

## Executive Summary of The South Africa – Viet Nam Rhino Horn Trade Nexus:

A deadly combination of institutional lapses,  
corrupt wildlife industry professionals  
and Asian crime syndicates

By Tom Milliken and Jo Shaw

with contributions from  
Richard H. Emslie, Russell D. Taylor  
and Chris Turton

**A TRAFFIC REPORT**



**TRAFFIC**  
the wildlife trade monitoring network





A White Rhino *Ceratotherium simum simum* cow and calf.

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## THE SITUATION AT THE SOURCE

# SOUTH AFRICA

**S**outh Africa, a vast country spanning the bottom of the African continent, unquestionably has the world's most successful conservation record for rhinos. In 2011, this country alone conserved 83% of Africa's rhinos and nearly three-quarters of all wild rhinos worldwide.

As one of the most biologically diverse nations globally, South Africa has long promoted biodiversity conservation through the sustainable use of natural resources. In fact, the country's constitution enshrines these principles, calling for: "a prosperous, environmentally conscious nation, whose people are in harmonious coexistence with the natural environment, and which derives lasting benefits from the conservation and sustainable use of its rich biological diversity".

With such an enabling environment, it is not surprising that, since the 1960s, there has been a marked shift to wildlife-based land-use amongst private landowners, and today game ranches in South Africa cover an area nearly three times the collective size of all national and provincial protected areas on State land. Wildlife in general, but rhinos in particular, have benefitted tremendously from these visionary natural resource policies. But the country's superlative conservation record of more than a century is under threat. Ironically, the fate of South Africa's rhinos is now inextricably linked with market forces in Viet Nam, a country that recently saw its own rhino population slip into ignominious extinction.



A Black Rhino *Diceros bicornis*

TIM JACKSON/AFRICA GEOGRAPHIC

## EXECUTIVE SUMMARY

**T**his document summarises TRAFFIC's comprehensive overview of events and dynamics currently driving an escalating illicit trade in rhino horns from South Africa to Viet Nam. Whilst it is recognized that there are other dimensions to the rhino horn trade within Africa and in Asia, this examination of the two principal countries serves to bring into focus many prominent characteristics of a still-unfolding wildlife trade crisis of global importance.

The story for South Africa is a data-rich narrative that underscores the intense preoccupation and commitment of that nation regarding rhino conservation.

In contrast, almost no empirical data exist for understanding the Vietnamese side of the equation, which comes into focus primarily through a growing body of observational and anecdotal accounts.

Regardless of any shortcomings, it is hoped that this effort will make a valuable contribution towards understanding the salient factors both in the source country and end-use market that underlie the current rhino crisis. In turn, this knowledge should lead to remedial strategies, actions and interventions that serve to mitigate and prevent further losses of Africa's iconic but threatened rhino species.

### RHINO NUMBERS

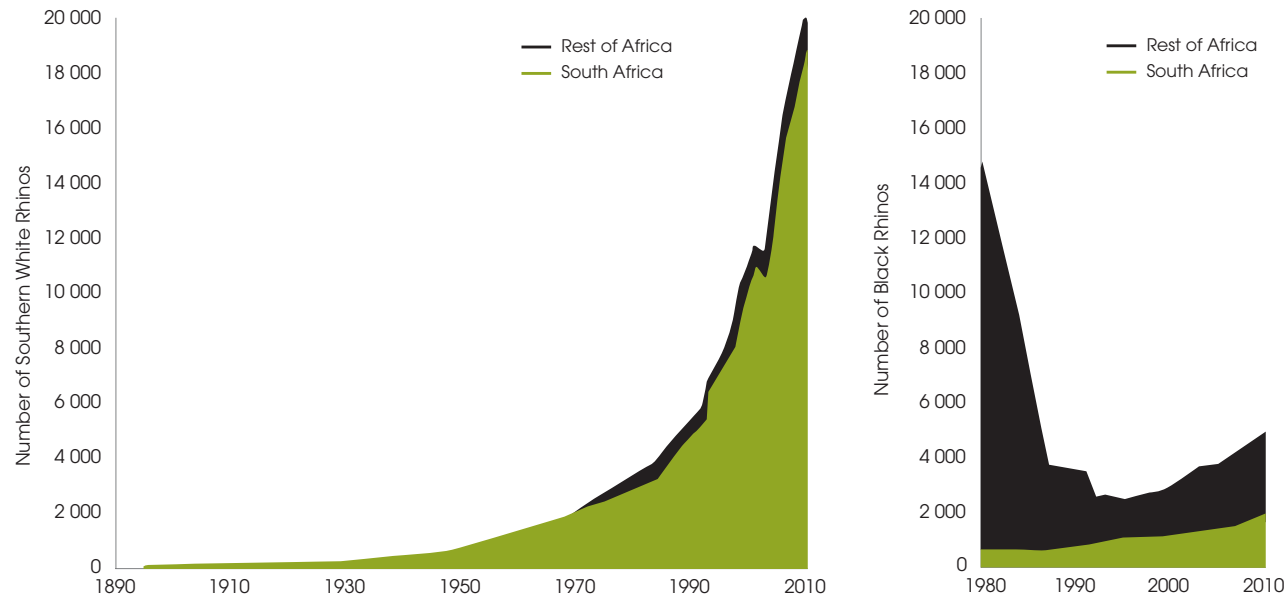
In sharp contrast, all specimens of the southern subspecies of White Rhinoceros *Ceratotherium simum simum* originate from a remnant population of 20 to 50 animals that have been protected in the Hluhluwe-iMfolozi Game Reserve since 1895. South Africa now conserves 18 800 White Rhinos, which represents nearly 95% of Africa's total White Rhino population (Figure 1). The remarkable recovery of the Southern White Rhino via Natal Parks Board's "Operation Rhino", which pioneered wildlife translocation and other important management strategies, remains one of the world's greatest conservation triumphs. Part of this achievement rests with the country's private sector that accounts for a growing proportion of the national White Rhino population. Estimates from 2010 indicate that approximately 25% of all White Rhinos in South Africa are privately owned. South Africa is justifiably proud that the southern White Rhino is now listed in the IUCN Red List's Near

Threatened category and, although conservation dependent, the subspecies is no longer regarded as a threatened or endangered species.

Africa's other rhino species, the Black Rhinoceros *Diceros bicornis*, has not fared nearly as well. The estimated 100 000 Black Rhinos in Africa in 1960, prior to the first catastrophic rhino poaching crisis, were nearly wiped out and plummeted to just 2410 animals by 1995 (Figure 1). Since then, numbers have more than doubled to 4880 animals in 2010, but this species is still considered Critically Endangered in the IUCN Red List. A different story has unfolded in South Africa, however, where Black Rhino numbers have shown a steady increase since the 1980s. South Africa now conserves an estimated 1915 Black Rhinos – more than any other range State – and nearly 40% of all wild Black Rhinos alive today (Figure 1). Again, the private sector has played a major role in Black Rhino conservation, holding approximately 22% of South Africa's current population. ▶

Exchange rates for South African Rand (ZAR) and Vietnamese Dong (VND) into United States Dollars (USD) are indicative and were calculated during drafting of the report between January 2011 and June 2012.





**Figure 1** Numbers of Southern White (left) and Black Rhinos in South Africa and the rest of Africa to 31 December 2010 (data from R. Emslie)

## LAWS AND POLICY

In recent years, legislation relating to wildlife conservation in South Africa has undergone revision to reflect political changes in the country and the increased interest in game ranching and private wildlife ownership. Historically, nature conservation in South Africa was governed at the provincial level, but since 2004, wildlife management has been regulated nationally by the National Environmental Management: Biodiversity Act, Act 10 of 2004 (NEMBA). In addition, Threatened or Protected Species Regulations (TOPS) were implemented on 1 July 2007 to provide a national standard for the protection and utilization of listed threatened or protected species in South Africa, including all White and Black Rhinos, regardless of whether they constitute owned or wild populations or are located on private, State or communal land. However, the stringency of these regulations has caused considerable tension amongst local, provincial and national stakeholders, with some claiming that the level of compliance necessary is excessive, to the point of being unworkable.

Sport hunting of White Rhinos in South Africa resumed in 1968 at a time when only 1800 rhinos populated the entire country. Over the next four decades, White Rhino numbers in South Africa increased by an order of magnitude and, rather than hindering population growth, trophy hunting is widely regarded as having been a positive force by contributing to biological management, range expansion, the generation of revenue for conservation authorities and

incentives for wildlife conservation for a broad range of stakeholders.

The hunting industry and spin-off services directly employ some 70 000 people, mostly in rural areas. There are about 500 trophy hunting outfitters and some 3000 professional hunters, who are supported by hundreds of wildlife professionals, including game capture and translocation specialists, wildlife veterinarians and taxidermists. Rhinos are a key component of the game industry. For example from 2008–2011, White Rhino sales generated over ZAR236 million (approximately USD35.5 million) for the main wildlife sales organizations, represented by two wildlife authorities and one private auction company. South Africa's wildlife industry is highly developed and constitutes a dynamic and viable economic enterprise competing favourably with agriculture and other forms of land use.

In October 1975, South Africa became a Party to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), the 15th nation to join the Convention. Since 1977, all rhino species have been in Appendix I of CITES, which prohibits commercial international trade in rhinos and their products and derivatives, including hunting trophies. In 1994, the White Rhino population of South Africa was listed in Appendix II with an annotation that states: “for the exclusive purpose of allowing international trade in live animals to appropriate and acceptable destinations and hunting trophies. All other specimens shall be deemed to be specimens of species included in Appendix I and the trade in them shall be regulated accordingly”. Following this decision, the number of White Rhinos auctioned and sport hunted in South Africa has steadily increased and, from 1995 through 2011, an estimated total of 1000–1300 White Rhinos have been hunted.

## WHITE RHINO TROPHY HUNTING

Since its resumption in 1968, South Africa's hunting market has traditionally been dominated by hunters from North America and Europe, both continents with longstanding sport hunting traditions. For some 35 years, rhino hunting unfolded without apparent abuse. From 2003, however, there has been an insidious increase in non-traditional hunters, especially Vietnamese nationals, who purposely began to exploit loopholes in South Africa's legislation to obtain hunting trophies for a revived rhino horn trade in Asia. Flat-footed and slow in response initially, the South African government has since implemented a successive series of measures imposing ever more stringent rules on White Rhino hunts in an attempt to curtail the abuse. For example, rhino hunts are now restricted to one hunt per hunter in each 12-month period of time, government personnel must witness each hunting event, rhino horns cannot be exported as part of a hunter's personal baggage, the hunter's home country must demonstrate sufficient legislation to ensure the trophies remain “non-commercial personal effects”, each rhino horn trophy has to be micro-chipped and DNA samples taken for inclusion in the Rhino DNA Index System at the Veterinary Genetics Laboratory in Pretoria. Controls on taxidermists were also strengthened.

On another related policy front, since 2011, all live rhino exports to *ex situ* locations are restricted to members of the World Association of Zoos and Aquaria, following concerns over recent exports to China which appeared to be part of an undisclosed commercial rhino farming venture for producing rhino horn medicines for the Chinese market in the future.

## ILLEGAL TRADE IN RHINO HORN

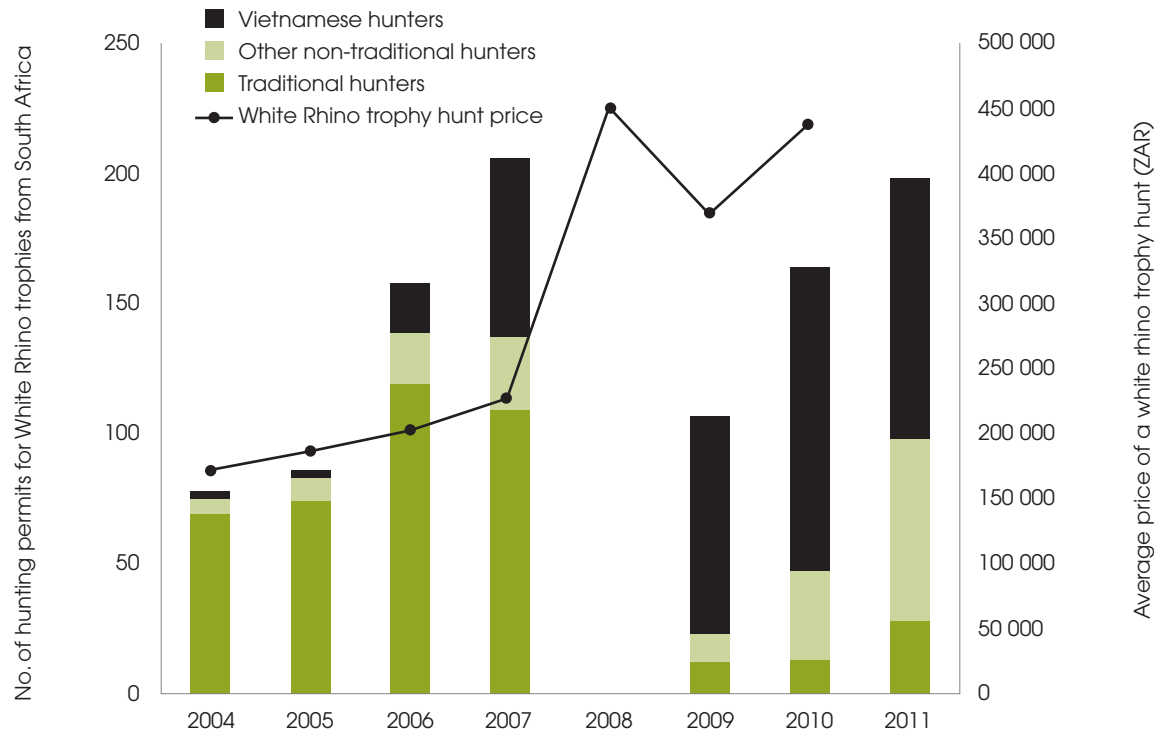
Rhino horn sourcing by organized crime syndicates in South Africa has taken many forms. Rhino owners and managers are constantly acquiring horns as retrievals from animals that died from natural or management-related causes or as recoveries from poached animals or seizures. All such horns are obliged to be registered with government and become part of the national rhino horn stockpile which, since April 2012, utilizes a database system developed by TRAFFIC. Through 2010, South Africa government reports just over 15 tonnes of rhino horns, including 12% in the possession of private owners. Since 2009, however, serious discrepancies in the volume of horn officially held by the private sector have been documented. It is strongly believed that unscrupulous wildlife industry players started selling unregistered “loose” horns to Asian crime operatives who were actively engaged in illegal rhino horn export operations to end-use markets. In responsive action, the South African government placed a temporary, but still standing, moratorium on national sales of rhino horns in February 2009 to curtail this practice.

Thefts are another source of illegal rhino horn. As the value of rhino horn has increased, exhibited horns have increasingly been subjected to robberies throughout the country. At least 65 rhino horns have been stolen from public display within South Africa and a minimum of 46 horns have been taken from European institutions. Further feeding into this illicit trade, some corrupt wildlife industry individuals also began illegally dehorning live rhinos without the required permits and selling the horns to Asian buyers. Removal of horns from tranquilized rhinos has been shown to work as an effective deterrent to poachers in some instances, but dehorning live rhinos without the relevant permits for the purpose of obtaining horns for illegal trade is a development unique to South Africa.

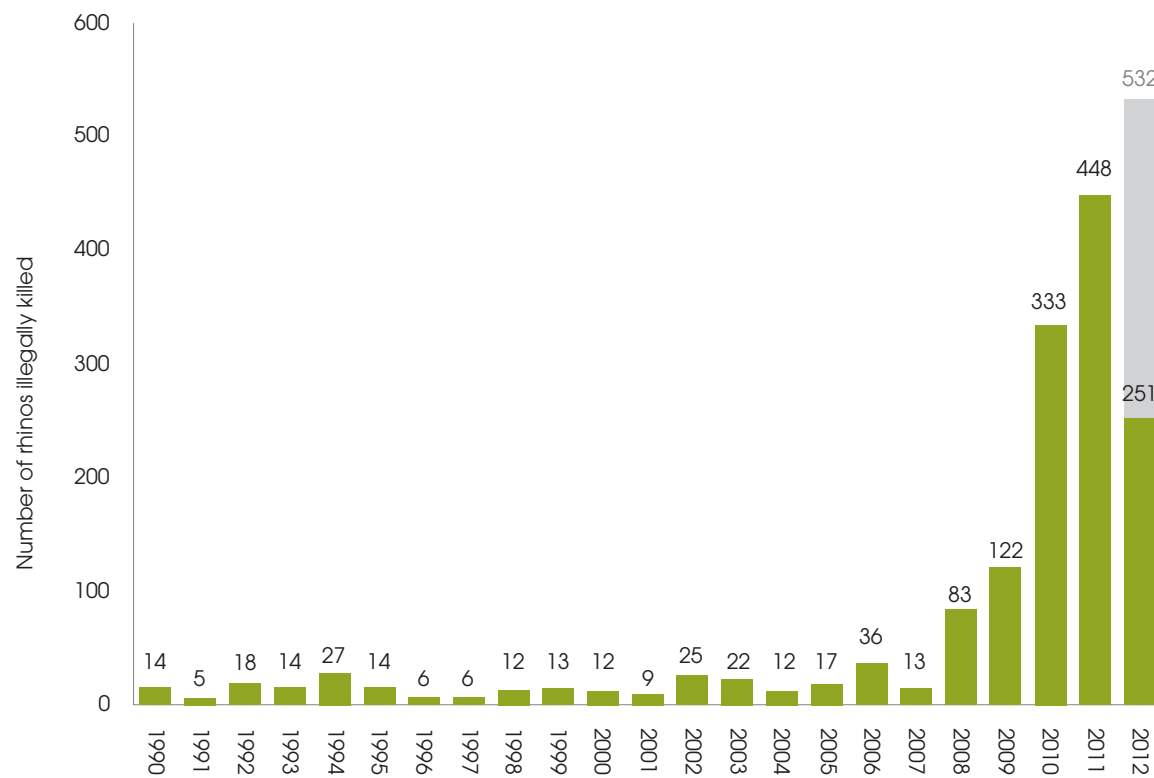
A major source of horn supply for the illicit trade has been the rhino trophies derived from “pseudo-hunting” of White Rhinos by non-traditional hunters. Whilst this phenomenon effectively surged from 2006 onwards, serious doubts about the presence of Vietnamese nationals in sport hunting began to emerge earlier (Figure 2).



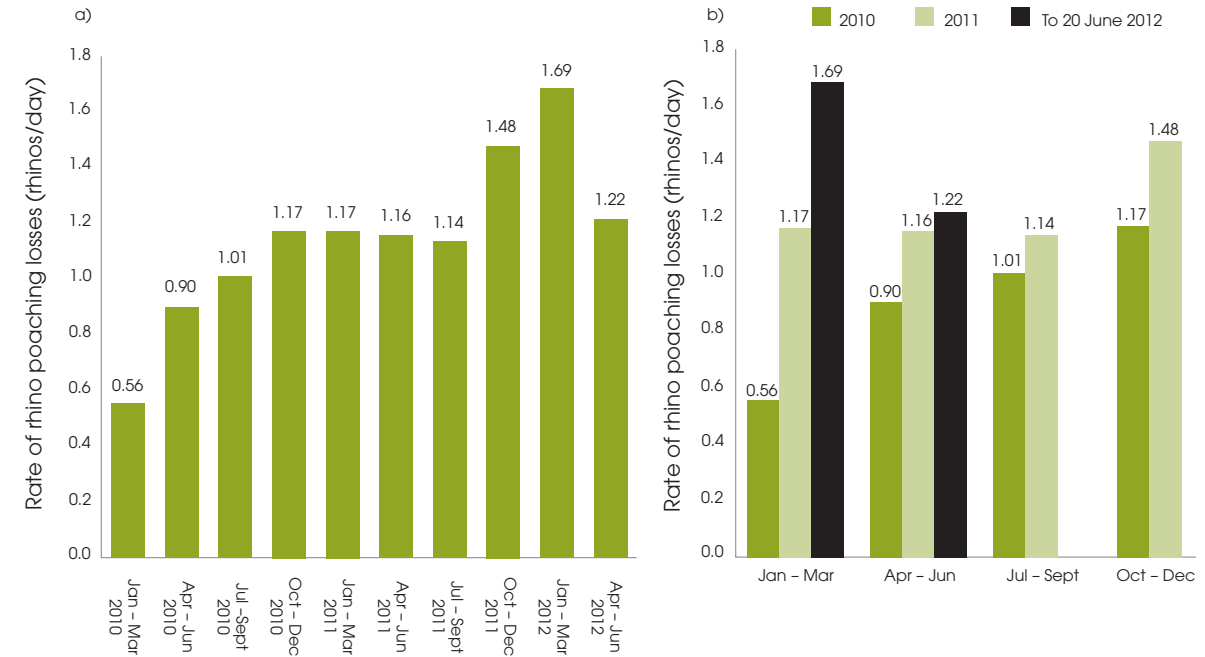
White Rhino carcass



**Figure 2** Origin of hunters applying for hunting permits for white rhino trophies from South Africa between 2004 and 31 March 2012 (data compiled from DEA by M. Knight; no hunting permit information was available for 2008).



**Figure 3** Number of rhinos killed in poaching incidents in South Africa 1990–2012, showing predicted total of 532 rhinos for 2012, based on rates to 20 June 2012 (data from M. Knight).



Stories of hunters who were completely unable to shoot or disinterested in having trophies mounted for display first began to circulate in 2005. Later, an exposé of Thai sex-workers recruited as “hunters” was another sensational episode in the “pseudo-hunting” scam. From 2007 through 2009, Vietnamese hunters were second to US sportsmen in terms of the number of rhino hunts conducted in South Africa. Between July 2009 to May 2012, Vietnamese accounted for 185 (or 48%) of the 384 foreign nationals who hunted rhinos in South Africa (Figure 2). It is estimated that, since 2003, Vietnamese hunters have paid more than USD22 million to hunt rhinos in South Africa. In 2009, the Professional Hunters Association of South Africa notably warned its members to avoid Vietnamese clients because of ongoing abuses and the questionable legality of their hunts. Finally, in April 2012, following at least 400 White Rhino hunts, South Africa’s Department of Environmental Affairs moved to suspend any further issuance of hunting permits to Vietnamese hunters.

### ILLEGAL KILLING OF RHINOS

The most shocking aspect of the illegal trade in rhino horn has been the poaching of live rhinos on a brutal scale. For 16 years, between 1990 and 2005, rhino poaching losses in South Africa averaged 14 animals each year (Figure 3). In 2008, this figure rose to 83 and, by 2009, the number had reached 122 rhinos. In 2010, poaching escalated dramatically throughout the year, nearly tripling the toll and reaching 333 rhinos killed. In 2011, the total again climbed to a new annual record of 448 rhinos lost (Figure 3). The most recent data released by the government show that 251 rhinos have already been killed through 20 June 2012, a figure that extrapolates to a predicted annual total of 532 (Figure 3). Together with Kruger National

**Figure 4 a) and b)** Mean daily rate of rhino poaching losses in South Africa over three-month periods from January 2010 – 20 June 2012; a) shown in consecutive quarterly periods; and b) shown for the same quarter in consecutive years (data from M. Knight)

Park, three provinces, Limpopo, KwaZulu-Natal and North West, which collectively account for nearly 90% of South Africa’s rhino numbers, have consistently been hardest hit, representing over 75% of all poaching incidents in the last five years.

Detailed analysis of daily rhino losses in quarterly increments from January 2010 to June 2012 show a progressive escalation through 2010, a levelling off at more than one rhino a day during most of 2011, but a major spike from the end of 2011 into the first quarter of 2012 (Figure 4a). The timing of this marked increase in rhino poaching rates partly coincided with a strike by field rangers in Kruger National Park between 3 February and 30 April 2012. Since April 2012, there has been a significant drop, a development that may be linked to the end of the strike and recent arrests of key syndicate players in Johannesburg.

Looking at the same data to compare quarterly patterns (Figure 4b), the period from October through December consistently shows the highest rate of poaching in each year and it can be seen that within each quarterly grouping the rate of poaching has increased annually. Thus, predictive statements about how poaching rates will play out through the rest of 2012 are only indicative. Yet it is important to remember that despite these losses, the number of both White and Black Rhinos in South Africa continues to grow, as the number of births still exceeds the number of deaths, even when poaching mortalities are taken into account. ▶





Survivor of a poaching attack (left) with White Rhino bull (right).

## LAW ENFORCEMENT AND RHINO CRIME

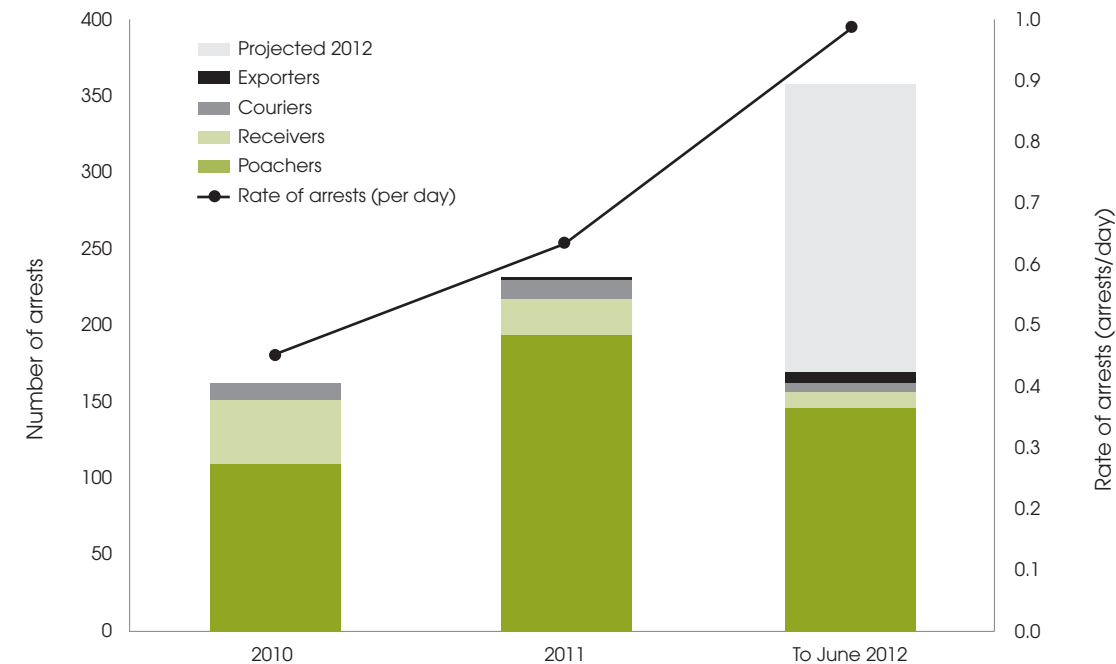
Regardless, the continuing year-on-year increase in illegally killed rhinos represents an unprecedented conservation crisis for South Africa. It also has underscored a new, very worrying dimension. Typically, rhinos are killed by shooting with guns, usually AK47 assault rifles. More recently, however, a growing number of rhinos have been killed by a single shot from a high-calibre weapon characteristically only used by wildlife industry professionals or, less frequently, have been darted with immobilization drugs and had their horns removed. The use of such equipment, and other evidence that has even suggested the presence of helicopters at crime scenes, represents a completely “new face” in terms of rhino poaching. Such developments underscore the emergence of corrupt game industry insiders into rhino poaching. Rogue game ranch owners, professional hunters, game capture operators, pilots and wildlife veterinarians, have all entered the rhino poaching crisis and become active players. This is a unique and devastating development in South Africa, severely tarnishing the image of a key stakeholder in the rhino equation even if the majority of private rhino owners and wildlife industry personnel remain committed to protecting rhinos and supporting rhino conservation.

By the same token, complicity of South African national and provincial officials undertaking or enabling illegal trade has been documented. In terms of killing rhinos, four government rangers were arrested in Kruger National Park in 2012 and, at the Atherstone Nature Reserve in Limpopo, the reserve manager committed suicide after allegedly being implicated in five rhino deaths. Provincial administrators have repeatedly turned a blind eye to “pseudo-

hunting”, especially in North West and Limpopo provinces, and allowed rhino hunts to transpire that violate TOPS regulations. Concerns that officials in some provinces provide poaching gangs with intelligence have made some private sector owners reluctant to report mandated information on their live rhino numbers or rhino horn stockpiles. High-ranking wildlife officials have been exposed for having undisclosed interests in hunting operations that benefitted from receiving rhino hunting permits. Irregularities concerning the issuance of export permits for rhino trophies and live animals, and ensuring that all rhino hunts on private land are approved and documented at the national level, are perennial issues of tension between provincial officials and the Department of Environmental Affairs. Such transgressions, however, have been the exception rather than the rule. Following a slow start, national officials have accorded the rhino crisis the attention that it deserves, addressing problematic issues and tightening legislation and regulation as required.

Overall, South Africa’s rhino horn trade has rapidly evolved into a sophisticated, efficient and highly-adaptive phenomenon that loosely links various combinations of rogue wildlife industry players, government rangers or officials who can be coerced, compromised or corrupted into illegal activity, and Asian criminal operators. Of 43 documented arrests of Asian nationals for rhino crimes in South Africa, 24 were Vietnamese (56%) and 13 were Chinese (28%), with the remainder from Thailand and Malaysia. Furthermore, at least three officials based at Viet Nam’s Embassy in Pretoria have even been documented participants in rhino horn trafficking.

Illicit rhino horn trade occurs along a trade chain that extends from the poacher at the site level in Africa through a series of middlemen buyers, exporters and couriers at local and international levels to an end-use consumer in a distant country, which today is usually Viet Nam. Using a conceptual framework to map criminal relationships, the South African National Wildlife Crime Reaction Unit has identified five distinct levels at which rhino horn trade syndicates are operating within and outside of Africa. The first three levels function nationally and represent the illegal killing of rhinos (Level 1), local buyers and couriers who receive the horns from the poachers (Level 2), and national couriers, buyers and exporters who consolidate horns from all sources: poaching, stockpile sales, thefts and illegal dehorning, as well as “pseudo-hunting” activities (Level 3). Linking Africa to distant markets, international buyers, exporters, importers and couriers (Level 4) are then responsible for the movement of horn to rhino horn dealers and consumers in the end-use markets (Level 5). These rhino crime syndicates are typically multi-national operations that engage in other criminal activities such as drug and diamond smuggling, human trafficking and other wildlife products like elephant ivory and abalone.



## SOUTH AFRICA'S RESPONSE

South Africa has progressively scaled up its response to rhino crime. In March 2009 a National Biodiversity Investigator’s Forum was established and, in February 2010, a National Wildlife Crime Reaction Unit was launched to enhance data collection, information exchange and collaboration between law enforcement officials at provincial and national levels. A national strategic plan for addressing the rhino crisis is now being implemented in a stepwise manner. Led by the South African National Parks, the purchase of MEMEX, a sophisticated but expensive information management tool, introduces state-of-the-art software for data management and higher level analysis. The National Prosecuting Authority has made rhino crime a priority and, by late 2010, dedicated rhino crime prosecutors were appointed in each province to plan and execute more expansive legal strategies so that, in addition to the basic rhino crime, racketeering, money laundering, fraud, corruption and tax evasion charges are added to the mix. The South African Police Service’s Asset Forfeiture Unit has also been employed to seize assets from those charged with serious rhino crime, which in one recent case involved the seizure of ZAR55 million (approximately USD7.3 million) of property. In August 2011, the South African National Defence Force was first mobilized to fortify security in Kruger National Park. Plans call for over 200 military personnel to augment the 500 anti-poaching staff under park administration, however, this level of support may still fall short of required manpower densities for combating rhino crime effectively. Private security and anti-poaching units have also proliferated, and some rhino owners have resorted to injecting dye and poison into the horns of living rhinos or entirely removing horns to

**Figure 5** Number of arrests for rhino crimes at different levels in the trade chain in South Africa 2010–2012, showing predicted total for 2012 (data from SANParks and DEA; based on rates to 20 June 2012)

deter poachers. And finally, there has been a groundswell of public support and fund- and awareness-raising around the rhino poaching crisis, both in South Africa and internationally.

All of these actions may now be paying off. So far, the arrest rate in 2012 of those involved in rhino crime is nearly twice that of 2010 and 2011 (Figure 5). This success is primarily attributed to increased intelligence activities, better analysis of data, greater communication and collaboration between different government departments and improved co-ordination. Moreover, during the second quarter of 2012, there have been a number of high-value arrests of Vietnamese and other Asian nationals believed to be operating as international exporters, playing senior roles in illegal rhino horn crime circles (Figure 5). These developments have coincided with a significant decline in the rate of rhino poaching in South Africa since April 2012 which may be linked to the plethora of recent arrests, successful intelligence-based investigations, and general disruption of the trading syndicates behind the carnage (Figure 4a).

At the same time, penalties may finally be moving into deterrence territory. Bail is now rarely allowed and African nationals successfully prosecuted for the illegal killing of rhinos have received custodial sentences, typically of 10 years, with added penalties for trespassing into protected areas and illegal possession of firearms. Couriers or suspects transporting horn out of South Africa are receiving sentences of five to 12 years in prison and are often additionally charged with ▶



Key source and destination countries for rhino horn.

fraud, tax evasion, Customs or permitting offences for which further fines or prison terms are imposed. And the prospect of asset forfeiture also looms large for those with wealth from illegal sources.

On the other hand, it is worth noting that a number of important cases are ongoing which involve high-profile private sector individuals charged with serious rhino crime. None of these individuals has yet been convicted and punished, but the outcome of these cases could be pivotal for the future of South Africa's rhinos. If convicted, and given prison sentences commensurate with what has recently been imposed upon Asian nationals, others in the private sector may be deterred from becoming embroiled in the illegal rhino horn trade trap.

In terms of solutions, some private and government stakeholders are actively calling for the legalization of international trade in rhino horn, including the provincial conservation agency, Ezemvelo KZN Wildlife. Whilst this issue remains unresolved and hotly contested at the present time, if South Africa ever wishes to conduct a legal rhino horn trade internationally, the country must win two-thirds majority approval at a future CITES Conference of the Parties. A legal trade proposal will need to identify participating trading partners and stakeholders; outline the structure, trading protocols and regulatory mechanisms in both source and consuming countries; describe security and marking systems to prevent mixing of legal horns and products with those of illegal origin; detail reporting, registration and stock inventory obligations; address the use of revenues generated; and describe public awareness activities to foster compliance and understanding. The Parties may choose to activate a "panel of experts" or some other body to vet the proposal, determine the acceptability of trading partners and/or audit implementation. A mechanism to stop trade in the face of compliance failures or unintended consequences will be required. Thus, the debate around legal international rhino horn trade will need to move beyond experimental theories and evolve into a solid functional specification outlining the mechanistic features and precise detail of a holistic trading system connecting both source and consumer countries. Only then can a meaningful discussion of this highly contentious topic begin to transpire.

## RECOMMENDATIONS

With the best conservation record for rhinos in the world, why is South Africa now gripped in a rhino crisis of unthinkable dimensions? In fact, a unique set of circumstances and a new criminal coalescence of players lies behind the carnage in South Africa.

A potent mix of some unscrupulous wildlife professionals, some corrupt government officials, together with hardened Asian criminal syndicates has converged to create the "perfect storm" for wreaking havoc on the country's rhino populations.

To combat the illegal trade of rhino horn and associated threats to rhino populations, South Africa is urged to:

- Sustain strong **high-level political will** to make addressing rhino crime a non-negotiable, high-profile national priority;
- Address **capacity and resource constraints** affecting conservation authorities at national, provincial and site levels;
- Urgently design and implement a **secure, national, electronic permit system** for all activities related to threatened and protected species, specifically rhinos, that links to other databases on live rhino and horn stockpiles;
- Continue to support the implementation of **mandatory registration, marking and DNA sampling** of all legally-owned or held rhino horn stocks;
- Develop and enact **bilateral treaties** to promote **collaborative law enforcement action**;
- Ensure that **appropriate penalties**, which serve as an **effective deterrent** are given to those convicted of rhino crimes;
- Investigate the option of **denying** those charged with outstanding rhino crime cases **continued legal access to permits**;
- Improve **capacity for investigations, intelligence gathering and analysis, and communication and collaboration** between law enforcers at local, provincial, national and international levels;
- Tighten law enforcement activities at all **ports of entry and exit** from South Africa to better detect the illegal movement of rhino horn;
- Ensure **effective monitoring and regulation of sport hunting** of rhinos;
- Develop **better regulation** of professionals within the wildlife industry;
- Continue to designate rhino crime cases to **specific prosecutors** in each province; and
- Take an **objective and strategic** approach to assessing the long-term outcomes of any future interventions in relation to global rhino conservation objectives and trade.

## THE SITUATION IN THE END-USE MARKET VIET NAM



Confiscated rhino horns in Viet Nam.

**D**emand in the Socialist Republic of Viet Nam, a Southeast Asian nation of nearly 87 million people and the world's 13th largest nation, is believed to be driving the rapacious illegal trade in rhino horn today. As a new generation economic powerhouse, Viet Nam's increasingly politically-unfettered economy is projected to be one of the world's fastest growing markets by 2025. Over the past decade, unprecedented levels of disposable income and lax government policy have awakened the trade in rhino horn. At the same time, rapidly changing attitudes in modern Viet Nam, where 65% of the population is under the age of 30, are fuelling a booming market for luxury products and giving rise to behaviour predicated upon conspicuous consumption. Viet Nam imported USD10 billion worth of luxury products in 2010 and, in many respects, the current trade in rhino horn is another aspect of indulgent, status-conscious consumption.

### RHINO NUMBERS

When this study commenced, like South Africa, Viet Nam was a rhino range State, harbouring continental

Asia's only surviving population of Critically Endangered Javan Rhinoceros *Rhinoceros sondaicus annamiticus*. By early 2010, however, the last animal had been poached for its horn. The presumed extinction of an entire rhino subspecies has transpired with almost no recognition of the tragic dimensions of this biodiversity loss by the Vietnamese government. Regardless, Viet Nam's revived rhino horn trade had long shifted to new sources in Africa, and for nearly a decade the country has been the paramount destination for a resurgent illegal commerce out of Africa, especially from South Africa where Vietnamese criminal operatives have become firmly embedded in the trade.

### RHINO HORN USES AND CONSUMERS

Rhino horn usage in Viet Nam has an ancient history, partially linked to traditional Chinese medicine of the immediate neighbour to the north, and partially charting a uniquely independent Vietnamese course. Now, both Western and traditional medicine are promoted by the government, but the scale of traditional medicine remains significant with at least 48 hospitals and institutes, over 240 departments in central ▶





TOM MILLIKEN/TRAFFIC

A "grinding bowl" for rhino horn consumption in Viet Nam.

and provincial hospitals, and more than 9000 health centres reportedly licenced to practise traditional medicine. Historically, rhino horn usage in Viet Nam is associated with reducing temperature, especially internal heat in the blood, and purging the body and blood of toxins. The list of treatable ailments ranges from high fever, delirium and severe headache to measles, convulsion, epilepsy and stroke. Between 2002 and 2007, at least five comprehensive Vietnamese-language traditional medicine pharmacopoeias were published which feature sections on rhino horn as medicine.

There is, however, a wide and important gap between what the traditional belief systems purport to be the curative properties of rhino horn and the modern palliative applications that contemporary Vietnamese dealers push as the medicinal value of an animal product that is most closely related to horse's hooves. Indeed, rhino horn is now promoted as treatment for life-threatening diseases such as cancer, and this trade is underpinned by persistent urban myth and dubious hype indicating miraculous cures and remission following treatments. Reports of use of rhino horn as a panacea for cancer and other serious ailments were acknowledged by Vietnamese officials at an international meeting of the Coalition Against Wildlife Trafficking in Johannesburg in September 2011. Cancer causes the deaths of some 82 000 Vietnamese each year, according to the International Agency for Research on Cancer, and is indisputably a major growing health concern in the country. On the other hand, there is no clinical evidence of rhino horn having any pharmacological value as treatment for cancer in the peer-reviewed medical literature anywhere in the world. Although rhino horn remains widely associated with cancer treatment in Viet Nam, some local NGOs, including Education for Nature Vietnam, report that such usage may be more limited than originally suspected.

At the same time, other information strongly suggests that the promotion of rhino horn as a cure for terminal illnesses in reality represents a cynical marketing ploy to increase the profitability of the illicit trade by targeting desperate, and often dying, people. Evidence of rhino horn "touts" deliberately seeking out individuals suffering from cancer in hospital settings underscores a controversial, if not predatory, aspect to rhino horn promotion in Viet Nam today. The exposure of real life experiences – failed treatment and unethical victimization – holds potential for changing public perceptions about the validity of rhino horn as medicine for serious illness, but publicity of this nature is only just beginning to emerge in the Vietnamese media.

Beyond the terminally ill, there are at least three other important rhino horn user groups in Viet Nam. In fact, the most obsessive usage of rhino horn today is completely unrelated to illness at all. Belief in rhino horn's detoxification properties, especially following excessive intake of alcohol, rich food and "the good life", has given rise to an affluent group of habitual users, who routinely mix rhino horn powder with water or alcohol as a general health and hangover-curing tonic. There is a strong, socially-bonding element to such consumption which typically unfolds at group functions, including so-called "rhino wine associations" in which other Asian expatriate business elites participate. This group of consumers also includes men who have embraced the curious notion that rhino horn functions as a cure for impotence and an enhancement to sexual performance. Use of rhino horn as an aphrodisiac in Asian traditional medicine has long been debunked as a denigrating, unjust characterization of the trade by Western media, but such usage is now, rather incredibly, being documented in Viet Nam as the media myth turns full circle. Collectively, this group personifies the cultural concept of "face consumption", whereby extravagant usage of something rare and expensive becomes a means to flaunt wealth, status and success amongst friends and associates. These consumers probably account for the greatest volume of rhino horn used in Viet Nam today and procurement usually transpires through informal channels, including internet distributors and social networks, often with links to government officials. Popular websites drive this usage with an endless stream of slick come-on slogans: "to improve concentration and cure hangovers", "rhino horn with wine is the alcoholic drink of millionaires", and rhino horn is "like a luxury car". This group generally uses rhino horn in the absence of a doctor's advice, and secondary industries supply associated paraphernalia for self-medication, specifically special rhino horn grinding bowls with serrated surfaces that are unique to Viet Nam.

A third consumer group represents a recent trend amongst middle- to upper-income young mothers who keep rhino horn at hand for home preparation of medicines to treat high fever, especially that which

occurs in children. This usage also represents self-medication, but it transpires within the general framework of traditional medicine and may include some degree of consultation with medical practitioners. Social media and chat rooms serve to link these concerned mothers as a group.

And finally the fourth consumer group embraces the cultural imperative of giving expensive gifts as a means to curry favour with socio-economic or political elites. Thus, many rhino horns are apparently purchased and offered as high-value, status-conferring gifts, indeed the ultimate "gift of life" so to speak. Related to gift giving is evidence that rhino horn is sometimes being used as an acceptable currency for luxury products, for example, partial payment for a new car.

### LAWS AND POLICY

Any trade in rhino horn is ostensibly illegal under Vietnamese law. Government Decree 32/2006/ND-CP on the Management of Terrestrial Endangered, Precious and Rare Species of Wild Plants and Animals, of 30 March 2006, makes it illegal to hunt, shoot, trap, capture, keep, slaughter, endanger, exploit and use for commercial purposes, transport, process, advertise, trade, use, hide, export or import listed species, including Viet Nam's native rhinos, or their products. Viet Nam has been a signatory to CITES since 1994, the 121st Party to the Convention. Decree 82/2006/ND-CP on Management of Export, Import, Re-export, Introduction from the Sea, Transit, Breeding, Rearing and Artificial Propagation of

Endangered Species of Precious and Rare Wild Fauna and Flora, of 10 August 2006, covers international trade in endangered or threatened fauna and flora listed under CITES. For all CITES Appendix I species, including all non-indigenous rhino species, this law prohibits trade unless accompanied by valid CITES permits. Convictions pursuant to these laws can result in fines of up to VND500 million (approximately USD29 000), non-custodial reform (i.e. non-detention re-education) for up to three years, and/or from six months to up to seven years imprisonment.

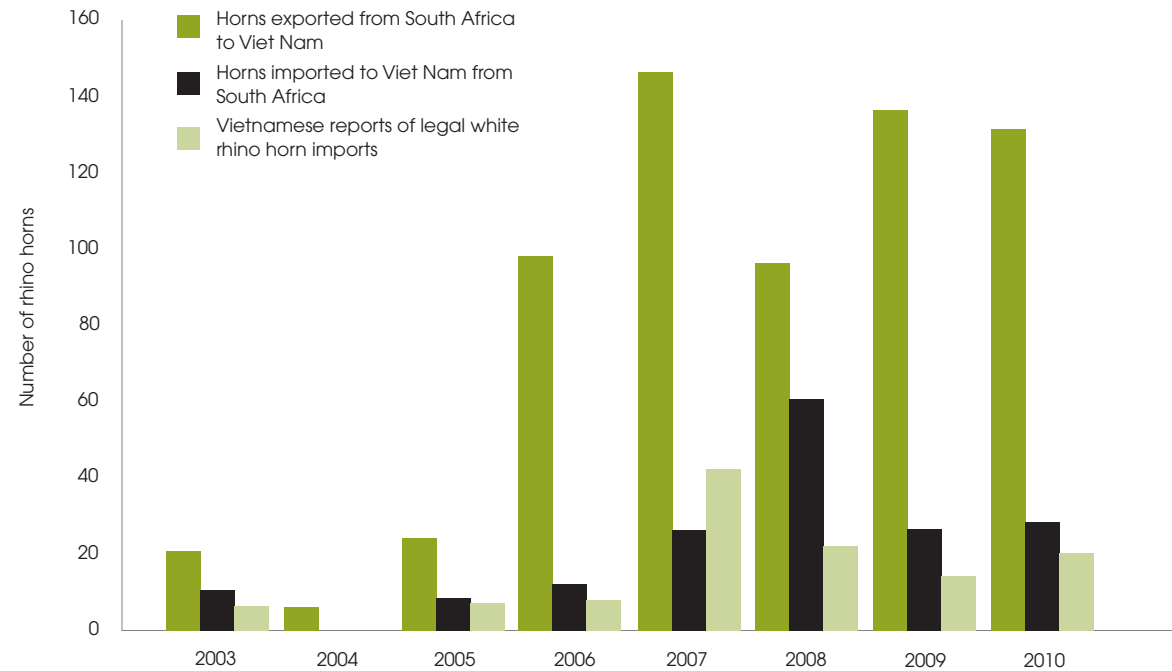
With respect to the importation of legal rhino hunting trophies from South Africa, Viet Nam has recently instigated a policy requiring: a CITES export permit from the country of origin; the hunting permit issued by the country of origin; a copy of the passport of the Vietnamese hunter to verify presence in the country where the rhino was hunted; and a residence certificate issued by the local police. These documents, and consultation with South African authorities, may result in importation, but horn trophies are not eligible for trade and are taxed at the rate of 3% of their value calculated at USD25 000 per kg. South African authorities have, since 2010, routinely sent their Vietnamese counterparts the relevant information contained on CITES export permits in advance of legal export.

Many agencies and branches of government are involved in Viet Nam's management and law enforcement structure with regard to rhino horn trade. The CITES Management Authority, under Viet Nam Administration of Forestry in the Ministry of



Vietnamese hunter and White Rhino trophy.





**Figure 6** South Africa's reported exports of rhino horn contrasted with Viet Nam's reported imports of rhino horn, 2003–2010 (CITES Annual Report Data; Viet Nam presentation at CAWT workshop, September 2011)

Agriculture and Rural Development, is responsible for CITES Management. The Ministry of Public Security's Environmental Police is charged with investigating rhino horn trade infractions, whilst the Ministry of Finance's Department of Customs plays a key role monitoring the import and export of goods. The Ministry of Industry and Trade's Department of Market Control has responsibilities for policing traditional medicine markets that illegally dispense rhino horn. Forensic testing of rhino horn is apparently possible at the Viet Nam Criminal Sciences Institute in the Ministry of Public Security, and at the Institute of Ecology and Biological Resources in the Viet Nam Academy for Science.

### ILLEGAL TRADE IN RHINO HORN

As an illegal commodity, rhino horns are secretly traded, albeit a relatively "open secret" in many local traditional medicine and wild meat markets. Increasingly, rhino horns are being sold through retail outlets unrelated to the traditional medicine community. Internet trading through business and social networking sites is common, whilst other informal channels and personal connections serve political, economic and social elites in the trade. In some cases, hospital staff or other individuals function as rhino horn "touts", actively seeking consumers amongst terminally ill patients. At the same time, there are large numbers of fake rhino horns on the market and fraud remains endemic.

The availability of rhino horns in Viet Nam has changed appreciably over time. Market surveys in 1990/1991 found rhino horn to be noticeably absent. Over the past decade, however, rhino horns have been imported directly from Africa, and local demand has grown remarkably. Although Vietnamese government officials have confirmed that there is no trophy hunting tradition in the country, the first 10 Vietnamese rhino hunts in South Africa commenced in 2003. According to CITES export data, from 2003 through 2010, 657 rhino horns were legally exported from South Africa as trophies to Viet Nam, but that country's import data only show 170 rhino horns, indicating that 74% of the trade went undeclared (Figure 6). The failure to adequately account for legal rhino horn trophies not only fosters rampant illegal trade, but Viet Nam has lost nearly USD2 million in tax revenue. Beyond sport hunting, illegal trade networks supplying Viet Nam have also acquired hundreds of rhino horns from other illegal sources in South Africa, including poaching, theft and unregistered stocks held in the private sector. Personnel affiliated with the Vietnamese Embassy in South Africa have also been complicit in the trade.

Rhino horns are continually arriving in Viet Nam through a diversity of channels, including airline routes that connect Johannesburg with Hanoi or Ho Chi Minh City via Hong Kong, Bangkok, Kuala Lumpur and Singapore. Maputo in Mozambique also seems to be emerging as a new staging base for rhino horns moving out of Africa to Viet Nam. Most smugglers are young or middle-aged males, and some have reportedly made multiple trips as regular couriers. Land routes from neighbouring Lao PDR have also been used to smuggle rhino horns (possibly from Thailand) into Viet Nam. There is very little evidence

suggesting that rhino horns are moving from Viet Nam to China: only two seizures involving three horns have been documented to date.

Rhino horn trade remains a highly sensitive issue in Viet Nam allegedly owing to the direct involvement of senior government figures. Anecdotal reports of government complicity in allowing "free passage" and "protection" continue to surface; Vietnamese diplomats in Africa and officials at international airports apparently function as important sources of rhino horn; whilst certain dealers and users in Viet Nam often claim protective immunity from law enforcement actions because of their local connections. The corruption monitor Transparency International ranks Viet Nam within the top one-third of countries of concern in terms of its corruption perception index. The fact that the public sector is much larger than its private counterpart, whilst average government salaries remain low, is often cited as a key factor contributing to corruption in Viet Nam.

Rhino horn seizures are nonetheless occurring, mostly at the international airports in Hanoi and Ho Chi Minh City, but also at border crossings along the Lao border and, rarely, in the marketplace. The government has reported that, by mid-2009, some 100 kg of rhino horns had been seized, and, from 2004 through 2008, there were at least 10 cases of illegal selling of rhino horn in domestic markets. But there is no evidence of any recipients of legal hunting trophies ever subsequently being prosecuted for failing to prevent their trophies from entering commercial trade. In fact, Viet Nam lacks a credible system for tracking legal hunting trophies to ensure they do not enter trade. Further, none of these seizures appears to have led to broader investigations that identify the criminal syndicates behind the trade. And finally to June 2012, no



Street sign in Hanoi advertising rhino horn "grinding bowls".

rhino horns have reportedly been seized in Viet Nam since 2008, whilst the data in South Africa tell a remarkably contradictory story of record numbers of rhinos illegally killed, Vietnamese hunters applying for trophy hunts, and Vietnamese nationals arrested with illicit rhino horns.

## RECOMMENDATIONS

Whilst it is acknowledged that the situation continues to be dynamic and evolving, hence knowledge gaps inevitably remain, and the roles and dimensions of other countries in the trade (such as China and Thailand) remain out of focus at this point in time, the growing body of evidence clearly indicates that Viet Nam is the world's leading destination and consumer of rhino horn. Moreover, this highly unfortunate status is unlikely to change any time soon unless Viet Nam moves to:

- Demonstrate **strong political will** to make rhino horn crime a national priority;
- Review and strengthen **legislation and penalties** concerning illegal rhino horn trade;
- Address **infractions** regarding **legally-imported rhino horn trophies** from South Africa that have subsequently entered commercial trade;

- Curtail **internet advertising** and trading in rhino horn;
- Address the issue of **"fake" rhino horns** in the marketplace;
- Develop and implement **bilateral treaties** to promote collaborative law enforcement action with South Africa and others;
- Develop a **strict regulatory mechanism** to track legal rhino horn trophies;
- Employ **effective law enforcement strategies** in the market place;
- Commit adequate **financial and human resources** to fighting rhino horn crime;
- Support ongoing **research and monitoring**;
- Promote **demand reduction activities**; and
- Undertake **clinical trials and peer review research** on the medicinal properties of rhino horn as a step towards promoting alternative substances.



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TRAFFIC, the wildlife trade monitoring network, works to ensure that trade in wild plants and animals is not a threat to the conservation of nature.

For further information contact:

The Executive Director  
TRAFFIC  
219a Huntingdon Road  
Cambridge CB3 0DL  
UK

Telephone: (44) 1223 277427

Fax: (44) 1223 277237

Email: [traffic@traffic.org](mailto:traffic@traffic.org)

To download the full report, go to

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