides on cash smuggling to customs officers.⁵²

Yet, to ensure its sustainability, the GPML will need to address its lack of a long-term strategic plan. Organizational constraints include the small size of the headquarters staff and the challenge of raising long-term, secure funds. The GPML's limited visibility as a programme has also caused underutilization of its expertise and networks which would make it easier to implement existing AML structures already in use.⁵³

Financial Intelligence Units (FIUs)

Money laundering requires the gathering, analysis, and reporting of financial intelligence to understand the nature of financial activities and how to predict their intentions. To do this, public and private sectors rely on **financial intelligence units (FIUs)** - national centers that collect raw transactional information and Suspicious Activity Reports (SAR) usually provided by banks and other entities. Using data mining or data-matching techniques, analysts evaluate volumes of transactional data and pass information to appropriate public prosecutors, law enforcement, and intelligence agencies if unlawful activity is found. 164 FIUs exist globally, and the Egmont Group is the coordinating body for them all. Due to their ability to interact, cooperate, and exchange data through intergovernmental networks, these key players have aided in the fight against money laundering.⁵⁴

Yet, financial intelligence units are only as strong as the members who run them. Therefore, keeping both analysts and reporting institutions staff up to date on what information is useful and SARs is important for getting the most out of the qualitative data received.

⁵² Bureau of International Narcotics and Law Enforcement Affairs, "United Nations Global Programme against Money Laundering, Proceeds of Crime, and the Financing of Terrorism"

⁵³ "25 years and Beyond," FATF-GAFI, accessed July 2, 2021, <https://www.fatf-gafi.org/media/fatf/documents/brochuresannualreports/FATF%2025%20years.pdf>

⁵⁴ Dow Jones, "What are Financial Intelligence Units (FIUs)?", accessed July 27, 2021, <https://www.dowjones.com/professional/risk/glossary/financial-crime/financial-intelligence-units/>

Possible Solutions

In this section, we will examine high-level solutions that may be applied to specific regions. However, they are by no means exhaustive, and delegates are encouraged to develop their own ideas as well. After all, money laundering is and will remain a dynamic phenomenon of great diversity that takes place in the public and private sectors.

Investment in New Anti-Money Laundering Technologies

Because we live in a digital age, banks and financial institutions are looking at more technology-powered methods to detect suspicious activity and prevent the spread of laundered funds. Currently, the most popular tools in the finance industry are artificial intelligence (AI) and machine learning. By analyzing customer decisions, transactions, and connections, AI systems flag suspicious activities, and AI advisors provide investigative teams with risk scoring, case summaries, and data visualisations to communicate the specific risk of an individual. This way, AI reduces false positives – which make up over 95% of system-generated alerts - and save banks time, money and resources.⁵⁵

However, AI is not a perfect solution. AI models have to “learn” the behavior of typical AML operational teams that follow their own practices, and it may take years for these technologies to become widespread since they will need to be tested against traditional methods. Therefore, working on integrating human nuance to automated machinery is pivotal because it can produce richer, more detailed insight into money laundering activities online - across companies and across borders.⁵⁶

Delegates should consider how to make these new technologies more accessible to countries (especially those less digitized) and how to successfully manage the transition from more traditional methods.

⁵⁵ Teresa Bercich, “How Human AI and Machine Learning Technologies are Leading the Fight against Money Laundering and Financial Crime in 2021 and Beyond”, International Banker, March 25, 2021, <https://internationalbanker.com/technology/how-human-ai-and-machine-learning-technologies-are-leading-the-fight-against-money-laundering-and-financial-crime-in-2021-and-beyond/>

⁵⁶ Imam Hoque, “Old AML Systems Hinder The Fight Against Financial Crime”, October 26, 2018, <https://www.corporatecomplianceinsights.com/old-aml-systems-hinder-the-fight-against-financial-crime/>

Information Sharing and Collaboration

Having banks share data with others will give everyone a holistic picture of a customer's banking activity and prevent criminals from moving to another lender if they are already barred from a bank.⁵⁷ In fact, renewed focus must be devoted to collaboration between policymakers, regulators and governments alike to close these gaps.

For example, governments generally have information on individuals who are at greater risk of corruption and their close relations. Governments also have a better grasp on the activity of businesses that have the same owners or are connected in other ways. Providing this information to banks would vastly improve their screening process and make it easier to identify potentially risky accounts. Not to mention, police should continue sharing information on criminal behavior to help banks identify skeptical transactions.⁵⁸

One can look at the United Kingdom's Joint Money Laundering Intelligence Taskforce (JMLIT), a partnership between law enforcement and financial institutions for information exchange related to money laundering. Since 2015, the organization has supported a multitude of law enforcement investigations, while participating financial institutions have identified over 5,000 suspected accounts, begun 3,500 of their own internal investigations, and used this information to enhance their control and monitoring systems. They can also share information related to developing **typologies** that allow financial institutions to pinpoint suspicious behaviors in their early stages.⁵⁹

With a public-private sector partnership in financial intelligence, there is potential to construct a collective body that could monitor the transactions of participants. Initiatives like these could shift the current AML strategy from identification of illicit activity to a more preventive approach with

⁵⁷ Jesper Berg, "How to Combat Money Laundering in Europe", May 24, 2021, <https://www.bloomberg.com/opinion/articles/2021-05-24/how-denmark-proposes-to-combat-money-laundering-in-europe><https://www.bloomberg.com/opinion/articles/2021-05-24/how-denmark-proposes-to-combat-money-laundering-in-europe>.

⁵⁸ Berg, "How to Combat Money Laundering in Europe".

⁵⁹ Charlie Steele, "Anti-Money Laundering Trends and Challenges", June 21, 2020, <https://globalinvestigationsreview.com/review/the-european-middle-eastern-and-african-investigations-review/2021/article/anti-money-laundering-trends-and-challenges>.

real-time identification of suspicious activity. Yet, delegates should keep in mind the challenge of ensuring protection of personal data when private companies share information.⁶⁰

⁶⁰ "A Comprehensive View of Money Laundering Methods—Old and New", ACAMAS, August, 12, 2020, <https://www.acamstoday.org/a-comprehensive-view-of-money-laundering-methods%E2%80%99old-and-new/>.

Bloc Positions

North America: United States, Canada, Mexico

Given the large amount of transactions as well as the diversity of products/services offered by U.S. financial institutions, legal and illegal funds are very likely to converge in this environment. As a result, the United States established the Financial Crimes Enforcement Network (FinCEN) - a bureau of the U.S. Treasury Department that collects and analyzes information about financial transactions.⁶¹ Until recently, the United States was one of the last advanced economies not to require company ownership information, which gave money launderers a higher level of confidentiality. Addressing these concerns, FinCEN passed the Anti-Money Laundering Act of 2020. Now, new **beneficial ownership** reporting requirements exist under certain U.S. state law for organized corporations, limited liability companies, and other similar entities.⁶²

Canadian banks devote enormous resources into AML/ATF programs. As a whole, the banking sector works closely with the Department of Finance, FINTRAC (Financial Transactions and Reports Analysis Centre of Canada), law enforcement agencies, and regulators on projects to identify, prevent, and punish those who benefit from laundered funds. Like the U.S., Canada can also improve in two areas: beneficial ownership transparency and enhanced information sharing.⁶³

The Mexican government has drawn great criticism over its failure to root out and prosecute money laundering that, for example, enables drug cartels to access substantial illicit wealth and offer high-value bribes to gain corrupt officials' cooperation. However, head of the UIF (Financial Intelligence Unit of Mexico) Santiago Nieto, stated that the group recently doubled the number of money laundering complaints brought to court from 2018 to 2019 and froze about 2,000 bank accounts, many of which were linked to cartels. In addition, President López Obrador's administration has increased AML actions and adopted notable reforms to increase oversight of the financial system.

⁶¹ "United States Department of the Treasury Financial Crimes Enforcement Network," United States Department of the Treasury Financial Crimes Enforcement Network | FinCEN.gov, accessed December 19, 2021, <https://www.fincen.gov/>.

⁶² "The Anti-Money Laundering Act of 2020: Congress Enacts the Most Sweeping AML Legislation Since Passage of the USA PATRIOT Act", January 19, 2021, National Law Review, <https://www.natlawreview.com/article/anti-money-laundering-act-2020-congress-enacts-most-sweeping-aml-legislation-passage>.

⁶³ "Strengthening Canada's anti-money laundering regime", February 3, 2020, Canadian Bankers Association, <https://www.briefings.cba.ca/strengthening-canadas-anti-money-laundering-regime>.

However, prosecutions against money launderers are low, and they rarely lead to convictions. Financial accounts frozen by the FIU are often unblocked by the Mexican judiciary, limiting the impact of this enforcement.⁶⁴

Europe

In Europe, it is estimated that the overall recovery rate of illicit assets is just 1.1%.⁶⁵ Thus, the EU has conceived an action plan to maintain a more unified front, with all EU countries enforcing current Anti-Money Laundering and Counter Financing of Terrorism (AML/CTF) rules, sharing information, and cooperating in investigations. In doing so, EU officials hope that inconsistent rule implementation can be avoided. Head of the financial crime unit at the European Commission Raluca Pruna says that “while current EU rules are far-reaching, they are not applied in a fully coherent manner across the EU.”⁶⁶ The EU also has a new methodology for identifying nations that are considered high-risk; banks covered by EU AML rules are required to apply increased checks on financial operations involving high-risk countries so that illicit money flows can be identified.⁶⁷

Asia-Pacific

In 2020, authorities based in the Asia-Pacific region issued fines totaling \$5.1 billion for breaches of AML laws, which represented a seven-fold increase from 2019. This surge in money laundering activity may not only be attributed to the impressive growth of many Asian economies recently but also the emerging popularity of Bitcoin and other crypto-assets. Asian jurisdictions have received immense scrutiny for failing to investigate and take action against criminals believed to have broken AML laws. In response, governments have taken steps to enhance enforcement of their AML regulators and law enforcement agencies. For example, the Philippines passed a law in January 2021

⁶⁴ Andres Martinez-Fernandez, “Money laundering and corruption in Mexico: Confronting threats to prosperity, security, and the US-Mexico relationship”, February 23, 2021, <https://www.aei.org/research-products/report/money-laundering-and-corruption-in-mexico-confronting-threats-to-prosperity-security-and-the-us-mexico-relationship/>.

⁶⁵ “Does Crime Still Pay?,” Europol, accessed December 19, 2021, <https://www.europol.europa.eu/media-press/newsroom/news/does-crime-still-pay>.

⁶⁶ Mark Tarallo, “EU Targets Money Laundering and Terror Financing”, October 1, 2020, ASIS, <https://www.asisonline.org/security-management-magazine/articles/2020/10/eu-targets-money-laundering-and-terror-financing/>.

⁶⁷ Mark Tarallo, “EU Targets Money Laundering and Terror Financing”

that gave their Anti-Money Laundering Council the power to apply for search and seizure warrants, as well as subpoenas, and investigate any suspected wrongdoing.⁶⁸

Africa

To combat money laundering and prevent terrorism financing, Africa has created the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG). But, corruption has made it increasingly difficult for African countries to implement strong AML standards. For South Africa specifically, the FTAF recommended the country review its systems for combating money laundering and terrorist financing (TF) annually. It also said the country should improve the way it keeps statistics. Banks in Africa also face challenges with onboarding customers who have no address, which raises difficulty in terms of meeting AML regulations such as KYC (“know-your-customer”) and ID verification. Public-private partnerships may be key to Africa’s fight against financial crime, assisted by technology and regional alongside inter-regional collaboration.⁶⁹

South America and the Caribbean

Over the years, South America has improved in its financial intelligence analytics. New technologies in data analytics and communications have helped them progress, and businesses now adhere to enhanced compliance requirements and face heavier penalties for noncompliance. However, AML in South America is now facing a new risk in politics. For example, Brazil’s financial intelligence unit COAF had its activities suspended - under the guise of breaching “right to privacy” - when they revealed problematic transactions of a senator’s son. To resolve these issues, countries should adopt international standards and collaborate with bodies such as the FATF and Egmont Group. Maintaining strong rules, well-trained technical staff, and broad oversight will also strengthen independent AML agencies. Above all, stronger democracies and institutions will be essential for financial intelligence in the face of cryptocurrencies and new forms of bank secrecy.⁷⁰

⁶⁸ “Shining the Spotlight on Anti-Money Laundering in Asia”, March 31, 2021, Shearman & Starling, <https://www.shearman.com/Perspectives/2021/03/Shining-the-Spotlight-on-Anti-Money-Laundering-in-Asia>.

⁶⁹ “How to reduce money laundering in 2020”, January 23, 2020, BusinessTech, <https://businesstech.co.za/news/industry-news/367824/how-to-reduce-money-laundering-in-2020/>.

⁷⁰ Roberto Simon & Emilie Sweigart, “The Risky Politics of Anti-Money Laundering”, April 27, 2020, <https://www.americasquarterly.org/article/the-risky-politics-of-anti-money-laundering/>.

The Caribbean in 2020 “has been marked by pandemic-induced crises, a threatening hurricane season, and a brutal economic downturn.”⁷¹ These difficulties have made it challenging for governments to deal with money laundering and other forms of financial fraud. Moving forward, pressure from INTERPOL on the Caribbean to deal with money laundering and tax avoidance are likely to remain a central factor, while COVID-19 has also encouraged greater digitalization of finance - raising new regulatory and enforcement challenges. But the region’s own initiatives, such as the Caribbean Financial Action Task Force (CFATF), is working with the Inter-American Development Bank and other organizations to improve governance. The Caribbean Development Bank is taking a proactive role as well in offering assistance, sponsoring conferences, and establishing rules and regulations to meet AML requirements.⁷²

⁷¹ Scott B. MacDonald and Bruce Zagaris, “The Caribbean and Money Laundering: Waiting for the Post-Covid-19 World,” *Global Americans*, April 28, 2021, <https://theglobalamericans.org/2020/12/the-caribbean-and-money-laundering-waiting-for-the-post-covid-19-world/>.

⁷² Scott B. MacDonald and Bruce Zagaris, “The Caribbean and money laundering: Waiting for the post-COVID-19 world”, December 23, 2020, <https://theglobalamericans.org/2020/12/the-caribbean-and-money-laundering-waiting-for-the-post-covid-19-world/>.

Glossary

Al Capone: A Chicago gangster who purchased cash-only laundromats to disguise the illegitimate money he made from prostitution and bootlegging as from legal businesses

Anti-money laundering (AML): A term used in policies and regulations that combat money laundering

Bank Secrecy Act: Legislation passed in 1970 that stated banks having any cash transaction above \$10,000 or suspicious activity will need to submit a suspicious activity report (SAR) to the Department of the Treasury

Beneficial ownership: When a person enjoys the benefits of ownership even though the title to some form of property is in another name

Bulk cash smuggling: When people physically smuggle cash to another jurisdiction/country and deposit into banks that have better bank secrecy law and less strict AML policies

Cryptocurrencies: Fairly new digital currencies that are secured using cryptography; specifically defined as “decentralized networks based on blockchain technologies — a distributed ledger enforced by a disparate network of computers.”

Customer Due Diligence Rules: Procedures which check a clients' background to determine their identity and the level of risk they possess before opening accounts or conducting financial transactions.

Double invoicing: When a company creates two invoices that contain different charges for one purchase

Financial Action Task Force (FATF): Established in 1989 by leaders in the G-7 Summit and the United Nations Office on Drugs and Crimes (UNODC), the organization issued 40 recommendations aimed at detecting, preventing, and punishing the abuse of the international financial system. 9

special recommendations were later added to incorporate money laundering's connection to international terrorism.

Financial intelligence units (FIUs): National centers that collect raw transactional information and Suspicious Activity Reports (SAR) usually provided by banks and other entities

Global Programme against Money Laundering: A research and assistance project within the United Nations Office for Drug Control and Crime Prevention (ODCCP) whose goal is to provide technical assistance and training to member states so that international action against money laundering is more effective

Integrating: The process of integrating the laundered money back into the economy

Layering: When criminals initiate a series of complex monetary transactions to distance themselves from the money

Money laundering: The process of turning money that has been obtained from illegal sources into money that appears to be earned from legal sources. Defined by the UN as "any act or attempted act to disguise the source of money or assets derived from criminal activity"

Patriot Act (Title III): Directed financial institutions to expand their AML programs and increase their awareness of abnormal activities in foreign bank accounts; also changed parts of the original 1986 Money Laundering Control Act to strengthen communication between government and financial institutions regarding international transactions and crimes

Placement: The direct placement of dirty money into a financial institution the process of integrating the laundered money back into the economy

Prohibition: A time where the U.S. imposed a nationwide constitutional prohibition to alcoholic beverages from the 1920s to 30s

Reverse money laundering: A process that takes clean money out of the economy to make it appear dirty

Shell companies: Companies that only exist on paper, i.e., they do not have actual employees, operational assets

Smurfing: The breaking down of a large sum of money into smaller amounts under \$10,000 and transferring into bank accounts to avoid the SAR

Typology: The various techniques used to launder money or finance terrorism money laundering

Bibliography

- Adamoli, Sabrina. "Money Laundering." Encyclopædia Britannica. Encyclopædia Britannica, inc. Accessed December 19, 2021. <https://www.britannica.com/topic/money-laundering#ref1199319>.
- "The Anti-Money Laundering Act of 2020: Congress Enacts the Most Sweeping AML Legislation since Passage of the USA PATRIOT Act." The National Law Review. Accessed December 19, 2021. <https://www.natlawreview.com/article/anti-money-laundering-act-2020-congress-enacts-most-sweeping-aml-legislation-passage>.
- Bercich, Teresa. "How Human AI and Machine Learning Technologies Are Leading the Fight against Money Laundering and Financial Crime in 2021 and Beyond." International Banker, March 25, 2021. <https://internationalbanker.com/technology/how-human-ai-and-machine-learning-technologies-are-leading-the-fight-against-money-laundering-and-financial-crime-in-2021-and-beyond/>.
- Berg, Jasper. "How to Combat Money Laundering in Europe." Bloomberg.com. Bloomberg, May 24, 2021. <https://www.bloomberg.com/opinion/articles/2021-05-24/how-denmark-proposes-to-combat-money-laundering-in-europe>.
- Bowley, Graham, and William K. Rashbaum. "Has the Art Market Become an Unwitting Partner in Crime?" The New York Times. The New York Times, February 19, 2017. <https://www.nytimes.com/2017/02/19/arts/design/has-the-art-market-become-an-unwitting-partner-in-crime.html>.
- Chen, James. "Money Laundering." Investopedia. Investopedia, December 8, 2021. <https://www.investopedia.com/terms/m/moneylaundering.asp>.
- "The Commission on Crime Prevention and Criminal Justice." United Nations : Office on Drugs and Crime. Accessed December 19, 2021. <https://www.unodc.org/unodc/en/commissions/CCPCJ/index.html>.
- "Does Crime Still Pay?" Europol. Accessed December 19, 2021. <https://www.europol.europa.eu/media-press/newsroom/news/does-crime-still-pay>.
- Financial Transactions and Reports Analysis Centre of Canada. "Guideline 1: Backgrounder." Financial Transactions and Reports Analysis Centre of Canada, March 23, 2021. <https://www.fintrac-canafe.gc.ca/guidance-directives/overview-apercu/Guide1/1-eng>.
- Fitzgibbon, Will. "The Panama Papers: Exposing the Rogue Offshore Finance Industry." ICIJ, April 3, 2021. <https://www.icij.org/investigations/panama-papers/>.

Frankenfield, Jake. "What Is Cryptocurrency?" Investopedia. Investopedia, December 7, 2021. <https://www.investopedia.com/terms/c/cryptocurrency.asp>.

Galli, Susan J. "A Comprehensive View of Money Laundering Methods—Old and New." ACAMS Today, August 12, 2020. <https://www.acamstoday.org/a-comprehensive-view-of-money-laundering-methods%E2%80%95old-and-new/>.

"Global Disruption of Three Terror Finance Cyber-Enabled Campaigns." The United States Department of Justice, August 13, 2020. <https://www.justice.gov/opa/pr/global-disruption-three-terror-finance-cyber-enabled-campaigns>.

Harrop, Teodora, Imam Hoque, and David Weinstein. "Old AML Systems Hinder the Fight against Financial Crime." Corporate Compliance Insights, June 30, 2021. <https://www.corporatecomplianceinsights.com/old-aml-systems-hinder-the-fight-against-financial-crime/>.

"The History of Money Laundering - KYC-Chain." KYC, August 16, 2019. <https://kyc-chain.com/the-history-of-money-laundering/>.

"HSBC to Pay \$1.9bn in US Money Laundering Penalties." BBC News. BBC, December 11, 2012. <https://www.bbc.com/news/business-20673466>.

"In-Depth Evaluation of the United Nations Global Programme against Money Laundering, Proceeds of Crime and the Financing of Terrorism (GPML)." UNODC, February 2011. http://intlmgmt.cipa.cornell.edu/sessions/development/GPML_11-84020_Ebook.pdf.

"An Introduction to the FATF and Its Work '25 Years and beyond.'" fatf-gafi.org. Accessed December 19, 2021. <https://www.fatf-gafi.org/media/fatf/documents/brochuresannualreports/Introduction%20to%20the%20FATF.pdf>.

Joshi, CA Mayur. "Origin of Money Laundering and Its History." Indiaforensic, March 4, 2021. <https://indiaforensic.com/certifications/origin-of-money-laundering>.

Koffman, Tatiana. "The Hidden Truth behind Money Laundering, Banks and Cryptocurrency." Forbes. Forbes Magazine, September 28, 2020. <https://www.forbes.com/sites/tatianakoffman/2020/09/27/the-hidden-truth-behind-money-laundering-banks-and-cryptocurrency/?sh=3f8aefe7b37a>.

Lusher, Adam. "The World Leaders Linked to the Massive Tax Haven Leak." The Independent. Independent Digital News and Media, April 5, 2016. <https://www.independent.co.uk/news/world/politics/panama-papers-assad-putin-poroshenko-mubarak-al-saud-pm-iceland-sigmundur-davio-gunnlaugsson-a6967411.html>.

- MacDonald, Scott B., and Bruce Zagaris. "The Caribbean and Money Laundering: Waiting for the Post-Covid-19 World." *Global Americans*, April 28, 2021.
<https://theglobalamericans.org/2020/12/the-caribbean-and-money-laundering-waiting-for-the-post-covid-19-world/>.
- "The Many Faces of Leland Yee: A Politician's Calculated Rise and Dramatic Fall." *SF Weekly*, April 16, 2014. <https://www.sfweekly.com/news/the-many-faces-of-leland-yee-a-politicians-calculated-rise-and-dramatic-fall/>.
- Martinez-Fernandez, Andres. "'Money Laundering and Corruption in Mexico: Confronting Threats to Prosperity, Security, and the US-Mexico Relationship,'" February 23, 2021.
<https://www.aei.org/research-products/report/money-laundering-and-corruption-in-mexico-confronting-threats-to-prosperity-security-and-the-us-mexico-relationship/>.
- "Money Laundering through the Physical Transportation of Cash." Documents - Financial Action Task Force (FATF). Accessed December 19, 2021. <http://www.fatf-gafi.org/publications/methodsandtrends/documents/ml-through-physical-transportation-of-cash.html>.
- "Money Laundering through the Physical Transportation of Cash." Documents - Financial Action Task Force (FATF). Accessed December 19, 2021. <http://www.fatf-gafi.org/publications/methodsandtrends/documents/ml-through-physical-transportation-of-cash.html>.
- Orcutt, Mike. "Criminals Laundered \$2.8 Billion in 2019 Using Crypto Exchanges, Finds a New Analysis." *MIT Technology Review*. MIT Technology Review, April 2, 2020.
<https://www.technologyreview.com/2020/01/16/130843/cryptocurrency-money-laundering-exchanges/>.
- Partner. "How to Reduce Money Laundering in 2020." *BusinessTech*, January 23, 2020.
<https://businesstech.co.za/news/industry-news/367824/how-to-reduce-money-laundering-in-2020/>.
- "Prohibition." *History.com*. A&E Television Networks, October 29, 2009.
<https://www.history.com/topics/roaring-twenties/prohibition>.
- Richet, Jean-Loup. "Laundering Money Online: A Review of Cybercriminals Methods." *arXiv.org*, October 9, 2013. <https://arxiv.org/abs/1310.2368>.
- Secretariat, CICAD Executive. "Anti-Money Laundering." *CICAD*. Accessed December 19, 2021.
http://www.cicad.oas.org/Main/Template.asp?File=%2Flavado_activos%2Fframework_eng.asp.

- "Shining the Spotlight on Anti-Money Laundering in Asia." Shearman & Sterling, March 31, 2021. <https://www.shearman.com/Perspectives/2021/03/Shining-the-Spotlight-on-Anti-Money-Laundering-in-Asia>.
- Simon, Roberto, and Emilie Sweigart. "The Risky Politics of Anti-Money Laundering." *Americas Quarterly*, May 1, 2020. <https://www.americasquarterly.org/article/the-risky-politics-of-anti-money-laundering/>.
- Steele, Charlie. "Anti-Money Laundering Trends and Challenges." *Global Investigations Review - Europe, Middle East and Africa Investigations Review* 2021, June 21, 2020. <https://globalinvestigationsreview.com/review/the-european-middle-eastern-and-african-investigations-review/2021/article/anti-money-laundering-trends-and-challenges>.
- "Strengthening Canada's Anti-Money Laundering Regime," February 3, 2020. <https://www.briefings.cba.ca/strengthening-canadas-anti-money-laundering-regime>.
- Sullivan, Kevin. "Anti-Money Laundering in a Nutshell Awareness and Compliance for Financial Personnel and Business Managers." Apress, 2015. <https://www.amazon.com/Anti-Money-Laundering-Nutshell-Awareness-Compliance/dp/1430261609>.
- Tarallo, Mark. "EU Targets Money Laundering and Terror Financing." *ASIS Homepage*, October 1, 2020. <https://www.asisonline.org/security-management-magazine/articles/2020/10/eu-targets-money-laundering-and-terror-financing/>.
- "United Nations Global Programme Against Money Laundering, Proceeds of Crime, and the Financing of Terrorism." Bureau of International Narcotics and Law Enforcement Affairs. U.S. Department of State. Accessed December 19, 2021. <https://2009-2017.state.gov/j/inl/rls/nrcrpt/2016/vol2/253363.htm>.
- "United Nations Office on Drugs and Crime (UNODC)." Pages - Financial Action Task Force (FATF). Accessed December 19, 2021. <https://www.fatf-gafi.org/pages/unitednationsofficeondrugsandcrimeunodc.html>.
- "United Nations Office on Drugs and Crime." United Nations : Office on Drugs and Crime. Accessed December 19, 2021. <https://www.unodc.org/unodc/en/money-laundering/overview.html>.
- "United States Department of the Treasury Financial Crimes Enforcement Network." United States Department of the Treasury Financial Crimes Enforcement Network | FinCEN.gov. Accessed December 19, 2021. <https://www.fincen.gov/>.
- "What Are Financial Intelligence Units (FIUs)?" Dow Jones . Accessed December 19, 2021. <https://www.dowjones.com/professional/risk/glossary/financial-crime/financial-intelligence-units/>.

Zetter, Kim. "Liberty Reserve Founder Indicted on \$6 Billion Money-Laundering Charges." Wired. Conde Nast, May 28, 2013. <https://www.wired.com/2013/05/liberty-reserve-indicted/>.

TOPIC B: WILDLIFE TRAFFICKING AND ILLEGAL LOGGING

Statement of the Problem

What are wildlife trafficking and illegal logging

Wildlife trafficking is illegal hunting or collecting and transporting free-born animals and plants as well as their derivatives. These free-born animals are neither domesticated nor companions to humans. Yet, they are smuggled and traded by humans usually for economic gains. **Illegal logging** is the illicit gathering and trade of timber. The method for acquiring timber is often illegal, meaning logging without a license or some certification to do so, and sometimes extensively harms the environment. The reason why both of these issues will be discussed under one topic is because they both are related to biodiversity and affect the natural environment. Using this opportunity, we would like to raise awareness amongst delegates and communicate that wildlife trafficking and illegal logging are an issue just as important as climate change and other global issues.

The United Nations Office of Drug and Crime (UNODC) launched its first assessment of global wildlife crime in 2016 and the second assessment in 2020.⁷³ As seen, this is a relatively late assessment in comparison to other global environmental issues. The UNODC carried out an in-depth analysis of the illicit trade of rosewood, ivory and rhino horn, pangolin scales, live reptiles, big cats, and eels.⁷⁴ All these animals and plants have a demand and thus a supply on the illicit trade market. Often, the demand for wildlife originates from the desire for exotic pets, delicacies, and traditional medicines. Due to the continuous demand for wildlife animals and plants, numerous species have been driven to extinction or on the verge of extinction. The **Convention on International Trade in Endangered Species (CITES)** has reported that this illicit trade has threatened the survival of 5,000 animal and 28,000 plant species.⁷⁵ At the same time, as a result of illegal wildlife hunting and smuggling, “many animal parts and products bypass public health controls and increase the risk of

⁷³ LABOR., UNITED NATIONS OFFICE ON DRUGS AND. *WORLD Wildlife Crime Report 2020: Trafficking in Protected Species*. S.I.: UNITED NATIONS, 2021.

⁷⁴ LABOR.

⁷⁵ Bergman, Charles. “Wildlife Trafficking.” Smithsonian.com. Smithsonian Institution, December 1, 2009. <https://www.smithsonianmag.com/travel/wildlife-trafficking-149079896/>.

infectious diseases for humans, domestic livestock, and wild animals.”⁷⁶ According to the World Animal Protection, 60% of the emerging infectious diseases are zoonotic, meaning that they originate from animals, and amongst them, 70% thought to have originated from wild animals.⁷⁷

Animal Smuggling

Animal trafficking, or in general wildlife trafficking, is the third most valuable illicit commerce in the world, listed after illegal drugs and weapons trade.⁷⁸ According to the U.S. State Department, it generated about \$10 billion in revenue in 2009.⁷⁹ According to the World Wildlife Fund, the number reached about \$19 billion in 2012.⁸⁰ Within this multi-billion illicit trade, bird contraband occupies a major portion, such as hummingbirds and parrots, as well as reptiles, such as turtles, snakes, crocodiles, etc.

Before discussing the details of wildlife trafficking, many would ask why wildlife trafficking is harmful, or, why we should have laws for trading wildlife in the first place. As many know, there are various threats to wildlife, including pollution, deforestation, and climate change, but wildlife trafficking contributes significantly to the problem of destroying wildlife species. This destruction, however, is not only unethical in terms of animal lives, but also detrimental to humans and, scientifically, biodiversity.

From the perspective of animal cruelty, the way poachers use to capture and kill wild animals are often extremely cruel. These methods fail to comply with the laws and regulations of animal welfare. Many times, wild animals can ultimately become the victims of animal abuse, which, by definition, is inflicting omission or intentional suffering or harm to them.⁸¹ In addition, the transportation and

⁷⁶ U.S. Department of State. “Wildlife Trafficking.” U.S. Department of State. U.S. Department of State. Accessed September 6, 2021. <https://2009-2017.state.gov/e/oes/ecw/wlt/index.htm>.

⁷⁷ “Zoonotic Diseases,” Centers for Disease Control and Prevention (Centers for Disease Control and Prevention, July 1, 2021), <https://www.cdc.gov/onehealth/basics/zoonotic-diseases.html>.

⁷⁸ Bergman, Charles. “Wildlife Trafficking.” Smithsonian.com. Smithsonian Institution, December 1, 2009. <https://www.smithsonianmag.com/travel/wildlife-trafficking-149079896/>.

⁷⁹ Ibid.

⁸⁰ World Animal Protection. “Demand an End to the Global Wildlife Trade.” World Animal Protection. World Animal Protection, July 28, 2021. <https://www.worldanimalprotection.org.uk/campaigns/animals-wild/demand-end-global-wildlife-trade>.

⁸¹ “Animal Cruelty and Neglect FAQ,” The Humane Society of the United States, accessed December 19, 2021, <https://www.humanesociety.org/resources/animal-cruelty-and-neglect-faq>.

concealment methods used in smuggling cause harm to animals. “[M]any specimens fall ill, are injured, starve or die otherwise in transit.”⁸² From an ethic point of view, the torture and cruelty against wild animals and animals in general should be eliminated.

Nonetheless, the consequence of wildlife smuggling does not stop at animal cruelty. Wildlife trafficking and the false handling of wild animals has another direct implication—species extinction. In people’s common knowledge, animal extinction is often caused by hunters targeting animals and bringing home deer heads and different specimens. Nonetheless, with the rise of the demand for ornate (kept for display) species, hunters and collectors are now bringing wild species live for breeding. Yet, with the lack of regulation and knowledge, the wildlife that is supposed to be handled delicately by experts results in death. In the end, the way these species are caught and transported cause more deaths and thus more illegal captures are needed to meet the demand. This vicious cycle continues and eventually drives the species extinct.

As a result of species extinction, another consequence appears: loss of biodiversity with an effect on keystone species. This consequence brings a more severe ecological cost to humans. According to the National Geographic, a keystone species is “an organism that helps define an entire ecosystem.”⁸³ An ecosystem without keystone species could no longer exist or be completely different. For instance, sharks have a key role in the marine ecosystem. Due to mass shark finning (killing sharks for their fins and discarding the remains of their bodies), the shark population has decreased globally.⁸⁴ As a result, there is an increase in shark prey, such as small fish, and since the small fish eats shellfish, this leads to a decrease in the shellfish population. The decline in shellfish causes the food web to collapse, prompting a decline in Atlantic cod, salmon, and other species whose prey is shellfish.⁸⁵ As seen, this indirectly impacts human lives and the fishing industry.

⁸² UNODC. “Wildlife, Forest & Fisheries Crime Module 1 Key Issues: Implications of WILDLIFE TRAFFICKING.” Wildlife, Forest & Fisheries Crime Module 1 Key Issues: Implications of Wildlife Trafficking. UNODC, September 2019. <https://www.unodc.org/e4j/en/wildlife-crime/module-1/key-issues/implications-of-wildlife-trafficking.html>.

⁸³ Sue, Caryl. “Role of Keystone Species in an Ecosystem.” Edited by Jeannie Evers. National Geographic Society. National Geographic Society, October 9, 2012. <https://www.nationalgeographic.org/article/role-keystone-species-ecosystem/>.

⁸⁴ UNODC.

⁸⁵ Dong, Jonathan. “The Impacts of Climate Change on Shellfish.” Your Great Outdoors. Mass Audubon, August 8, 2019. <https://blogs.massaudubon.org/yourgreatoutdoors/the-impacts-of-climate-change-on-shellfish/>.

Concerning global security, wildlife trafficking has been one of the ways for terrorist funding. The money earned from trafficking is used to purchase illicit weapons and finance attacks. Similar to fraud or illicit small arms trade, there are organized transnational criminal groups for wild animal trafficking which include poachers, processors, smugglers, sellers, and buyers. Poaching activities, such as hunting for ivory, have become highly militarized. Animal protectors and law enforcement not only would need to protect animals, but also put their lives in danger to confront these organized poachers. Thus, with poachers and law enforcements combating against each other, this can escalate into something similar to a war. In 2012, a group of infamous poachers sneaked to the headquarter of a wildlife reserve in the Democratic Republic of Congo, and killed 5 people and 14 okapi (a rare endangered mammal native to central Africa).⁸⁶ There are numerous incidents in many parts of the world similar to the 2012 attack where actual human lives were lost to protecting wild animals.

The process of wildlife trafficking involves many steps. First is poaching animals. Wild animals are either killed or brought to the illicit market alive. Killing the animals could involve various ways, such as using dogs to flush out prey so they could be shot, or using guns and shooting them directly. For instance, when poachers kill elephants or rhinoceros, they use weapons such as rifles or shotguns.⁸⁷ Tranquilizer guns are only used to sedate the animal so that smugglers can cut off the tusk or horn of an animal alive.⁸⁸ Traps and nets are used to either directly kill the animal or hold it alive until it can be killed. Nets and hooks are generally used on marine lives. There are many ways for poachers to approach wild animals, and methods listed above are not exhaustive. On the other hand, for animals that are obtained alive, usually the younger ones or eggs are captured and taken.

After poaching comes the smuggling or transportation of wildlife. These wild animals are either sold directly on the illicit market to the buyer or transported to be processed. During transportation, smugglers can move the animals within one nation or transnationally. To avoid national customs and border inspections, often smugglers create fraudulent documents, such as mislabelling the species

⁸⁶ Gettleman, Jeffrey. "Rangers in Isolated Central Africa Uncover Grim Cost of Protecting Wildlife." The New York Times. The New York Times, January 1, 2013. <https://www.nytimes.com/2013/01/01/world/africa/central-africas-wildlife-rangers-face-deadly-risks.html>.

⁸⁷ Wyatt, Tanya. *Wildlife Trafficking: A Deconstruction of the Crime, the Victims and the Offenders*. New York, NY: Palgrave Macmillan, 2013.

⁸⁸ Ibid.

transported out of the nation.⁸⁹ For instance, the paperwork shows that rabbit is transported, which could be legal in a country, yet in actuality, smugglers are transporting ferrets, which could be listed as illegal. There are also other methods that involve planes, trains, boats, etc. for illegal transportation. For example, ivory can be mixed with other cargos on a plane or freight and smuggled across the Pacific Ocean to another country, or that a human can hide animal parts in his or her luggage and carry them across borders. In many cases, animal trafficking even involves drugs. Colombian and Mexican drug cartels have been found to smuggle drugs inside wild animals crossing U.S. borders.⁹⁰ For instance, there are cases where the Colombian drug group hid cocaine inside boa constrictor snakes for them to be carried across the U.S. border.⁹¹ According to the Brazilian National Network Against the Trafficking of Wild Animals, “40% of the wildlife smuggling rings in Brazil, which are thought to number around 400, are suspected of trafficking drugs as well.”⁹² Thus, wildlife smuggling does not only involve animals, but various other crimes as well.

The final stage for wildlife smuggling is selling animals or processed animal parts on the market. Unsurprisingly like many other crimes, the Internet is the main way for wild animals to be illegally traded. In a study done by the International Fund for Animal Welfare (IFAW) in 2005, within only one week of survey, researchers found over 9,000 wild animals traded and their products for sale and over 122 traders.⁹³ Although many of the trades were legal, they were sold on auction sites that are often hard to regulate. In 2007, researchers found that eBay has become one of the most popular sites for buying ivory with occupying up to 63% of wild animal sale and 83% of the entire online ivory sale. While eBay has banned ivory sales, products are disguised and listed anyways.⁹⁴ Evidently, it is hard for authorities to track wild animal trade online and regulation and organized methods need to be developed.

While trying to prevent wildlife trafficking, authorities are faced with many difficulties. First, the sheer scale of wildlife trafficking makes trades hard to track down. Due to the volume, it is almost impossible for customs and border controls to check every shipment or every shipment relating to

⁸⁹ Wyatt, Tanya.

⁹⁰ Ibid.

⁹¹ Ibid.

⁹² Ibid.

⁹³ Ibid.

⁹⁴ Ibid.

animal products. Even though the European Union has dedicated specific departments for wildlife products, it is hard to check every import or export.⁹⁵ Officers can only single out random cargos for inspection. Second, when law enforcements inspect or trace crimes, a large number of experts are required to distinguish animals and animal products. Experts need to be familiar with the wildlife trafficking process, i.e., fraudulent documents and methods of smuggling, as well as a taxonomic identification of animal species that are being smuggled.⁹⁶ Finally, it is hard to estimate the actual size of wild lives that are being trafficked. Mammals such as ferrets or tigers can be counted individually, but it is hard to quantify products such as ivories or to gauge marine lives (usually counted in tons for fish).⁹⁷ All of these reasons make regulating wildlife trafficking difficult, which, as a result, makes preserving species even harder.

Illicit Timber and Other Plants Trade

Illegal logging is the harvest and transportation of wood without a permit or in violation of timber laws. The concept of illegal logging can entail violation of law such as using a prohibited method to log, logging without permission, or logging endangered or protected species that are prohibited for logging by the law. Geographically, forests in South Asia, South America, and Central Africa have been the victims of illegal logging with the focus on Indonesia, Malaysia, Brazil, Mozambique, and the Democratic Republic of Congo.⁹⁸ Illegal logging creates enormous profits. The total sale is estimated to be worth around \$52-157 billions annually.⁹⁹ In exchange, an unimaginable amount of wood is lost. Like animal trafficking, illegal logging is recognized as a global criminal problem but has yet to receive attention from international organizations. Illicit trade of wood affects several UN Sustainable Development Goals. In addition to providing security of food and shelter, “forests are essential to combating climate change, protecting biodiversity, supporting economic development,

⁹⁵ Ibid.

⁹⁶ Ibid.

⁹⁷ Ibid.

⁹⁸ Lee, Stephanie. “Illegal Logging Imports in India.” Illegal logging imports in India | Open Case Studies. Accessed September 14, 2021. <https://cases.open.ubc.ca/illegal-logging-imports-india/#:~:text=Illegal%2ologging%2ois%2ocreating%2ohavoc,the%2oDemocratic%2oRepublic%2oof%2oCongo.>

⁹⁹ Bonnier, Ulrika, and Louis Bonnier. “Full Report - Mapping the Impact of Illicit Trade on the ...” Edited by Stefano Betti, Suriya Padmanaabhan, and Cindy Braddon. UNCTAD. Transnational Alliance to Combat Illicit Trade. Accessed September 14, 2021. https://unctad.org/meetings/en/Contribution/DITC2020_TRACIT_IllicitTradeandSDGs_fullreport_en.pdf.

future employment opportunities, and the livelihoods of 1.6 billion people—many of whom live in developing countries.”¹⁰⁰

CONCLUSIONS

Illicit trade in forestry products undermines the SDGs in many ways:



Figure 2. How Illegal Logging Undermines the Sustainable Development Goals¹⁰¹

The statistics for illegal logging within countries such as Brazil and Indonesia is surprisingly high. According to a study, in 2013, around 50% of the world's illegal timber came from Indonesia and 25% from Brazil, two out of ten countries that have the largest forest areas in the world.¹⁰² Usually,

¹⁰⁰ Ibid.

¹⁰¹ Ibid.

¹⁰² NATIONS, FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED. *STATE of the WORLD'S Forests 2020 FORESTRY, Biodiversity and People*. S.I., S.I.: FOOD & AGRICULTURE ORG, 2020.

regions with large tropical forests suffer the most from illegal timber trade. As aforementioned, the annual revenue for illegal logging accounts up to billions of dollars. This number does not even include the reduction in legal timber prices—a reduction between 7%-16%—caused by illegal trades.¹⁰³ On the other hand, countries like the United States, China, and European countries are large importers of the woods. According to the Congressional Research Service, “[t]he United States is the world’s largest consumer of wood products and one of the top importers of tropical hardwoods, including Peruvian mahogany, 90% of which is estimated to come from illegal logging.”¹⁰⁴ Similarly, according to the London-based Environmental Investigation Agency (EIA) in 2012, China is the world’s top importer of illegal timber (such as rare rosewood), with an estimated import value of around \$4 billion annually.¹⁰⁵ Europe is another major wood importer. Countries such as the United Kingdom have a large consumption of wood pellets as well as many other different types of timber.

Table 1. Illegal Logging in Selected Countries

Country of Origin	Estimated % of Illegal Logging
Brazil	50%
Cameroon	50%-65%
DRC	90%
Ghana	34%-70%
Indonesia	60%-80%
Laos	35%-80%
Malaysia	35%

Country of Origin	Estimated % of Illegal Logging
Papua New Guinea	70%
Peru	80%-90%
Republic of Congo	70%
Russian Federation	10%-15% in Northwest and 50% in Far East Russia.

Sources: A. Hoare, *Tackling Illegal Logging and the Related Trade*, Chatham House Report, July 2015; and World Bank, *Strengthening Forest Law Enforcement and Governance*, August 2006.

Table 1. Illegal Logging Data of Selected Countries¹⁰⁶

There are various negative impacts on the world with continuous illegal logging crimes. A few of the direct impacts from illegal logging is deforestation, resulting in habitat and biodiversity losses. The destruction of habitats then leads to a decline in species who live in those habitats. Therefore, illegal logging not only jeopardizes timber species and other plants, but also threatens the lives of wild

¹⁰³ Congressional Research Service. “International Illegal Logging: Background and Issues.” Project on Government Secrecy. Federation of American Scientists, February 26, 2019. <https://sgp.fas.org/crs/row/IF11114.pdf>.
¹⁰⁴ Ibid.
¹⁰⁵ Fogarty, David. “China at the Center of Global Illegal Timber TRADE, NGO Says.” Edited by Robert Birsel. Reuters. Thomson Reuters, November 29, 2012. <https://www.reuters.com/article/us-china-timber-idUSBRE8ASo8D20121129>.
¹⁰⁶ Congressional Research Service, “International Illegal Logging.”

animals. Meanwhile, illegal logging has many socio-economic implications. Forestry as a legal industry relies on “a stable business environment to make long-term investments necessary to ensure the supply of raw material.”¹⁰⁷ Illegal logging disrupts the industry and its sales by supplying timber that is not supposed to be sold on the market. This crime undermines the rule of law as well as the private sector’s incentive to invest in sustainable forest management. To wit, illegal logging hinders the growth of forestry and the profits of legitimate timber businesses. According to the Congressional Research Service, if illegal timber were extinguished globally, “the value of U.S. timber exports could increase by an average of approximately \$460 million annually.”¹⁰⁸ Last but not least, the profits obtained from illegal logging are often associated with other crimes such as corruption, money laundering, and human rights abuses. The presence of illegal logging crime threatens international security. Although eliminating illegal logging will not solve issues such as terrorism funding or money laundering, it will help to strengthen international security by enfeebling criminals and making other anti-criminal activities more effective.

¹⁰⁷ Ibid.

¹⁰⁸ Ibid.

History of the Problem

Demand for Wildlife

To understand the history of wildlife trading and illegal logging, we should first investigate the demand of wildlife products in the first place. The majority of demands of wild animal products are driven by the following wants: bushmeat, jewelry/ornament, exotic pets, traditional medicine, fashion/clothing, and awards. Within these categories, bushmeat and traditional medicine involve the use of wild animals in various cultures. Bushmeat is the meat obtained from wild animals. In some cultures, bushmeat are consumed by humans because they are thought to be a kind of delicacy. The term “bushmeat” originated from Africa that refers to the exact meaning of this word today. African countries such as the Democratic Republic of Congo, Equatorial Guinea, and Liberia all have markets that sell bushmeat. Specifically, in some of the cultures in Africa, monkeys and other primates in the wild are hunted and consumed as a source of food or more specifically protein. Studies show that between 1983 and 2002, Gabon’s population of common chimpanzees and western gorillas declined by 56%.¹⁰⁹ A large portion of decline is contributed by smuggling. Similarly, in 2011, there were about 128,400 bats sold as bushmeat in Ghana.¹¹⁰

Meanwhile in some Asian cultures, such as the Chinese culture, wild animals are used for traditional medicine. For instance, animals such as snakes, tiger bones, and rhino horns are utilized in traditional medications to cure patients. According to an ADM Capital Foundation report, the Chinese illegal wildlife trafficking has been dominated by trades related to traditional Chinese medicine.¹¹¹ Although some medicines that involve wildlife animals have been banned, traffickers still intend to poach to make a profit. The two examples mentioned for bushmeat and traditional medicine are not exhaustive; there are many other countries and cultures that use wild animals. Nonetheless, the question delegates should solve is how we can stop wildlife trafficking with respect for different

¹⁰⁹ “Catastrophic Ape Decline in Western Equatorial Africa,” Gale Academic, April 10, 2003, <https://go.gale.com/ps/i.do?id=GALE%7CA187709085&sid=googleScholar&v=2.1&it=r&linkaccess=abs&issn=00280836&p=AONE&sw=w&userGroupName=anon%7Eaze29d75>.

¹¹⁰ Alexandra O Kamins et al., “Characteristics and Risk Perceptions of Ghanaians Potentially Exposed to Bat-Borne Zoonoses through Bushmeat,” *EcoHealth* (Springer US, March 2015), <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4416116/>.

¹¹¹ “ADM Capital Foundation Publishes 'Trading in Extinction' Report,” ADM Capital, September 2, 2020, <https://www.admcapital.com/adm-capital-foundation-publishes-trading-in-extinction-report/>.

cultures. At the same time, we should ask ourselves how wildlife trafficking happened in recent ages but not centuries ago, or if it has been, how this issue has worsened.

Moreover, there are other reasons that wildlife are demanded at high costs—jewelries, fashion, and exotic pets. For jewelry or ornaments, products like ivory are used to represent status and wealth, which can be associated with cultural heritage. In Thailand, ivory is also related to religious or superstitious beliefs. On the other hand, wild animals or animals in general are also killed for their natural skin, mainly used for fashion. This is an area where animal cruelty is heavily discussed. Domestic animals such as cows and pigs are slaughtered for their skin. Often for high-end fashion brands, the use of leather from adult cows and pigs are not enough. As a result, brands turn to calf skins and lamb skins for their soft textures. Hence, some calves (young cows who have not matured) and lambs are purposely aborted, while other pregnant cows and ewes are killed for their babies' skins. Wild animal skins are also considered to be a luxury, such as the skins of alligators, snakes, ferrets, and ostriches. According to the People for the Ethical Treatment of Animals (PETA),

"The Western Cape of South Africa is home to the largest ostrich slaughter companies in the world, which supply 'luxury' ostrich skins to Hermès, Prada, and other major fashion houses. PETA eyewitnesses saw young birds tightly packed into open-topped vehicles for the terrifying journey to slaughterhouses, where workers forcibly restrained each bird, electrically stunned them, and then cut their throats. Moments later, the feathers were torn off the birds' bodies, and they were skinned and dismembered."¹¹²

Last but not least, exotic pets have also been a symbol of status and wealth especially in the Middle East. In recent years, the exotic pet trade is heavily boosted by social media, such as Instagram. Social media influencers owning exotic pets has stimulated the demand for exotic pet trade market by posting their exotic pets. This showing can gradually become a trend that creates demands for different exotic pets.

¹¹² "Exposed: Juvenile Ostriches Butchered for Prada 'Luxury' Bags," PETA Exposés and Undercover Investigations, September 23, 2021, <https://investigations.peta.org/ostriches-butchered-hermes-luxury/>.

Brief History

The concept of wildlife conservation does not have a clear place or time of origination. Wildlife conservation was present in the laws and ethics of many different cultures during ancient and medieval times. In ancient India, there existed “the notion of Abhayaranya (inner sanctuaries) as propagated in Kautilya’s Arthashastra [which] was similar to the modern day conceptualization of national park.”¹¹³ There were some communities that lived so close to their environment such that they protected the forests and wildlife within that environment at the cost of their lives. Similarly in ancient China, around 260 B.C., there were policies and restrictions related to environments.¹¹⁴ In the Tang Dynasty (617 to 907 A.D.), some acts of fishing or logging were documented to be against the law.¹¹⁵ In Western culture, the Vikings traded furs from Scandinavia and Russia to Constantinople. In 12th-century Norway, hawks and falcons were viewed as properties, and often were given as gifts. These are two examples of wildlife trade and wildlife ‘gifting’ as cultural practices involving killing or removing animals from their habitat to serve some human purpose besides consumption.¹¹⁶

In later periods, specifically in the 19th and 20th century, environment protection was associated with colonization and globalization. Both live and dead exotic animals were highly demanded as specimens for museums. In the French court, menageries were popular. Many notable people such as Olympe de Gouge, the author of the Declaration of Women’s Rights, took exotic animals into their home as companions.¹¹⁷ In the late 1970s, China experimented with wildlife farming as an agricultural method—“the country had passed through two decades of severe economic distress, including famine and food shortages... as part of sweeping rural reforms, the collective farming system was abandoned.”¹¹⁸ In recent years beginning in the 2000s, many wildlife animals are needed for tourism and entertainment purposes. It is hard to pinpoint the exact time or history of wildlife trafficking. It has existed in many cultures beginning in ancient times. However, an important idea to

¹¹³ Umar, Mohammad. “Mapping the History of Illegal Wildlife Trade and Construction.” *Bharati Law Review*, no. Jan.-March (2017): 145–64.

¹¹⁴ Ibid.

¹¹⁵ Ibid.

¹¹⁶ Sollund, Ragnhild Aslaug. *Crimes of Wildlife Trafficking: Issues of Justice, Legality and Morality*. ROUTLEDGE, 2020.

¹¹⁷ Ibid.

¹¹⁸ Barth, Brian. “The Surprising History of the Wildlife Trade That May Have Sparked the Coronavirus.” *Mother Jones*, March 29, 2020. <https://www.motherjones.com/food/2020/03/the-surprising-history-of-the-wildlife-trade-that-may-have-sparked-the-coronavirus/>.

note is that wildlife trafficking has been increasing exponentially starting in the 20th century. As global trading routes become more established, so do trafficking methods.

The first institutionalized organization regulating wildlife trade was established in the 1900s with a focus on African species.¹¹⁹ The “Convention Designed to Ensure the Conservation of various species of wild animals in Africa, which are useful to Man or inoffensive” was signed as the first international treaty on this subject matter, but it was never enforced.¹²⁰ In 1936, the “Convention Relative to the Preservation of Fauna and Flora in their Natural State” was established in Great Britain.¹²¹ This new convention did not only impact wildlife trading in Africa, but also in Asia and South America. This convention eventually led to the creation of the International Union for Conservation of Nature (IUCN) in 1948.¹²² At the seventh conference, IUCN delegates urged governments to impose regulations and policies regarding wildlife imports and exports. Hence, a treaty was created for international wildlife trade. In 1972, the United Nations Conference on the Human Environment suggested “a conference be convened as soon as possible... to prepare and adopt a convention on export, import and transit of certain species of wild animals and plants.”¹²³ Finally in 1973, the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) was established.¹²⁴

¹¹⁹ Sollund, “Crimes of Wildlife Trafficking.”

¹²⁰ Rosen, Tanya. “The Evolving War on Illegal Wildlife Trade.” International Institute for Sustainable Development, October 6, 2020. <https://www.iisd.org/articles/evolving-war-illegal-wildlife-trade>.

¹²¹ Ibid.

¹²² Ibid.

¹²³ Ibid.

¹²⁴ Ibid.

Past Actions

General Assembly resolution 69/314, Tackling illicit trafficking in wildlife

Concerned about the increasing scale of illegal trade in wildlife and timber, as well as its adverse economic, social, and environmental impacts, the United Nations General Assembly passed a resolution that called for an enhanced regional and global response. It encouraged stronger legislation for the prevention, investigation, and prosecution of offenses, the exchange of evidence between member states, and taking steps to counter corruption. It also urged countries to reduce demand for illegal wildlife and wildlife products using targeted strategies to influence consumer behavior and emphasized that the protection of wildlife must be part of a comprehensive approach to achieving sustainable development and sustainable livelihoods.¹²⁵

International Consortium on Combating Wildlife Crime (ICCWC)

To ensure that international trade does not threaten the survival of wild plants and animals, an international agreement between governments named CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora) was drafted by the International Union for Conservation of Nature in 1973. While it gives varying degrees of protection to more than 37,000 species of animals and plants, it did not “require countries to make illegal wildlife trade a criminal offense.”¹²⁶

Hence, the **International Consortium on Combating Wildlife Crime (ICCWC)** was conceived in 2010 from five inter-governmental organizations: the CITES Secretariat, INTERPOL, the United Nations Office on Drugs and Crime (UNODC), the World Bank, and the World Customs Organization (WCO). Serving as strong enforcers, they cooperate to strengthen criminal justice systems and provide coordinated support at national, regional, and international levels.¹²⁷

¹²⁵ CITES, “CITES Secretariat welcomes UN General Assembly Resolution on tackling illicit trafficking in wildlife”, January 12, 2021, https://cites.org/eng/unga_resolution_wildlife_trafficking_150730

¹²⁶ Tanya Rosen, “The Evolving War on Illegal Wildlife Trade”, IISD, October 6, 2020, <https://www.iisd.org/articles/evolving-war-illegal-wildlife-trade>

¹²⁷ Ibid.

Since 2019, ICCWC's efforts include building long-term capacity and providing the tools, services, and technical support required to effectively respond to wildlife crime. For example, the ICCWC Wildlife and Forest Crime Analytic Toolkit provides government officials, customs, police, and other enforcement agencies with a framework to conduct a comprehensive analysis of their response to wildlife and forest crime and identify their technical assistance needs.¹²⁸ So far, "implementation of the ICCWC Toolkit has been completed in more than 12 countries, and implementation is at different stages across an additional 18 countries".¹²⁹ The ICCWC also enhanced the skills and knowledge of wildlife crime investigators across Southeast Asia - teaching them advanced investigation techniques like controlled deliveries, financial investigations, and covert surveillance operations. Furthermore, the organization supports the strengthening of wildlife enforcement networks and has coordinated with INTERPOL in many successful regional and global seizure operations, such as its Thunder Series (Thunderball, Thunderstorm, Thunderbird, etc.).¹³⁰

NGO Efforts

International and local non-governmental organizations (NGOs) play a major role in uncovering and monitoring illegal wildlife activity. NGOs can provide information to relevant authorities for use in the detection, investigation, and prosecution of natural resources crimes and related offenses. A few will be highlighted, but delegates are welcome to look into the efforts of others.

Widely known, the World Wildlife Fund (WWF) works in partnership with a number of local and national conservation organizations to empower local communities to protect their native animals and natural resources. Over the years, they have been working to tackle this problem through the Wildlife Crime Technology Project, which "construct[s] unmanned aerial systems, as well as provide[s] rangers with affordable wildlife tracking devices and rifle shot recognition software."¹³¹ TRAFFIC is a wildlife trade monitoring network that undertakes data collection, analysis, and

¹²⁸ "Wildlife and Forest Crime Analytic Toolkit," United Nations : Office on Drugs and Crime, accessed December 19, 2021, <https://www.unodc.org/unodc/en/wildlife-and-forest-crime/wildlife-and-forest-crime-analytic-toolkit.html>.

¹²⁹ "ICCWC Activities around the World," CITES, accessed December 19, 2021, <https://cites.org/eng/prog/iccwc/action.php>.

¹³⁰ CITES, "ICCWC Activities Around the World", accessed July 29, 2021, <https://cites.org/eng/prog/iccwc/action.php>

¹³¹ Corrine Hen, "These 8 Organizations Refuse to Let the Illegal Wildlife Trade Win", One Green Planet, accessed August 15, 2021, <https://www.onegreenplanet.org/animalsandnature/these-organizations-refuse-to-let-the-illegal-wildlife-trade-win/>

provision of recommendations to inform decision making on wildlife trade. In 2018, it launched the Global Coalition to End Wildlife Trafficking Online to counter illegal trade that is shifting from physical to online markets, and most recently, “trained banks and financial intelligence units to identify the profits and perpetrators of wildlife/timber trafficking.”¹³² Similarly, the Environmental Investigation Agency (EIA) works to eliminate environmental crime by conducting undercover investigations that expose illegal markets and educating local community members on issues facing endangered species.¹³³ It’s forestry branch advocates for improved governance and trade laws and exposes key criminal players in the transnational illegal trade in stolen timber.¹³⁴

¹³² TRAFFIC, “Achievements and Impacts”, accessed August 10, 2021, <https://www.traffic.org/about-us/achievements-and-impacts/>

¹³³ Environmental Investigation Agency, “Forests”, accessed August 5, 2021, <https://eia-international.org/forests/>

¹³⁴ Ibid.

Possible Solutions

Utilization of Modern Investigative Techniques

Wildlife crime and illegal logging are difficult to prosecute because law enforcement agencies often lack admissible evidence to present a solid case. Therefore, technological developments have become increasingly important for not only identifying protected species but also tracing their connection to criminal networks.

DNA testing is widely used to track wildlife poaching and illegal logging, especially at points of origin, transit, and final sale. To identify wildlife involved, experts can match non-human DNA from recovered samples at the crime scene to known DNA sequences in reference databases (i.e. Genbank). Similar techniques are being applied for wood, which can be helpful when differentiating between similar species of timber.¹³⁵ It is therefore important that sufficient funding is available for equipping laboratories with the proper infrastructure, training well-qualified staff, and keeping reference databases up to date. Other ideas to consider include the use of portable labs to speed up turn-around time and the application of human forensics – pathology, fingerprint, or bloodstain pattern analysis – to an animal context.

Digital forensics also offer a creative solution to fight traffickers. Satellites, drones, and internet live-streaming can capture the crime taking place and inform law enforcement agencies and the public in real time. However, filtering large amounts of data can sometimes be slow, laborious, and expensive. Hence, artificial intelligence (AI) and associated technologies, such as deep learning and machine learning, have been promoted as a way to enhance data collection and analysis. AI can spot patterns of suspicious activity across a wider network by looking at specific data attributes: criminal history, geolocations, market patterns, and key words from online advertising of animal products. This technology could also enhance forest monitoring, which can inform decision-making and guide

¹³⁵ Emily Kaldjian, “2 Birds, 1 Stone: Fighting Illegal Logging and Wildlife Poaching with Technology”, World Resources Institute, June 27, 2017, <https://www.wri.org/insights/2-birds-1-stone-fighting-illegal-logging-and-wildlife-poaching-technology>

conservation efforts.¹³⁶ Yet, AI is only impactful if law enforcement is capable of acting on the information provided. Thus, law enforcement officials must embrace these new tools with proper training and guidance if they want admissible evidence in the courtroom - especially with criminals entering the digital realm.

Driving Down Consumer Demand

Recognizing demand as an important driver of trafficking, demand reduction initiatives should be species-specific, evidence-based, and country/community-specific. Particularly, the use of media and advertising resources has been critical to the success of campaigns to reduce consumption of protected wildlife in China, Thailand, and Vietnam. By informing consumers of the facts and educating them on the consequences of their actions - with support of key leaders - consumer behavior can be significantly changed. And rather than telling consumers to stop altogether, conservationists may have even better success if they promote safe, alternative wildlife/timber products. Moreover, it is important that national agricultural and rural development strategies also target local communities tempted to poach and take wildlife in an illegal manner to profit.¹³⁷

Rooting Out Corruption

Every stage in the illegal trade chain is affected by corruption; it's used to obtain falsified permits, facilitate poaching or deforestation, and ensure contraband is moving easily through customs. Not to mention, corruption also hinders investigations and prosecutions of these cases.

Reforming aspects of the criminal justice system is crucial to demonstrate criminals and the public that illegal acts related to crimes against wildlife preservation. The appeal and profit that can come out of wildlife trafficking and illegal logging are tempting enough to engage in corrupt acts and/or use loopholes in criminal systems that are not updated to reflect the current situation of endangered wildlife. Without substantial punishment or confiscation of proceeds, these criminal organizations

¹³⁶ Louise Boyle, "Can tech-savvy tools take down illegal wildlife trafficking?", The Independent, May 5, 2020, <https://www.independent.co.uk/climate-change/news/artificial-intelligence-tech-wildlife-trafficking-endangered-species-a9494726.html>

¹³⁷ "Illegal Logging, Fishing, and Wildlife Trade: The Costs and How to Combat It", World Bank, October 2019, <https://thedocs.worldbank.org/en/doc/482771571323560234-0120022019/original/WBGReport1017Digital.pdf>

will continue their illegal activities as long as they remain profitable. Significant penalties and prison time are required not only to punish the present offender, but to also deter potential future offenders - whether they be individuals or corporations. It's important to note that sophisticated criminal organizations should be the main target of criminal justice, and not lower-level criminals who often resort to crime in response to extreme poverty and a lack of other options. For these people, a more effective way of addressing corruption may be to put more energy into prevention and combating poverty instead.¹³⁸ Additionally, establishing regional or international courts tasked with enforcing domestic laws against environmental corruption could be an effective counterbalance to the illegal trade.

With criminals exploiting global financial systems to move proceeds of their crimes, financial institutions (banks, financial intelligence units, etc.) can also play a crucial role in identifying and stopping corruption. By conducting financial investigations, applying financial penalties, and employing AML (anti-money laundering) measures, they can disrupt international money flows linked to trafficking and raise the operating costs to unsustainable levels. For example, initiatives such as the United for Wildlife Financial Task Force let the conservation community help the private sector develop **due diligence procedures** ensuring **supply chain integrity** and prioritize financial analysis associated with wildlife crime. This includes training to identify and investigate suspicious monetary activity linked with wildlife crime and sharing intelligence with regulatory bodies and law enforcement agencies.¹³⁹ These initiatives engage in information-sharing and capacity-building programs as a way to combat wildlife trafficking. Financial due diligence makes it harder for government officials to take money in a corrupt way from wildlife traffickers and/or illegal loggers as it makes processes more transparent—therefore acting as a mechanism to deter and discourage corruption. It's also essential that anti-corruption mechanisms include initiatives that protect whistleblowers and incentivize officers to resist bribes.

¹³⁸ Ibid.

¹³⁹ Sabri Zain, "Corrupting trade: An overview of corruption issues in illicit wildlife trade", WWF, July 2020, <https://www.worldwildlife.org/pages/tnrc-introductory-overview-corrupting-trade-an-overview-of-corruption-issues-in-illicit-wildlife-trade>

Enhancing Cooperation

It's instrumental that governments deploy a multi-agency (public and private) strategy that involves financial intelligence units, anti-corruption agencies, and customs and tax units. Operational cooperation among these agencies may consist of implementing joint task forces, information exchange platforms, resource sharing, and enforcement efforts. This will improve the government's ability to develop risk-based approaches and promote an integrated, multidisciplinary response between decision makers and technical officials at the federal/local levels.¹⁴⁰ Countries should also look more regularly at **UNTOC (United Nations Convention against Transnational Organized Crime)** for **mutual legal assistance (MLA)**, extradition, joint investigations, and use of specialized investigative techniques. In fact, UNTOC is a strong foundation for MLA, which is a principle mechanism used for international cooperation towards investigating and prosecuting serious crime types. Outside UNTOC, countries could also use bilateral or regional mechanisms/agreements to exchange information and facilitate international cooperation on criminal matters.¹⁴¹

¹⁴⁰ "Illegal Logging, Fishing, and Wildlife Trade: The Costs and How to Combat It", World Bank

¹⁴¹ "World Wildlife Crime Report 2020: Trafficking in protected species", UNODC, accessed August 26, 2021, https://www.unodc.org/documents/data-and-analysis/wildlife/2020/World_Wildlife_Report_2020_9July.pdf

Bloc Positions

Wildlife Trafficking

North America: United States, Canada, Mexico

The United States is a prominent contributor to wildlife trafficking due to high consumer demand and little enforcement capacity. As a transit country, it allows large volumes of wildlife items to pass through U.S. ports and onto other destinations easily. Therefore, many U.S. policies aim to strengthen both domestic and foreign law enforcement capabilities through regulated oversight and appropriated funds. In 2016, the Eliminate, Neutralize, and Disrupt (END) Wildlife Trafficking Act was passed, reinforcing wildlife trafficking as a serious crime under U.S. law with severe penalties. It required that countries which act as sources, transit points, or end markets be designated complicit in these activities and made wildlife trafficking a predicate offense for other serious crimes (i.e. money laundering).¹⁴² Additionally, the act encouraged the transfer of surplus equipment to wildlife law enforcement personnel in developing countries - who are often under-resourced - and gave strong endorsement to community-based conservation approaches.¹⁴³ The U.S. Agency for International Development (USAID) and other U.S. government agencies - such as the Departments of State, Interior, Justice, and Commerce - also work together to reduce opportunities for wildlife offenders nationally and abroad. Efforts include improving forensic science, training law enforcement personnel (police, customs officials, prosecutors, and judges), and reducing demand through public awareness campaigns.¹⁴⁴

Canada plays a major role in the illicit wildlife trade through the importing and exporting of animals for exotic pets, entertainment and trophies. In 2019, 320,081 animals were imported into Canada for zoos, use in traditional medicine, and in about 80% of cases, pet stores.¹⁴⁵ There are three agencies in Canada that regulate the import and export of wildlife: the Canada Border Services Agency

¹⁴² "2021 End Wildlife Trafficking Report - United States Department of State," U.S. Department of State (U.S. Department of State, November 4, 2021), <https://www.state.gov/2021-end-wildlife-trafficking-report/>.

¹⁴³ Will Gartshore, "Bipartisan Senate legislation gets tough on wildlife crime", WWF, September 16, 2016, <https://www.worldwildlife.org/stories/bipartisan-senate-legislation-gets-tough-on-wildlife-crime>

¹⁴⁴ "Combating Wildlife Trafficking", USAID, July 12, 2021, <https://www.usaid.gov/biodiversity/wildlife-trafficking>

¹⁴⁵ Zack Metcalfe, "The wildlife trade and the next global pandemic", National Observer, April 12, 2021, <https://www.nationalobserver.com/2021/04/12/news/what-canada-can-do-prevent-next-pandemic>

(CBSA), the Canadian Food Inspection Agency (CFIA), and Canadian Wildlife Service (CWS).¹⁴⁶

Unfortunately, these agencies have their own data collection system, with different requirements for what information should be collected.¹⁴⁷ This leaves regulators misinformed about where wildlife is coming from or going and makes it difficult to implement effective policies. Additionally, provinces, territories, and some municipalities have their own individual laws and regulations on what is acceptable when it comes to the breeding, trading, and keeping of wildlife, creating a confusing patchwork of laws and regulations.¹⁴⁸

Holding 10-12% of the planet's biodiversity, Mexico is a prime trafficking and distribution point for entry into U.S., European, and Asian markets.¹⁴⁹ Given its geographic and geopolitical position, the country is a hub for the sale and shipment of illicit wildlife from the Caribbean, Central and South America, and especially, the Amazon. In 2020, Mexico's Federal Attorney for Environmental Protection (PROFEPA) seized more than 33,000 animals - a massive increase from the year before.¹⁵⁰ Since the risks of being caught and convicted for wildlife crime in Mexico are extremely low, criminal organizations, notably cartels, are motivated to partake in this trade. They often utilize trafficking methods for drug, human, and arms smuggling operations, even at times smuggling these commodities together. Thus, creating harsher penalties for wildlife trafficking and treating this crime with the same importance as other trafficking crimes is crucial.¹⁵¹ But policymakers must make sure that the livelihoods of people who depend on hunting for basic income and subsistence are not

¹⁴⁶ "Trading Animals and Diseases - World Animal Protection," accessed December 19, 2021, https://dkt6rvnu67rqj.cloudfront.net/cdn/ff/Z18viEr7AZ5Q6Q8J8GPOqScfMCWTKKyU1J8kubue_YI/1614269031/public/media/wildlife_trade_in_canada_report_english_digital_march_2021.pdf.

¹⁴⁷ "Trading animals and diseases: Canada's role in the global commercial wildlife trade", World Animal Protection, <https://www.worldanimalprotection.ca/trading-animals-and-diseases-canadas-role-global-commercial-wildlife-trade>

¹⁴⁸ Ibid.

¹⁴⁹ "Caribbean Wildlife Enforcement Network Proposed to Combat Trafficking," Official Web page of the US Fish and Wildlife Service, accessed December 19, 2021, <https://www.fws.gov/news/blog/index.cfm/2016/8/5/Caribbean-Wildlife-Enforcement-Network-Proposed-to-Combat-Trafficking>.

¹⁵⁰ Alessandro Ford, "Mexico City's Roaring Trade in Wildlife Trafficking", Insight Crime, January 4, 2021, <https://insightcrime.org/news/analysis/mexico-city-wildlife-trafficking/>

¹⁵¹ Taylor Barth, "Organized Crime and the Illicit Wildlife Trade in Mexico", Baker Institute, May 2017, <https://www.bakerinstitute.org/media/files/files/47d3642f/mex-pub-mga-cartelwildlife-012618.pdf>.

eliminated while dissuading the locals from harvesting exotic species for short-term financial rewards.¹⁵²

Europe

In 2016, the European Commission adopted the EU Action Plan against Wildlife Trafficking, which sought to fight wildlife crime inside the EU and to strengthen the EU's role in the global fight against these illegal activities. The plan had three main priorities: enhanced cooperation, better enforcement, and more effective prevention. Since the plan's adoption, wildlife trafficking has been recognized as instrumental in the EU's fight against transnational organized crime, and many cross-border investigations and seizures have been carried out by Europol, Eurojust, and other law enforcement agencies. Attempts to raise awareness of businesses, consumers, and the public about the scale of wildlife trafficking in the EU were made, along with a push for concrete action against corruption.¹⁵³

In May 2020, the European Commission adopted a new EU Biodiversity Strategy, with a commitment to revise the original "action plan" in 2021. In particular, critics want to address a significant loophole, in which endangered species protected by domestic legislation are exported illegally, but later legally traded within the EU (i.e. ivory, under special circumstances).¹⁵⁴

Asia-Pacific

Maritime organized crime within the Pacific region thrives on socioeconomic poverty and loose regulations, which creates the conditions for corruption and enhanced profits. It is common to see illegal markets for live and dead wild animals in many Asian countries, with elephant ivory, rhino

¹⁵² Vanda Felbab-Brown, "Wildlife trade in Mexico, conservation, and pandemics", Brookings, May 11, 2020, <https://www.brookings.edu/blog/order-from-chaos/2020/05/11/wildlife-trade-in-mexico-conservation-and-pandemics/>.

¹⁵³ "Wildlife trafficking has become a priority issue in Europe, but more needs to be done" European Commission, October 2018, https://ec.europa.eu/info/news/wildlife-trafficking-has-become-priority-issue-europe-more-needs-be-done-2018-oct-25_en.

¹⁵⁴ "Campaigners call for closure of EU's wildlife trafficking loopholes and criminalisation of wildlife smuggling, to end "stolen wildlife" crisis", Humane Society International, January 31, 2021, <https://www.hsi.org/news-media/campaigners-call-for-closure-of-eu-wildlife-trafficking-loopholes/>.

horn, tiger, and pangolins as the top illegally traded items.¹⁵⁵ Not to mention, Asia's tropical forests are being depleted of their wildlife populations - including many endangered species - to satisfy the region's demand for wild meat. Eventually, the Association of Southeast Asian Nations (ASEAN) formed multi-agency **"Wildlife Enforcement Network" (WEN)** task forces that went on to successfully seize illegal wildlife assets and enact punishments. However, supply chains are still well protected by those partaking in wildlife trafficking and enforcement officers need to be kept motivated to continue their work.¹⁵⁶

Due to the COVID-19 pandemic, many countries have indeed started to crack down on illegal wildlife. China issued a temporary ban on the sale of wildlife in markets, restaurants and online, while Vietnam ordered a directive to ban illegal wildlife trading and consumption. But when restrictions lift completely, it is expected that trade may worsen, and that it may become more pervasive on online platforms.¹⁵⁷

Africa

Growing economic growth and dwindling supply in Asia have increased demand for Africa's wildlife and wildlife products. The demand for ivory and rhino horn in particular has led to a resurgence of elephant and rhino poaching, carried out by organized crime syndicates with access to high-tech tracking devices and weapons. Unfortunately, governments often have little resources for rangers, making it difficult for them to patrol extensive tracts of land and subdue violent confrontation with poachers. Furthermore, the proliferation of small arms and light weapons from neighbouring countries has made illicit trade much easier for criminals. For example, the Kenya-Somalia border has allowed Somali gangs with advanced weapons to enter Kenya and engage in wildlife poaching. To address the issue, "conservation groups, like the African Wildlife Foundation (AWF), are

¹⁵⁵ "WWF Statement on Closing Illegal Wildlife Markets Across the Asia Pacific Region", WWF, January 31, 2020, <https://greatermekong.panda.org/?359094/WWF-Statement-on-Closing-Illegal-Wildlife-Markets-Across-the-Asia-Pacific-Region>.

¹⁵⁶ "Illicit Wildlife Trade in Southeast Asia: Evolution, Trajectory and How to Stop It", Analytical Center of Excellence for Trafficking, 2019, https://conservewildcats.org/wp-content/uploads/sites/5/2020/03/ACET-Report-No.1-Final_English1.pdf

¹⁵⁷ "Time For ASEAN To Ban Wildlife Trade For Good", ASEAN Post, March 27, 2020, <https://theaseanpost.com/article/time-asean-ban-wildlife-trade-good>

facilitating community and transborder protection of wildlife areas.”¹⁵⁸ It not only enhanced its Canine Detection Unit to detect contraband wildlife at airports/seaports but also conducted workshops in various Kenyan districts to inform communities about present wildlife laws and the need for enforcement.¹⁵⁹

Many countries across East Africa “have also applied tougher penalties, both monetarily and in terms of prison time.”¹⁶⁰ Malawi, for instance, extended prison sentences of offenders for up to 30 years, and other countries – Mozambique, Namibia, and Zambia – have taken similar steps to deter the mistreatment of Africa’s creatures.¹⁶¹

South America and the Caribbean

Threatening 40% of the world’s plant and animal species, illegal trade of wildlife in Latin America has become a profitable industry run by dangerous criminal organizations. In the Amazon, wild species are often taken by indigenous people who have excellent knowledge of forests and their native species. These individuals - gold prospectors, peasants, farmers, cowboys - supplement their income through this illegal activity and are therefore easily encouraged by traffickers to hunt endangered species for them. Whether dead or alive, the wildlife goes to middlemen (boatmen, farmers, truck and bus drivers), and eventually to major traffickers operating within the country and abroad. At that point, “wildlife is then exported to Europe, Asia, and North America through major harbors and

¹⁵⁸ “Wildlife Conservation,” African Wildlife Foundation, accessed December 19, 2021, <https://www.awf.org/wildlife-conservation>.

¹⁵⁹ Fiesta Warinwa, “Fighting Wildlife Trade in Kenya”, United Nations, <https://www.un.org/en/chronicle/article/fighting-wildlife-trade-kenya>

¹⁶⁰ “Strengthening Laws to Tackle Wildlife Crime in Central, West and Southern Africa | Nações Unidas,” United Nations (United Nations), accessed December 19, 2021, <https://www.un.org/pt/desa/strengthening-laws-tackle-wildlife-crime-central-west-and-southern-africa>.

¹⁶¹ “Empowering African policymakers to combat wildlife trafficking”, United Nations Environment Programme, April 9, 2018, <https://www.unep.org/news-and-stories/story/empowering-african-policymakers-combat-wildlife-trafficking>

airports, while the rest is used locally.”¹⁶² Remote borders between Amazon countries are “ideal places for traffickers to export wild animals”.¹⁶³

Similarly, the Caribbean faces significant challenges patrolling vast coastlines, screening people leaving the region by air and cruise ship, as well as inspecting a large volume of air and ocean cargo moving through the region. Additionally, tourists - mostly from the US - often unknowingly purchase protected native wildlife as souvenirs, and try to bring the item home.¹⁶⁴

Fortunately, some organizations and countries in the Caribbean are working with international partners to counteract this problem. One such program is the Conservation Leadership in the Caribbean (CLiC) that provides young conservation professionals with leadership development training and an opportunity to learn from renowned Caribbean conservation leaders.¹⁶⁵ In 2019, 21 Latin American and Caribbean countries accepted The Lima Declaration at the First High Level Conference of the Americas on Illegal Wildlife Trade.¹⁶⁶ The declaration recognizes the cooperation of several international institutions in the fight against wildlife trafficking, and encourages participant countries to share intelligence, fortify enforcement, and take the crime more seriously.¹⁶⁷

Illegal Logging

North America: United States, Canada, Mexico

Since the United States is the world’s largest wood products consumer and one of the top importers of tropical hardwoods, the U.S. has several laws that address aspects of international illegal

¹⁶² “Illegal Wildlife Trade in the Amazon,” WWF, accessed December 19, 2021, https://www.panda.org/discover/knowledge_hub/where_we_work/amazon/amazon_threats/other_threats/illegal_wildlife_trade_amazon/.

¹⁶³ “Illegal Wildlife Trade in the Amazon”, WWF, accessed July 29, 2021, https://www.panda.org/discover/knowledge_hub/where_we_work/amazon/amazon_threats/other_threats/illegal_wildlife_trade_amazon/

¹⁶⁴ “Caribbean Wildlife Enforcement Network Proposed to Combat Trafficking”, FWS, August 6, 2016, <https://www.fws.gov/news/blog/index.cfm/2016/8/5/Caribbean-Wildlife-Enforcement-Network-Proposed-to-Combat-Trafficking>

¹⁶⁵ Kareena Anderson, “A Caribbean-Led Effort to Stop Wildlife Smuggling Takes Flight”, FWS, accessed July 28, 2021, <https://www.fws.gov/international/wildlife-trafficking/caribbean-effort-to-combat-wildlife-trafficking.html>

¹⁶⁶ “CITES Secretariat Welcomes UN General Assembly Resolution on Tackling Illicit Trafficking in Wildlife,” CITES, accessed December 19, 2021, https://cites.org/eng/unga_resolution_wildlife_trafficking_150730.

¹⁶⁷ Dan Collyns, “Wildlife trafficking on the rise all across Latin America”, Guardian, October 7, 2019, <https://www.theguardian.com/environment/2019/oct/07/wildlife-trafficking-rise-across-latin-america>

logging.¹⁶⁸ As the primary policy mechanism, the **Lacey Act** makes it illegal to import plants and plant products that were harvested or processed in violation of foreign and domestic laws. If U.S. companies do not conduct due diligence and make sure their shipments were harvested and processed legally according to U.S. and foreign laws, they could be subject to civil and criminal penalties.¹⁶⁹ The U.S. also has administered sanctions against foreign countries - like Cambodia, Burma, and Indonesia - and drafted bilateral agreements. The U.S. can continue its effort by encouraging other timber importing countries (e.g., China and India) to adopt laws/regulations against the illegal timber trade similar to the Lacey Act, EU regulations, and Australian laws. This can downsize the number of markets where illegal timber is sold and place necessary pressure on logging operations to abide by national laws and international regulations.¹⁷⁰

Canadian forests are at low risk when it comes to the illegal timber trade. This is because strong laws provide legal frameworks and a multifaceted governance structure that allows for **sustainable forest management (SFM)**, which includes well-developed public policies, legislation and regulations, enforcement, regular monitoring, and public reporting. Yet, the region is still subject to criminal activity. British Columbia over the past dozen years has seen hundreds of tree poaching instances that range from abuse of firewood permits to cutting outside of permitted logging zones and taking individual trees from parks.¹⁷¹

Illegal logging in Mexico is common and often overlaps with drug trafficking. Made worse by organized crime, the over-exploitation of legal logging permits, and a lack of legal supervision by the authorities, criminal groups in the northern state of Chihuahua are especially becoming involved in the illegal timber trade. According to Mexico's Federal Prosecutors Office for Environmental Protection (PROFEPA), the amount of wood harvested illegally in Mexico is about 30% of the legal industry. Not to mention, "drug traffickers involved in illegal logging have also been associated with

¹⁶⁸ "Timber," Timber – EIA Global, accessed December 19, 2021, <https://eia-global.org/subinitiatives/timber>.

¹⁶⁹ "International Illegal Logging: Background and Issues," accessed December 19, 2021, <https://sgp.fas.org/crs/row/IF11114.pdf>.

¹⁷⁰ "International Illegal Logging: Background and Issues", Congressional Research Service, February 26, 2019, <https://sgp.fas.org/crs/misc/IF11114.pdf>

¹⁷¹ Dirk Meissner, "Tree poaching from public forests increasing in B.C. as lumber hits record prices", CTV News, May 16, 2021, <https://vancouverisland.ctvnews.ca/tree-poaching-from-public-forests-increasing-in-b-c-as-lumber-hits-record-prices-1.5430222>

land theft, which affects marginalized indigenous groups".¹⁷² Many "indigenous people in Mexico have been forcibly displaced by a lack of economic opportunity and violence, making them particularly vulnerable to exploitation".¹⁷³

Europe

The European Union's policy to fight illegal logging and associated trade was established in 2003 with the **Forest Law Enforcement Governance and Trade (FLEGT) Action Plan** whose target countries are Central Africa, Russia, South America, and Southeast Asia. The FLEGT plan not only encourages supply and demand side actions, but also employs legally-binding **voluntary partnership agreements (VPAs)** between the EU and timber-producing countries that ensure incoming timber and timber products are from legal sources. These VPAs are one of FLEGT's greatest strengths and have led to the involvement of civil society organizations and the private sector at all stages of the process. The success of each VPA also depends on effective implementation of a **legality assurance system (LAS)**, which provides reliable means to distinguish between legally and illegally produced forest products. In addition, the EU adopted the EU Timber Regulation (EUTR) to ensure that operators distributing timber or related products in the EU market are exercising due diligence.¹⁷⁴

Asia-Pacific

The illegal timber trade in the Asia-Pacific region is estimated to be worth \$11 billion a year – widespread in Indonesia, Malaysia, Laos, Myanmar, Cambodia, and Vietnam.¹⁷⁵ Often, "communities trying to protect the forests face corrupt officials, including police and military, and are threatened with violence and death."¹⁷⁶ China particularly is the greatest global importer of illicit timber because

¹⁷² Christine Murray, "Mexican Crime Gangs Branching into Illegal Logging, Researchers Warn," Reuters (Thomson Reuters, April 22, 2020), <https://www.reuters.com/article/us-mexico-trafficking-lumber-trfn/mexican-crime-gangs-branching-into-illegal-logging-researchers-warn-idUSKCN2242LB>.

¹⁷³ Christine Murray, "Mexican crime gangs branching into illegal logging, researchers warn", Reuters, April 22, 2020, <https://www.reuters.com/article/us-mexico-trafficking-lumber-trfn/mexican-crime-gangs-branching-into-illegal-logging-researchers-warn-idUSKCN2242LB>

¹⁷⁴ "Illegal logging/FLEGT Action Plan", European Commission, accessed August 3, 2021, https://ec.europa.eu/environment/forests/illegal_logging.htm

¹⁷⁵ Marcena Hunter, "Tainted Timber", Global Initiative, April 18, 2018, https://globalinitiative.net/analysis/tainted_timber/

¹⁷⁶ Ibid.

of its growing domestic market and its ban on domestic logging in their own natural forests.¹⁷⁷ In 2016, the Regional Conference on Biodiversity Conservation in Tropical Forests convened in Cambodia, where participants stressed the importance of strengthening sustainable forest management (SFM) and called for strengthening forest governance and enforcement in protected forests.¹⁷⁸

Africa

In looking for cheaper alternatives, China has particularly focused on Africa to satisfy a relentless demand for luxury furniture among its middle class. According to the International Institute for Environment and Development, Africa exports up to 75% of its timber to China yearly.¹⁷⁹ At this rate, the World Wildlife Fund estimates a forest loss of nearly 30 million acres by 2030 in East Africa alone if nothing is done to address major forest threats.¹⁸⁰ In 2015, the governments of five African countries - Kenya, Tanzania, Uganda, Madagascar and Mozambique - signed the Zanzibar Declaration to fight the illegal and unsustainable timber trade.¹⁸¹ Along with declaring the need for a unifying strategy, it further asked member states to develop monitoring and reporting systems for their respective timber industries and implement bans on timber exports.^{182 183} Field sources have also indicated “a significant connection between illegal rosewood trade and financing for rebel groups (especially in the Senegalese Casamance and in Cote d’Ivoire).”¹⁸⁴ Thus, regulations dedicated to the protection and sustainable use of dry forest resources, especially rosewood species, are crucial.

¹⁷⁷ Ibid.

¹⁷⁸ “Asia-Pacific Countries Take Action on Forestry, Freshwater Resources, Illegal Logging and Wildlife Trade”, IISD, April 13, 2016, <http://sdg.iisd.org/news/asia-pacific-countries-take-action-on-forestry-freshwater-resources-illegal-logging-and-wildlife-trade/>

¹⁷⁹ Bob Koigi, “Illegal Chinese Timber Business is Devastating Africa’s Forests”, Fair Planet, September 5, 2018, <https://www.fairplanet.org/story/illegal-chinese-timber-business-that-is-devastating-african-forest/>

¹⁸⁰ “Stopping Illegal Logging in Africa”, WWF, September 10, 2015, <https://www.worldwildlife.org/stories/stopping-illegal-logging-in-africa>

¹⁸¹ Ibid.

¹⁸² “Stopping Illegal Logging in Africa”, WWF, September 10, 2015, <https://www.worldwildlife.org/stories/stopping-illegal-logging-in-africa>

¹⁸³ “5 African Countries Agree to Combat Illegal Timber Trade,” Mongabay Environmental News, September 10, 2015, <https://news.mongabay.com/2015/09/5-african-countries-agree-to-combat-illegal-timber-trade/>.

¹⁸⁴ “West Africa,” West Africa – EIA Global, accessed December 19, 2021, <https://eia-global.org/subinitiatives/west-africa>.

South America and the Caribbean

Similar to drug trafficking, illegal trade of timber in South America and the Caribbean has become a multi-billion dollar industry overseen by sophisticated, dangerous criminal organizations.¹⁸⁵ Forests in these regions - most notably the Amazon - are the second most vulnerable in the world, and illegal wood trafficking is linked to labor exploitation, document forgery, deforestation, corruption, and even the murder of community leaders fighting to preserve forests. It is important that governments document the difference between illegal deforestation and that which is authorized to ensure that legal agricultural and forestry production is not undermined by environmental crimes. Indeed, policies should focus on sustainable forestry management, so it is possible to extract valuable timber and timber products without destroying the forest.¹⁸⁶

¹⁸⁵ "Wildlife Trafficking and Illegal Logging in Latin America," American University, accessed December 19, 2021, <https://www.american.edu/centers/latin-american-latino-studies/wildlife-trafficking-and-illegal-logging.cfm>.

¹⁸⁶ "Illegal Logging: An Organized Crime That Is Destroying Latin American Forests", Eurasiareview, May 21, 2018, <https://www.eurasiareview.com/21052018-illegal-logging-an-organized-crime-that-is-destroying-latin-american-forests/>

Glossary

Convention on International Trade in Endangered Species (CITES): A multilateral treaty to protect endangered plants and animals

Due diligence procedures: A process or effort to collect and analyze information before making a decision or conducting a transaction

Forest Law Enforcement Governance and Trade (FLEGT) Action Plan: A European Union initiative to address illegal logging and the social, economic and environmental harm it causes

Illegal logging: The illicit gathering and trade of timber

International Consortium on Combating Wildlife Crime (ICWC): Conceived from five inter-governmental organizations, the organization aims to strengthen criminal justice systems and provide coordinated support to combat wildlife and forest crime

Lacey Act: A conservation law in the United States that prohibits trade in wildlife, fish, and plants that have been illegally taken, possessed, transported, or sold

Legality assurance system (LAS): A reliable means to distinguish between legal and illegally produced forest products

Mutual legal assistance (MLA): An agreement between two or more countries for the purpose of gathering and exchanging information in an effort to enforce public or criminal laws

Supply chain integrity: A process of understanding all of the vendors, and all the vendors of those vendors that are downstream, that can contribute to the products used in an enterprise

Sustainable forest management (SFM): The management of forests according to the principles of sustainable development; has to keep the balance between ecological, economic and socio-cultural concerns

UNTOC (United Nations Convention against Transnational Organized Crime): A United Nations-sponsored multilateral treaty against transnational organized crime

Voluntary partnership agreements (VPAs): A bilateral timber-trade agreement between the European Union and a timber-exporting country outside the EU

Wildlife enforcement network: A regional, intergovernmental law-enforcement network designed to combat illegal wildlife trade

Wildlife trafficking: The illegal hunting or collecting and transporting of free-born animals and plants as well as their derivatives

Bibliography

- "2021 End Wildlife Trafficking Report - United States Department of State." U.S. Department of State. U.S. Department of State, November 4, 2021. <https://www.state.gov/2021-end-wildlife-trafficking-report/>.
- "5 African Countries Agree to Combat Illegal Timber Trade." Mongabay Environmental News, September 10, 2015. <https://news.mongabay.com/2015/09/5-african-countries-agree-to-combat-illegal-timber-trade/>.
- "ADM Capital Foundation Publishes 'Trading in Extinction' Report." ADM Capital, September 2, 2020. <https://www.admcapital.com/adm-capital-foundation-publishes-trading-in-extinction-report/>.
- "Animal Cruelty and Neglect FAQ." The Humane Society of the United States. Accessed December 19, 2021. <https://www.humanesociety.org/resources/animal-cruelty-and-neglect-faq>.
- Barth, Brian. "The Surprising History of the Wildlife Trade That May Have Sparked the Coronavirus." Mother Jones, March 29, 2020. <https://www.motherjones.com/food/2020/03/the-surprising-history-of-the-wildlife-trade-that-may-have-sparked-the-coronavirus/>.
- Barth, Taylor. "Organized Crime and the Illicit Wildlife Trade in Mexico," May 2017. <https://www.bakerinstitute.org/media/files/files/47d3642f/mex-pub-mga-cartelwildlife-012618.pdf>.
- Bergman, Charles. "Wildlife Trafficking." Smithsonian.com. Smithsonian Institution, December 1, 2009. <https://www.smithsonianmag.com/travel/wildlife-trafficking-149079896/>.
- Boyle, Louise. "Can Tech-Savvy Tools Take down Illegal Wildlife Trafficking?" The Independent. Independent Digital News and Media, May 5, 2020. <https://www.independent.co.uk/climate-change/news/artificial-intelligence-tech-wildlife-trafficking-endangered-species-a9494726.html>.
- "Campaigners Call for Closure of EU's Wildlife Trafficking Loopholes and Criminalisation of Wildlife Smuggling, to End 'Stolen Wildlife' Crisis." Humane Society International, January 14, 2021. <https://www.hsi.org/news-media/campaigners-call-for-closure-of-eu-wildlife-trafficking-loopholes/>.
- "Caribbean Wildlife Enforcement Network Proposed to Combat Trafficking." Official Web page of the US Fish and Wildlife Service. Accessed December 19, 2021. <https://www.fws.gov/news/blog/index.cfm/2016/8/5/Caribbean-Wildlife-Enforcement-Network-Proposed-to-Combat-Trafficking>.

- "Catastrophic Ape Decline in Western Equatorial Africa." Gale Academic, April 10, 2003. <https://go.gale.com/ps/i.do?id=GALE%7CA187709085&sid=googleScholar&v=2.1&it=r&linkaccess=abs&issn=00280836&p=AONE&sw=w&userGroupName=anon%7Ea2e29d75>.
- "CITES Secretariat Welcomes UN General Assembly Resolution on Tackling Illicit Trafficking in Wildlife." CITES. Accessed December 19, 2021. https://cites.org/eng/unga_resolution_wildlife_trafficking_150730.
- "Demand an End to the Global Wildlife Trade." World Animal Protection, December 7, 2021. <https://www.worldanimalprotection.org.uk/campaigns/animals-wild/demand-end-global-wildlife-trade>.
- Dong, Jonathan. "The Impacts of Climate Change on Shellfish." Mass Audubon - Your Great Outdoors, July 14, 2020. <https://blogs.massaudubon.org/yourgreatoutdoors/the-impacts-of-climate-change-on-shellfish/>.
- "Empowering African Policymakers to Combat Wildlife Trafficking." UNEP. Accessed December 19, 2021. <https://www.unep.org/news-and-stories/story/empowering-african-policymakers-combat-wildlife-trafficking>.
- "Exposed: Juvenile Ostriches Butchered for Prada 'Luxury' Bags." PETA Exposés and Undercover Investigations, September 23, 2021. <https://investigations.peta.org/ostriches-butchered-hermes-luxury/>.
- Farizi, Faros. "Illegal Logging, Fishing, and Wildlife Trade: The Costs and How to Combat It." World Bank, 2019. <https://thedocs.worldbank.org/en/doc/482771571323560234-0120022019/original/WBGReport1017Digital.pdf>.
- Felbab-Brown, Vanda. "Wildlife Trade in Mexico, Conservation, and Pandemics." Brookings. Brookings, May 11, 2020. <https://www.brookings.edu/blog/order-from-chaos/2020/05/11/wildlife-trade-in-mexico-conservation-and-pandemics/>.
- Fogarty, David. "China at the Center of Global Illegal Timber Trade, Ngo Says." Reuters, November 29, 2012. <https://www.reuters.com/article/us-china-timber-idUSBRE8ASo8D20121129>.
- "Full Report - Mapping the Impact of Illicit Trade ... - UNCTAD." UNCTAD. Accessed December 19, 2021. https://unctad.org/meetings/en/Contribution/DITC2020_TRACIT_IllicitTradeandSDGs_fullreport_en.pdf.
- Gartshore, Will. "Bipartisan Senate Legislation Gets Tough on Wildlife Crime." WWF. World Wildlife Fund, September 16, 2016. <https://www.worldwildlife.org/stories/bipartisan-senate-legislation-gets-tough-on-wildlife-crime>.

- Gettleman, Jeffrey. "Rangers in Isolated Central Africa Uncover Grim Cost of Protecting Wildlife." The New York Times. The New York Times, January 1, 2013. <https://www.nytimes.com/2013/01/01/world/africa/central-africas-wildlife-rangers-face-deadly-risks.html>.
- Henn, Corrine. "These 8 Organizations Refuse to Let the Illegal Wildlife Trade Win." One Green Planet. One Green Planet, March 21, 2015. <https://www.onegreenplanet.org/animalsandnature/these-organizations-refuse-to-let-the-illegal-wildlife-trade-win/>.
- Hub, IISD's SDG Knowledge. "Asia-Pacific Countries Take Action on Forestry, Freshwater Resources, Illegal Logging and Wildlife Trade: News: SDG Knowledge Hub: IISD." SDG Knowledge Hub. Accessed December 19, 2021. <http://sdg.iisd.org/news/asia-pacific-countries-take-action-on-forestry-freshwater-resources-illegal-logging-and-wildlife-trade/>.
- "ICCWC Activities around the World." CITES. Accessed December 19, 2021. <https://cites.org/eng/prog/iccwc/action.php>.
- "Illegal Logging/FLEGT Action Plan." Illegal Logging - Forests - Environment - European Commission. Accessed December 19, 2021. https://ec.europa.eu/environment/forests/illegal_logging.htm.
- "Illegal Logging: An Organized Crime That Is Destroying Latin American Forests." Eurasia Review, May 21, 2018. <https://www.eurasiareview.com/21052018-illegal-logging-an-organized-crime-that-is-destroying-latin-american-forests/>.
- "Illegal Wildlife Trade in the Amazon." WWF. Accessed December 19, 2021. https://wwf.panda.org/discover/knowledge_hub/where_we_work/amazon/amazon_threats/other_threats/illegal_wildlife_trade_amazon/.
- "Illicit Wildlife Trade in Southeast Asia: Evolution, Trajectory and How to Stop It." Analytical Center of Excellence for Trafficking, 2019.
- "International Illegal Logging: Background and Issues." Accessed December 19, 2021. <https://sgp.fas.org/crs/misc/IF11114.pdf>.
- "International Illegal Logging: Background and Issues." Congressional Research Service. Federation of American Scientists, February 26, 2019. <https://sgp.fas.org/crs/row/IF11114.pdf>.
- Kaldjian, Emily. "2 Birds, 1 Stone: Fighting Illegal Logging and Wildlife Poaching with Technology." World Resources Institute, June 27, 2017. <https://www.wri.org/insights/2-birds-1-stone-fighting-illegal-logging-and-wildlife-poaching-technology>.

- Koigi, Bob. "Illegal Chinese Logging Is Devastating Africa's Forests." FairPlanet. Accessed December 19, 2021. <https://www.fairplanet.org/story/illegal-chinese-timber-business-that-is-devastating-african-forest/>.
- Lee, Stephanie. "Illegal Logging Imports in India." Open Case Studies. Accessed December 19, 2021. <https://cases.open.ubc.ca/illegal-logging-imports-india/#:~:text=Illegal%2ologging%2ois%2ocreating%2ohavoc,the%2oDemocratic%2oRepublic%2oof%2oCongo.>
- Meissner, Dirk. "Tree Poaching from Public Forests Increasing in B.C. as Lumber Hits Record Prices." Vancouver Island. CTV News, May 16, 2021. <https://vancouverisland.ctvnews.ca/tree-poaching-from-public-forests-increasing-in-b-c-as-lumber-hits-record-prices-1.5430222>.
- Metcalf, Zack, Rochelle Baker, Mario Boccucci, and Carl Meyer. "The Wildlife Trade and the next Global Pandemic." Canada's National Observer, April 13, 2021. <https://www.nationalobserver.com/2021/04/12/news/what-canada-can-do-prevent-next-pandemic>.
- "Mexico City's Roaring Trade in Wildlife Trafficking." InSight Crime, January 4, 2021. <https://insightcrime.org/news/analysis/mexico-city-wildlife-trafficking/>.
- Murray, Christine. "Mexican Crime Gangs Branching into Illegal Logging, Researchers Warn." Reuters. Thomson Reuters, April 22, 2020. <https://www.reuters.com/article/us-mexico-trafficking-lumber-trfn/mexican-crime-gangs-branching-into-illegal-logging-researchers-warn-idUSKCN2242LB>.
- "Recent Achievements and Impacts." TRAFFIC. Accessed December 19, 2021. <https://www.traffic.org/about-us/achievements-and-impacts/>.
- Rosen, Tanya, and John Scanlon. "The Evolving War on Illegal Wildlife Trade." International Institute for Sustainable Development. Accessed December 19, 2021. <https://www.iisd.org/articles/evolving-war-illegal-wildlife-trade>.
- Sollund, Ragnhild Aslaug. "The Crimes of Wildlife Trafficking: Issues of Justice, Legality and Morality." Routledge & CRC Press. Accessed December 19, 2021. <https://www.routledge.com/The-Crimes-of-Wildlife-Trafficking-Issues-of-Justice-Legality-and-Morality/Sollund/p/book/9780367662110>.
- Spee, Leonarda B, Susan J Hazel, Eleonora Dal Grande, Wayne S J Boardman, and Anne-Lise Chaber. "Endangered Exotic Pets on Social Media in the Middle East: Presence and Impact." Animals : an open access journal from MDPI. MDPI, July 24, 2019. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6720740/>.

- "The State of the World's Forests 2020." www.fao.org. Accessed December 19, 2021. <https://www.fao.org/state-of-forests/en/>.
- "Stopping Illegal Logging in Africa." WWF. World Wildlife Fund, September 10, 2015. <https://www.worldwildlife.org/stories/stopping-illegal-logging-in-africa>.
- "Strengthening Laws to Tackle Wildlife Crime in Central, West and Southern Africa | Nações Unidas." United Nations. United Nations. Accessed December 19, 2021. <https://www.un.org/pt/desa/strengthening-laws-tackle-wildlife-crime-central-west-and-southern-africa>.
- Sue, Caryl. "Role of Keystone Species in an Ecosystem." National Geographic Society, October 9, 2012. <https://www.nationalgeographic.org/article/role-keystone-species-ecosystem/>.
- Team, The ASEAN Post. "Time for ASEAN to Ban Wildlife Trade for Good." The ASEAN Post, March 27, 2020. <https://theaseanpost.com/article/time-asean-ban-wildlife-trade-good>.
- "Timber." Timber – EIA Global. Accessed December 19, 2021. <https://eia-global.org/subinitiatives/timber>.
- "Trading Animals and Diseases - World Animal Protection." Accessed December 19, 2021. https://dkt6rvnu67rqj.cloudfront.net/cdn/ff/Z18viEr7AZ5Q6Q8J8GPOqScfMCWTKKyU1J8kubue_Yl/1614269031/public/media/wildlife_trade_in_canada_report_english_digital_march_2021.pdf.
- U.S. Department of State. U.S. Department of State. Accessed December 19, 2021. <https://2009-2017.state.gov/e/oes/ecw/wlt/index.htm>.
- Umar, Mohammad. "Mapping the History of Illegal Wildlife Trade and Construction," 2017. http://bharatilawreview.com/uploads/10_Umar_F_145-1641.pdf.
- "UNODC World Wildlife Crime Report 2020: The COVID-19 Pandemic Has Shown That Wildlife Crime Is a Threat Not Only to the Environment and Biodiversity, but Also to Human Health." United Nations : Office on Drugs and Crime. Accessed December 19, 2021. https://www.unodc.org/unodc/press/releases/2020/July/unodc-world-wildlife-crime-report-2020_-the-covid-19-pandemic-has-shown-that-wildlife-crime-is-a-threat-not-only-to-the-environment-and-biodiversity--but-also-to-human-health.html.
- Warinwa, Fiesta. "Fighting Wildlife Trade in Kenya." United Nations. United Nations. Accessed December 19, 2021. <https://www.un.org/en/chronicle/article/fighting-wildlife-trade-kenya>.
- "West Africa." West Africa – EIA Global. Accessed December 19, 2021. <https://eia-global.org/subinitiatives/west-africa>.

- "Wildlife and Forest Crime Analytic Toolkit." United Nations : Office on Drugs and Crime. Accessed December 19, 2021. <https://www.unodc.org/unodc/en/wildlife-and-forest-crime/wildlife-and-forest-crime-analytic-toolkit.html>.
- "Wildlife Conservation." African Wildlife Foundation. Accessed December 19, 2021. <https://www.awf.org/wildlife-conservation>.
- "Wildlife Trafficking and Illegal Logging in Latin America." American University. Accessed December 19, 2021. <https://www.american.edu/centers/latin-american-latino-studies/wildlife-trafficking-and-illegal-logging.cfm>.
- "Wildlife Trafficking Has Become a Priority Issue in Europe, but More Needs to Be Done." European Commission - European Commission, October 25, 2018. https://ec.europa.eu/info/news/wildlife-trafficking-has-become-priority-issue-europe-more-needs-be-done-2018-oct-25_en.
- "Wildlife Trafficking on the Rise All across Latin America." The Guardian. Guardian News and Media, October 7, 2019. <https://www.theguardian.com/environment/2019/oct/07/wildlife-trafficking-rise-across-latin-america>.
- "Wildlife, Forest & Fisheries Crime Module 1 Key Issues: Implications of Wildlife Trafficking." Wildlife, Forest & Fisheries Crime Module 1 Key Issues: Implications of Wildlife Trafficking. UNODC. Accessed December 19, 2021. <https://www.unodc.org/e4j/en/wildlife-crime/module-1/key-issues/implications-of-wildlife-trafficking.html>.
- "World Wildlife Crime Report 2020: Trafficking in Protected Species." United Nations : Office on Drugs and Crime. Accessed December 19, 2021. https://www.unodc.org/documents/data-and-analysis/wildlife/2020/World_Wildlife_Report_2020_9July.pdf.
- "WWF Statement on Closing Illegal Wildlife Markets across the Asia Pacific Region." WWF, January 31, 2020. <https://greatermekong.panda.org/?359094%2FWWF-Statement-on-Closing-Illegal-Wildlife-Markets-Across-the-Asia-Pacific-Region>.
- Wyatt, Tanya. "Wildlife Trafficking: A Deconstruction of the Crime, the Victims, and the Offenders." Palgrave Macmillan, 2021. <https://www.amazon.com/Wildlife-Trafficking-Deconstruction-Criminological-Perspectives/dp/1137269235>.
- Zain, Sabri. "TNRC Introductory Overview Corrupting Trade: An Overview of Corruption Issues in Illicit Wildlife Trade." WWF. World Wildlife Fund. Accessed December 19, 2021. <https://www.worldwildlife.org/pages/tnrc-introductory-overview-corrupting-trade-an-overview-of-corruption-issues-in-illicit-wildlife-trade>.
- "Zoonotic Diseases." Centers for Disease Control and Prevention. Centers for Disease Control and Prevention, July 1, 2021. <https://www.cdc.gov/onehealth/basics/zoonotic-diseases.html>.