

**IMPACTS OF U.S. CONSUMER
DEMAND ON THE ILLEGAL
AND UNSUSTAINABLE TRADE
OF WILDLIFE PRODUCTS**

OVERSIGHT HEARING

BEFORE THE
SUBCOMMITTEE ON FISHERIES, WILDLIFE
AND OCEANS
OF THE

COMMITTEE ON NATURAL RESOURCES
U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED TENTH CONGRESS

SECOND SESSION

—————
Tuesday, September 16, 2008

—————
Serial No. 110-84

Printed for the use of the Committee on Natural Resources



Available via the World Wide Web: <http://www.gpoaccess.gov/congress/index.html>

or

Committee address: <http://resourcescommittee.house.gov>

—————
U.S. GOVERNMENT PRINTING OFFICE

44-484 PDF

WASHINGTON : 2009

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
Fax: (202) 512-2104 Mail: Stop IDCC, Washington, DC 20402-0001

COMMITTEE ON NATURAL RESOURCES

NICK J. RAHALL, II, West Virginia, *Chairman*
DON YOUNG, Alaska, *Ranking Republican Member*

Dale E. Kildee, Michigan	Jim Saxton, New Jersey
Eni F.H. Faleomavaega, American Samoa	Elton Gallegly, California
Neil Abercrombie, Hawaii	John J. Duncan, Jr., Tennessee
Solomon P. Ortiz, Texas	Wayne T. Gilchrest, Maryland
Frank Pallone, Jr., New Jersey	Chris Cannon, Utah
Donna M. Christensen, Virgin Islands	Thomas G. Tancredo, Colorado
Grace F. Napolitano, California	Jeff Flake, Arizona
Rush D. Holt, New Jersey	Stevan Pearce, New Mexico
Raúl M. Grijalva, Arizona	Henry E. Brown, Jr., South Carolina
Madeleine Z. Bordallo, Guam	Luis G. Fortuño, Puerto Rico
Jim Costa, California	Cathy McMorris Rodgers, Washington
Dan Boren, Oklahoma	Louie Gohmert, Texas
John P. Sarbanes, Maryland	Tom Cole, Oklahoma
George Miller, California	Rob Bishop, Utah
Edward J. Markey, Massachusetts	Bill Shuster, Pennsylvania
Peter A. DeFazio, Oregon	Bill Sali, Idaho
Maurice D. Hinchey, New York	Doug Lamborn, Colorado
Patrick J. Kennedy, Rhode Island	Mary Fallin, Oklahoma
Ron Kind, Wisconsin	Adrian Smith, Nebraska
Lois Capps, California	Robert J. Wittman, Virginia
Jay Inslee, Washington	Steve Scalise, Louisiana
Mark Udall, Colorado	
Joe Baca, California	
Hilda L. Solis, California	
Stephanie Herseth Sandlin, South Dakota	
Heath Shuler, North Carolina	

James H. Zoia, *Chief of Staff*
Rick Healy, *Chief Counsel*
Christopher N. Fluhr, *Republican Staff Director*
Lisa Pittman, *Republican Chief Counsel*

SUBCOMMITTEE ON FISHERIES, WILDLIFE AND OCEANS

MADELEINE Z. BORDALLO, Guam, *Chairwoman*
HENRY E. BROWN, JR., South Carolina, *Ranking Republican Member*

Dale E. Kildee, Michigan	Jim Saxton, New Jersey
Eni F.H. Faleomavaega, American Samoa	Wayne T. Gilchrest, Maryland
Neil Abercrombie, Hawaii	Cathy McMorris Rodgers, Washington
Solomon P. Ortiz, Texas	Tom Cole, Oklahoma
Frank Pallone, Jr., New Jersey	Bill Sali, Idaho
Patrick J. Kennedy, Rhode Island	Robert J. Wittman, Virginia
Ron Kind, Wisconsin	Don Young, Alaska, <i>ex officio</i>
Lois Capps, California	
Nick J. Rahall, II, West Virginia, <i>ex officio</i>	

CONTENTS

	Page
Hearing held on Tuesday, September 16, 2008	1
Statement of Members:	
Bordallo, Hon. Madeleine Z., a Delegate in Congress from Guam	1
Prepared statement of	2
Brown, Hon. Henry E., Jr., a Representative in Congress from the State of South Carolina	2
Statement of Witnesses:	
Allan, Crawford, Director, TRAFFIC North America	8
Prepared statement of	10
Bigue, Marcel, Deputy Director, WildAid	18
Prepared statement of	20
Kowalski, Michael J., Chairman and Chief Executive Officer, Tiffany & Co.	22
Prepared statement of	24
Perez, Benito A., Chief, Law Enforcement, Fish and Wildlife Service, U.S. Department of the Interior	4
Prepared statement of	5
Sebunya, Kaddu Kiwe, Director of Program Design, African Wildlife Foundation	25
Prepared statement of	26

**OVERSIGHT HEARING ON THE IMPACTS THAT
U.S. CONSUMER DEMAND IS HAVING ON
THE ILLEGAL AND UNSUSTAINABLE TRADE
OF WILDLIFE PRODUCTS, AND ONGOING
AND PROPOSED EFFORTS TO INCREASE
PUBLIC AWARENESS ABOUT THESE
IMPACTS.**

**Tuesday, September 16, 2008
U.S. House of Representatives
Subcommittee on Fisheries, Wildlife and Oceans
Committee on Natural Resources
Washington, D.C.**

The Subcommittee met, pursuant to call, at 10:08 a.m. in Room 1324, Longworth House Office Building, The Honorable Madeleine Z. Bordallo [Chairman of the Subcommittee] presiding.

Present: Representatives Bordallo, Brown, Kildee, Faleomavaega, Pallone, Capps, Saxton and Young.

**STATEMENT OF THE HONORABLE MADELEINE Z. BORDALLO,
A DELEGATE IN CONGRESS FROM GUAM**

Ms. BORDALLO. Good morning, everyone. The oversight hearing by the Subcommittee on Fisheries, Wildlife and Oceans will now come to order.

The Subcommittee on Fisheries, Wildlife and Oceans meets this morning to hear testimony on the impacts that the U.S. consumer demand is having on the illegal and unsustainable trade of wildlife products and ongoing and proposed efforts to increase public awareness about these impacts.

Pursuant to Committee Rule 4(g), the Chairwoman and the Ranking Minority Member will make opening statements.

On March 5, 2008, the Committee on Natural Resources held a hearing entitled "Poaching American Security, Impacts of Illegal Wildlife Trade." During this hearing we heard about the serious consequences of the global illegal wildlife trade, including the threats to our national security, to human health, and to biodiversity.

The Committee's investigation also revealed that the U.S. is largely driving this trade, with the value of wildlife imports to the United States more than doubling over the past eight years.

Yet, while the U.S. consumer is, in many cases, unwittingly fueling the illegal and unsustainable trade of wildlife and wildlife products, the U.S. strategy to educate consumers is woefully lacking in resources at the Federal level, and is largely left to private and nonprofit organizations.

Without awareness and education, American consumers will continue to make uninformed decisions that contribute to this growing problem.

Those few governmental, private, and non-governmental organizations that have empowered consumers to make choices that also promote the conservation of wildlife stand out. Through advertising, marketing, and education, these groups have started to address the illegal and unsustainable trade of wildlife and wildlife products.

So I look forward this morning to hearing from our witnesses, whose testimonies will highlight these pioneering initiatives to build public awareness about this illegal trade. And I also look forward to hearing suggestions for possible Congressional action that may expand our national education efforts to address this growing problem.

And now at this time I recognize Mr. Brown, the gentleman from South Carolina, the Ranking Republican Member, for any statement he may have.

[The prepared statement of Ms. Bordallo follows:]

**Statement of The Honorable Madeleine Z. Bordallo, Chairwoman,
Subcommittee on Fisheries, Wildlife and Oceans**

The Subcommittee on Fisheries, Wildlife and Oceans meets this morning to hear testimony on the impacts that U.S. consumer demand is having on the illegal and unsustainable trade of wildlife products and ongoing and proposed efforts to increase public awareness about these impacts.

On March 5th, 2008 the Committee on Natural Resources held a hearing entitled "Poaching American Security: Impacts of Illegal Wildlife Trade." During this hearing we heard about the serious consequences of the global illegal wildlife trade, including the threats to our national security, to human health, and to biodiversity. The Committee's investigation also revealed that the U.S. is largely driving this trade, with the value of wildlife imports to the U.S. more than doubling over the past 8 years.

Yet, while the U.S. consumer is, in many cases, unwittingly fueling the illegal and unsustainable trade of wildlife and wildlife products, the U.S. strategy to educate consumers is woefully lacking at the Federal level and is largely left to private and non-profit organizations. Without awareness and education, American consumers will continue to make uninformed decisions that contribute to this growing problem.

Those few governmental, private, and non-governmental organizations that have empowered consumers to make choices that also promote the conservation of wildlife stand out. Through advertising, marketing, and education, these groups have started to address the illegal and unsustainable trade of wildlife and wildlife products.

I look forward to hearing from our witnesses, whose testimonies will highlight those pioneering initiatives to build public awareness about this illegal trade. I also look forward to hearing suggestions for possible Congressional action that may expand our national education efforts to address this growing problem.

**STATEMENT OF THE HONORABLE HENRY E. BROWN, JR., A
REPRESENTATIVE IN CONGRESS FROM THE STATE OF
SOUTH CAROLINA**

Mr. BROWN. Thank you, Madame Chair. Today we continue our review of the international and domestic wildlife trade, while focusing on the consumer's demand for animals. This is not a new issue

or concern; in fact, this Subcommittee held one of its first oversight hearings on the emerging bushmeat crisis more than six years ago.

This Subcommittee moved historic legislation to establish the Asian Elephant Conservation Act, the Great Ape Conservation Act, the Neotropical Migratory Bird Conservation Act, and Marine Turtle Conservation Act to provide grants to conserve these bellwether species.

In fact, the former Chairman of this Subcommittee, Congressman Jim Saxton, sponsored the Rhino and Tiger Product Labeling Act of 1997, a landmark conservation measure that banned all products that contained rhino or tiger parts.

In countries such as China, it is part of their cultural heritage to use animal parts for medicinal purposes. It is my firm belief that most U.S. consumers want to protect threatened and endangered species, though many times they fail to understand the relationship of how these animals come into the international market.

For instance, how many Americans understand that the tropical fish they will buy and adopt as a loved pet may have been illegally captured through the use of cyanide? In terms of the bushmeat crisis, we know that more than one million metric tons of wildlife are being killed each year in Central Africa. While much of the meat is being eaten by 26 million starving people living in the region, there is ongoing demand for this meat in upscale restaurants in Central Africa, where a diner can choose a gorilla steak as their main course.

I am deeply offended by this practice. By consuming this highly endangered species, consumers are simply enriching the lives of wildlife poachers, and fueling the demand for further killing.

We also know that in this country, more than 200 million live animals enter this country each year. While it is not clear how many were illegally captured, the U.S. Fish and Wildlife Service is able to only inspect about 25 percent of those wildlife shipments. I look forward to testimony on how we can increase this inspection rate.

Finally, there is no question that greater emphasis must be placed on educating the public. Years ago, the African Wildlife Foundation had a slogan that only elephants should wear ivory. This powerful message was instrumental in the enactment of the African Elephant Conservation Act of 1988. President George H. Bush banned carving ivory and greater national protection.

While visiting wildlife in places like the Myrtle Beach Safari and our excellent Charleston Aquarium, people have a greater appreciation for wildlife, and are willing to join the fight to stop these species from being slaughtered. Sadly, at today's gas prices, it is difficult for many families to make these trips, and we are losing valuable voices for conservation.

The Democrat Alice-In-Wonderland energy policy is mind-boggling. We are the only nation in the world where the leadership in this Congress believes that our vast untapped energy resources are a curse, and not a blessing, for the American people.

We should do more to conserve wildlife, to educate more Americans to the evil of poaching, and to stop the largest transfer of wealth in the history of this nation by utilizing our own domestic oil and gas resources.

And with that, I yield back the balance of my time. Thank you, Madame Chair.

Ms. BORDALLO. I thank the Ranking Member for his opening statements. And now I would like to introduce the witnesses at our table. We have just one panel this morning.

First, Mr. Benito Perez, Chief, Office of Law Enforcement U.S. Fish and Wildlife Service; Mr. Crawford Allan, Director of TRAF-FIC North America; Mr. Marcel Bigue, Deputy Director of WildAid; Mr. Michael Kowalski, Chairman and CEO of Tiffany & Company; and Mr. Kaddu Sebunya, Director of Program Design, African Wildlife Foundation. I want to thank you all for being here today.

Before we begin, I would like to, in case there is any misconception, the suit I am wearing is fake.

We will begin with Mr. Perez to testify for five minutes. And I would note for all witnesses that the timing lights on the table will indicate when your time has concluded. Be assured that your full written statement will be submitted for the hearing record.

Mr. Perez, you can now begin.

STATEMENT OF BENITO A. PEREZ, CHIEF, LAW ENFORCEMENT, U.S. FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR

Mr. PEREZ. Thank you. Madame Chairwoman and Members of the Subcommittee, I am Benito Perez, Chief of the U.S. Fish and Wildlife Service's Office of Law Enforcement. I am pleased to be here today to discuss consumer demand for wildlife products and our office's role in educating the public about illegal wildlife trade.

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

Our 120 wildlife inspectors stationed at 38 U.S. ports of entry focus exclusively on wildlife trade. Our 186 special agents investigate violations of all U.S. wildlife laws, including those that address global wildlife trafficking.

Preventing illegal trafficking in global resources is a critical part of the Service's mission. Given the limited resources available to us, we must, out of necessity, focus primarily on core enforcement work in support of this goal. However, we recognize that public outreach and education can help raise awareness among those that are unwittingly contributing to a black market industry.

Our wildlife inspectors deal daily with businesses that import and export wildlife and wildlife products. Much of our compliance outreach targets this wildlife trade community. Compliance outreach includes presentations and training programs for brokers' associations and industry groups. We have participated in annual meetings, conventions, and other forums sponsored by such groups as the Marine Aquarium Societies of North America, the National Association for the Specialty Food Trade, the Association of Chinese Herbalists, and Safari Club International.

Our one-on-one compliance outreach efforts have included consultation with internet service providers, such as eBay, to assist them in establishing appropriate guidelines for online wildlife

transactions, and with staff from major department store chains to help them meet requirements for importing fashion goods made from wildlife.

We have also teamed with nonprofit groups to develop a conservation curriculum for traditional medicine schools in the United States, and have participated in industry-sponsored symposiums, addressing the use of protected wildlife and plants in traditional Chinese medicine.

Our focus on compliance outreach is critical to our efforts to stem wildlife trafficking on the supply side. We have, however, also long recognized the importance of educating the general public.

The latest edition of our buyer-beware brochure, co-produced with World Wildlife Fund TRAFFIC North America, spotlights caviar, wildlife wolves, and exotic plants, in addition to such long-banned items as sea turtle and spotted cat products.

A special Caribbean edition produced in both English and Spanish focuses on regional trade issues, warning travelers about purchasing products made from sea turtle, coral, queen conch, and other Caribbean species.

A few years ago, we teamed with a number of nonprofit groups to update our Suitcase for Survival program, which utilizes seized wildlife items in a formal curriculum package to teach the public about conservation threats related to illegal wildlife trade. Last year alone, our national wildlife property repository provided over 3,000 items to schools, zoos, and other organizations seeking materials for use in conservation education.

Such outreach clearly has a place in the effort to protect global species from illegal trafficking. We would, however, caution against seeing public education as a panacea to the problem of illegal wildlife trade.

Government engagement in such efforts dates back to the 1970s. Nonprofit conservation groups have also invested considerable time, energy, and money to educate the public on this issue. And as any law enforcement officer working in any arena can testify, knowledge of the law does not, in itself, constitute compliance with the law.

In short, strategies for combatting illegal wildlife trade must consider the complexity of the problem, and the need to address it on multiple fronts.

The Service is committed to conserving wildlife not only in this country, but throughout the world. We appreciate the Subcommittee's interest in the consumer awareness and education about illegal wildlife trade, and appreciate the opportunity to participate in this hearing.

Madame Chairwoman, this concludes my prepared remarks. I would be happy to respond to any questions you may have.

[The prepared statement of Mr. Perez follows:]

**Statement of Benito A. Perez, Chief, Law Enforcement,
U.S. Fish and Wildlife Service, Department of the Interior**

Madam Chairwoman and Members of the Subcommittee, I am Benito Perez, Chief of the U.S. Fish and Wildlife Service's (Service) Office of Law Enforcement. I am pleased to be here today to discuss our role in educating the public about illegal wildlife trade.

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

Our 120 wildlife inspectors, stationed at 38 U.S. ports of entry, focus exclusively on wildlife trade. Our 186 special agents investigate violations of all U.S. wildlife laws, including those that address global wildlife trafficking, throughout the country.¹

Overview of Illegal Wildlife Trade

Black market trade has long been recognized as a threat to wildlife worldwide. Despite global efforts to stem it that date back nearly four decades, illegal trade continues to thrive. More than 30,000 different animal and plant species now receive protection under the Convention on International Trade in Endangered Species of Wildlife Fauna and Flora (CITES)² and since the early 1990s³, listings under CITES have increased by more than 75 percent.

Despite years of public outreach to discourage the consumption of protected species, demand persists and black markets flourish, even in the United States. The impact of such demand has been exacerbated by the globalization of the world economy, its population, and cultures. The ease of travel, transport, and transaction that characterizes the global marketplace has bolstered illegal wildlife trade, facilitating its conduct and foiling its detection. Over the past decade, interest in exotic locales as tourist destinations has increased, as has our ability to buy virtually anything we want from anywhere in the world just by visiting a website.

Examples of wildlife products traded on the black market in the United States include beluga caviar, reptiles listed as threatened or endangered, elephant ivory carvings, sea turtle boots, illegally obtained tribal artifacts from the Amazon and Africa, sea turtle eggs and meat, and traditional medicines made from protected species.

Reducing Supply and Demand: Enforcement and Education

All too often, consumers fail to count the cost to wildlife of the exotic items they purchase. Of course, some people who buy illegal wildlife and wildlife products simply do not care about the consequences to the species. A certain number, however, do not think about the nature of the transaction at hand, or they honestly do not know that their purchase makes them the last link in a chain of criminal activity that includes poachers, middlemen, smugglers, and retailers who are all stealing our natural heritage.

Those in law enforcement must deal with the challenge of people who do not care—particularly those whose indifference to conservation is apparent from their direct engagement in smuggling and selling protected species. Preventing illegal trafficking in global resources is a critical part of the Service's mission. As resources are finite, we focus on core enforcement work in support of this goal. We recognize, however, that public outreach and education can help those who act in ignorance see that their business transactions and personal purchases contribute to a black market industry that is pushing species to the brink of extinction.

The Office of Law Enforcement Strategic Plan addresses this linkage directly. The plan establishes "Prevent[ing] the unlawful import/export "of foreign fish, wildlife and plants" as a strategic goal and acknowledges that meeting this and other goals will depend in part on our success in "Provid[ing] outreach and education to increase compliance with wildlife laws." Our work to combat global wildlife trafficking thus includes efforts to promote compliance in the wildlife trade community and efforts to educate consumers about their role in stopping illegal wildlife trade.

The Service regulates virtually all wildlife trade in this country. Our wildlife inspectors deal directly on a daily basis with businesses and other entities that legally import wildlife and wildlife products. As such, we are uniquely positioned to work with wildlife importers and exporters to ensure that they comply with U.S. requirements for legal trade—requirements that range from declaring shipments to obtaining the appropriate permits under CITES. Much of our compliance outreach targets this wildlife trade community—a community that includes custom brokers; companies dealing directly in wildlife and wildlife products; and businesses with other links to wildlife trade (such as international hunting guides and outfitters, and internet sale venues).

¹ LE Staffing figures as of 7-16-08

² CITES website: <http://www.cites.org/eng/disc/species.shtml>

³ USFWS Office of Law Enforcement Strategic Plan 2006-2010

Compliance outreach includes presentations and training programs for brokers associations and industry groups. We publish public bulletins to alert the wildlife trade community about changes in regulations or requirements. We have participated as exhibitors or speakers at annual meetings, conventions and other forums sponsored by such groups as the Marine Aquarium Societies of North America, the National Association for the Specialty Food Trade, the Association of Chinese Herbalists, the American Watch Association, the American Ornithologists Union, and Safari Club International. Other recent venues for compliance outreach have included meetings of the Animal Transport Association and the Independent Pet and Animal Transportation Association International and events such as the Baltimore-Washington International Air Cargo Expo in Baltimore and the International Air Cargo Convention in Houston.

Our one-on-one compliance outreach efforts have included consultation with eBay to assist them in establishing appropriate guidelines for online wildlife transactions and with staff from major U.S. department store chains to help them meet requirements for importing fashion goods made from wildlife. We have teamed with nonprofit groups to develop a conservation curriculum for traditional medicine schools in the United States, and have participated in industry-sponsored symposiums addressing the use of protected wildlife and plants in traditional Chinese medicine. Our staff at the Memphis and Louisville hubs of Federal Express and United Parcel Service have worked directly with those companies to improve compliance with import/export requirements.

Our focus on compliance outreach that targets those engaged in wildlife trade on an ongoing basis is critical to our efforts to stem wildlife trafficking on the supply side. We have, however, also long recognized the importance of educating the public in general to reduce demand for illegal wildlife. In fact, the Service has been involved in public outreach in this arena for over 30 years. Our archives include airline magazine notices from the 1970s urging travelers to “check the import regulations before you go” and public service announcements from the 1980s promoting “Smart Shopping” with respect to wildlife and wildlife products.

Such advice remains a staple component of our consumer outreach program. The latest edition of our “Buyer Beware” brochure, co-produced with World Wildlife Fund/TRAFFIC North America, spotlights caviar, wildlife wools, and exotic plants in addition to such long-banned items as sea turtle and spotted cat products. A special “Caribbean” edition, produced in both English and Spanish, focuses on regional trade issues, warning travelers about purchasing products made from sea turtle, coral, queen conch, and other Caribbean species.

“Buyer Beware” information and more detailed guidance is also available on the Internet. The Service’s home page includes an “Import/Export” portal for those seeking information on this subject. The public can access this information as well as information specifically for travelers from the Service’s law enforcement program’s website. The latter includes tips for travelers in English and seven other languages, as well as fact sheets and links to other useful websites.

The Service has large-scale permanent or temporary exhibits warning travelers about contributing to illegal wildlife trade at five major airports (Anchorage, Atlanta, Denver, Detroit, and Minneapolis). Many border crossings in Texas feature displays on wildlife trafficking issues. In recent years, we worked with the staff of the new Atlanta Aquarium to develop a wildlife trade exhibit and hands-on learning center at that facility and helped the Memphis Zoo assemble a permanent display on the threat of illegal trade to wildlife conservation.

A few years ago, we teamed with a number of nonprofit groups to update our “Suitcase for Survival” program, which utilizes seized wildlife items and a formal curriculum package to teach the public about the conservation threats related to illegal wildlife trade. Last year alone, our National Wildlife Property Repository, which maintains wildlife parts and products forfeited to the Service, provided over 3,000 items to schools, zoos, and other organizations seeking materials for use in conservation education. Our officers occasionally provide presentations on illegal wildlife trade to local area school and community groups. We also conduct broad-based public outreach by staffing exhibits at venues that range from state fairs and sportsmen’s shows to Earth Day celebrations.

We routinely work to educate the public through the media by teaming with U.S. Attorney’s offices to issue news releases spotlighting the prosecution results of specific wildlife smuggling investigations. We work with print and TV journalists, writers, and TV producers to explore the issue of wildlife trade through such vehicles as news and feature articles, books, nightly news segments, and documentary programming—all of which help educate consumers about wildlife trafficking.

As a member of the State Department-led Coalition Against Wildlife Trafficking, we recently supported production of a series of Public Service Announcements fea-

turing actor Harrison Ford. Our officers have also participated in media events with the State Department's Special Envoy Bo Derek, including a media tour of our inspection operation at Miami International Airport and a co-appearance on a morning news show in New York.

Such outreach clearly has a place in the effort to protect global species from illegal trafficking. We would, however, caution against seeing public education as a panacea to the problem of illegal wildlife trade. As we have noted, government engagement in such efforts dates back to the 1970s. Non-profit conservation groups have also invested considerable time, energy and money to educate the public on this issue. And, as any law enforcement officer working in any arena can testify, knowledge of the law does not in itself constitute compliance with the law.

Efforts to address illegal wildlife trade must focus on strong and effective enforcement in "market" countries like the United States. On a global basis, such efforts must also include improved enforcement in "supply" nations and the development of viable economic alternatives to wildlife trafficking in countries where local communities have few options. In short, strategies for combating illegal wildlife trade must consider the complexity of the problem and the need to address it on multiple fronts.

Conclusion

The Service is committed to conserving wildlife not only in this country, but throughout the world. We appreciate the Subcommittee's interest in consumer awareness and education about illegal wildlife trade and appreciate the opportunity to participate in this hearing.

Madam Chairwoman, this concludes my prepared remarks. I would be happy to respond to any questions that you may have.

Ms. BORDALLO. Thank you very much, Mr. Perez, for highlighting the Service's efforts.

And now, Mr. Allan, it is a pleasure to welcome you before the Subcommittee. You are now recognized to testify for five minutes.

STATEMENT OF CRAWFORD ALLAN, DIRECTOR, TRAFFIC NORTH AMERICA

Mr. ALLAN. Madame Chairwoman and Members of the Subcommittee, thank you for the opportunity to testify today. My name is Crawford Allan, and I am Director of TRAFFIC North America. TRAFFIC is a global network, the wildlife trade monitoring program of IUCN and World Wildlife Funds.

As you may know, the United States plays a leading role in the global wildlife trade. It is a primary destination for wildlife and wildlife products from legal and illegal sources.

It is estimated that 20 percent of the legal global wildlife trade is destined for the United States, with indications the demand is increasing. The Fish and Wildlife Service reports that the value of U.S. legal wildlife trade has grown significantly, from \$1.2 billion in 2000 to \$2.8 billion in 2007. The trade in wildlife in the U.S. feeds a diverse range of market sectors, including the pet industry, fashion, furniture, and medicine.

From 2000 to 2005, the United States was the world's largest declared importer of corals and live reptiles. Live animals make up the largest volume of U.S. wildlife trade, mostly for exotic pets, including tropical fish, reptiles, songbirds, and amphibians.

Ninety-six million animals collected from the wild were imported into the United States in 2006 and 2007. Many of the source countries of wildlife are developing nations, where resource security, livelihoods, poverty, and national security are often intertwined with the wildlife trade.

Legal wildlife trade can be profitable, and, if managed effectively, revenues can benefit local communities and bolster support for wildlife habitat protection in developing countries. Sustainable management and trade systems, such as implementing CITES or certification schemes, can contribute to development goals. However, poverty and the relative high return that can be gained from selling wildlife create powerful incentives to harvesting trade unsustainably or illegally. At the same time, punitive measures for illegal wildlife trade are often insufficient.

U.S. demand is contributing to the problem. While most wildlife trade in the United States is legal, a significant level of illegal trade also occurs. Between 2000 and 2004, the Fish and Wildlife Service intercepted imports of illegal wildlife products valued at \$35 million. But some estimate the illegal wildlife imports are worth over 10 times that amount.

Wildlife is smuggled from every corner of the globe, ranging from elephant ivory from the Congo, to tiger bone medicines from China, to sea turtle leather from Mexico. Illegal wildlife trade is a big, well-organized criminal business that can quickly threaten species with extinction. Changing the way business and industry works in the United States is vital to ensure that any trade is sustainable through appropriate corporate buying practices, and marketing sustainable products to consumers.

One solution is industry and consumer outreach initiatives to change availability of supply and buying behaviors. WWF and TRAFFIC are working on initiatives with the tourism industry, and particularly cruise lines. A large proportion of the international seizures of wildlife are comprised of tourist souvenirs.

A TRAFFIC study of sea turtle exploitation found that products, such as jewelry made from hawksbill turtle shell, continue to be sold throughout the Caribbean, and even though the species is critically endangered and protected under law.

In 2006 50,000 sea turtle products were detected in just one week by TRAFFIC in the Dominican Republic, in shops frequented by tourists from U.S. cruise ships. Imperiled species can be better protected if tourists receive clear guidance on what is illegal or damaging to buy at their vacation destination.

The U.S. transport industry can also play a role in helping to counter illegal trade, including the smuggling of invasive species or wildlife that can transmit disease. Airlines, sea freight, and express mail companies can work with law enforcement to raise awareness of their customers and passengers to the illegal trade in wildlife, and they can alert the authorities to problems.

Despite the United States' comprehensive policies and enforcement mechanisms, illegal wildlife trade persists. Implementation of regulations is lacking in some instances, largely because the agencies responsible are severely under-resourced, and coordination could be improved.

To close these gaps, wildlife trade needs to be a political priority. And implementing agencies, such as the U.S. Fish and Wildlife Service, must be given the necessary resources to raise awareness and ensure the success of undercover investigations and inspection programs.

In some instances additional regulation may be required. Of particular concern are the 5,000 tigers in captivity in the United States, bred to feed U.S. demand for tigers as pets and for entertainment. TRAFFIC's latest report shows that in the U.S. there are not adequate management systems to monitor captive tigers, so we cannot track where these tigers are, who owns them, and what happens to them when they die. This lax regulation could have global implications. Any illegal drip-feed of supply from captive populations could perpetuate demand for tiger parts, and further threaten wild tigers, as their parts are preferred in Asian medicine, if they are from the wild.

TRAFFIC recommends that the United States take steps on the legal regulatory and law enforcement fronts to better track U.S. tigers, and ensure their parts do not enter the trade. The U.S. must not become complicit in endangering wild tigers.

The countries impacted by U.S. consumer demand also need assistance with implementing their wildlife trade laws. For many years the United States, with the support of organizations such as World Wildlife Fund and TRAFFIC, has been engaged in international capacity-building efforts, including the CITES support program of the Dominican Republic and Central American Free Trade Agreement, and the ASEAN Wildlife Enforcement Network.

Also, the Coalition Against Wildlife Trafficking, thanks to U.S. leadership, has been an effective global initiative for heightened political awareness of the challenges.

FFIC encourages further U.S. investment in addressing legal wildlife trade at home and abroad. We call upon the United States to reaffirm its global leadership role in wildlife conservation by taking strong action on these recommendations. Many species threatened by illegal and unsustainable wildlife trade really cannot afford to wait.

Madame Chairwoman, thank you for the opportunity to testify before the Subcommittee today. I will be happy to answer any questions.

[The prepared statement of Mr. Allan follows:]

Statement of Crawford Allan, Director, TRAFFIC North America

Madam Chairwoman, Mr. Ranking Member, and members of the Subcommittee, thank you for the opportunity to testify today. My name is Crawford Allan, Director of TRAFFIC North America. TRAFFIC is the wildlife trade monitoring program of IUCN (the International Union for the Conservation of Nature) and the World Wildlife Fund (WWF). TRAFFIC works to ensure that trade in wild plants and animals is not a threat to the conservation of nature. Over the past 30 years, TRAFFIC has gained a reputation as a reliable and impartial organization and a leader in the field of conservation as it relates to wildlife trade. We are a global network, with 25 offices around the world. Our parent organization, WWF, is the largest private conservation organization working internationally to protect wildlife and wildlife habitats. WWF currently sponsors conservation programs in more than 100 countries with the support of 1.2 million members in the United States and more than 5 million members worldwide.

TRAFFIC North America addresses illegal and unsustainable wildlife trade issues as they relate to North America by conducting and disseminating original research on pertinent trends, providing technical and policy guidance, collecting and sharing intelligence information with enforcement agencies, promoting consumer and industry awareness, and supporting capacity building efforts and trainings to address wildlife trade issues at their source, both in North America and abroad. My testimony today is offered on behalf of World Wildlife Fund-US and TRAFFIC North

America. It also reflects the views of the broader WWF and TRAFFIC networks around the globe.

SCOPE AND SCALE OF U.S. DEMAND FOR WILDLIFE

The United States plays a leading role in the global wildlife trade. It is a primary destination for wildlife and wildlife products, as well as an exporter. It is estimated that 20% of the legal global wildlife trade is destined for the United States,¹ with indications that demand is increasing. FWS reports that the value of U.S. legal wildlife trade has grown significantly in recent years- from \$1.2 billion in FY2000 to \$2.8 billion in FY2007². In the ten years between 1992 and 2002, U.S. trade in wildlife and wildlife products increased by 75%.

The trade in wildlife in the U.S. feeds a diverse range of market sectors, including the pet industry, fashion, furniture and medicine. From 2000-2005, the United States was the world's largest declared importer of corals and live reptiles and the second largest importer of cacti, mahogany and orchids.³ About 6.4 million live corals were traded globally during this period, with the United States accounting for 63% of the imports.⁴ Other major wildlife commodities traded include fish and fish products, birds, traditional medicines (including ingredients such as tiger, leopard, rhinoceros, bear and musk deer) and exotic foods. The U.S. is one of the largest markets for wild-harvested caviar, with domestic prices averaging more than \$100 per ounce for the most popular types.⁵ Live animal trade makes up the largest volume of U.S. wildlife trade, mostly to supply the pet trade, with the most commonly traded species being tropical fish, reptiles, song birds and amphibians.⁶ Nearly 96 million live animals collected from the wild were imported into the United States in both 2006 and 2007, and over 99% of these were imported for commercial purposes.⁷

In the United States, there is a valuable trade in native species such as Bobcat for fur, sturgeon and paddlefish for caviar, freshwater and terrestrial turtles for pets, food and medicine, live fish for aquaria and American ginseng for tonics, both for domestic and export markets.

While most wildlife trade in the United States is legal, illegal trade also occurs, due to high consumer demand for some species that are not easily obtainable through lawful channels. Between 2000 and 2004, the FWS intercepted approximately \$35 million worth of illegal wildlife products upon their entry to the United States.⁸ Wildlife is smuggled into the United States from every corner of the globe, ranging from the most endangered tortoise from Madagascar to tiger bone medicines from China to sea turtle leather from Mexico. Recent studies indicate that illegal products such as elephant ivory and bushmeat from Africa can be purchased in U.S. markets, and the United States may be the single largest market for the illegal live reptile trade. Illegal wildlife trade has evolved into a big business that can quickly deplete sensitive species and threaten them with extinction. Just last month, for example, U.S. Customs agents in Texas intercepted a large consignment of illegal elephant ivory said to be worth \$185,000. The shipment originated in Ethiopia and was concealed within a crate declared as musical drums.

ILLEGAL VS UNSUSTAINABLE TRADE

Trade in wildlife is deemed not detrimental to a species if it can be proven that the species is being harvested sustainably. Indeed, legal wildlife trade can be highly profitable and, if managed effectively, revenues can benefit local communities and

¹ Randi Alacron, "The Convention on the International Trade of Endangered Species: The Difficulty in Enforcing CITES and the United States Solution to Hindering the Trade in Endangered Species," N.Y. International Law Review, vol. 14, no. 2 (2001), pp. 105-108. Referenced from Congressional Research Report available at <http://assets.opencrs.com/rpts/RL34395-20080303.pdf>

² U.S. Department of the Interior, Fish and Wildlife Service (FWS), Office of Law Enforcement, Annual Reports, FY2000-FY2006, at [<http://www.fws.gov/le/AboutLE/annual.html>]; and personal communication with FWS officials, February 20, 2008. Figures are in constant FY2008 U.S. dollars. Referenced from Congressional Research Report available at <http://assets.opencrs.com/rpts/RL34395-20080303.pdf>

³ Maylynn Engler and Rob Perry-Jones, Opportunity or Threat: The Role of the European Union in the Global Wildlife Trade (Brussels, Belgium: TRAFFIC Europe, 2007)

⁴ Maylynn Engler and Rob Perry-Jones, Opportunity or Threat: The Role of the European Union in the Global Wildlife Trade (Brussels, Belgium: TRAFFIC Europe, 2007)

⁵ Caviar prices obtained from TRAFFIC web analyses for beluga caviar. July 2008.

⁶ U.S. Department of the Interior, FWS, Office of Law Enforcement, Intelligence Unit, U.S. Wildlife Trade: An Overview for 1997-2003.

⁷ TRAFFIC analysis of USFWS LEMIS data. July 2008.

⁸ U.S. Department of the Interior, FWS, Office of Law Enforcement, Intelligence Unit, U.S. Illegal Wildlife Trade: LEMIS Data Analysis and Risk Assessment, November 2005.

bolster support for wildlife habitat protection. However, overharvesting often results, either because of factors and pressures that push those extracting the wildlife to take too much, or because there are no effective checks and balances to ensure that the harvest does not exceed a sustainable level. Pressures to harvest unsustainably include existing large international markets that demand a regular supply of consistent quality, and growing demand from consumers for wildlife and their products as economies expand and new trends emerge. Many of the source countries for wildlife are developing nations, where poverty and the relative high return that can be gained from selling wildlife create powerful incentives to harvest and trade unsustainably or illegally. At the same time, punitive measures associated with illegal wildlife trade in these countries are often insufficient to act as a deterrent. The links between resource security, livelihoods, poverty and security are entwined with the wildlife trade in developing nations and sustainable systems can help ensure that development is effective and stable. This can have benefits beyond wildlife conservation; namely benefits to communities.

It is important to make the distinction between illegal and unsustainable trade. Illegal trade is not always unsustainable. Similarly, unsustainable trade can often be legal; the fact that trade in a particular species is legal does not mean that the consumer or trader can be certain that it is not harming wild populations and potentially threatening their future viability. Part of the challenge is that trade trends can rapidly change in terms of commodity type or species involved. Wildlife trade management, trade regulatory mechanisms and enforcement measures are not always able to adapt in a timely way to address the impacts of a quickly evolving trade. Critically, most governments, conservation organizations and harvesters of wildlife frequently lack information on the size of a species population and its capacity to withstand off-take for trade. Without this information and scientific assessments to guide permissible trade levels, it is very difficult to ensure that trade is sustainable.

Major consumer countries like the United States have a responsibility to ensure that the wildlife and products they import are legal and sustainable. Working with exporting countries, the United States needs to prevent illegal wildlife trade while promoting measures to ensure that any legal trade is sustainable. By ensuring that the supply entering U.S. markets is consistent, sustainable, and clearly legal, the U.S. government can alleviate the problems that wholesale, retail and consumer sectors face in trying to make such a determination when confronted with the array of wildlife and wildlife products that are available.

SPOTLIGHT ON TYPES OF WILDLIFE TRADE IN THE UNITED STATES

Tigers

The estimated 5,000 tigers in captivity within the borders of the United States offer a timely example of the result of U.S. consumer demand for wildlife. These tigers are being bred to feed U.S. demand for tigers as pets, as well as for entertainment purposes. While this may not seem to have much relevance to potential impact on tigers in the wild, a report launched last month by TRAFFIC shows that there could be problems in future. The report, entitled *Paper Tigers? The Role of the U.S. Captive Tiger Population in the Trade in Tiger Parts*, sought to answer two central questions:

- i) Are tigers or tiger parts from the U.S. captive population entering the international tiger trade?
- ii) What implications might trade in this tiger population have on conservation of the world's remaining wild tigers?

In general, the report finds that the U.S. captive tiger population does not at present play a significant role in the domestic or international trade in tiger bone or other parts. Tiger bone has been widely used in traditional Asian medicine and poaching to meet consumer demand that has pushed the tiger to the brink of extinction in the wild. However, the report does find flaws in the United States' management of its large captive tiger population. Specifically, the report suggests that the U.S. is currently not in compliance with a Convention on the International Trade of Endangered Species (CITES) Resolution agreed upon in 2000. CITES Resolution Conference 12.5 "urges Parties and non-Parties in whose territory tigers and other Asian big cat species are bred in captivity to ensure that adequate management practices and controls are in place to prevent parts and derivatives from entering illegal trade from or through such facilities."

The United States' failure to properly manage its captive tiger population could have global trade implications if it is not adequately addressed. The concern is that this large population of tigers could act as a drip feed of supply, thus helping to keep alive consumer demand for tiger parts. Any demand could further threaten wild tiger populations, as wild tiger parts are always preferred over captive tigers

in traditional medicines, and it is much cheaper to poach a wild tiger than to raise one in captivity. Making greater supply available to markets for tiger products could lead to the resumption of a demand that many governments, traditional medicine practitioners, conservation organizations and others have worked for decades to suppress. The U.S. must do its part to ensure that its captive tiger population does not unintentionally play a role in the endangerment of the world's remaining wild tiger populations.

TRAFFIC recommends that the United States take steps on the legal, regulatory, oversight, educational, and law enforcement fronts to better track the U.S. captive tiger population and ensure that these animals or their parts cannot enter illegal trade. At the federal level, legal loopholes exempting certain categories of captive U.S. tigers from regulation need to be rescinded, particularly under the Captive-Bred Wildlife (CBW) Registration system. Additionally, all persons or facilities holding USDA licenses for exhibition or breeding/dealing in tigers should be required to report annually on the number of tigers held, births, mortality, and transfer or sale. Lastly, all U.S. states that allow private citizens to keep captive tigers should enact laws or regulations that require a comprehensive accounting of the number and location of all captive tigers in their jurisdictions, and the disposal of these tigers when they die.

(Paper Tigers? The Role of the U.S. Captive Tiger Population in the Trade in Tiger Parts can be accessed at: <http://www.worldwildlife.org/who/media/press/2008/WWFBinaryitem9751.pdf>)

Marine Species and Products from the "Coral Triangle"

A substantial volume of wildlife trade to the United States derives from the "Coral Triangle" region of Southeast Asia, which is comprised of marine areas bordering Indonesia, Malaysia, Papua New Guinea, Philippines, Solomon Islands, Timor-Leste and Fiji. Much of the trade coming from this region is concentrated in mollusk products from the Philippines, but there is also abundant trade in marine fish and coral products to supply aquariums. In 2007 alone, over 1,655,000 kg of corals and 655,000 pieces of coral were imported into the United States, with most of this trade originating from Indonesia.⁹

The negative impacts of trade on the coral species in the region have been well-documented. Coral reefs face a number of conservation concerns. Because of these pre-existing vulnerabilities, trade in coral products is an important focus for conservation resources. Many mollusk and fish species are part of the reef ecosystem and are negatively affected by illegal or unsustainable trade in corals, as well as by unsustainable fishing practices. Activities that deplete the integrity of coral reefs endanger these species as well and threaten the commodities that supply the fish and mollusk trades.

Increasing the awareness of certification measures for aquarium resources and emphasizing the importance of such certification is one way to drive market pressure towards sustainable sourcing practices. Because so many small companies are engaged in the trade, it is a difficult industry to pressure regarding responsible corporate practices. However, increasing supply chain transparency and better knowledge about fishing practices may go a long way toward changing market dynamics.

The ecological systems of the Coral Triangle produce biological resources that directly sustain the lives of more than 120 million people living within this area, and benefit millions more worldwide. USAID is currently exploring the need in the region to sustain the natural productivity of the Coral Triangle for current and future generations, including potential support for fisheries and trade policy reforms, improved international standards for the Live Reef Food Fishery Trade, and encouraging consumer and retailer demand for sustainably sourced seafood from the Coral Triangle. WWF and TRAFFIC support these efforts.

CONSUMER AND INDUSTRY INVOLVEMENT

There are two diametrically opposed issues at play in addressing demand for illegal and unsustainable wildlife trade, each with a different solution. The first issue is addressing consumers and industries that unwittingly make poor purchasing decisions. Steps need to be taken to increase their awareness and improve their ability to make better choices. The second issue is dealing with those consumers and companies that know that their purchases or trading are illegal or unsustainable. In this case, steps need to be taken to effectively detect and deter these practices.

⁹TRAFFIC analysis of USFWS LEMIS data. July 2008.

Corporate Engagement with Wildlife Conservation

One major solution is for key business sectors in the United States to encourage sustainable trade through their buying practices and the marketing of products. Businesses are primarily interested in reducing costs and increasing revenue, which add to the long-term value of the trade. The wildlife conservation community, informed consumers and some parts of the public sector are interested in the long-term conservation of biodiversity. It is vital that these separate interests can engage and inform each other, helping to improve the way in which the market in the U.S. views and supports sustainability of trade. Businesses need to understand that sustainable use is critical to their success over time and can be a source of profit. Adopting sustainable practices is certainly in the best interest of businesses that participate in the wildlife trade, and sustainability should be an important focus for them. Partnerships with civil society may be the most effective way to achieve these goals.

A critical example of this approach is Wal-Mart's decision to move towards supplying its supermarkets with fish from sustainable sources that are certified under the Marine Stewardship Council (MSC). As the world's largest retailer, Wal-Mart buys and sells thousands of seafood and aquaculture products every year. The company has committed to purchasing 100 percent of its wild-caught seafood sold in the United States from MSC-certified sources by 2011, leveraging its size and scale in order to effect change within the entire industry. WWF has partnered with Wal-Mart, MSC, and the Sustainable Fisheries Partnership in order to make this goal a reality. WWF is helping Wal-Mart to use its purchasing power to secure seafood from environmentally sustainable sources by actively engaging with fisheries and helping improve them to MSC certification standards.

Tourism and Travel

The international trade in souvenirs, curios and duty free goods made from wildlife and aimed at tourists and travel markets presents numerous challenges for the consumer. A large proportion of international wildlife seizures are comprised of tourist souvenirs. Many wildlife curios are available as souvenirs, and travelers often have no way of knowing the harm done to wildlife by the high turnover sales of such products in the world's major tourist and travel centers.

Cruise ship tourism is one specific area of concern. These operations have very relaxed checks on travelers, and very little information is available to let travelers know whether the wildlife souvenirs they purchase are made from protected species (as is often the case), whose export from their country of origin or import into the United States is prohibited. This is particularly common in many ports of call around the Caribbean, which see millions of cruise ship tourists annually. A TRAFFIC North America study of sea turtle exploitation in the Northern Caribbean found that hawksbill turtle shell products continue to be sold in port shops and tourist markets throughout the Caribbean, despite the fact that this species is critically endangered and protected under domestic and international laws.¹⁰ A more recent TRAFFIC North America market survey of shops in the Dominican Republic in 2006 found 50,000 hawksbill turtle shell items openly available in the majority of stores frequented by cruise ship passengers, regardless of their illegality.¹¹

Other items may be legally traded but are harvested for trade in volumes that are not sustainable, further threatening already imperiled species. Species supplying this unsustainable trade from the wild include birds of prey, corals, queen conch, crocodiles and caimans. Incredibly, live animals such as parrots, sea turtles and rare endemic lizards are sometimes purchased by tourists and carried with them in their hand luggage. Sometimes the wildlife sold in tourist centers may not even originate from the country or region of purchase, even though marketed as a local souvenir. In the Caribbean, many souvenirs are imported from Asia, including those made from corals and sea turtle shells.

It is important for tourists to understand that even though a product is openly offered for sale, the product may not be legal to export from that country. TRAFFIC recommends that tourists, and particularly cruise ship passengers, be provided with clear guidelines regarding what is illegal to purchase and/or transport out of any given port country. Outreach of this sort will help protected species while helping tourists avoid any unfortunate incidents involving their purchased products being

¹⁰ Fleming, E.H. 2001. *Swimming Against the Tide: Recent surveys of exploitation, trade, and management of marine turtles in the Northern Caribbean*. TRAFFIC North America. Washington, D.C.

¹¹ Reuter, A. and Allan, C. (2006). *Tourists, Turtles and Trinkets: a look at the trade in marine turtle products in the Dominican Republic and Colombia*. TRAFFIC North America, Washington, D.C.

seized by Customs. TRAFFIC is preparing outreach materials that will help inform cruise ship tourists about which wildlife souvenirs to avoid.

The Role of Transport

Trade in wildlife invariably involves transport of wildlife merchandise as it moves from the supplier to the consumer, often across international borders. A commodity may be transported by a number of different means on its journey from source to consumer. Because of this, the transport industry can play a constructive role in helping to counter illegal trade, including trade that can transmit disease or invasive species. The United States transport industry can work hand in hand with consumers and law enforcement to raise the awareness of their cargo customers and passengers to illegal and unsustainable trade in wildlife, and to alert the authorities to problems.

The demand for black market wildlife tends to generate a trade gradient of wildlife from biodiversity-rich countries in Asia, Africa and South America to consumers and markets in North America, Europe, China and Japan. The most rare and valuable wildlife tends to be smuggled by air, which is the most rapid and secure transport method. Sea freight tends to be used for smuggling non-perishable, bulky products in large consignments, such as elephant ivory. Live wildlife invariably is smuggled by air or by road, transported in crates, luggage, or on the person of passengers. Express mail courier services are frequently utilized as well. The incentives for smuggling wildlife are high but the penalties for offences are low, and smuggling methods can be complex and creative. Not all smuggling involves hiding contraband within packages and crates; much of the wildlife smuggled involves fraudulent documentation. Often, a smuggler will merely claim that a rare, protected species is something more common and, of course, legal.

The higher value illegal wildlife, including the parts and derivatives of rarer species such as rhinos and tigers, are transported using international airlines. This is also true of live animals and plants, such as parrots, reptiles and orchids. Airline staff, because they are present from the beginning to the end of any journey, may have closer and more frequent contact with cargo, baggage and passengers than customs officers. Airlines therefore have more opportunity to notice suspicious shipments or wildlife in passenger's luggage. Unfortunately, cabin crew, cargo and baggage handlers and administrative staff generally have little or no knowledge of the legal requirements for transport of wildlife and products. Increasing the basic awareness of U.S. airline staff, passengers and cargo customers could help reduce the incidence of smuggling of illegal wildlife, as well as the spread of diseases and invasive species into the United States.

The potential for serious human health and agricultural impacts due to the illegal trade in wildlife must not be underestimated. Imported live animals and their parts and products may present disease risks to humans and domestic wildlife. Parrots, for example, can carry respiratory diseases that can be fatal; Gambian pouch rats introduced monkey pox into the United States; meat from wildlife for human consumption, smuggled from West Africa in passenger luggage, may transmit serious diseases; and animal skins can carry anthrax spores. Agriculture can be catastrophically affected by diseases transmitted to domestic livestock, and invasive pests can wreak havoc on crops, as well as U.S. ecosystems. Because U.S. consumers are at the end of the trade chain, they may end up being responsible for driving a trade with adverse health and agricultural impacts, almost certainly through a lack of awareness.

SUPPORTING HUMAN LIVELIHOODS AND COMMUNITY BENEFITS

Many rural households, especially in developing countries, depend on wildlife for their livelihood. Some communities depend on wildlife for subsistence living. Others derive part of their income through benefits from wildlife trade. As species populations are depleted by illegal or unsustainable trade resulting from the growing demand for wildlife globally, the livelihoods of poor communities are also threatened as they struggle to find wildlife to trade or consume. On the other hand, well-managed wildlife trade has the potential to deliver significant development benefits for the world's poor and to decrease the incentives for illegal trade. The challenge is to find the right balance and to ensure equitable revenue flows along the trade chain so that poor communities benefit.

TRAFFIC and WWF issued a report highlighting this dynamic entitled, *Trading Nature: The Contribution of Wildlife Trade Management to Sustainable Livelihoods and the Millennium Development Goals*. The report details how wildlife trade offers opportunities to the poor and provides benefits to local communities. It also shows how these benefits are threatened when illegal or unsustainable trade is allowed to flourish, providing case studies on the wild meat trade in East and Southern Africa,

the trade in peccari and caiman skins and vicuña wool in Latin America, and the trade in Asian coastal fisheries products. To cite just one example, seahorse fishers and traders in the Philippines reported that their catch contributes around 30–40% of their annual income—sometimes reaching as high 80%. Many of the products they harvest are regularly imported into the United States and sold to U.S. consumers.

ENFORCEMENT

The United States has comprehensive policies and enforcement mechanisms for regulating wildlife trade and for prohibiting international and interstate trade of endangered, threatened, and protected species. Nonetheless, illegal wildlife trade continues to take place. Implementation of existing regulations is still lacking, in large part because many of the agencies responsible are severely under-resourced. To close these gaps, wildlife trade needs to be made a priority on the political agenda, which it has not been up until now. Given the proper resources, undercover investigations and inspection programs can be highly successful. Operation Shell Game was an 18-month-long joint Canadian and U.S. investigation into the unlawful import and export of queen conch *Strombus gigas*.¹² Conducted in 2006, it was one of the largest U.S.-Canadian endangered species smuggling cases in years, with over 111,000 pounds (50,349 kilograms) of threatened queen conch shipped to the United States and Canada from Colombia and Haiti without the proper permits. The case involved defendants in both the United States and Canada. This is just one example of the law enforcement challenges faced by U.S. agencies responsible for regulating wildlife traffic, and it highlights the enormity of this illegal trade.

Countries impacted by U.S. consumer demand also need assistance with implementing and enforcing their own wildlife trade laws. To this end, the United States, with the support of conservation organizations such as TRAFFIC, has been engaged for many years in capacity building efforts around the globe. The Central America-Dominican Republic (CAFTA-DR) Free Trade Agreement CITES Support Program is a good example of a medium-term capacity building program established by the United States to support CAFTA-DR member countries. These countries encompass a wide variety of ecosystems and a spectacular diversity of wildlife. At the same time, they face chronic threats to biodiversity, which often derive from unsustainable natural resource management practices. As demand for exotic leather, corals, parrots, fisheries products and an array of other wildlife products continues to grow, it is important for government agencies and industry to meet the implementation requirements of CITES and support enforcement.

TRAFFIC has supported this program since 2006, in partnership with the U.S. Fish and Wildlife Service (USFWS) and the International Technical Assistance Program of the Department of the Interior. This capacity building effort enables governments to develop, implement and enforce laws and regulations in a coordinated manner, support sustainable use practices, and deter illegal activities that are currently commonplace. It also identifies where trade in wildlife to the United States could pose a problem and takes steps to mitigate it. This work is funded by the U.S. Department of State, and TRAFFIC would encourage further U.S. investment in addressing illegal wildlife trade abroad, as well as the U.S. consumer demand that too often drives it.

General Education

The Suitcase for Survival program is a partnership of the U.S. Fish and Wildlife Service (FWS), American Zoo and Aquarium Association (AZA), World Wildlife Fund (WWF), National Oceanic and Atmospheric Administration (NOAA) - Fisheries Services' Office for Law Enforcement and with additional assistance from TRAFFIC North America. It is designed to address the need for a national education program focused on wildlife trade and biodiversity. Since 1991, the program has raised awareness about the devastation caused by illegal wildlife trade worldwide. It has also helped consumers understand the importance of biodiversity and how their buying habits can contribute to biodiversity conservation.

The program includes several components that build on the strengths of the partners. The FWS and NOAA provide wildlife trade artifacts that have been confiscated at ports of entry. These artifacts are disseminated to a wide array of environmental educators and their respective institutions throughout the nation, and

¹² Queen conch is a commercially valuable seafood product and is a protected species under the U.S. Endangered Species Act. Since 1992, queen conch has been listed on Appendix II of CITES so to engage in trade in queen conch, all imports or exports must be accompanied by a CITES export certificate from the country of origin, or a re-export permit from a country of re-export

host institutions can assemble the artifacts into used suitcases. These suitcases can then be used to conduct wildlife trade educational programs with educators and students as well as the general public. In addition to artifacts, the institutions can also use World Wildlife Fund's wildlife trade education module, *Wildlife for Sale: An Educator's Guide to Exploring Wildlife Trade*.

More funding for programs like Suitcase and the Buyer Beware program, developed with TRAFFIC and FWS, would go a long way in highlighting the conservation issues of wildlife trade and help to alleviate U.S. consumer impact.

RECOMMENDATIONS

The United States is increasingly taking positive steps to reduce its ecological footprint and improve the sustainability of its business practices. As this awareness and positive action grows, the United States must not overlook the need for sustainable sourcing of wildlife and legal controls on wildlife imports and exports. The following are priority considerations that frame the way in which the U.S. can bring about change:

- Educating consumers and raising awareness about the impacts of their choices, and providing alternate sustainable choices, is vital. The impact that consumer behavior in the United States has on wildlife trade globally is large and direct. By working to influence that behavior in positive directions and to bring about constructive change with respect to enforcement efforts and business practices, the U.S. government can make a real difference for international biodiversity conservation.
- High-level political will and adequate resources to implement the necessary controls will be required to ensure that the U.S. wildlife trade is legal.
- More partnerships with the corporate sector and additional sustainable sourcing initiatives backed up by consumer marketing campaigns will be needed to make sure that trade is both legal and sustainable.

Notwithstanding isolated challenges such as on tigers discussed above, overall, the United States has one of the best regulatory systems in the world for addressing wildlife trade. From the excellent Wildlife Inspectors, Special Agents, Special Intelligence Unit, and Forensics Lab of the U.S. Fish and Wildlife Service, to the prosecutors in the Environmental Crimes Section of the U.S. Department of Justice, the U.S. has a wealth of knowledge and expertise to share with countries looking to improve their own regulatory systems. Where such international efforts have received the needed support from the U.S., as in Southeast Asia under ASEAN-WEN (Association of Southeast Asian Nations-Wildlife Enforcement Network), they have met with great success. We therefore urge Congress to:

- *Ensure that these U.S. enforcement agencies and units be better resourced to address the ever-growing wildlife trade issues threatening the United States, and they should be provided with additional resources in order to assist in countries where U.S. consumer demand is taking a serious toll on native wildlife*

Raising awareness of the legal implications and penalties for industry or individuals engaged in illegal wildlife trade is critical as well. Through the combination of approaches mentioned below, led by the U.S. government, there is the potential to elevate the level of attention to the challenges of wildlife trade and drive home initiatives to reduce illegal trade while increasing the benefits to developing communities that supply wildlife on a sustainable basis. Therefore, additionally:

- *Congress should allocate greater resources to awareness of the legal and conservation issues surrounding wildlife trade. Educating consumers and industry so that they can make informed choices that are both legal and sustainable—with resulting conservation benefits—will be essential.*

These efforts to some degree take place through the multinational species programs authorized by Congress—often with your leadership, Madam Chair, and the leadership of this Subcommittee “for elephants, rhinos, tigers, great apes, sea turtles and neotropical migratory birds. All of these species are affected by illegal trade, and conservation efforts funded under appropriations through these programs have helped to address this problem. However, the bills apply to a narrow range of species, and provide only a drop in the bucket compared to what is necessary. While the Great Cats and Rare Canids Act will be an important addition to the multinational species programs, there are still a great many species that do not receive any benefit through legislation implemented by FWS. WWF has recently advocated

before this Subcommittee¹³ the following recommendation and we stress this need again here:

- *A broader approach to global species conservation is needed, covering a much broader number of species, to address a host of threats facing endangered species generally, including wildlife trafficking. Such an omnibus species conservation bill would go a long way to addressing the problems discussed in my testimony today.*

I am appending to this testimony a statement of principles on what such a paradigm would look like, that WWF produced in conjunction with Wildlife Conservation Society.

Up to this point, the issue of illegal wildlife trade has tended only to capture the attention of those tasked with addressing it. It must be raised to a higher level of awareness and prioritization. One mechanism currently in place to help generate political will for addressing the problem is CAWT (Coalition Against Wildlife Trafficking). CAWT is a mechanism to highlight wildlife trade at the highest levels internationally, but it could also act as a mechanism for coordination within the United States amongst all the agencies tasked at any level with addressing this issue, including USFWS, NOAA, CBP and others. WWF and TRAFFIC urges:

- *The United States to garner greater political will and elevate the issue of illegal wildlife trade as a priority at multilateral meetings and in diplomatic exchanges to bring about significant change globally. CAWT is vital to support this change and we hope that the United States continue and expand this effort and consider ways for more effective coordination between United States agencies regarding wildlife trade regulation and enforcement.*

TRAFFIC has over 30 years of in-depth insight into the wildlife trade, as well as experience in monitoring emerging trends, conducting investigations and trainings, facilitating multiregional enforcement networks, and analyzing data and legislation in every region around the world. Specifically, TRAFFIC holds a wealth of intelligence on wildlife smuggling and criminal networks in many regions, which we would be happy to share with Congress and relevant agencies in order to highlight the problems on the ground and to begin to develop effective and collaborative solutions. WWF has worked with local communities, industry and governments since 1961 and has pioneered education and awareness raising work throughout these sectors. WWF has also built significant partnerships with business and industry in the United States, and these relationships can provide role model approaches for future engagements with businesses engaged in the legal sale of wildlife and wildlife products. TRAFFIC and WWF offer their support and assistance to these efforts, wherever feasible.

CONCLUSION

The United States is one of the largest consumers of wildlife in the world. This demand results in many problems, and these problems need to be resolved if we are to ensure biodiversity conservation, continued livelihoods for communities in the developing world, and a legal and sustainable wildlife trade in the U.S. We call upon the United States to reconfirm its global leadership role in wildlife conservation by taking strong and immediate action to bring about positive change. Many species threatened by illegal and unsustainable wildlife trade cannot afford to wait.

Madam Chairwoman, thank you for the opportunity to testify before the Subcommittee today, and thank you for all you have done to protect some of the world's most endangered and iconic species from extinction. TRAFFIC will be happy to answer any questions or support the work of the Subcommittee, as necessary.

Ms. BORDALLO. Thank you, Mr. Allan, for your insights on illegal wildlife trade, and for showing us some of these confiscated products.

Mr. Bigue, I am looking forward to hearing from you next, so you can begin.

STATEMENT OF MARCEL BIGUE, DEPUTY DIRECTOR, WILDAID

Mr. BIGUE. Madame Chairwoman, honorable Members, thank you for the opportunity to address you today.

¹³ 13 Testimony of Thomas Dillon, Senior Vice-President for Field Programs, World Wildlife Fund, Legislative Hearing on H.R. 4455 before the Subcommittee on Fisheries, Wildlife and Oceans, Committee on Natural Resources, U.S. House of Representatives, 24 June 2008.

I speak to you today as the Deputy Director of WildAid, a conservation organization dedicated to ending illegal trade in wildlife; and for the Animal Welfare Institute. I also deliver the profound apologies of Ms. Bo Derek, a WildAid board member who was hoping to address you today, but has been seriously ill. I am happy to report Bo is on the road to recovery.

In the previous hearing you heard from Assistant Secretary of State Claudia McMurray and other witnesses about the devastating impact of the illegal wildlife trade, and how the United States currently addresses the problem.

Initiatives include the Coalition Against Wildlife Trafficking, the ASEAN WEN initiatives, and the State Department naming of Bo Derek as a special envoy regarding wildlife trafficking. I strongly urge you to push for the continuity of these important programs now and throughout the next Administration.

In addition, I would like to bring to your attention an additional way that Congress might lead funding consumer awareness programs in the U.S. Congressional laws in the field are among the best in the world, and are largely up to the task of enforcing anti-poaching measures. Therefore, the primary need going forward is for adequate financing, both of their enforcement, and to raise awareness with the general public to reduce demand for these products.

The illegal wildlife trade thrives on three factors: need, greed, and ignorance. The financial need of the poor and developing nations creates the incentives to poach. This can be addressed by not only increasing field enforcement, but by developing alternative sources of income. The U.S. has been a leader in these efforts, through USAID and by Congressional support of the Rhino and Tiger Conservation Act, and other financing mechanisms through the U.S. Fish and Wildlife Service.

The greed of professional poachers, smugglers, and illegal traders can only be addressed through law enforcement, and by reducing demand. As the U.S. Fish and Wildlife Service did talk about their effective enforcement measures in their testimony, I only want to stress the importance of their work in stemming the illegal wildlife trade, and urge this committee to keep them adequately funded.

But enforcement is only part of the solution. The efforts against drug trafficking have shown that even billions spent on enforcement alone will have little effect if demand remains strong. As long as strong demand keeps prices high, illegal activity will continue, no matter how many poachers are caught, fined, or imprisoned. I understand that a number of Members of this Committee raised the demand issue at your previous hearing.

Last, the ignorance of consumers perpetuates this trade. This ignorance lies in the impact their consumption has on wildlife, the laws and the species that they protect, and in the potential health risks linked to consumption. The illegal wildlife trade will continue if consumers are unaware of their impact.

When the State Department convened an inter-agency meeting with NGO's to address this, three groups each independently identified the greatest priority as increasing public awareness. Yet to date, the vast majority of public and private resources have focused on study, monitoring, and law enforcement.

While this is important, it is only the first step in fully eradicating the illegal wildlife trade and saving those species threatened by it. If we ignore demand, we will fail.

As the second-largest consumer of illegal wildlife products, the U.S. has a special duty to address this demand, which comes not just from our economic power, but also from our cultural diversity. While all American tourists might buy products like coral and ivory, certain products are very culture-specific, such as those used in traditional Chinese medicine or exotic products valued as an affluent delicacy. Therefore, demand-reduction efforts must address these communities specifically, as well as the general public.

WildAid has been a leader in this field internationally, not only in engaging a wide range of cultures by recruiting their highest-profile celebrities as spokespeople, but also by reaching up to one billion people a week worldwide by leveraging millions of dollars of donated production and media space. To date, our main focus and efforts have been in Asia. And I would like to show the Committee the kind of materials and programs that could be possible in the United States if financial support was available.

The video you are seeing features some of the world's top celebrities and Olympic gold medalists from the U.S., China, and other countries, all delivering the message when the buying stops, the killing can, too. Top advertising agencies have donated their time. World-class productions have been done at less than cost by U.S. production companies.

Because of the quality, originality, and star power, the media space and airtime has been donated. In China alone, the official government media has donated over \$5 million of airtime. Here in the U.S., CBS, Fox, CNN, National Geographic, and other networks have carried some of these messages, as well. Due to limited funding, WildAid's primary effort has been in China, but the model could be easily replicated here.

One obvious focus point could be our primary international airports. In China, through a partnership with Air Media, WildAid's messages reach 93 percent of domestic air travelers through videos on planes and in airports. Some of our airports do carry modest displays of wildlife products, but this could be greatly enhanced with celebrity video messaging, more engaging presentations, and media launches.

In short, the opportunity exists for a high-profile, highly leveraged, star-studded multi-cultural awareness program. This public/private sector collaboration could reach tens of millions of Americans for a few million dollars, but there are currently no financial mechanisms for Congressional support of such a program in the U.S.

By creating a mechanism for Congress to fund such outreach efforts, I believe this Committee could take a lead in reducing our nation's role in this illegal trade.

Thank you, Madame Chairwoman and honorable Members.
[The prepared statement of Mr. Bigue follows:]

Statement of Marcel Bigue, Deputy Director, WildAid

Madame Chairwoman, Honorable Members thank you for the opportunity to address you today.

I speak to you today as the Deputy Director of WildAid, a conservation organization dedicated to ending the illegal trade in wildlife; and for the Animal Welfare Institute. I also deliver the profound apologies of Ms. Bo Derek, a WildAid board member who was hoping to address you today, but has been seriously ill. I am happy to report Bo is well on the way to recovery.

In the previous hearing you heard from Assistant Secretary of State Claudia McMurray and other witnesses about the devastating impact of the illegal wildlife trade and how the United States currently addresses the problem. Initiatives include: the Coalition Against Wildlife Trafficking, the ASEN WEN initiatives, and the State Department naming of Bo Derek as the Special Envoy regarding wildlife trafficking. I strongly urge you to push for the continuity of these important programs now and throughout the next Administration. In addition, I would like to bring to your attention an additional way that Congress might lead: funding consumer awareness programs in the U.S..

Congressional laws in this field are among the best in the world and are largely up to the task of enforcing anti-poaching measures—therefore the primary need going forward is for adequate financing both of their enforcement and to raise awareness with the general public to reduce demand for these products.

The illegal wildlife trade thrives on three factors: need, greed and ignorance.

The financial need of the poor in developing nations creates the incentive to poach. This can be addressed by not only increasing field enforcement, but by developing alternative sources of income. The U.S. has been a leader in these efforts through U.S. AID and by Congressional support of the Rhino and Tiger Conservation Act and other financing mechanisms through the Fish and Wildlife Service.

The greed of professional poachers, smugglers and illegal traders can only be addressed through law enforcement and reducing demand. As the U.S. Fish and Wildlife Service will undoubtedly talk about their effective enforcement measures in their testimony, I only want to stress the importance of their work in stemming the illegal wildlife trade and urge this committee to keep them adequately funded. But enforcement is only part of the solution.

The efforts against drug trafficking have shown that even billions spent on enforcement alone will have little effect if demand remains strong. As long as strong demand keeps prices high, illegal activity will continue—no matter how many poachers are caught, fined, or imprisoned. I understand that a number of members of this Committee raised the demand issue at your previous hearing.

Lastly, the ignorance of consumers perpetuates this trade. This ignorance lies in the impact their consumption has on wildlife, the laws and the species that they protect, and in the potential health risks linked to consumption. The illegal wildlife trade will continue if consumers are unaware of their impact.

When the State Department convened an interagency meeting with NGOs to address this, three groups each independently identified the greatest priority as “increasing public awareness.” Yet, to date, the vast majority of public and private resources have focused on study, monitoring, and supporting law enforcement. While this is important, it is only the first step in fully eradicating the illegal wildlife trade and saving those species threatened by it. If we ignore demand we will fail.

As the second largest consumer of illegal wildlife products, the U.S. has a special duty to address this demand, which comes not just from our economic power, but also from our cultural diversity. While all American tourists might buy products like coral and ivory, certain products are very culture specific, such as those used in traditional Chinese medicine or exotic products valued as an affluent delicacy. Therefore, demand reduction efforts must address these communities specifically as well as the general public.

VIDEO STARTS FROM THE CASCADES OF STARS

WildAid has been a leader in this field internationally, not only in engaging a wide range of cultures by recruiting their highest profile celebrities as spokespeople, but also by reaching up to 1 billion people a week world wide by leveraging millions of dollars of donated production and media space.

To date, our main focus and efforts have been in Asia and I would like to show the Committee the kind of materials and programs that could be possible in the United States if financial support was available.

The video you are seeing features some of the world’s top celebrities and Olympic gold medalists from the U.S., China and other countries, all delivering the message “when the buying stops, the killing can too”.

Top advertising agencies have donated their time.

World class productions have been done at less than cost by U.S. production companies.

Because of the quality, originality and star power, the media space and airtime has been donated. In China alone, the official government media has donated over five million dollars of airtime.

Here in the U.S., CBS, Fox, CNN, National Geographic and other networks have carried some of these messages as well.

Due to limited funding, WildAid's primary effort has been in China, but the model could be easily replicated here.

One obvious focus point could be our primary international airports. In China, through a partnership with Air Media, WildAid messages reach 93% of domestic air travelers through videos on planes and in airports.

Some of our airports do carry modest displays of wildlife products, but this could be greatly enhanced with celebrity video messaging, more engaging presentations and media launches.

In short, the opportunity exists for a high profile, highly leveraged, star-studded, multi-cultural awareness program.

This public private sector collaboration could reach tens of millions of Americans for a few million dollars, but there are currently no financial mechanisms for Congressional support of such a program in the U.S..

By creating a mechanism for Congress to fund such outreach efforts, I believe this Committee could take a lead in reducing our nation's role in this illegal trade.

Thank you Madame Chairwoman and Honorable Members

Ms. BORDALLO. I thank you, Mr. Bigue, for your innovative work in addressing the demand for illegal wildlife products.

And now Mr. Kowalski, would you please begin?

**STATEMENT OF MICHAEL KOWALSKI, CHAIRMAN AND CEO,
TIFFANY & CO.**

Mr. KOWALSKI. Madame Chairwoman, Members of the Committee, it is a privilege to be here.

Since our company's founding in 1837, Tiffany & Company has grown and prospered based upon one simple idea: the belief that good design is good business. Over the past 10 years we have come to recognize that there is a vitally important 21st century corollary, and that an unequivocal commitment to protecting the natural world is also undeniably good business.

There is today enormous concern among consumers about the impact their decisions have upon the environment. And just as good design has been at the heart of the consumer appeal of our jewelry, so, too, does a commitment to sustainability today reflect the evolving desires of those very same customers.

I am here today speaking, of course, as a representative of Tiffany & Company, but more fundamentally, I believe I am here speaking for our customers—customers who care deeply about the preservation of the natural world; customers who instinctively recognize that nature has been our greatest designer and understand the imperative to protect the source of that inspiration; customers who trust us to make certain that in creating Tiffany jewelry, we do everything possible to leave behind a world every bit as beautiful and complete as the one we inherited.

So I testify today not as an executive who cares about the environment, but rather as one who is simply responding to our customers' expectations. We have no doubt the consumers want jewelry that is sourced responsibly; jewelry that contains precious metals that are mined responsibly from mines that do not threaten wilderness, wildlife, or recreational values. Diamonds that do not fuel armed conflict, rubies that do not support governments that abuse

human rights. And jewelry that is inspired by the ocean's beauty, not jewelry that destroys the very beauty it seeks to celebrate.

For the past eight years the Tiffany Foundation has supported research focused on coral reef systems. And since 2003, Tiffany & Company has helped protect coral in the most simple and direct way we knew how: by refusing to sell it in our stores.

Initially we acted more on faith rather than fact, choosing to err on the side of caution rather than commerce, when the survival of something as precious as coral was at stake. And today, while we remain committed, most retail jewelers, and certainly most consumers, are still sadly unaware of the global destruction of coral and their complicity in that destruction.

Congress can, as today's hearing demonstrates, play a vital role in drawing attention to this unsustainable trade. We are confident that when given the opportunity to make a responsible choice, most consumers will do precisely that. But government must do more to better define the threats to our marine ecosystems, coral in particular; and in so doing, inform two key constituencies, constituencies that can make an immediate impact, consumers and retailers themselves.

Before Tiffany stopped the sale of coral, I could say with near certainty that few, if any, of our customers understood the ramifications of their purchase decisions. However, I can also say with near certainty that once aware, few, if any, of those customers would knowingly contribute to the destruction.

Similarly, the majority of retailers remain unaware of the destructive role they play by continuing to sell coral. Many naively believe that somewhere out there are forums where coral is grown and harvested, or that it can be simply and benignly gathered in the wild. Here research that drives understanding and informed decision-making is critical. Eradicating ignorance and skepticism, both genuine and willful, is essential if retailers are to be persuaded to take a stand.

More specifically, we are hopeful that red coral will be listed under CITES Appendix 2. We urge the adoption of the Coral Reef Conservation Amendment Act to provide for a study of the full impact of the trade in coral, as well as improved monitoring enforcement.

More information is desperately needed. And with that information, the effort to inform retailers and consumers about this destructive trade can be greatly strengthened.

We also urge funding of the Deep Sea Coral Research and Technology program, and the effort to locate coral populations and develop approaches to their conservation.

In conclusion, I hope the light this hearing can shed on the many threats to coral will cause both consumers to demand and retailers to wholeheartedly support a stop to this trade. As a jeweler, it strikes me that perhaps the greatest tragedy here is the insignificance of coral for the jewelry industry as a whole. And unlike gemstones or pearls or precious metals, which are vitally important to the jewelry industry, but can be produced responsibly, there is no such benign possibility for coral jewelry.

To destroy our vital coral resources for something as insignificant as coral jewelry defies both scientific and economic logic, and sim-

ple common sense. We do believe that some things are simply too precious to wear. Thank you.

[The prepared statement of Mr. Kowalski follows:]

**Statement of Michael J. Kowalski, Chairman and Chief Executive Officer,
Tiffany & Co.**

Since our company's founding in 1837, Tiffany has grown and prospered based upon one simple idea—the belief that “good design is good business.” Over the past 10 years, we have come to recognize that there is a vitally important 21st corollary, and that an unequivocal commitment to sustainability and protecting the natural world is also, undeniably, good business. There is today an enormous and fast growing concern among consumers about the impact their consumption decisions have upon the environment. And just as good design has been at the heart of the consumer appeal of Tiffany jewelry, so too does our commitment to sustainability today reflect the evolving desires of those very same consumers.

I am here today speaking of course as a representative of Tiffany & Co. But more fundamentally, I am here speaking for our customers: customers who care deeply about the preservation of the natural world; customers who instinctively recognize that nature has been Tiffany's greatest designer and understand the imperative to protect the source of that inspiration; customers who trust us to make certain that in creating Tiffany jewelry we do everything possible to leave behind a world every bit as beautiful and complete as the one we inherited.

So I testify here today not as an executive who cares about the environment, but rather as an executive who is simply responding to our customers' expectations. We have no doubt that consumers want jewelry that is sourced responsibly. Jewelry that contains precious metals that are mined responsibly; from mines that do not threaten wilderness or recreational values. Diamonds that do not fuel armed conflict. Rubies that do not support governments that abuse human rights. And jewelry that is inspired by the ocean's beauty, not jewelry that destroys the very beauty it seeks to celebrate.

For the past eight years, the Tiffany Foundation has supported research focused on coral reef systems. And since 2003, Tiffany & Co. has helped protect coral in the most simple and direct way we could, by prohibiting its sale in our stores. To be frank, back then we acted more on faith than on fact, choosing to err on the side of caution rather than commerce when the survival of something as precious as coral was at stake. And today, while we remain committed, most retail jewelers, and certainly most consumers, are still sadly unaware of the global destruction of coral, and their complicity in that destruction.

Congress can, as today's hearing demonstrates, play a vital role in drawing attention to the unsustainable trade in coral. We are confident that when given the opportunity to make a responsible choice, the majority of consumers will do precisely that. But government must do much more to better define the threats to our marine ecosystems, and coral in particular, and in so doing inform two key decision making constituencies that can make an immediate impact: consumers and retailers.

Before Tiffany stopped the sale of coral, I can say with near certainty that few if any of our customers understood the ramifications of their purchase decisions. However, I can also say with near certainty that once aware, few if any customers would knowingly contribute to the problem.

Similarly, the majority of retailers remain unaware of the destructive role they play by continuing to sell coral. Many of these retailers naïvely believe that somewhere, out there, are farms where coral is grown and harvested. Or that it can be simply and benignly gathered in the wild. Here research that drives understanding and informed decision making is critical. Eradicating ignorance and skepticism—both genuine and willful—is essential if retailers are to be persuaded to take a stand.

More specifically, we are hopeful that Red Coral (*Corallium*), the most widely traded and valuable species, will be listed under CITES Appendix II. We urge adoption of the Coral Reef Conservation Amendments Act to provide for a study of the full impact of the trade in coral products—economic, social and environmental—as well as improved monitoring and enforcement. More information is desperately needed, and with that information the effort to inform retailers and consumers about this destructive trade can be greatly strengthened. We also urge funding of the Deep Sea Coral Research and Technology Program, and the effort to locate coral populations and develop approaches to their conservation.

In conclusion, I hope the light this hearing can shed on the many threats to coral will cause both consumers to demand, and retailers to wholeheartedly support, a

stop to this trade. As a jeweler, it strikes me that perhaps the greatest tragedy here is the insignificance of coral for the jewelry industry as a whole. And unlike gemstones, pearls, or precious metals, which are vitally important to the industry but can be produced responsibly, there is no such benign possibility for coral jewelry. To destroy our vital coral resources for something as insignificant as coral jewelry defies both scientific and economic logic, and simple common sense. Some things are indeed "too precious to wear."

Ms. BORDALLO. All right, thank you very much, Mr. Kowalski, for these important facts. And also to commend your company for what they are doing to protect the coral reefs.

Mr. Sebunya, you are the final witness to be heard from.

**STATEMENT OF KADDU SEBUNYA, DIRECTOR OF PROGRAM
DESIGN, AFRICAN WILDLIFE FOUNDATION**

Mr. SEBUNYA. Madame Chairwoman and Members of the Committee, I am Kaddu Sebunya, Director of Technical Design at African Wildlife Foundation. Founded in 1961, the African Wildlife Foundation is the leading African international conservation organization focused solely on the African Continent.

I want to thank you for holding this hearing on what we believe is one of the most important conservation challenges we face today. That is the connection between conservation of biodiversity and the economic aspirations of the people. In our case, Africans.

Our view is that wildlife conservation and development are interlinked, and that truly sustainable wildlife conservation must provide for the needs of local people.

The underlying theme for this hearing is on consumer demand for illegal wildlife in the U.S. But I am going to focus my statement on the supply side, because in order to address consumption factor in the U.S., we need to look at the market elements, as well as the very nature of the resource base, the supply side.

Wildlife resource at the base is usually a low unit value, is a common resource freely accessible, is difficult to assess, and encourages free-rider behavior. In most of Africa, it is either without any owner, or is state property and separated from the local community.

Therefore, the bushmeat problem could as well be resulting from unmanaged common resource being unsustainably tapped because of inadequate governance and policy frameworks.

Tackling the main direct threats of wildlife conservation in Africa—that is, habitat loss, sustainable use—and the underlying drivers of threats—poverty, land ownership, weak land use planning, weak civil societies—requires the acknowledgment of the support for the linkages between wildlife conservation and local development goals and needs. And at the policy and governance level, many of the underlying causes of sustainable use of wildlife are the same as those underlying poverty: weak governance, war, famine, low incomes, savings, and unfair global terms of trade.

With support from the U.S. Government through USAID, the U.S. Forest Department, and the U.S. Fish and Wildlife Service, we are working on these kinds of issues across Africa.

For example, in the Democratic Republic of Congo, our priority response has been efforts to address local poverty through

strengthening agriculture, and thereby reducing wildlife product dependence. We are also addressing ownership and right to uses.

We are engaged in dozens of conservation community enterprises across Africa that offer alternatives to bushmeat trade, representing investments of several million dollars collectively. These projects promote tourism, sustainable community hunting grounds, fisheries management, livestock and other sustainable agricultural conservation. These projects also strengthen local societies and government systems.

In conclusion, Madame Chairwoman, we know Africa's wildlife and wildlands add much in the world, and are one of the Continent's most significant sources of future competitive advantage in the global marketplace. Where wildlife exists, we should encourage African nations to conserve, expand, and add varied user resources by positioning themselves as crucial part of the development and sustainable growth strategies.

We believe in the protection of wildlife in protected areas, but encourage careful monitoring and sustainable use of natural resources outside of protected areas. We see the price for all sustainable use as central to wildlife conservation efforts.

Madame Chairwoman, the long-term challenge to wildlife conservation and bushmeat is how to make wildlife a renewable resource. With a clear economic and development advantage, conserving and managing it, rather than a resource that is mined steadily to extinction, and completely prohibited from sustainable use.

Thank you, Madame Chairwoman and honorable Members.

[The prepared statement of Mr. Sebunya follows:]

**Statement of Kaddu Kiwe Sebunya, Director of Program Design,
African Wildlife Foundation**

Madame Chairwoman and members of the subcommittee, I am Kaddu Kiwe Sebunya, Director of Technical Design at African Wildlife Foundation (AWF).

Founded in 1961, the African Wildlife Foundation is the leading African and international conservation organization focused solely on the African continent with a 45-year track record of facilitating practical, field-based solutions to global and local sustainable natural resource management and wildlife conservation challenges in Africa.

I want to thank you for holding this hearing on what African Wildlife Foundation believes is one of the most important conservation challenges we face today—the connection between the conservation of biodiversity and the economic aspirations of the people, in our case Africans. Our view is that wildlife conservation and development are inter-linked, and that truly sustainable wildlife conservation must provide for the needs of local people.

The underlying theme for this hearing is on “consumer demand of illegal wildlife in USA,” but I am going to focus my statement on the “supply side” because we have long understood that the illegal wildlife trade cannot flourish in a vacuum. Before I do that, though, I want to emphasize that African Wildlife Foundation is actively working to stop the illegal bushmeat trade, most notably through its support of USFWS—Bushmeat MENTOR program that is developing a network for bushmeat information sharing throughout East Africa. We are also deeply involved in enterprise programs that make harvesting endangered wildlife a more costly option than conserving it.

To address the consumption factors driving the illegal bushmeat trade, or the “supply side,” we need to look at the market elements as well as at the very nature of the resource. Wildlife resource at the base is usually of a low unit value, is a common resource freely accessible, is difficult to assess, and encourages free-rider behavior. In most of Africa, it is either without any owner or is state property and alienated from local communities. Therefore, the bushmeat problem could as well

be resulting from an unmanaged common resource being unsustainably tapped because of inadequate governance and policy frameworks.

In Africa, we have long-recognized that the encouragement of sustainable use, rather than prohibition, is the most practical umbrella policy with regards to wildlife conservation. Trade bans are a blunt and limited intervention strategy. Though, that said, where use for commercial gain is a critical threat for specific species, notably for elephant and rhino in Africa, global trade restrictions have been a useful component of wildlife conservation strategies.

Tackling the main direct threats to wildlife conservation in Africa (habitat loss, unsustainable use) and the underlying drivers of these threats (poverty, climate change, tenure issues, weak land use planning, subsidies for agriculture, weak civil society organizations and governance issues) requires recognition of and support for the linkages between wildlife conservation and local development goals and needs. At the policy or governance level, many of the underlying causes of the unsustainable use of wildlife are the same as those underlying poverty—weak local governance, war, famine, low incomes and savings, unfair global terms of trade, etc.

African rural people, moving from a subsistence lifestyle to a cash economy, have relatively few options; unsustainable or consumptive use of wildlife resources is often a matter of survival. They often lack the education and skills to easily find alternative employment and cannot switch to different livelihoods or food sources.

1. Our program efforts

The long-term challenge to wildlife conservation is how to make wildlife a “renewable” resource, with a clear economic and development advantages to conserving and managing it, rather than a resource that is “mined” steadily to extinction. To achieve this, all stakeholders must work together to put in place a complementary suite of policy, planning and implementation tools, to ensure that conservation and development linkages are optimized.

One of the issues where the debate about trade instruments has arisen concerns the harvesting of “wild meat” or “bushmeat”. The bushmeat trade in West and Central Africa has been a particular focal point for concern over the past decade, not least because of its perceived threat to African great apes, namely chimpanzees, bonobos and gorillas. Research demonstrates that the bushmeat trade does threaten these species, particularly where hunting is conducted in protected areas and timber concessions. However, the bulk of bushmeat hunting is of non-endangered species and is done by very poor people—this therefore constitutes a clear argument against using any form of blanket ban on bushmeat harvesting as a conservation mechanism. A blanket ban is likely to punish the very poor without addressing the underlying issues that have allowed the bushmeat trade to thrive—that is, lack of natural resource management planning and the need to give wildlife conservation in and of itself economic value.

The effectiveness of alternative policy and management options to extinguish the illegal bushmeat trade continues to be a focal point for conservation stakeholders across West and Central Africa. African Wildlife Foundation with support from the U.S. government through USAID, USFD, and USFWS is working on these issues in the Democratic Republic of Congo. Priority responses include (i) efforts to address local poverty through strengthening agriculture and thereby reducing forest product dependency; (ii) efforts to address tenure and rights issues, firstly through effective local land use planning, and subsequently through regulation and licensing of local bushmeat trade and consumption; (iii) pilot projects addressing community forest management as a means of strengthening forest management overall and implementing new national forest policy and regulations.

We are engaged in dozens of conservation enterprises with communities, representing investments of several million dollars collectively. These trade and investment projects promote conservation tourism, culture-based tourism, sustainable community hunting grounds, fisheries management, livestock and other sustainable agriculture ventures, traditional handicrafts creation and distribution, and non-timber forest products. These projects also strengthen local civil societies and governance systems; benefits investment and management, and address land tenure and gender equity.

Our enterprise programs are a key intervention strategy in support of sustainable wildlife use. Enabling communities to participate, and often own, commercially successful businesses with clear conservation logic is a strategy that warrants further support. For example with support from the U.S. Government and private individuals, African Wildlife Foundation has recently facilitated new community-owned luxury gorilla tourism facilities in Uganda and Rwanda, enabled the resumption of river trade in agricultural commodities in Democratic Republic of Congo, and created an innovative revolving debt facility for livestock value enhancement in pas-

toralist areas of northern Kenya. These programs address many rural communities' simple but highly consequential dilemma: finding a creative way to benefit from the presence of wildlife. Our conservation enterprise strategy strives to help communities and governments undertake business ventures that support both livelihoods and wildlife conservation.

2. Our efforts in USA

While we do not have field programs in USA, we place a high priority on partnerships as a means of delivering wildlife conservation and thereby bridging policy stances in the U.S. and Africa.

African Wildlife Foundation is currently supporting the USFWS—Bushmeat MENTOR program that is developing a network for bushmeat information sharing throughout East Africa, which will be enormously helpful in gathering together scattered information on wildlife populations, threats and solutions to the bushmeat crisis. There has been a high level of commitment and investment in the training and support of the eight African fellows. Our technical staff has been involved in training the fellows, from leading sessions on programming conservation and development, to conceptual modeling, management and monitoring programs.

In collaboration with U.S. Department of the Interior, we have supported national parks and other protected-area authorities in Tanzania, to improve conservation management (including planning, law enforcement, and monitoring trans-boundary cooperation). Partnering with the U.S. Forestry Department, we support Democratic Republic of Congo government and individual landowners and communities to make land use plans in order to secure wildlife movement corridors, habitat linkages, dry season refuges, wildlife dispersal areas, plus enterprises development—critical alternatives to the bushmeat trade.

Through our membership with the U.S. based Bushmeat Crisis Task Force we have learned from their research that U.S. government agencies have a difficult time in addressing bushmeat that enters the U.S. every month. While there are laws that address wildlife importation and laws that address meat import, there is only one law that specifically mentions bushmeat, and that law targets live African rodents and primates, not dead ones smoked for their meat. Another challenge is the overlapping jurisdictions by numerous U.S. government agencies having shared authority over bushmeat shipped in commercial containers. In addition, the U.S. government does not have a bushmeat information management and analysis system that could provide central location for storing and retrieving information for coordinating its efforts to address the bushmeat problem within U.S. borders.

USA should focus not only on the illegal bushmeat trade but also on the risk of the introduction of emerging infectious diseases through bushmeat—Monkeypox, SARS, Ebola, etc. We do not know much about the disease incidence for different species or bushmeat preparations (smoked, fresh, etc.) because in the U.S. confiscated bushmeat is routinely destroyed rather than tested for disease or contaminants. There is a great need for additional resources not only to detect illegal bushmeat but also to test it so that the government can more strategically address the risks involved and share their findings with African governments and institutions.

3. Conclusion

Africa's wildlife and wild lands are unmatched in the world and are one of the continent's most significant sources of future "competitive advantages" in the global marketplace. Where wildlife exists, African Wildlife Foundation encourages African nations to conserve, expand and add value to those resources and to position them as a critical part of development and growth strategies for the future of the continent, reflected in national strategies for poverty alleviation and for the achievement of the Millennium Development Goals.

African Wildlife Foundation believes in the protection of resources within formally designated national parks, but encourages carefully monitored and sustainable use of natural resources outside these more restricted areas to ensure that human needs and aspirations are satisfied while maintaining ecosystem viability. Understanding that ecosystem function and biodiversity resources cannot be conserved through protected area systems alone, but requires sustainable management at scale, we see the principle of sustainable use as central to conservation efforts.

African Wildlife Foundation respects the principle that the owners and users of land and wildlife resources must be given the primary stake in their management and in the benefits generated. African Wildlife Foundation supports strong, secure, tenure arrangements for local communities living with wildlife on their land, and effective national policy and legal frameworks that protect tenure and rights. African Wildlife Foundation has a particular interest in developing and applying models

that give local communities a large and defining financial stake in the resources they conserve and in promoting public and private investments in enabling and replicating these models.

The challenge has been to encourage appropriate and sustainable development opportunities throughout the communities living in scientifically identified wildlife landscapes, to ensure that they have the opportunities to lift themselves out of poverty without jeopardizing conservation goals. In African Wildlife Foundation's view, it is both practical and important that wildlife conservation work maintains a focus on improving livelihoods, and we aim to do this while maintaining close monitoring of resulting benefits and costs to the environment.

African Wildlife foundation firmly believes that Africans are ideal stewards of Africa's natural resources. To that end, we invest heavily in the training and education of Africans to help them take the lead in managing and benefiting from their own natural heritage.

Ms. BORDALLO. Thank you very much, Mr. Sebunya, for your very informative testimony.

And now we will have questions to the witnesses. I would like to begin first with Mr. Perez, Fish and Wildlife.

I would like to talk a little bit more about your buyer-beware program. How much funding did the Fish and Wildlife Service receive for the buyer-beware brochures?

Mr. PEREZ. Madame Chairwoman, I don't have the exact figure to the extent that we collaborated with World Wildlife and TRAF-FIC USA. I expect—excuse me?

Ms. BORDALLO. Do any of your, do you have some members of the Department with you that could answer that?

Mr. PEREZ. No, ma'am. That is an amount that we will have to get with you. But ultimately, the way the cooperative effort went forth is really just sharing the information, and sharing ultimately what was, what was probably provided—and I can say that because we have had these collaborative efforts before—is that the printing is typically—yes, that is correct, those items there—is picked up by World Wildlife Fund.

And I would ask Mr. Allan if he can elaborate perhaps on their contribution.

Ms. BORDALLO. All right. I am going to—

Mr. PEREZ. And I will be happy to get the dollar figures for you.

Ms. BORDALLO. I am going to get to Mr. Allan, but, further on this. How many of the brochures does the Fish and Wildlife print annually?

Mr. PEREZ. I believe the printing is done by the World Wildlife Fund, in coordination with them. There is—

Ms. BORDALLO. Well then, I had better get with Mr. Allan, then. Does anybody know the answer to that? Yes, Mr. Allan?

Mr. ALLAN. Thank you, Madame Chairwoman. I believe the last print run of just the leaflet that you have in your hand there with the toucan on the front was around 30,000 leaflets. Those were distributed and used very rapidly. There is a need for more of these materials, absolutely.

Ms. BORDALLO. What was the funding amount on this?

Mr. ALLAN. The funding for the print runs of just leaflets in themselves is relatively small. I mean, it is less than probably \$10,000. But that really isn't enough. We are only scratching the surface with such a small number of leaflets. And a more broad campaign would be appropriate if funding were available, such as

displays within airports and ports, posters, web-based materials as well, that were much more perhaps interactive and engaging. Those things cost a lot more, but they would be far more wide-reaching and more effective in getting the message across.

Ms. BORDALLO. The next question then is along the same line. With 8.5 million people leaving on cruises from U.S. ports annually, and even more traveling abroad on planes, is that a sufficient number? You said it wasn't sufficient, and where else are these distributed?

Mr. ALLAN. No, that absolutely isn't a sufficient number, and we really do need more. And they should—

Ms. BORDALLO. Where do you distribute these?

Mr. ALLAN. These are distributed through ports and airports, and throughout the U.S.

Ms. BORDALLO. Schools?

Mr. ALLAN. Not so much schools, no. It is mainly for travelers, so they are aware of what they are to avoid buying when they are traveling. But there is much more of a need for a broader program.

The school's sort of engagement happens much more through Suitcase for Survival, which goes to zoos and other institutions. And it is more of an educational pack. There is an educational tool kit as well that World Wildlife Fund produces that is aimed much more at schools.

Ms. BORDALLO. I guess what we are looking at here is more funds, right? To be able to provide and print more of these brochures.

You have no idea, Mr. Perez, what money the budget is for this at the present time?

Mr. PEREZ. I can get that number to the extent that we committed funds to have that printed. But I would say, Madame Chairwoman, that ultimately I would expect that the bulk of the printing and the actual costs, other than in-kind support from our office, is probably borne by TRAFFIC.

Ms. BORDALLO. Back to Mr. Allan now. You said that the campaign could be modernized. Could you explain what you mean by that?

Mr. ALLAN. Thank you, Madame Chairwoman. Yes, I think that there probably is a need to go beyond just the casual leaflet, that the people don't necessarily have the time to look at when they are in a rush to get on a plane or onto a cruise ship. I think there are other ways that we can do this.

And if you look at the other leaflet you may have there called the Caribbean Buyer Beware, that actually was perhaps a little book that was more proactive, in that once you disembark in a port in the Caribbean, you actually see those posters and leaflets available once you are there, when you have much more leisure time to peruse. And those are also held in things like local museums and other places in those countries.

So there is sort of a two-pronged approach here of getting the information out, not just within the U.S., but also in the, if you are talking about tourists, within those key tourist areas abroad, where U.S. tourists particularly frequent.

So for example, in the Dominican Republic, in the example I talked about earlier with the real major problem of hawksbill turtle

shell being very widely available. There is a move to try and develop some initiatives with the Dominican Republic Government and organizations like the U.S. State Department and NOAA are also working with us, looking at how we can raise awareness in those ports. So that when the cruise ship passengers actually disembark, they are actually made aware very clearly, both on the cruise ships and when they are in the ports, about what the problems are of buying those products.

Ms. BORDALLO. Well, all of these ideas are good. But I do think that, you know, we have to put more funding into this. We have to get this information out. I think Mr. Kowalski mentioned the fact that a lot of this is just people are naive; they don't know about it. They are not told. And I think if they are, and more information is put out there, that we would have less of a problem.

I wanted to ask you, Mr. Perez or Mr. Allan, can you talk a little more about the Suitcase for Survival? I see all the items here. But you know, a lot of this doesn't pertain to the territories. We have other things, like sea turtles, tortoiseshell, all of these. Would you have some kind of a survival kit just designed for the territories? I mean, we don't see lions and leopards and things like that. So I am just wondering, is there something specifically for, I think you mentioned the Caribbean? Somebody mentioned that in your statement.

Mr. PEREZ. I will be happy to elaborate a bit more. Suitcase for Survival has been one of our, one of our really significant efforts that we try to utilize. We have a warehouse in Commerce City, Colorado, that is full of much more than the kind of items you are seeing in front of you, including the types of items that are found out in the Pacific Rim.

To the extent that the Suitcase for Survival has a pretty significant training curriculum that is actually put together in concert with supporting organizations, plus the Fish and Wildlife Service, to be accurate in the instruction of the course, the items themselves are basically treated on a case-by-case basis for a single schoolteacher from a particular independent school district, or a school district anywhere, be that in Guam or in Los Angeles, can actually kind of give us information to the extent that they want to focus on a particular type of species.

So we don't, we wouldn't necessarily send something that is a spotted cat to a place that they really have no interest in wanting to focus on that. But while we have some items that are common to the Suitcase for Survival, it is basically a bundling of a lot of these types of things.

We have the flexibility on the individual request to do exactly what you are saying. It is focus on the species that are more prevalent in the area, or more problematic.

Ms. BORDALLO. My next question is, are you aware, has anything ever been sent to Guam or American Samoa or Virgin Islands?

Mr. PEREZ. To the extent that I have a specific private-sector request, I am not sure. But our office in Guam, and I can get that, certainly get that answer, because we catalog every suitcase that we sent out and where it goes. We have that data available. I don't have it with me, but we do provide this material in the suitcase, and information to all our offices that are there.

So our Wildlife Inspection Office in Guam would have one if somebody locally wanted to borrow that.

Ms. BORDALLO. Well, I wish to make a request: To see that this is sent immediately to Guam, and certainly the brochures and anything else, any information.

Now, I do know that tortoiseshell jewelry, sea turtles, these are on the endangered list and illegal. But I haven't heard much else. And I think that we have to begin with the schools, and of course anybody else. So I can hope that you will contact my office here in D.C., and we will be able to send one of these survival kits to—and not just Guam. I am speaking on behalf of all the territories. I kind of have a feeling that maybe this hasn't been done. So hopefully we will get that accomplished.

My next question is for Mr. Allan. You are on the hot seat today, Mr. Allan. Are you aware of any research on the effectiveness of different educational messages in curbing the demand for wildlife products?

For example, is it more effective to teach the public about the regulations guiding the trade, the penalties they could face if they participate in the trade, or the dangers the trade poses to threatened wildlife species?

Mr. ALLAN. Thank you, it is a pleasure to be in the hot seat.

I just would like to say that there has been a number of initiatives aimed at looking at consumers, in terms of educating consumers, particularly in traditional Chinese medicine. And those have happened in traditional Chinese medicine communities around the world, including analyses that happened in some of the major communities within the U.S. And those analyses have been very effective in targeting the right messaging to the consumers to dissuade them from using endangered species within traditional Chinese medicine. Those messages have now to target really what makes people buy those endangered species.

And really, it was working with the industry itself that added the most weight to that, by getting the experts in traditional Chinese medicine to actually put out the message that you don't need to use endangered species.

So within trade there is a number of elements. And obviously we have an amazing advocate here for protecting corals from Tiffany's as well, Mr. Kowalski. So through the trade, there is a very strong message that can be given out.

Through schools and education of others, I think that is obviously critically important to get people while they are young, and to build up an ethic within those people about the need to protect endangered species, and our environment generally. And I am happy to say that I think a lot of initiatives nowadays are really focusing in on the environment.

In terms of doing analysis on that, we have not in recent years done analysis on the effectiveness of educational programs on schoolchildren. However, I do think there are a number of ways that we could really be a bit more technologically savvy in terms of outreach to others like that, through, you know, doing things like podcasts, so people can download them for their iPods, and getting movies on websites, and interactive features in games. Some of those things are happening.

Our colleague from WildAid featured a number of really great stuff that they are doing in terms of the visual and the video media. He may be able to add something to that. But I have not been involved, TRAFFIC has not been involved with currently looking at educating schoolchildren, no.

Ms. BORDALLO. Would any of the other witnesses like to add to that?

Mr. BIGUE. Just to add a bit. Essentially what we have seen as the primary medium, you know, we have taken a page off what our corporations use, in terms of using celebrities and star power to influence people to purchase things. So what we try to do is use that star power to dissuade people from purchasing different products.

And we have had surveys carried out in Hong Kong, Taiwan, and Thailand. And we have seen that consumption has been reduced. The problem is that these evaluation studies are so expensive, that it is just beyond our budget capacity.

Ms. BORDALLO. And yes, Mr. Kowalski.

Mr. KOWALSKI. And I think, you know, I would emphasize, as I tried to do in my remarks, the power of retailers, the power of wholesalers, the power of intermediaries to assume for issues of sustainability, the same role that we assume across the spectrum of efforts to market to consumers.

You know, we present jewelry to consumers, and we make the proposition please buy it because we believe it is beautiful. We also say please buy it because we believe it is sustainable, or it is not threatened.

I think sometimes consumer education is a very, very difficult task. And I think there is a latent resource here. Retailers, in a vast majority of cases, want to anticipate consumers' needs. They want to be on the forefront, and they would like to see threats on the horizon.

So I think to the extent that we are, of course, dealing with limited resources, to the extent efforts can be focused against the retail industry that cares, who is in fact in the business of anticipating consumer needs, that may be a more efficient way that we haven't sufficiently taken advantage of. That would be my jewelry experience, and I know that is very limited.

Ms. BORDALLO. Very good. And I applaud your company again for—

Mr. KOWALSKI. Thank you.

Ms. BORDALLO.—the work they are doing in this effort.

Mr. Sebunya, do you have a comment?

Mr. SEBUNYA. I will just add to that. Again, bring the stories from the source of these products. Going out then, the program we are involved in with the Fisheries Service in East Africa, where we are researching and assisting the impact of this trade to the local communities. And taking those stories and bringing them here to the consumers I think brings the emotions and attachments, and the reality of the impacts to this trade, not only to the wildlife, but also to the beneficial result of the resources in the consumer base.

Ms. BORDALLO. I thank you very much for your comments. Now I have a couple of questions for Mr. Bigue. And I would like to excuse our Ranking Member; he went down on the Floor to do a one-minute on energy. So hopefully he will be back.

Mr. Bigue, why do you think actors, production companies, and stations are so willing to participate in WildAid's campaign? And what amount of funding do you think would be needed to make an impact in the United States?

Mr. BIGUE. Thank you, Madame Chairwoman. I would say that they participate in the campaigns because they basically believe in the cause. And I believe once you get a few key people on board, like Jackie Chan or Yao Ming, it is much easier to recruit more celebrities. And at this point in time we have over 80 wildlife Ambassadors at this point in time.

With respect to your, the second part of your question, in terms of the costs of the campaign, correct?

Ms. BORDALLO. Funding, what amount of funding do you think would be needed.

Mr. BIGUE. What we estimate is roughly about \$3 million. Because we are able to leverage the media and get pro-bono productions done, it essentially lowers the cost quite a bit. So we think we can confidently, you know, put together a large national campaign for about \$3 million.

Ms. BORDALLO. And all your funding comes from private contributions, is that correct?

Mr. BIGUE. Foundations and individuals.

Ms. BORDALLO. Foundations, grants.

Mr. BIGUE. And some U.S. Government. We have received a couple—

Ms. BORDALLO. Oh, you do have some.

Mr. BIGUE. We have received two grants from the State Department, one for filming a PSA with Harrison Ford, and then we just recently received another grant to film a PSA with Jane Goodall. And that is just, that is actually going to be filmed in New York this Friday.

Ms. BORDALLO. Oh, very good. What locations or places would be the most effective to place public service announcements, in your opinion?

Mr. BIGUE. Well, besides television, that works? It would be international airports. Because there are your key travelers, the people who have discretionary income. That is your, that is our key target. That is where we focused our campaigns in Asia, specifically in China, and we think that would definitely be the point, the focal point as well in the United States.

Ms. BORDALLO. All right. Mr. Kowalski, I have a few for you. You mentioned the power that you have as a retailer to control consumer demand. In your testimony you mentioned that you think most retail jewelers and most consumers are sadly unaware of the global destruction of coral, and their complicity in that destruction.

Do you think other jewelers would follow your approach if they were aware? And if so, do you have ideas about how that awareness could be increased?

Mr. KOWALSKI. Absolutely. I think part of the issue, of course, is clarity and credibility. Jewelers, as you obviously would know, are not naturalists. And when the debate becomes complex, I think there is a reluctance to take risks. And given the lack of clarity around certain of these issues, I think there is a natural conservatism and reluctance to act.

However, I think with the leadership of a few people in the industry and the support of industry organizations like the Jewelers of America, which has a very active ethical initiatives committee, I do believe that, that jewelers are willing to act. And quite frankly, I am hoping that the reporting and the news surrounding this hearing will help those of us in the industry who are trying to get the rest of our fellow retailers to act, will be strengthened. So that this is a source of, I think just doing what we are doing here today will provide a great impetus.

Ms. BORDALLO. Has Tiffany ever gone beyond their own retail stores to try and engage other jewelers or other—

Mr. KOWALSKI. Yes, we have. We have tried to use the power of leadership. Obviously we are not a large company, but we are modestly a legendary company, and we certainly try to use the power of the brand to encourage others to follow our lead in certain areas, like our decision not to sell rubies many, many years ago. Our efforts on behalf of U.S. mining reform.

And again, I think there is, with appropriate understanding, a great willingness on the part of retailers trying to understand and correctly anticipate the needs of their customers, that supporting these efforts makes long-term business sense. And I think that is the key argument that we have made, that this makes—it is not about doing good, it is not about being an environmentalist; it is about satisfying your customers' needs. And that makes good strategic business sense.

Ms. BORDALLO. You also mentioned that few customers understand or understood the ramifications of their purchase decisions, but that once aware, few would knowingly contribute to the problem. I think you have captured the problem with not just coral, but the illegal and unsustainable wildlife trade generally.

Beyond your decision to stop selling jewelry with coral, how does Tiffany support public education about the need for coral reef conservation?

Mr. KOWALSKI. Most of that effort would, would be the work conducted by the Tiffany Foundation. The Tiffany Foundation is supporting the Too Precious to Wear campaign, which is an effort led to—

Ms. BORDALLO. Too Precious to Wear?

Mr. KOWALSKI. Too Precious to Wear, excuse me, Too Precious to Wear.

Ms. BORDALLO. It is a good motto.

Mr. KOWALSKI. Yes, indeed, it is. And that, quite frankly, is directed at fashion leadership in the United States, the belief that fashion editors and other strong influencers can be made to understand the threats that we are talking about here today. That they will do their part in leading public opinion. And then there are several other organizations within the foundation.

I should point out obviously the Tiffany Foundation is separate and apart from Tiffany & Company. So those decisions are made in—

Ms. BORDALLO. We figured that. Coming from the private sector, do you think there are things the government could do in partnership with private industry to further this effort? I mean, what could we do at this point in time?

Mr. KOWALSKI. You know, I think certainly all the efforts that have been spoken about today in terms of public education are critical. I would simply suggest or submit, as I mentioned a while ago, Madame Chairwoman, that if we focused some of that effort against retailers themselves, against a more limited audience that in fact is in the position to make critical decisions on behalf of their customers or on behalf of their constituents, that that might simply offer a more cost-effective approach, rather than the daunting task of public education, especially across such a wide range of threats that we are asking consumers to be aware, we ask a lot of consumers in terms of being aware of a variety of things.

And I think it is the role of the retailer to act as a filter, and to help suggest to the consumer, to the customer, we really think this is important and we will act accordingly on your behalf.

Ms. BORDALLO. Very good. I appreciate your support for the Coral Reef Conservation Act amendments that passed the House. And you know that it is pending in the Senate.

As you mentioned, the bill provides for a study of the impact of the trade in coral and improved monitoring and enforcement. How do you think this information could be used to better inform—well, I guess you did answer that—consumers and retailers, pretty much?

Mr. KOWALSKI. Yes. And again, I would put an emphasis on using that information on a personal level. On an industry level, we would use that to inform retailers. And I think that would be a very effective use of that information.

Ms. BORDALLO. OK. And I have a question here for Mr. Sebunya.

Would ending the demand for bushmeat in the United States through consumer education alleviate the pressure on biodiversity levels in East Africa?

Mr. SEBUNYA. Thank you. It would, definitely. But I think there is more to that, though. I think the biggest problem from the Africa side is the management of this wildlife, more than even the consumption, because of the health problems associated with that.

So I would like to see the ban of bushmeat trade in the U.S. But I would also like to see encouraged the investigation of the health aspect of that. And also supporting governments in Africa in channeling that information to the people involved in that trade, but also supporting us to offer alternatives to the people who are benefiting from this trade. Not necessarily so in the consumption side, but offering alternative for their incomes, and while supporting the management of the productive areas. Those are, I believe, the key issues.

But the direct access, yes, that would be a big part of the support.

Ms. BORDALLO. Another question I have. You mentioned your organization's support for locally owned tourism facilities in Africa aimed at facilitating sustainable wildlife use.

Do you find it worthwhile to educate tourists and the communities you work in on the importance of conservation to maintain that tourist industry?

Mr. SEBUNYA. Yes, Madame Chair. A big part of our program is products we produce, is ecotourism products, which a big part of that is education of the tourists, on the behaviors, their behaviors

while they are on these sites. But also it involves what they purchase at site. It also involves the cultural aspect of that.

But also they come back with a package of information they share back home here. But also in that regard, we partner with the national zoos in the U.S. to educate people, not only tourists, but educate the schools who come through about the tourist products. We offer balance of the behaviors of tourists outside, and their footprints as far as wildlife is concerned.

Ms. BORDALLO. Thank you, thank you very much. Back to Mr. Perez.

In your written testimony you mentioned working with the Federal Express and the United Parcel Service to improve compliance with wildlife trade laws. After your work with those companies, how are they improving their efforts at monitoring the malls and other, or the mail and other shipments?

Mr. PEREZ. The most significant thing that we have done with the two parcel-post hubs of the U.S., one of them is a major port for UPS and also for FedEx, is actually we have staff there. So the biggest contribution they have made is to actually accommodate staff, our staff. Our wildlife inspectors in fact are stationed and assigned in working with them.

And to the extent that we have full access to just about everything that comes through their facilities, that is the most significant thing that they have done. They have opened their doors, and we actually have staff that are working there, with office space that is provided by them, also.

Ms. BORDALLO. All right. Would any of the witnesses like to make any concluding comments on this very important issue before we adjourn?

[No response.]

Ms. BORDALLO. I guess we have asked them all. I want to thank all of the witnesses for their participation in the hearing today. And Members of the Subcommittee may have some additional questions for the witnesses. I am sure—Mr. Brown was not able to get back with us, but I am sure he does have some questions.

We will ask you to respond to these in writing, if you should receive any questions. And the hearing record will be held open for 10 days for these responses.

If there is no further business before the Subcommittee, the Chairwoman again thanks the Members of the Subcommittee, and particularly our very excellent group of witnesses this morning for their testimony.

The Subcommittee now stands adjourned.

[Whereupon, at 11:10 a.m., the Subcommittee was adjourned.]

