

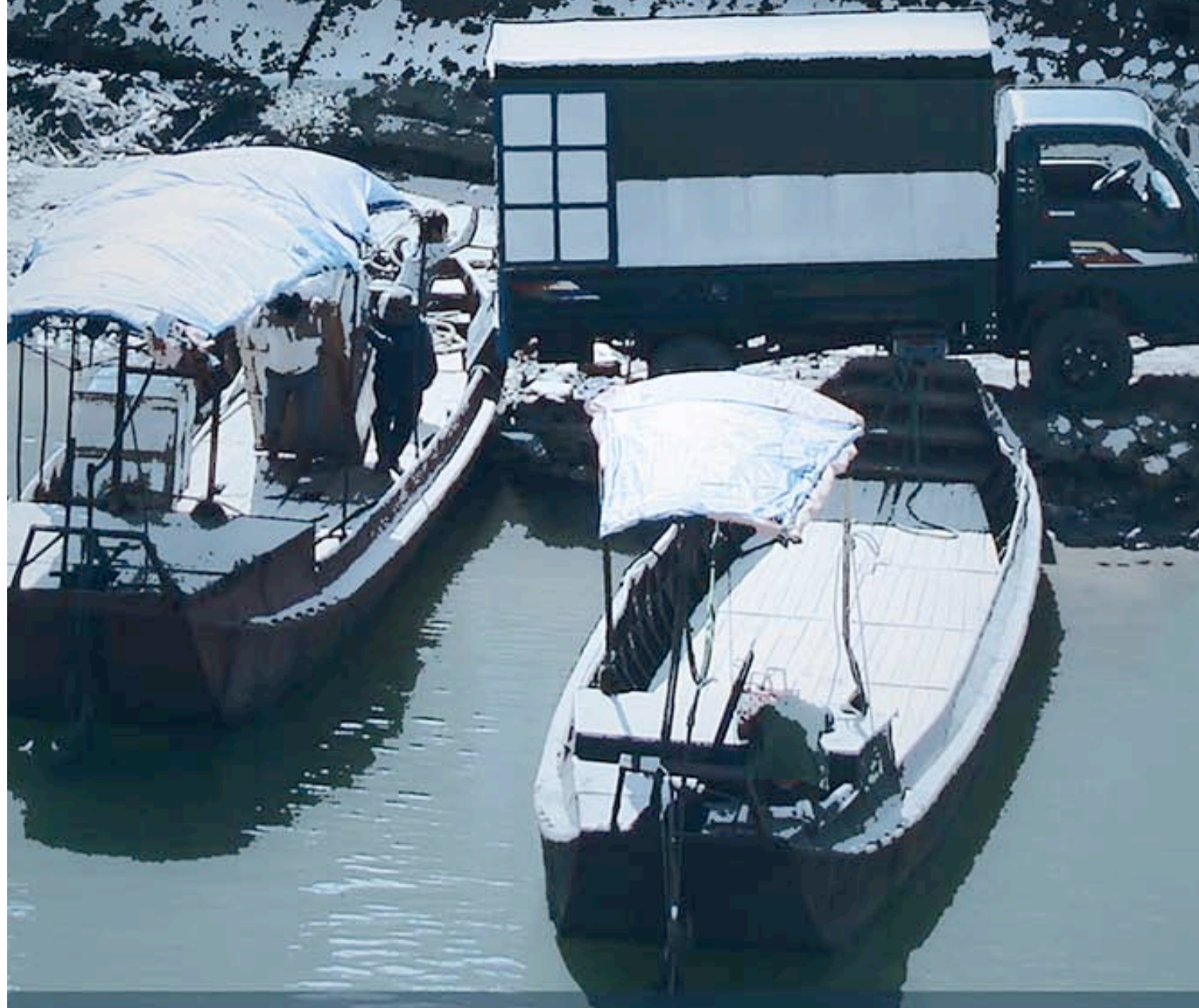


# IN PLAIN SIGHT:

## AN ANALYSIS OF TRANSNATIONAL WILDLIFE CRIMES IN QUANG NINH PROVINCE, VIET NAM

March 2012

Wildlife Conservation Society – Vietnam Program



Critical Ecosystem Partnership Fund  
World Bank Global Environment Facility

**CRITICAL** **ECOSYSTEM**  
PARTNERSHIP FUND



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# 1. INTRODUCTION

## 1.1 Site description

Quang Ninh province is located on the most North Eastern corner of Vietnam (106°25'-109°25'E; 20°40'-21°40'N) and is characterized by its mountainous western region that descends eastwards into a 250km coastline that harbours over 2,000 islets forming the UNESCO World Heritage Site of Ha Long Bay. The province area is over 8,000km<sup>2</sup> including sea and islands, of which almost 6,000km<sup>2</sup> is on the mainland. Quang Ninh shares its 170km northern border with the Guangxi Zhuang Autonomous Region (GZAR), People's Republic of China. To the west, Quang Ninh borders Lạng Sơn, Bắc Giang and Hải Dương provinces in Vietnam with the city of Hải Phòng to its south (Figure 1).

The province has a relatively developed road infrastructure. National Highway (NH) 18 runs from Dong Trieu district in the west through Ha Long City and northwards to the border in Mong Cai City. In Tien Yen district this splits to NH18c that travels to the Hoanh Mo international border gate in Binh Lieu district and NH4B that travels to Lang Son province and the border gate in Dong Dang town. The route from Ha Long to Mong Cai has been the focus of an ADB loan that is upgrading the national highway into an expressway forming a portion of the Nanning-Hanoi Eastern Sub-corridor of the North-South Economic Corridor of the ADB Greater Mekong Sub-region strategy<sup>1</sup>. This has reduced transport time and will eventually connect to the expressways under construction across the border in China.

Rivers are not widely used for transport in Quang Ninh province with the exception of the Ka Long River in Mong Cai city that is heavily used by cargo barges to move goods from the coastal port in Mong Cai to customs clearance points and private ports in the city.



**Figure 1: Map of Quang Ninh province highlighting key towns and cities and (a) topography and (b) major transport infrastructure and geographical location in Vietnam.**

There are over 50 shipping ports in Quang Ninh province ranging from deep-water seaports to off-shore anchorages and small private terminals. We found a large number of ports are not recognised by Prime Minister's Decision 16/2008/QĐ-TTg promulgated in January 2008 on the official list of Vietnam's sea ports but are active and important points of trade in the province.

<sup>1</sup> Asian Development Bank. 2010. Toward sustainable and balanced development: Strategy and action plan for the Greater Mekong Sub-region North-South Economic Corridor. Mandaluyong City, Philippines: Asian Development Bank, 2010.

Hon Gai port (Ha Long City) is the largest port in Quang Ninh and refers to the four independently operated ports of Cai Lan, B12 Oil Terminal, Hon Gai Tourist Terminal, and Ha Long shipyard berth. Other key ports in Quang Ninh are as follows: Cam Pha port (previously named Cua Ong port), Van Gia port, Ghenh Vo port, Van Hoa port, Vung Duc port, Khe Day port, Mui Chua port, Quang Phat port 1 and 2, Hon Gai anchorage, Mui Chua sea port, Quang Yen pier, Tho Xuan pier, Cai Rong Pier, Tho Xuan pier, Dan Tien Terminal, Mui Ngoc Terminal, Dam Buon berth, Dien Cong river port, Bach Thai Buoi river port, Song Hang Mai river port, Cau Trang coal port, Hoanh Bo cement port.

Hai Phong City has more than 30 shipping ports including Hai Phong Port that has the biggest throughput of cargo in Northern Vietnam. Ports in Hai Phong City can serve a greater number of larger vessel capacities, have more storage area and therefore see greater throughput of a diverse cargo than those in Quang Ninh.

Quang Ninh's official international trade road crossing to China is the Bac Luan International Border Gate in Mong Cai City which is one of Vietnam's four international border ports with GZAR. However, Bac Phong Sinh Border gate (Hai Ha district), Hoanh Mo Border gate (Binh Lieu district), and Luc Chan border gate (Po Hen, Mong Cai City) are also used to a lesser degree for international trade.

Custom's clearance points are also an important part of the cross-border trade dynamic. Exporters can submit customs declarations at a number of customs clearance points throughout the city. Many of these are located on the river in close proximity to the Chinese border and within privately owned ports e.g. Quang Phat 1 and 2, Tri Thanh, Thanh Dat, Thanh Nga. Once the exporters have cleared customs on the Vietnamese side they are free to enter at any point and local reports indicate the large majority then enter China illegally, often right in front of the Vietnamese authorities. Reports and observations suggest that a far greater quantity of trade is carried across these points (particularly Luc Lam and Ka Long) than Bac Luan border gate. Hon Gai port is the provinces only international sea border gate, but again other smaller ports (e.g. Van Gia port) and customs clearance points often serve as sea border gates.

## **1.2 Cross-border trade**

China is Vietnam's largest international trading partner. It is the largest source of imports into Vietnam and the third largest destination for exports, following Japan and the US. Vietnam's main export products to China are coal, agro-forestry and seafood goods, bronze mineral sand and iron ore.

There is no comprehensive report on the scale of cross-border trade between Vietnam and China and the quantities and values vary depending on the source. However, formal two-way trade between the two countries in 2007 was estimated at US\$15 billion<sup>2</sup>. It is important to note that this does not take into account informal trade between the two countries. The estimated value of informal trade varies widely but it is fair to say that its volume is substantial and in some estimates far exceeds formal trade<sup>3</sup>.

Cross-border trade with GZAR accounts for 16% of Vietnam's total trade with China<sup>4</sup>. Of the four international ports on the GZAR-Vietnam border the Dongxing-Mong Cai crossing accounts for 84% of total cross border passengers and 62% of total cross-border freight<sup>6</sup>. In the period 2006 to the first nine months in 2011 the value of formal trade reached US\$21.2 billion, with a mean annual growth rate of 43%<sup>5</sup>.

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<sup>2</sup> Asian Development Bank. 2008a. Proposed Technical Assistance Loan and Technical Assistance Grant. Socialist Republic of Vietnam: Greater Mekong Subregion Ha Noi – Lang Son, Greater Mekong Subregion Ha Long – Mong Cai, and Ben Luc – Long Thanh Expressways Technical Assistance Project. Project Number 41414. Report and Recommendations of the President to the Board of Directors. Mandaluyong City, Philippines: Asian Development Bank

<sup>3</sup> Asian Development Bank. 2010. Toward sustainable and balanced development: Strategy and action plan for the Greater Mekong Subregion North-South Economic Corridor. Mandaluyong City, Philippines: Asian Development Bank, 2010.

<sup>4</sup> Asian Development Bank. 2008b. Logistics Development Study of the North South Economic Corridor: Summary. Mandaluyong City, Philippines: Asian Development Bank

<sup>5</sup> Anon. 2011. Status of Commercial Cross-border Trade in Quang Ninh Province 2006-2011. Mountainous Trade Department, Ministry of Industry and Trade. Hanoi, Vietnam

Hai Phong port in northern Vietnam serves as a gateway for importing goods to China from other Association of Southeast Asian Nations (ASEAN) countries<sup>6</sup>. Containers arrive at Hai Phong port and are immediately transported to GZAR mainly via Quang Ninh province. The ADB<sup>7</sup> estimated that 500 truck-trailers carrying 40-foot maritime containers travel on NH18 from Hai Phong to Mong Cai each day.

The competitive advantage of the border gates in Mong Cai is unclear given they are located 320km (roughly 9 hours travel time) from Hanoi, almost double the distance/time from Hanoi to the Dong Dang border gate in Lang Son province. Likewise, the distance from the busy seaports in Hai Phong City to Mong Cai compared to Dong Dang is greater by roughly 40km (over an hours travel time).

The economic advantage of trans-shipping through this route (Hai Phong – Mong Cai) rather than direct to China is also unclear. To help understand this, quotes were requested from three shipping companies (SILCO International Logistics, Indo-Trans Logistics, and SEKO Global Logistics Network-Vietnam) for transporting a 20-foot container of dried fish from Jakarta, Indonesia and also from Dar es Salaam, Tanzania going two different routes. Firstly, the route direct from the origin country to Shenzhen port and onto Guangzhou by road; secondly to Hai Phong port and then road to Guangzhou via Quang Ninh. We found that shipping from both destinations it was cheaper to move goods directly to China, rather than going through Vietnam which added a further \$600-\$800 to the shipment, in costs of the additional trucking, customs fees and port fees, and stevedoring/porter costs (Table 4). If these quotes are accurate then even if shippers by-pass customs, the costs of transport and stevedoring still make this route more expensive.

**Table 4: Quotes provided by SILCO International Logistics, Indo-Trans Logistics, and SEKO Global Logistics Network-Vietnam for shipping a 20ft container of dried fish on four different routes in October 2010**

<b>Freight &amp; fees (Tax excluded)</b>	<b>20' Container</b>
Jakarta-Shenzhen-Guangzhou	\$1,255, \$1360, \$1700
Jakarta-Hai Phong-Mong Cai-Dongxing-Guangzhou	\$1,920, \$2050, \$2200
Dar es Salaam-Shenzhen-Guangzhou	\$1,570, \$1680, \$1800
Dar es Salaam -Hai Phong-Mong Cai-Dongxing-Guangzhou	\$2,370, \$2470, \$2600

<sup>6</sup> Asian Development Bank. 2008a. Proposed Technical Assistance Loan and Technical Assistance Grants. Socialist Republic of Vietnam: Greater Mekong Subregion Ha Noi – Lang Son, Greater Mekong Subregion Ha Long – Mong Cai, and Ben Luc – Long Thanh Expressways Technical Assistance Project. Project Number 41414. Report and Recommendations of the President to the Board of Directors. Mandaluyong City, Philippines: Asian Development Bank

<sup>7</sup> Asian Development Bank. 2008b. Logistics Development Study of the North South Economic Corridor: Summary. Mandaluyong City, Philippines: Asian Development Bank





Figure 2: Satellite map of Mong Cai City with key crossing points annotated including Bac Luan International Border Gate (9); Ka Long port (8), Luc Lam customs clearance point (13) and a number of smuggling points (1-4, 10-12)

## 2. THE CROSS-BORDER TRADE IN WILDLIFE

### 2.1 ‘Legal’ trade in wildlife

#### CITES-recorded trade between Vietnam and China

Data were extracted from the online CITES trade database ([www.unep-wcmc.org/citestrade](http://www.unep-wcmc.org/citestrade)) on the international trade of all CITES-listed fauna and flora from Vietnam to China. Search parameters were set to view all taxa, all terms, all sources and all trade purposes from 2006 to 2010. These were extracted as a gross export trade report and a comparative tabulation report.

The analysis showed that Vietnam exports a large number of CITES-species to China each year including live primates, bears, turtles, monitor lizards, seahorses, and clams in addition to crocodiles (live, skins, meat and leather products), snakes (live, skins, meat and leather products), raw corals, plants (for Traditional Medicine and decoration), and carvings and pieces of timber. The majority of these exports are for commercial trade with a small number for circus animals, zoos and personal use.

The data revealed that the most heavily traded animal products between Vietnam and China from 2006-2010 were live Siamese crocodiles (Annual mean: 20,510; Total: 123,060), Burmese python skins (Annual mean: 8,104; Total: 48,625), live *Heosemys* pond turtles (Annual mean: 18,400; Total: 110,400), live oriental rat snakes (Total: 36,500), live water monitors (Total: 80,267), live long-tailed macaques (Annual mean: 2,408; Total: 14,450) and live common cobras (Annual mean: 2,950; Total: 14,750).

With the exception of crocodiles, pythons, and most of the macaques, almost all other animals are listed as wild-sourced. Of the wild-sourced animals, the clams reportedly originate in Vietnam yet all others were reportedly from Lao PDR or Myanmar (Table 5, 6).

**Table 5: The sources of specimens traded between Vietnam and China 2006-2009 as reported in the CITES Trade database (April 2011)**

Latin name	Reported source	IUCN Status
<i>Macaca fascicularis</i>	Captive-bred, some wild	
<i>Cuora amboinensis</i>	Ranching operation (Lao PDR or Myanmar)	Vulnerable
<i>Heosemys annandalii</i> , <i>H. grandis</i>	Ranching operation (Lao PDR or Myanmar)	Endangered, Vulnerable
<i>Malayemys subtrijuga</i>	Ranching operation (Lao PDR or Myanmar)	Vulnerable
<i>Crocodylus siamensis</i>	Captive-bred	
<i>Varanus salvator</i>	Wild, ranching operation (Lao PDR or Myanmar)	
<i>Python molurus bivittatus</i> , <i>P. reticularis</i>	Captive-bred	
<i>Ptyas mucosus</i>	Wild, ranching operation (Lao PDR or Myanmar), some captive-bred	
<i>Naja naja</i>	Wild, ranching operation (Lao PDR or Myanmar)	
<i>Tridacna crocea</i> , <i>T. maxima</i> , <i>T. squamosa</i>	Wild	
<i>Aquilaria crassna</i>	Artificial propagation	

NB: Ranching is defined by CITES as rearing in a controlled environment of animals taken as eggs or juveniles from the wild, where they would otherwise have had a very low probability of surviving to adulthood. A controlled environment is defined by CITES as an environment that is manipulated for the purpose of producing animals of a particular species, that has boundaries designed to prevent animals, eggs or gametes of the species from entering or leaving it, and the general characteristics of which may include but are not limited to: artificial housing; waste removal; health care; protection from predators; and artificially supplied food



**Table 6: Gross annual exports of CITES-listed wildlife from Vietnam to China for all taxa, all terms, all sources and all trade purposes from 2006-2009, extracted from the CITES trade database ([www.unep-wcmc.org/citestrade](http://www.unep-wcmc.org/citestrade)) on 6<sup>th</sup> April 2011.**

English Name	Latin name	Term	Unit	2006	2007	2008	2009	2010
Stump-tailed macaque <sup>1</sup>	<i>Macaca arctoides</i>	live		10				
Pig-tailed macaque	<i>Macaca nemestrina</i>	Live						600
Long-tailed macaque	<i>Macaca fascicularis</i>	live		4,092	2,070	3,480	1,500	900
Phayre's langur <sup>2</sup>	<i>Trachypitecus phayrei</i>	live		4				
Asian black bear <sup>1</sup>	<i>Ursus thibetanus</i>	live		2		3		
Polar bear	<i>Ursus maritimus</i>	Skin pieces						4
Wolf	<i>Canis lupus</i>	Skins/skin pieces						26
Southeast Asian box turtle	<i>Cuora amboinensis</i>	live		2,500			3,500	2,000
Yellow-headed pond turtle	<i>Heosemys annandalii</i>	live		8,500			26,500	22,000
Giant Asian pond turtle	<i>Heosemys grandis</i>	live		1,500		4,000	15,500	14,000
Snail-eating turtle	<i>Malayemys subtrijuga</i>	live				5,000		
Siamese crocodile	<i>Crocodylus siamensis</i>	leather products		76 <sup>1</sup>		9	10	31
		live		13,000	24,050	41,400	13,500	10,600
		meat	kg	10,000	2,000	1,000	72	14
		skins				1,000	3,500	100
Water monitor	<i>Varanus salvator</i>	live				200	24,000	36,000
Burmese python	<i>Python molurus bivittatus</i>	live		6 <sup>2</sup>				
		meat	kg	6,000				
		skins		11,090	8,426	8,955	8,900	3,150
Reticulated python	<i>Python reticulatus</i>	leather products				15	2	
		skins			50			
Oriental snake	<i>Ptyas mucosus</i>	live		7,000			29,500	
Common cobra	<i>Naja naja</i>	live		5,000		2,000	2,400	
Common seahorse	<i>Hippocampus kuda</i>	live			700			
Crocus clam	<i>Tridacna crocea</i>	live		200	1,050			
Maxima Clam	<i>Tridacna maxima</i>	live			30			
Fluted Giant Clam	<i>Tridacna squamosa</i>	live			50			
Stony corals	<i>Scleractinia spp.</i>	raw corals	kg		5			
American ginseng	<i>Panax quinquefolius</i>	roots	kg			58,424		
Hybrid orchids	<i>Dendrobium hybrid</i>	dried plants	kg				18,500	20,000
Agarwood	<i>Aquilaria crassna</i> , <i>A. filaria</i>	carvings	kg				350 <sup>3</sup>	
		live	kg				23	
		timber pieces	kg					50

NB: Some species were exported for the following non-commercial purposes: <sup>1</sup>Circus, <sup>2</sup>Zoo and <sup>3</sup>Personal.

#### Customs declared trade of wildlife from Quang Ninh to China

Survey teams consisting of staff from WCS, Vietnam CITES Management Authority (MA), and the Anti-smuggling Unit of the General Department of Customs visited Customs offices at the border gates in Mong Cai, Bac Phong Sinh, Tra Co and Po Hen of Quang Ninh province to collect Customs declarations on CITES-listed wildlife exported through Quang Ninh from 2006-2009.

Data from Mong Cai Customs Department, showed that all declared wildlife shipments were made through Ka Long Customs clearance point. No wildlife was declared going through border gates in Bac Phong Sinh, Hoanh Mo or Po Hen. Although data in the online CITES trade database lists the origin of species traded through Vietnam to China as originating in Lao PDR or Myanmar, Customs data records origins for wildlife exported in 2008, 2009 and 2010 from Lao PDR and Cambodia. The export declarations showed wildlife shipments entering Vietnam through only three border gates: Cha Lo border gate (Quang Binh province), Nam Can Border Gate (Ca Mau province) and Nam Can border gate (Nghe An province) before being driven up to Mong Cai.

To increase accuracy and to collect further information on the source of wildlife in Lao PDR the survey team also visited customs offices at the border gates of Cha Lo border gate (Quang Binh province), Nam Can Border Gate (Ca Mau province) and Nam Can border gate (Nghe An province) in addition to Cau Treo (Ha Tinh) and Ka Tum (Tay Ninh). The team collected all customs records and declaration documents on all shipments of wildlife passing through these border gates on route to Mong Cai, Quang Ninh in the period 2006-2010.

This analysis revealed some important issues that need consideration whilst reviewing the results:

- Customs officers at a number the border gates confided in the survey team that although they sign/stamp on the CITES permit to confirm the quantity and species, in reality they rarely count the specimens and lack the skills to accurately identify them to a species level.
- CITES permits are given with detailed listing of species, quantities and product yet at the border, Customs in Mong Cai only recorded a total quantity of all species in the shipment and often simply list generic terms for the species e.g. 'live snakes and turtles' or 'wild animals' so it is difficult to determine exactly what species were exported.

The data reveal a weak regulatory system and highlight the massive scale of wildlife trade through Mong Cai and more generally through Vietnam to China. Customs-declared trade of wildlife through Mong Cai is restricted to species of reptile and consist mainly of hard-shell turtles, monitor lizards and snakes. The species declared include those listed in CITES Appendix II, Group IIB of Decree 32/2006/ND-CP, and those considered as Globally Threatened and Endangered on the IUCN Red list. However, due to the poor identification skills and lack of inspections it is impossible to state with any confidence that the species declared to Customs were even those being transported.

Based on the Customs data, there are significant differences in the quantity of wildlife declared at importing gates for re-export through Mong Cai each year compared to that declared in Mong Cai (Table 7). We found that 128,200 live individuals of hard-shell turtles, monitor lizards and snakes were imported for re-export through Quang Ninh in the three-year period 2008-2010. For 12 imports we received no information on quantity, but based on the average shipment size in this period of 3,500 individuals these 12 missing data points could represent 42,000 additional imported individuals. In the same three-year period, only 95,323 live individuals of hard-shell turtles, monitor lizards and snakes were declared on export in Mong Cai, representing a deficit of 32,877 individuals but when you account for the missing 12 shipment data this could be almost 75,000 individuals.

The data illustrate a steady flow of wildlife throughout the year averaging more than two large shipments each month ranging from 1,200-5,700 individuals per shipment. The data from import gates and in CITES permit applications indicate that over the last three years the annual traded quantity is increasing and this is confirmed in the sales contracts reviewed between companies in Vietnam, Lao PDR and China. For example, Customs declarations included a sales contract showing a Vietnamese company made an order of 114,000 hard-shell turtles, monitor lizards and snakes in May 2009 and added a second order of 262,000 live animals of those species in January 2010.

**Table 7: A summary table comparing international trans-shipments of reptiles through Mong Cai City, Quang Ninh province, Vietnam from Customs import and export declarations and CITES permits from 2006-2010**

Year	Species traded	Quantity declared at import gate for re-export through Mong Cai	Quantity declared to Mong Cai Customs	Quantity on CITES permits submitted to Customs	Total quantity traded from VN-CH reported to CITES Sec
2006	Turtles and snakes	Data not available	10,000	9,000	24,500
2007	None recorded	0	0	0	0
2008	<i>H. annandalii</i> , <i>C. amboinensis</i> , <i>V. salvator</i> , <i>P. mucosus</i>	19,400	6,600	6,600	11,200
2009	Wild animals including <i>V. salvator</i> , <i>P. mucosus</i> , <i>H. annandalii</i> , <i>H. grandis</i> , <i>P. sinensis</i> , Cobra, <i>C. amboinensis</i>	33,700*	46,423	87,000	101,400
2010	Wild animals including <i>V. salvator</i> , <i>P. mucosus</i> , <i>H. annandalii</i>	75,100**	42,300	220,000	74,000

\*Three Customs declarations did not include quantities of animals traded \*\* Nine customs declarations did not include quantities of animals traded

There were only five Vietnamese companies involved in the cross-border trade of wildlife declared to Customs from 2006-2010 and none of these were consistently trading each year (Table 8). In 2010 only one company, Dau Tieng Ltd Company, was declaring wildlife exports through Quang Ninh and over the five years was responsible for 53% of all wildlife exported through Mong Cai.

**Table 8: Vietnamese companies involved in the international trade of wildlife, as declared to Customs, through Mong Cai City, Quang Ninh province between 2006-2010**

Year	Company
2006	Viet-Trung border Trading joint-stock Company
2007	n/a
2008	Cuu Long Ltd Company, Village 5, Tan Than Commune, Ca Mau city
2009	(i) Cuu Long Ltd Company, Village 5, Tan Than Commune, Ca Mau city (ii) Thai Son Construction and Foreign Trade joint-stock company (iii) Dau Tieng Ltd Company, 21 Truong Chinh St, Ward 3, Tay Ninh town
2010	Dau Tieng Ltd Company, 21 Truong Trinh St, Ward 3, Tay Ninh town, Tay Ninh province was listed as the exporter from Vietnam but with a special condition on all permits that the import and re-export would be entrusted to the Nam U Minh Ltd Company

There were two Chinese companies identified importing wildlife from Vietnam through Mong Cai: Beijing Long Ying Import-Export Ltd Company (91 Ding Jian Jun St, Ximage village, Gao Li Ying town, Shunyi district, Beijing, China) and the Huazheng Laboratory Animal Breeding Centre (Zou village, Chengjiao town, Conghua town, Guangzhou, China)

#### Department of Animal Health – Regional Quarantine office

All wildlife being legally exported from Vietnam must pass inspection by the Department of Animal Health's Regional Quarantine office that has offices in Ha Long and also Mong Cai. Data provided by this office to WCS showed that they had processed exports to China of the 86,500 specimens of the following species from January to August 2010: *H. annandalii*, *V. salvator*, *C. amboinensis*, *H. grandis*, Cobra sp. , *P. mucosus* and *C. siamensis*. Their records showed that the above wildlife was imported through the following border gates: Nam Can (Ca Mau), Na Meo (Thanh Hoa), Nam Can (Nghe An), Cau Treo (Ha Tinh), Lao Bao (Quang Tri), Bo Y (Kon Tum), and Ca Tum (Tay Ninh) all reportedly with CITES permits. These data further highlight the weakness in the regulatory system with a number of these border gates and species not recorded by Customs or CITES.





Figure 3: Map illustrating (in red) a major wildlife trade flow from Thailand through Lao and Vietnam to China for a range of reptile species and pangolins with key companies and border crossings involved between 2006-2009 highlighted

## 2.2. Illegal trade in wildlife

Smuggling of protected wildlife across an international border is a criminal offence in Vietnam that can lead to a jail sentence of up to seven years, fines up to \$24,000 (EXR: \$1/20,500VND) and loss of business operating licences. Previous surveys have indicated that the trade at the Vietnam – Chinese border is highly organised and coordinated by professional criminal networks<sup>8</sup>.

Collecting data for monitoring the illegal trade of wildlife at a border crossing therefore presents significant challenges compared to monitoring in wet markets, retail establishments or with hunting communities. This situation analysis presented an opportunity to trial a variety of techniques to collect data on the illegal cross-border trade of wildlife through Quang Ninh province that would not only inform this study but also similar studies in the region monitoring wildlife crimes at the border and other transnational crimes.

Existing data sources were utilised including previous surveys into the wildlife trade in Quang Ninh<sup>8</sup> online media sources, both in the Vietnamese media and also Chinese media reporting seizures or commentaries on the state of wildlife trade in Quang Ninh or areas bordering areas in GZAR; and data from police, customs and FPD on arrests and seizures from wildlife violations. Additional information was collected from local sources in Quang Ninh about the illegal wildlife trade situation. Firstly, an investigative journalist collected information undercover from informants in Mong Cai City on a series of trips between March-October 2010; secondly, in June 2010 and January 2012, a team of police officers carried out undercover investigations to identify key wholesale wildlife traders in Mong Cai city and finally project staff collected information from a number of sources in Ha Long City and Mong Cai City over a number of trips between March 2010 and February 2012.

The following sections present the results of the above methods. Details on precise sources of information are available on request; this condensed style was chosen for ease of reading.

### Species in the trade

Collecting an accurate and complete inventory on the species illegally traded across the border was limited as sources in Mong Cai would regularly respond that any species are available and traded at the request of the buyer in China. Based upon reports from local sources during surveys and information from seizures in Quang Ninh and locations immediately across the border in GZAR a number of taxonomic groups and wildlife products emerged as the most commonly smuggled based upon frequency of reports: Pangolins (live, frozen and de-scaled, scales), freshwater hard-shell and soft-shell turtles (live and shells), monitor lizard, snakes (cobra, rat snakes, python), elephant ivory, crocodiles, civets, large and medium-sized cats (e.g. Clouded leopard, Asian golden cat, tiger), bear (live and paws), macaques, tokay gecko, rhino horn, and a number of species of bird (including but not restricted to herons and cranes). The list contains a number of species considered Endangered and Critically Endangered by the IUCN Red List and those prohibited from trade under CITES e.g. Pangolins, giant Asian pond turtle, Siamese crocodile, tiger, Asian black bear.

### Quantities traded

Seizures by law enforcement agencies provide some indication to the scale of illegal trade but they represent only a proportion of the total illegal trade. Various reports have estimated proportions of the total illegal trade that seizures represent, ranging from 2-20%<sup>9</sup>. These estimates are total guesswork with no clear or objective basis for the estimation and therefore we recommend such estimations be disregarded. Wildlife traded through Quang Ninh is sourced throughout Vietnam and from other countries. Therefore, by only looking at seizures in Quang Ninh we would be disregarding those shipments that were intercepted

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<sup>8</sup> Nguyen Manh Ha. 2002. The Illegal cross-border trade from Vietnam to China: a review of the present state of this activity and recommendations on how to stop it. International University of Andalusia, Spain.

Nguyen Van Song. 2003. Wildlife Trading in Vietnam: Why it flourishes. Research Report. Economy and Environment Program for Southeast Asia. Singapore.

<sup>9</sup> World Bank. 2010. Socialist Republic of Viet Nam. Forest Law Enforcement and Governance. The World Bank East Asia and the Pacific Region Sustainable Development Department. Washington DC, USA.

earlier in the trade chain (i.e. in central Vietnam or even in Thailand or Lao PDR) or later in the trade chain i.e. those that passed through Quang Ninh and were intercepted in China.

Observations of wildlife crossing the border are not possible and the most commonly used method was to interview people directly involved in the trade, but this approach gathered limited information as those with the most reliable information on quantity i.e. the criminal brokers coordinating the networks, were difficult to access. We found that organised criminal brokers were heavily involved in the transnational illegal trade in wildlife and corrupt individuals within government agencies (e.g. Border security and Customs) facilitate transactions. The people involved in smuggling wildlife were also allegedly involved in smuggling of many other prohibited goods e.g. narcotics, weapons and humans. We collected numerous reports of the aggressive nature of the smuggling gangs on the border involving guns, grenades, beatings and murder. These groups are highly suspicious of strangers asking questions, they have established buyers in China and little motivation to share details on their illegal business.

#### Monitoring cross-border vehicle traffic

The limitations in collecting primary data on the quantities of wildlife being illegally shipped are obstacles shared by agencies working to control trafficking other goods such as in humans, drugs, and e-waste. Developing methods to monitor illegal flows in such goods at the border is a critical component of any strategic, long-term intervention.

A method was trialled as part of our analysis that utilised a proxy-measure of the scale of illegal cross-border traffic at different illegal crossing points. Information was not collected on the product being transported, as in many shipments the product is packaged and therefore not identifiable. Strengthened control of illegal cross-border wildlife trade (and other transnational crimes) would require an enforcement response that includes reducing all illegal traffic along the border in Mong Cai, an outcome that could be measured with this proxy. Furthermore, the data will allow us to calculate losses to state budget both in terms of Customs fees but also through corruption and the potential contributions of fines on those vehicles.

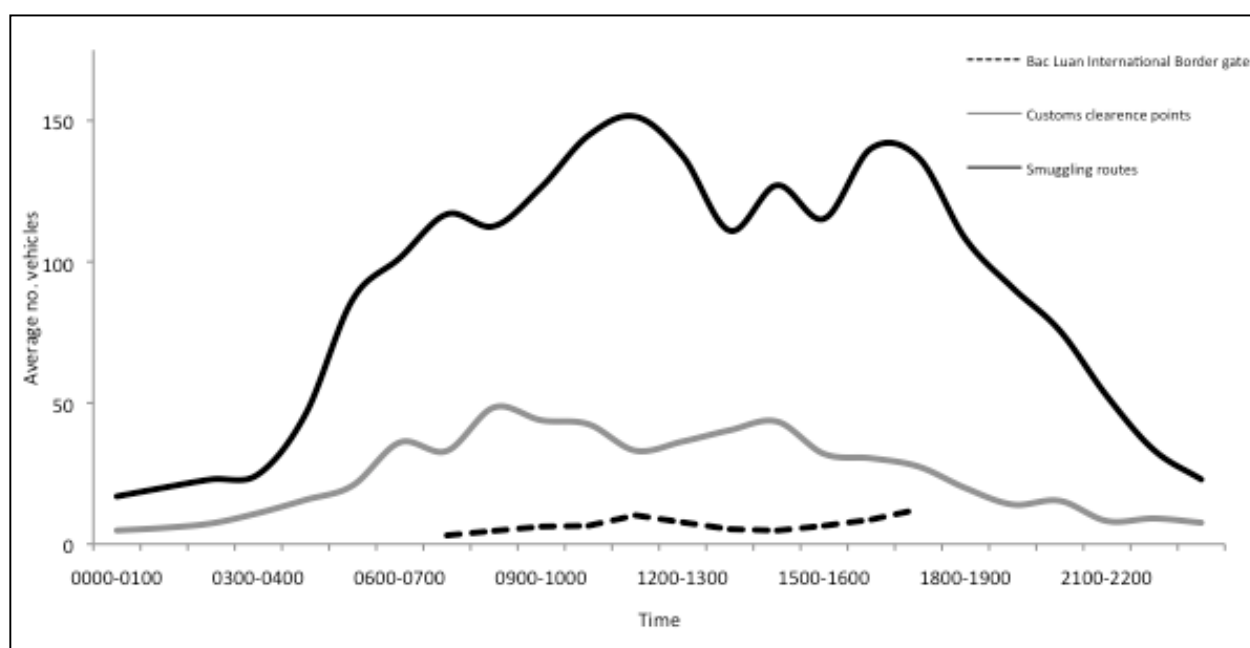
In collaboration with local counterparts and with support from agencies in China, 36-hour surveillance sessions were carried out four times on six border crossings in Mong Cai. The six crossings selected represented fully-legal crossings (Bac Luan international border gate); Customs clearance points, which allow exporters to clear Customs in Vietnam legally but then are able to enter China by any means (Ka Long and Luc Lam); and finally smuggling routes that are completely illegal (Vang Lay, Co Ngong, and Km1) (See Figure 2). Surveillance sessions were carried out between October 2011 and January 2012 and were designed so every day of the week was surveyed at least once and every hour of the day was surveyed between five and eight times. Bac Luan international border gate is only open from 0700-1800 but all other crossings were monitored throughout the day and night totalling 786 hours of surveillance over the six crossings. During a surveillance session every vehicle observed transporting goods was recorded by the hour and by vehicle type. Vehicles were counted as they entered and left the crossings (recorded as a two-way shipment) as many would not only be exporting goods but also collecting goods for import.

A total of 33,703 two-way shipments were counted in the 786 hours of surveillance across all six crossings, totalling 16,852 vehicles. Only 2% (760 vehicles) crossed through the Bac Luan international border gate, with 22% (7,472 vehicles) making the crossing via a Customs clearance point. The majority of vehicles counted shipped their goods at illegal crossing points totalling 76% (25,471 vehicles) of all shipments counted (Table 9). The Km1 crossing was the busiest crossing-point with 63% (20,881) of all shipments going this route.



**Table 9: Cross-border vehicle traffic monitoring results from six crossing points in Mong Cai City, Quang Ninh province, Vietnam recorded in 786 hours of monitoring between October 2011 and January 2012. Results show the total number of two-way cross-border shipments and the average by hour over a single 24-hour period.**

Time	Bac Luan International Border gate		Ka Long CCP		Luc Lam CCP		Co Ngong		Vang Lay		KM1		Customs clearance points (CCP)		Smuggling routes	
	Total	Mean	Total	Mean	Total	Mean	Total	Mean	Total	Mean	Total	Mean	Total	Mean	Total	Mean
0000-0100			15	3	43	7	16	3	11	2	176	29	58	10	203	34
0100-0200			14	2	55	9	21	4	17	3	202	34	69	12	240	40
0200-0300			5	1	83	14	21	4	20	3	234	39	88	15	275	46
0300-0400			15	3	117	20	15	3	39	7	243	41	132	22	297	50
0400-0500			33	6	155	26	51	9	63	11	438	73	188	31	552	92
0500-0600			27	5	222	37	127	21	91	15	821	137	249	42	1039	173
0600-0700			88	15	344	57	224	37	141	24	851	142	432	72	1216	203
0700-0800	31	6	170	21	224	45	148	25	172	29	1082	180	394	66	1402	234
0800-0900	47	9	156	22	522	75	168	34	159	32	959	160	678	97	1286	225
0900-1000	62	12	177	25	437	62	145	29	105	21	1217	203	614	88	1467	253
1000-1100	65	13	112	19	464	66	95	19	163	33	1427	238	576	85	1685	289
1100-1200	102	20	152	25	245	41	129	22	174	29	1514	252	397	66	1817	303
1200-1300	77	15	155	26	281	47	134	22	122	20	1393	232	436	73	1649	275
1300-1400	53	11	167	28	317	53	77	13	111	19	1144	191	484	81	1332	222
1400-1500	48	10	139	23	382	64	77	13	126	21	1322	220	521	87	1525	254
1500-1600	65	13	151	19	270	45	61	10	159	27	1163	194	421	64	1383	231
1600-1700	87	17	179	22	269	38	148	21	181	26	1400	233	448	61	1729	280
1700-1800	123	25	114	14	285	41	129	18	189	24	1623	232	399	55	1941	274
1800-1900			44	7	194	32	157	26	164	27	813	163	238	40	1134	216
1900-2000			39	7	129	22	122	20	75	13	892	149	168	28	1089	182
2000-2100			54	9	130	22	88	15	43	7	776	129	184	31	907	151
2100-2200			6	1	92	15	39	7	30	5	560	93	98	16	629	105
2200-2300			14	2	95	16	11	2	13	2	375	63	109	18	399	67
2300-2400			7	1	84	14	8	1	11	2	256	43	91	15	275	46
<b>Total</b>	<b>760</b>	<b>152</b>	<b>2,033</b>	<b>272</b>	<b>5,439</b>	<b>697</b>	<b>2,211</b>	<b>296</b>	<b>2,379</b>	<b>335</b>	<b>20,881</b>	<b>2,974</b>	<b>7,472</b>	<b>970</b>	<b>25,471</b>	<b>3,606</b>



**Figure 4:** Graph illustrating an ‘average day’ of cross-border vehicle traffic in Mong Cai City, Quang Ninh province, Vietnam recorded in 786 hours of monitoring between October 2011 and January 2012.

Surveillance sessions were collated by hour and the average number of vehicles per hour was calculated at each crossing. This provided a snapshot to an ‘average day’ of cross-border traffic in Mong Cai based upon mean vehicle counts per hour at each crossing. Similar to the total counts, Bac Luan international border gate experienced the lowest levels of trade with an average of 152 two-way shipments per day, followed by the customs clearance points with an average of 970 two-way shipments and finally the smuggling routes which together saw an average of 3,606 two-way shipments a day (Table 9). We found that the busiest time for trading fell within normal office hours (0800-1800) and although trade did continue through the night it was at much lower quantities at all crossings (Figure 4).

The most common vehicles observed transporting goods on the border were motorbikes with 9,707 counted representing 58% of all vehicles counted and all of these were counted transporting goods on illegal smuggling routes, mainly Km1 where 8,372 were counted. The second most common vehicle were trucks, with 4,151 counted and including 0.5-2.5 tonne trucks (2,687), 3-5 tonne trucks (1,261) and refrigerated trucks (203). They were found at all crossing points, legal and illegal. 20 and forty-foot container trucks were the next most common vehicles and were largely restricted to Luc Lam Customs clearance point where 1,595 were counted, although Ka Long (121) and Bac Luan (105) also recorded some container traffic. Cars (5-7 seats) were also counted and largely restricted to use on illegal crossings (801/845 counted). Similarly, 12-45-seater buses were used mainly on illegal crossings (194/221 counted). A full overview of vehicles counted is shown in Table 10.

Local sources told investigators that Border Army and Customs staff are paid an ‘unofficial fee’ from US\$10-20/shipment on illegal smuggling routes and at Customs clearance points. If that is correct, then based upon the above results between \$165,000-\$329,000 in illegal payments were given over the 144 hours surveillance carried out between October 2011 and January 2012 at the three illegal crossing points in this study. The results would also indicate, that based on an average of 1,803 vehicles using the three smuggling routes per day, from \$18,000-\$36,000 of bribes are given each day, a sum that could reach into the millions of dollars each year. Calculating the financial losses to the state budget are more difficult as taxes vary greatly by goods, quantity and if the shipment is in trans-shipment/re-export. However, if we take a minimum customs fee of \$10/shipment then the shipments observed in the above study at three smuggling points represent a loss of over \$250,000 and on the assumption the averages are reliable this represents a daily loss of over \$36,000 at the three smuggling points, a number that reaches over \$10 million in a year.

**Table 10: Types and numbers of transportation counted during monitoring of cross-border vehicle traffic monitoring at six crossing points in Mong Cai City, Quang Ninh province, Vietnam recorded in 786 hours of monitoring between October 2011 and January 2012.**

Site	Container truck	Refrigerated container truck	Refrigerated truck	3-5ton truck	500Kg-2.5 Ton truck	12-45 seated bus	5-7 seated car	3-wheel	Motor bike	Porters/ Others	Total
Bac Luan Int'l Border gate	92	13	7	272	5	1	0	0	0	0	<b>390</b>
Luc Lam CCP	850	745	41	368	717	0	0	0	0	0	<b>2,721</b>
Ka Long CCP	84	37	98	420	228	26	44	6	0	64	<b>1,007</b>
Km1	6	7	46	170	852	192	770	7	8372	20	<b>10,442</b>
Vang Lay	0	0	11	1	535	1	16	0	625	2	<b>1,191</b>
Co Ngong	0	0	0	30	350	1	15	3.5	710	1	<b>1,111</b>
<b>Total</b>	<b>1,032</b>	<b>802</b>	<b>203</b>	<b>1,261</b>	<b>2,687</b>	<b>221</b>	<b>845</b>	<b>17</b>	<b>9,707</b>	<b>87</b>	<b>16,861</b>



An additional loss to the state budget comes from fines, and again this is complicated to calculate as it varies with goods/quantity and other factors, but based upon a minimum criminal fine of \$100, the vehicles observed in this study represent a loss in potential fines of over \$1.2 million.

#### Wildlife smuggling routes and methods

There are three main methods of illegally transporting wildlife across the border in Mong Cai City to China: Through Bac Luan international border gate, through a Vietnamese customs clearance point and then entering China illegally, and finally through an illegal crossing/smuggling route. The general methods used at these points are expanded below.

- **Bac Luan international border gate**

Wildlife products are hidden amongst other goods or on people and pass through the Bac Luan international border Gate. Sources in Mong Cai report that this is the least used method as risk of detection is greatest at this crossing with both Vietnamese and Chinese authorities checking goods on exit and entry.

- **River ports and Customs clearance points**

Vietnamese exporters can submit Customs declarations at a number of Customs clearance points and river ports throughout the city. Most of these are located on the river in close proximity to the Chinese border and within privately owned ports e.g. Quang Phat 1 and 2, Tri Thanh, Thanh Dat, Thanh Nga (Figure 2). Once the exporters have cleared Customs on the Vietnamese side they are free to enter at any point and local reports indicate the large majority then enter China illegally, often right in front of the Vietnamese Customs and Border Army. A large amount of wildlife both legal and illegal utilises this route according to both local sources, data extracted from Customs data-sets and information from seizures. For example, large shipments of ivory and pangolins have both been detected at Luc Lam Customs clearance point. Wildlife is commonly mis-declared and hidden amongst other goods when passing through these points and relies upon the lack of thorough inspections by Customs officers and the ability to bribe officials on the border.

- **Illegal crossings/smuggling routes**

The most commonly reported route for illegal wildlife to China was through illegal crossings. There are a number of well known locations with local names and rather than being a secret dirt track winding through the forest, these are all accessible by relatively well-maintained dirt roads and provide good access for cars and trucks to the river for loading/unloading goods onto waiting boats. Through a number of undercover investigations in Mong Cai we found the following smuggling points to be the most commonly reported and confirmed their operation: Km1 (Ben Chua, Z1), Km2 (Ben Cuoi, Bui Tre), Km4 (Ben lon), Co Ngong, Vang Lay, Nga Tu Ong Lien (Figure 2). We also collected reports of a crossing known as Bac Son, and Border Army station 5, 7, and 11 although it was unclear if these related to any of the above points or represent new crossings.

#### Criminal brokers

The cross-border illegal trade in wildlife and other goods (e.g. humans and drugs) is facilitated by a small number of powerful, criminal, 'brokers' who coordinate trafficking activities on the border. Unlike wholesale wildlife traders operating in other provinces we have studied, these individuals are far more organised, professional and involved in many other criminal activities. These brokers present a major node in illegal wildlife trade flows maintaining a number of critical roles:

- Act as middlemen between Chinese buyers and Vietnamese traders, sourcing wildlife throughout the country and region to sell onto traders in China.
- Guarantee safe transport of wildlife across the border (via legal and illegal crossings) for other traders, taking a profit from the transaction. Local informants report that these brokers will receive large shipments of wildlife at their privately-owned ports/warehouses. The shipment will then be split into smaller shipments before being moved across an illegal border crossing on motorbike.
- Control a number of illegal crossing points/sections of river or trade in certain products through Mong Cai through the threat of violence/death to other traders who attempt to use them/trade them without their 'permission'.

- Maintain close, corrupt relationships with staff of local authorities and law enforcement agencies to ensure smooth operation of their illegal crossing points and to evade investigation, arrest, prosecution and punishment.

Furthermore, in the case of the most active brokers, they operate legitimate businesses including logistic companies, trading companies, construction companies, storage warehouses, restaurants, ports and stevedoring services. Through the course of this assessment information on the names, addresses and trade operations of a number of these brokers was collected that has been provided to the authorities..

Logistics companies form an important stakeholder group in the system of illegal cross-border trade. They provide a service to customers by managing the flow of goods from origin to destination, including transportation, warehousing, packaging, and dealing with formal paperwork and Customs declarations. They are acutely familiar with organised smuggling groups, their routes and corrupt officials. In some cases, logistic companies may be aware of illicit goods being smuggled through their services and sometimes they may be totally unaware as to the goods being shipped and even who is behind the shipment. Quang Phat Limited company, owned by the notorious and now incarcerated criminal gang leader Phuong Ninh Hot, operated as a logistics company, and reports suggest that his main competitor ‘Steel-face’ Dung also runs a logistics company as a cover and support for his smuggling operations.

Transport companies are often a sub-company under a logistics company though can also operate independently and are sub-contracted for work. They range from an individual owning a single truck to a company owning a fleet of trucks of different sizes, ships, barges, motorbikes and stevedoring/portering services and can be state or private. Customs and shippers’ seals often prevent the transporter from opening/tampering with the goods being transported and they may or may not know what goods are being shipped depending on the case.

Ports are also an important point in the illegal trade network. They are often owned and operated by either logistics companies, transport companies, or are independent. A major service they provide is receiving goods from road or river for re-packaging for export to China (both illegally and legally). Ports also often include warehousing for short-term storage of goods if a shipment is going to be broken into a number of smaller quantities for shipping.

### 3. WILDLIFE CRIME LAW ENFORCEMENT

#### 3.1 The role of government institutions in the prevention of illegal cross-border wildlife trade

The control of illegal cross-border trade in wildlife falls within the responsibility of five ministries: The Forest Protection Department, Ministry of Agriculture and Rural Development (MARD); Department of Anti-smuggling of the General Department of Customs, Ministry of Finance (MoF); Border Army, Ministry of Defence; (MoD), Market Control Force, Ministry of Industry and Trade (MoIT); Environmental, Traffic, Economic investigation and position-related crimes Police, Ministry of Public Security (MPS); and the People's Procuracy and Courts (National Assembly).

The Forest Protection Department (FPD) is the primary body responsible for the enforcement of the State Law on Forest Protection and Development and is tasked with monitoring forest cover changes and carrying out initial investigations of violations of that law, which includes those on wildlife protection. Upon detection of a wildlife trade case by other agencies, in most cases the FPD would be their first contact for assistance in species identification and handling of the seized wildlife. At the field level, there are two types of forest protection ranger teams: enforcement units that patrol designated forest areas under provincial and district command, and provincial and district mobile units that monitor urban and forest areas and carry out investigations. At a provincial level, there are 320 FPD staff in Quang Ninh, of which around 240 are directly working on preventing wildlife protection violations. The provincial FPD report that 75% staff will be rotated from their positions every three years, moving between stations, district sub-departments and mobile units. At present they have an annual provincial budget of \$4,500 for training programs and \$18,000 for equipment but no budget allocated for investigations into wildlife trade/violations.

The Department of Anti-Smuggling under the General Department of Customs is the primary body responsible for monitoring the import and export of goods through Viet Nam's border gates including wildlife. Customs officials at all levels are responsible for inspecting and supervising goods, commodities and vehicles, and for preventing and combating trafficking and illegal cross-border transportation. Custom's jurisdiction is limited to border checkpoints and the immediate surrounding areas but within those points they have the right to inspect any person or vehicle. They can also carry out criminal investigations on minor cases of wildlife trade. In Quang Ninh there are over 450 Customs officers, with around 45 working on wildlife trade cases on a permanent or ad-hoc basis.

The Border Army are tasked with protecting the border of Viet Nam by controlling encroachment into Viet Nam and preventing illegal border-crossings, including cases related to illegal exploitation of natural resources. They have the power to undertake criminal investigations and handle administrative violations, as well as to pursue perpetrators into Vietnamese territory. They are stationed along the border with China and also patrol the Ka Long river that marks the international border.

The Department of Market Control is responsible for inspecting domestic markets and controlling trade violations. This includes controlling the sale of fake goods and monitoring for the sale of illegal wildlife. The Department of Market Control has limited enforcement powers and can only issue fines for violations under their jurisdiction; cases involving protected wildlife are generally transferred to the FPD for settlement.

The General Department of Police under the Ministry of Public Security is responsible for investigating criminal violations of wildlife protection as stipulated in the penal code of Viet Nam. Cases are routinely transferred to the police from above agencies who have limited criminal investigation powers in addition to cases being detected by sub-departments of police

The Environmental Police are a relatively new sub-department of the police and therefore have not been given full police powers yet, but they can work in cooperation with other police officers in this respect. Their duties relate to the State Law on Forest Protection and Development, Environmental Protection, and Biodiversity that contain article on wildlife protection. Their main role is to carry out investigations and respond to civilian reports of violations requiring immediate action.

In addition to the Environmental Police, there are three other sub-departments of the police that have a role in controlling forest violations: Department of Economic and Position-Related Crimes Investigation Police (C15), who are responsible for investigating criminal malpractice by business enterprises; Marine Police, who assist in preventing the illegal import of goods through coastal borders and work directly with Customs; and Transport Police who are responsible for investigation illegal transportation of wildlife.

The Regional Animal Quarantine Department (under MARD) is responsible for managing the import/export of wild and domestic animals at Viet Nam's borders to ensure they are quarantined and do not spread disease to humans or other animals. They are required to check all live animals crossing the border, carry out health checks, issue health certificates, quarantine animals showing signs of disease for investigation, and destroy contaminated animals/products. In Mong Cai they are active in checking wildlife, though in practice lack the capacity to effectively do this work. They are in the process of constructing a large quarantine area in Mong Cai City to improve this situation.

### **3.2 Inter-agency agreements, operations, and activities**

Steering Committee 127 against smuggling, counterfeiting and trade fraud (SC127) is present at a national level, chaired by the Prime Minister, and at provincial levels chaired by Provincial People's Committees. The Department of Market Control are the standing member at both levels and convene the committee with representatives from departments from ten ministries, including MARD, MPS, MoD and MoF.. The Committee has the power to request ministries and provincial governments to strengthen enforcement efforts; develop situation reports and operational plans; and propose new policies and preventative measures. It can also promulgate regulations on joint control measures to prevent violations throughout the country. The Steering Committee includes wildlife smuggling in its mandate but to date has initiated few interventions to address this crime.

The Km15-Dan Tien Harbour Inter-agency Inspection Station was established in 2005 under the supervision of Quang Ninh Steering Committee 127 and is located 15 km from Mong Cai city on national road 18A from Mong Cai to Ha Long. The station is manned by an inter-agency team consisting of officers from Customs, police (traffic and economic investigation police), military, tax authority and market control who have the mandate to stop and inspect any vehicle passing on the road to detect smuggled goods being imported or exported. They operate 24hrs/day and report directly to SC127 making regular reports of their activities and achievements. Local sources including transporters, criminal 'brokers' and law enforcement officers report that the station focuses primarily on goods entering Vietnam from China and rarely check vehicles exporting goods.

Vang Lay and Tram Bom Inter-agency stations were established following Joint Resolution 1365/NQLT/HQQN-BPQN on 22<sup>nd</sup> October 2003 between Quang Ninh Customs and Border Army on establishing two joint control teams and are following joint cooperation plans agreed upon by the two agencies.

The Vietnam Wildlife Enforcement Network (National Committee on Wildlife Trade Control) is chaired by the Vice-Minister of MARD with representatives from all relevant law enforcement and regulatory agencies. This multi-agency committee is tasked with providing analysis, planning, prioritizing actions and facilitating operations and communications between ministries to address illegal wildlife trade in Vietnam. With support from WCS, two provincial inter-agency planning meetings have been held in Quang Ninh province to identify key obstacles to effective wildlife trade control and develop an annual action plan.

### **3.3 Detection and suppression of wildlife crimes**

In our assessment of law enforcement we carried out a number of analyses. Firstly, a review was conducted of government law enforcement records in recent years. This included collecting data on all arrests handled by the FPD from 2006-2010 in eight FPD departments in Quang Ninh province including the Quang Ninh provincial mobile unit, Ha Long City, Cam Pha district, Binh Lieu district, Tien Yen district, Dam Ha district, Hai Ha district, and Mong Cai City. In addition, all cases handled by the Provincial Procuracy from 2006-2009 were also reviewed. Secondly, a questionnaire was developed to collect data on human and



financial resources for wildlife crime law enforcement and the perceived needs and obstacles for the agencies.

Our review of FPD wildlife violation records found 317 arrests were made in Quang Ninh province for wild animal protection violations between 2006-2009. The majority of these were administrative violations (303 cases) although 14 were reportedly transferred for criminal prosecution.

Administrative fines were recorded for 204/303 violations and totalled over 4.8 billion VND (\$250,000). Of the 14 criminal prosecutions, we could only find two of these in the Provincial Procuracy data, both resulting in jail sentences of 12 and 30 months. There were an additional eight criminal cases in the procuracy data from the period 2006-2009, each sentencing the violator to a jail term ranging from 12-36 months (Average: 24 months), although these could not be found within the FPD datasets.

The most common violation detected was of illegal wild animal transport (218 cases), followed by trade & transport of wild animals (37 cases) and keeping and storing wild animals (15 cases). Thirty-nine cases did not report the violation type.

The FPD detected the most number of cases (219) of all the law enforcement agencies with the highest performing departments being Mong Cai City FPD (64 cases), Quang Ninh provincial FPD mobile unit (42 cases), Tien Yen District FPD (32 cases) and Ha Long city FPD (31 cases). The Police detected 69 cases whilst Border Army, Customs and Market Control detected the least (seven, two, and one cases respectively). Of particular note was that 17 cases were detected by inter-agency teams, mainly composed of two agencies, Police and FPD (13 cases).

In total 26,595kg of wildlife was seized in the cases. The records show that in 76% (240/317) of the cases the wildlife was then sold back into the trade, generating over 3.9 billion VND (US\$190,000) to the state budget.

A coarse analysis of repeat offenders was carried out by violator name and home district/province. This found ten repeat offenders, with an additional six repeated names, though with a different hometown recorded.

#### The impact of short-term ‘crackdowns’ on illegal smuggling routes

A common enforcement strategy reported in Mong Cai was illegal border crossing ‘crackdowns’, where law enforcement agencies make patrols to known illegal crossing points to deter smugglers over a given period of time. These crackdowns were often in response to Directives from the province or central level in both China and Vietnam for “strengthened enforcement and control of border smuggling”.

During monitoring cross-border vehicle traffic teams observed first-hand the actual impact of these ‘crackdowns’ over one surveillance session when Chinese police officers were observed through the night. In the 39-hour surveillance session, teams observed five Chinese police checks on the illegal crossings throughout the night (at 2304, 2330, 0037, 2122, and 2144). Observers reported that immediately prior to the police check, vehicle traffic would slow to zero and then re-start very soon after the police had moved on. We compared vehicle counts over the 39 hours in this session at the three illegal crossings to the average vehicle count collected over the whole survey period. This showed that the police ‘crackdowns had little impact’. In the 39-hr ‘crackdown’ session a total of 3,012 vehicles were counted at the three illegal crossings, which is greater than the average vehicle traffic at those points of 2,842 over the whole survey (Figure 5).

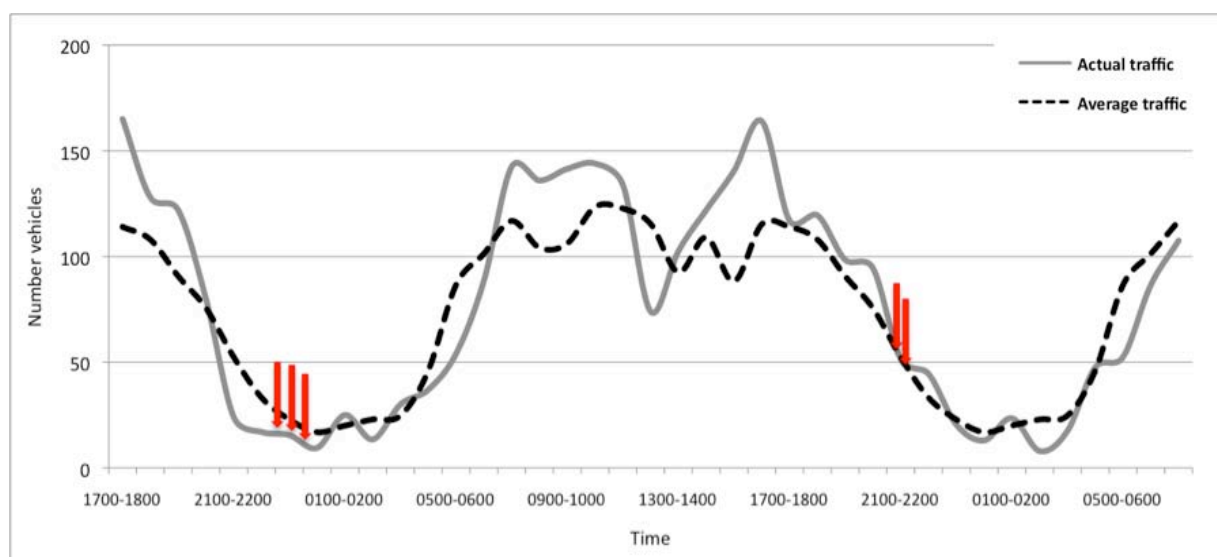


Figure 5: Graph showing average daily traffic at three illegal crossing points (dotted line) and actual daily traffic (grey line) on a day of an enforcement 'crackdown' from Chinese authorities with patrols highlighted (red arrows) from cross-border vehicle traffic monitoring in Mong Cai City, Quang Ninh province, Vietnam

## 4. CONCLUSIONS

### 4.1 Cross-border trade in Mong Cai operates in a poorly regulated and often illegal fashion.

On average, we found only 3% of cross-border vehicular traffic passes through the Bac Luan official highway border crossing, with over two-thirds making the crossing at a number of well known smuggling points. We documented smuggling occurring in plain sight on a limited number of well-known routes, peaking during daylight hours and being almost totally unaffected by law enforcement patrols.

### 4.2 There is a massive trade in CITES-listed reptiles of wild origin, including Globally Threatened species, in trans-shipment through Mong Cai from other Southeast Asian countries.

The actual species and quantities in trade are poorly understood as thorough inspections are rarely carried out on either import or export. An analysis of customs declarations at import and export gates and accompanying CITES permits highlighted significant gaps in the system with quantities on Customs declarations and CITES permits showing a discrepancy of between 32,000-75,000 animals. This discrepancy can be explained if Mong Cai Customs did not provide all the data to the team, or that their data management system has led to data loss. However, the discrepancy could also be explained if this indicates the amount that is smuggled through Mong Cai and not declared to Customs.

### 4.3 Enforcement of illegal cross-border trade is vastly inadequate and ineffective at present.

In 18 days of surveillance on three border crossings police patrols were observed five times all within a single 24-hour period (i.e. 1 out of 18 days). Wildlife crime enforcement efforts to date by the Vietnamese authorities have focussed on transport with over 250 wildlife transport violations detected between 2006-2009; a relatively small amount considering the levels of illegal transport documented along the border in this study. This also indicates the investigations stopped at the transporter and did not expand to the brokers and suppliers, a critical enforcement target to 'break the networks'. Wildlife cases also only resulted in 14 criminal prosecutions, a surprising result given the large quantities and Group IB Decree 32 species reported in trade.

### 4.4 Weak enforcement and governance has led to the proliferation of organised crime gangs who coordinate smuggling activities in Mong Cai City.

These conditions have led to the convergence of a number of serious crimes including smuggling of protected wildlife, humans, drugs, and e-waste in addition to assisting exporters to evade taxes and fees in both countries. These organised criminal gangs are also reportedly involved in a number of other crimes including drug use, intimidation, money laundering, threatening law enforcement officers, corruption and murder.

#### **4.5 The collusion and corruption of staff of border authorities and law enforcement agencies presents the greatest threat to transnational crime prevention in Quang Ninh.**

This analysis collected numerous reports on the close relationships of criminal brokers and transporters to staff of these agencies. This study estimated from 360-720 million VND (\$18,000-\$36,000) could be given in bribes to border officials each day at three of the six most popular smuggling points in Mong Cai City. Corruption and weak enforcement comes at a high cost to the government not only from the direct loss to the state budget from fees and potential fines, but through the environmental, social and health costs the transnational crimes and criminal gangs, facilitated by corrupt officials, bring with them.

#### **4.6 The unregulated border in Quang Ninh has significant negative impacts to Vietnam's sustainable economic development.**

Vietnam currently faces a large and growing trade deficit to China with imports outstripping exports by a massive degree. The situation in Mong Cai where 'informal' and illegal trade could represent up to two-thirds of total two-way shipments hamper an accurate evaluation of this deficit and restrict the government's ability to control trade. Furthermore, as a member of the World Trade Organisation, the Greater Mekong Sub-region Cross-border Transport Agreement, and a negotiating member to the Trans-Pacific Partnership Vietnam must demonstrate efforts to regulate border smuggling or face the possibility of trade sanctions through non-compliance. In addition, the situation on the border also presents significant threats to public health in Vietnam. Illegal imports of diseased livestock (e.g. H5N1 infected poultry) from China have been suggested as a key factor behind the persistence of H5N1 in Vietnam that has cost the country millions of dollars in prevention and control.

## **5. RECOMMENDATIONS**

Eliminating the illegal cross-border trade in wildlife and other trans-national crimes is a long-term goal and will require a multi-year, adaptive approach. We recognise that a similar situation is likely present at other important border crossings between Vietnam and China yet recommend focussing interventions in Mong Cai City at this stage. Systems, techniques and approaches developed at multiple levels to disrupt illegal trade flows and transnational criminal gangs in Mong Cai can be rolled out in other areas in the future. We recommend the government form a task force under National Steering Committee 127 against Smuggling, Counterfeiting and Trade Fraud to develop a strategic approach to tackle the rampant smuggling in Mong Cai city, at a minimum this should include the following activities:

### **5.1 Launch a sustained campaign to prevent corruption of border officials**

Attempts to dismantle the organised crime networks will be undermined by their corrupt relationships with government border officials. As a matter of first priority we recommend the government launch a sustained campaign to prevent corruption of border officials. This should at a minimum include:

- A thorough intelligence-led investigation into corruption and collusion of government and law enforcement officials in transnational crimes;
- Strong and effective punishment to any official found taking bribes, publicly announced to deter other potential violators
- A rewards-based system of public reporting of corruption in border trade;
- Support to independent monitoring of corruption in border officials involving civil society

### **5.2 Strengthen anti-smuggling law enforcement effectiveness along the border**

Rather than addressing wildlife crimes in isolation, we recommend viewing wildlife as one of a number of commodities being trafficked and initially to focus enforcement at two points: illegal crossings on the river, and the organised criminal brokers and their networks, this would include at a minimum:

- Strategic and sustained increase in multi-agency patrols along the river and at entrances to known smuggling points
- Advanced criminal investigations (e.g. controlled deliveries, undercover) following detection of illegal transports to ensure the networks and brokers behind the transporters are arrested and effectively punished to the power of the penal code
- Construct vehicle barriers on roads to popular illegal border crossings

- Install vehicle X-ray scanners at Luc Lam and Ka Long Customs clearance points
- Transparent, multi-agency monitoring systems for cross-border crimes and law enforcement to support adaptive management.
- Annual wildlife crime training to frontline border enforcement agencies (i.e. Customs, Border Security, Quarantine, Police) in species identification, CITES application, smuggling techniques and trends, new related laws
- Institutionalise wildlife crime training into training curricula/centres and academies for enforcement agencies (i.e. Customs, Border Security, Quarantine, Police, Procuracy)

### **5.3 Strengthen the implementation of CITES at the border**

The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) provides a clear framework for monitoring trade in endangered species and ensuring trade does not harm wild populations. The effectiveness of CITES rests in the hands of the implementing countries and greater liaison with the CITES Management Authority in MARD and the CITES Scientific Authorities would be beneficial. We recommend using Mong Cai as a pilot site to develop new mechanisms and approaches to strengthening CITES implementation that might include:

- Stationing a CITES officer in Mong Cai to assist Customs in the proper handling and documentation of wildlife shipments. If this proves successful, this could be expanded to other border gates in Vietnam
- Piloting new technologies to link border stations and offices to wildlife and CITES experts