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Department of Agriculture,  
Water and the Environment



STOPPING THE **ILLEGAL TRAFFICKING** OF  
**AUSTRALIAN WILDLIFE**  
**FINANCIAL CRIME GUIDE**    OCTOBER 2020

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## ATTRIBUTION

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**PayPal Australia Pty Limited**

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**Western Australia Police Force**

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AUSTRAC recognises the significant contribution of our partners to the development of this financial crime guide.

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## HOW TO USE THIS FINANCIAL CRIME GUIDE

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Individuals and organised criminals rely on the financial system to disguise and integrate their funds and profit from illegal wildlife trafficking. Financial institutions have a crucial role to play in protecting Australia's animals against exploitation by understanding, targeting and reporting suspicious financial activity.

This financial crime guide has been developed to increase awareness of how the illegal wildlife trade operates, and how criminals exploit businesses in the financial services sector to enable their activities. The indicators and behaviours in this financial crime guide can be used by financial institutions to review profiling and transaction monitoring programs to target, identify and stop financial transactions associated with illegal wildlife trafficking.

No single indicator will be a definitive way to identify if a business is being used for illegal trafficking. Rather, financial institutions should use a combination of indicators in this report and business knowledge to conduct further monitoring and identify if a suspicious matter report needs to be submitted to AUSTRAC.

## ABOUT FINANCIAL CRIME GUIDES

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Financial crime guides provide detailed information about the financial aspects of different crime types. They include case studies and indicators that can be used to identify if this offending could be occurring.

They are developed in partnership by AUSTRAC's Fintel Alliance, relevant government agencies, and our industry partners. This guide was developed by Fintel Alliance partners in partnership with the Department of Agriculture, Water and the Environment.

# INTRODUCTION

AUSTRAC, through the Fintel Alliance, and the Department of Agriculture, Water and the Environment, have developed this report to help financial service providers and law enforcement agencies detect suspicious transactions associated with the illegal trafficking of Australian wildlife. Financial and environmental indicators will help financial institutions identify, target and report suspicious financial activity to AUSTRAC.

Australia has a diverse range of unique animals and plants that are not found anywhere else in the world. Many animals, such as certain species of lizards, can only be found in remote parts of Australia. This makes Australia's wildlife a prized trophy to domestic and overseas collectors and lucrative to sellers and organised criminals.

The illegal market for Australian wildlife sees animals removed from their habitat and mistreated by individuals and organised criminal networks for profit. This cruel crime puts some of Australia's most vulnerable species at further risk and has the potential to cause significant environmental damage, while fuelling a global money laundering threat.

Criminals rely on financial services to enable their activities, so the financial sector plays an important role in protecting Australian native species against exploitation both domestically and abroad.

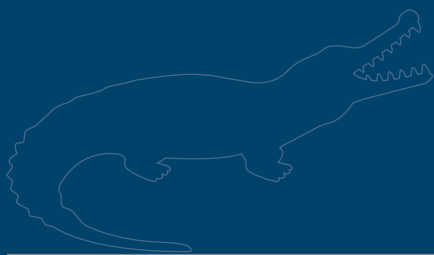
The financial intelligence and information shared by the financial services sector is critical in helping AUSTRAC and our government partners identify and dismantle criminal networks illegally trafficking Australian wildlife for profit.

**"THE ILLEGAL WILDLIFE TRADE IS A MAJOR TRANSNATIONAL ORGANISED CRIME, WHICH GENERATES BILLIONS OF DOLLARS OF CRIMINAL GAINS EACH YEAR.**

**THE PRIVATE SECTOR HAS A CRUCIAL ROLE TO PLAY IN COMBATTING FINANCIAL FLOWS FROM THE ILLEGAL WILDLIFE TRADE. WILDLIFE TRAFFICKERS USE SERVICES PROVIDED BY FINANCIAL INSTITUTIONS, INCLUDING BANKS AND PAYMENT INSTITUTIONS TO MOVE AND HIDE THEIR ILLICIT PROCEEDS."**

Financial Action Task Force (2020)  
*Money Laundering and the Illegal Wildlife Trade*





“WILDLIFE TRAFFICKING IS A CRUEL AND HEARTLESS CRIMINAL ACTIVITY THAT PUTS OUR MOST VULNERABLE SPECIES AT RISK. COLLABORATION WITH OUR LAW ENFORCEMENT PARTNERS IS CRITICAL TO DISRUPTING THIS ILLEGAL TRADE.

THE EXPERT FINANCIAL INTELLIGENCE AND INSIGHTS PROVIDED BY THE FINANCIAL INDUSTRY, AUSTRAC AND FINTEL ALLIANCE PARTNERS HAVE SIGNIFICANTLY ENHANCED OUR ABILITY TO DETECT, UNDERSTAND AND RESPOND TO ORGANISED CRIMINAL ACTIVITY IMPACTING ON AUSTRALIA’S UNIQUE WILDLIFE.”

Australia’s Chief Environmental Biosecurity Officer,  
Ian Thompson

## THE IMPORTANCE OF PARTNERSHIPS

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Public-private partnerships are an effective way to identify the roles and activities of criminals involved in illegal wildlife trafficking.

Financial service providers play an important role in combating the illegal wildlife trade. Through profiling and transaction monitoring, financial service providers can target, detect and disrupt financial transactions associated with illegal wildlife trafficking.

AUSTRAC and the Department of Agriculture, Water and the Environment recognise the illegal wildlife trade as an environmental risk and have partnered with key government agencies and private sector partners to assist in the fight against wildlife trafficking. Fintel Alliance, AUSTRAC’s public-private partnership, works alongside international partners to share information and increase awareness of this issue, and to make it harder for crime that puts Australian native wildlife at risk.





# ABOUT FINTEL ALLIANCE

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Fintel Alliance is a public-private partnership led by AUSTRAC that brings together government, law enforcement, private sector and academic organisations who work together to:

- support law enforcement investigations into serious crime and national security matters
- increase the resilience of the financial sector to prevent criminal exploitation
- protect the community from criminal exploitation.

Fintel Alliance partners include major banks, remittance service providers and gambling operators, as well as law enforcement and security agencies from Australia and overseas.



# CONTEXT

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There is significant financial motivation for criminals to illegally export Australian wildlife for the overseas exotic pet trade. Organised criminals are attracted to the Australian illegal wildlife trade by large profits and lower penalties compared to smuggling illicit substances. Intelligence collected from wildlife trafficking operations show the international black-market prices for Australian reptiles can be more than 28 times the domestic price. Australian native reptiles are overwhelmingly the most commonly trafficked Australian native live animal.



**... THE INTERNATIONAL BLACK-MARKET PRICES FOR AUSTRALIAN REPTILES CAN BE MORE THAN 28 TIMES THE DOMESTIC PRICE.**



With the appropriate licences and permits, it is legal to trade Australian native animals domestically. However, it is illegal for individuals or businesses in Australia to trade Australian native animals to overseas markets.

Australia's national environmental law, the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) regulates movements of animals, plants and their products to and from Australia. Under the EPBC Act, it is illegal to export a living Australian native mammal, reptile, bird or amphibian to another country for a commercial purpose.

This offence is punishable by a maximum of 10 years' imprisonment, a fine of 1,000 penalty units (\$222,000 at August 2020), or both.

Illegal wildlife trafficking laws vary drastically across the world, with some countries only legislating against the international trade of animals listed on the Convention of International Trade in Endangered Species (CITES) list.<sup>1</sup> None of the Australian native animals popular in exotic pet trade are listed on the CITES list and can be legally traded in some countries. This means the ability to detect illegal wildlife trafficking on Australian soil before animals are trafficked overseas is critically important in disrupting criminal networks.

Differentiating between the legal and illegal trade of animals both domestically and internationally cannot be achieved through financial analysis alone. Financial intelligence plays an important role in detecting this illegal activity and helps identify offending when combined with other information.

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<sup>1</sup> <https://cites.org/eng/disc/species.php>



# OVERVIEW OF AUSTRALIAN WILDLIFE TRAFFICKING

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Illegal wildlife trafficking requires a level of organisation to fulfil demand and supply of animals for the overseas exotic pet trade. Offenders and criminal networks require a strong level of knowledge relating to animals, communication, movement of funds and transport to complete the process.

The offending can be undertaken by individuals or a group. An individual can carry out a single role in the process, or all roles in the process of trafficking Australian wildlife.

## SOURCING ANIMALS FOR TRAFFICKING

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Animals trafficked internationally are either sourced from their natural environment or bred in captivity.

The number of animals poached from their natural environment can fluctuate throughout the year due to changes in the natural environment, or breeding seasons, generally peaking in the warmer months of the year in Australia (September to March). This can have a flow-on effect for animal supply and cause fluctuations in sale prices.

## LEVEL OF KNOWLEDGE AND INVOLVEMENT

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The level of knowledge individuals have about the offending will depend on what role they have within the network.

Traffickers may obtain animals through legitimate reptile breeders to meet demand. These breeders sell animals domestically through established licencing and permit schemes and may be unaware that the animals they are selling are intended for illegal overseas trafficking. These individuals are unlikely to be committing any offences.

However other individuals, such as coordinators, may have a greater knowledge of the broader intentions and awareness of the offending taking place. Further information about each role in the trafficking process is described later in this guide.

## THE MARKET FOR AUSTRALIAN ANIMALS

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Australian native animals are most often traded with buyers from the exotic pet market. These include reptiles, such as lizards, turtles and snakes. International buyers are more likely to come from Asia, with a large proportion coming from China, Hong Kong and Taiwan. However, there is a general market for exotic pets worldwide.

## COMMUNICATION

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Illegal wildlife trafficking operates in a global market. Individuals and organised crime networks use online applications to communicate, and use social media platforms to advertise animals for sale. Identifying and reporting the communication and social media accounts operated by criminals involved in illegal trafficking of wildlife can help identify other offenders involved in this activity.

# AN ORGANISED CRIME

Typically, wildlife trafficking in Australia starts with an overseas trader sourcing animals to sell for the exotic pet market. The overseas trader requires a domestic contact in Australia, referred to as a coordinator, who uses domestic traders, breeders and poachers to obtain the animals required.

These animals are delivered to a coordinator, potentially via legitimate channels, using relevant licenses and permits. The breeders and domestic traders may be unaware the animals are to be trafficked overseas.

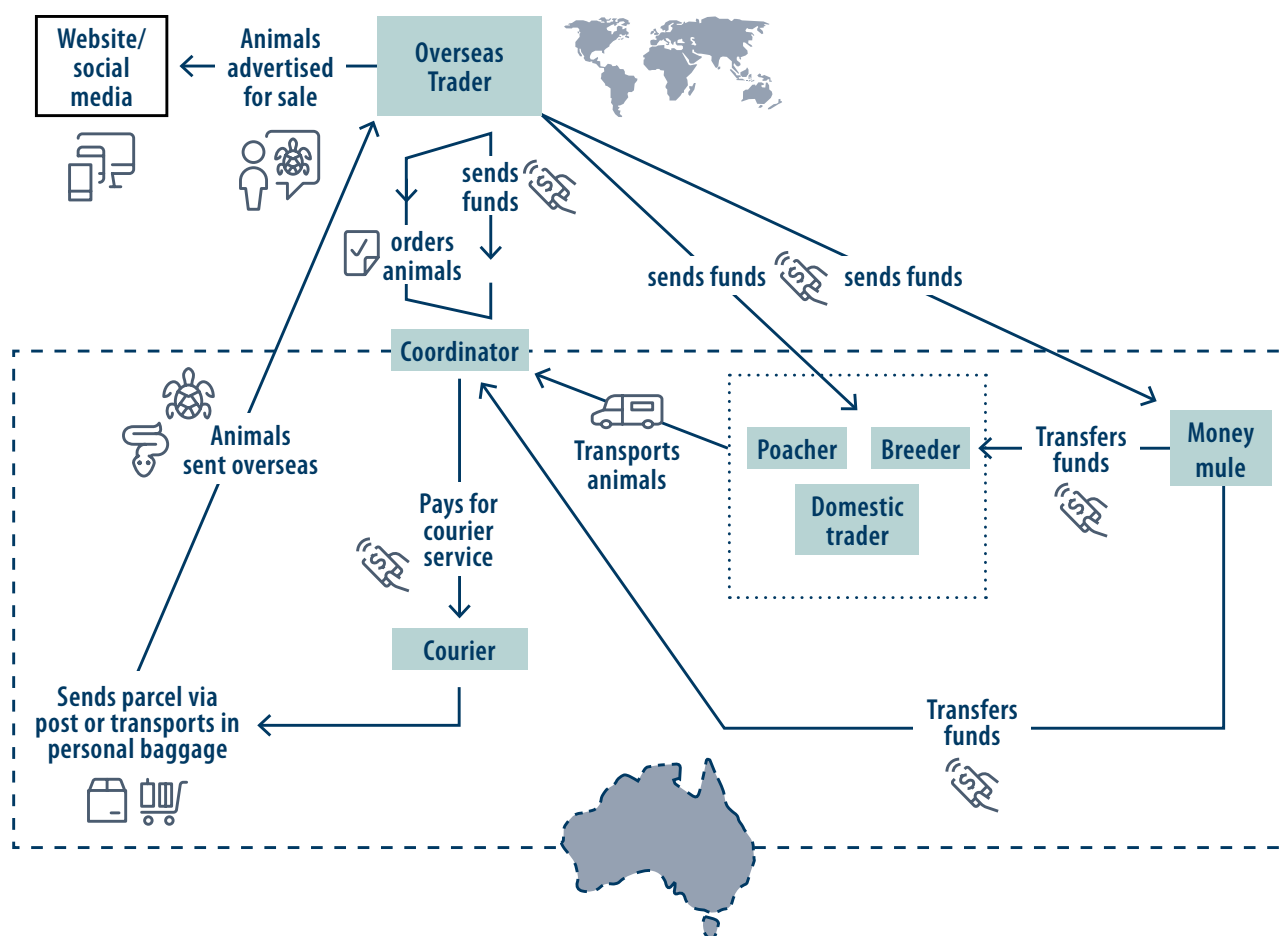
Funds are sent by the overseas trader, either directly to a coordinator, poacher and breeder, or via a money mule. A money mule is an individual who

may not be aware the money they are transferring is the proceeds of a crime, receiving funds on behalf of network members to disguise the true purpose of the transferred funds.

A coordinator may send packages themselves, or pay couriers to send the animals overseas, most often concealed in goods and sent via post.

The overseas trader may then advertise the animals for sale via a website or social media.

These steps require individuals within a trafficking syndicate to perform certain roles, which in turn require payment for delivery.



Trafficking can also occur when foreign nationals travel to Australia for the specific purpose of poaching and illegally exporting wildlife. Animals can be sent back in parcels or carried on the person when leaving Australia.

There will be links between making payments, obtaining animal trading permits and advertising animals for international sale. With payments for different services at the core of the illegal wildlife trafficking cycle, financial intelligence is critical to detecting and stopping this activity.

The organised crime of wildlife trafficking requires a number of roles to be fulfilled, which are broadly defined as:

### COORDINATOR

A **coordinator** is a person who controls or organises a trafficking network, including fulfilling orders from overseas buyers, tasking domestic poachers and breeders, and arranging courier or illegal export activity. They could be Australia-based or offshore.

Overseas coordinators have been identified advertising exotic pet businesses trading in Australian native animals online.

Overseas coordinators may send funds directly to domestic traders and breeders, drivers and domestic coordinators. Payment details or the reason provided for the transfer of funds can sometimes indicate offending.

Domestic coordinators are skilled at remaining anonymous, using false or misleading information to avoid detection. Although attempts to remain anonymous are made by coordinators, payments made directly to other network members occur, demonstrating the payment of funds by the coordinator is central to the offending.

### COURIER

A **courier** is a person who physically sends mail parcels overseas containing animals, or transports animals in their personal baggage. A courier is often recruited from the community. They may not maintain an interest in animals and have limited knowledge of wildlife trade laws. Couriers tend to take on the role in order to earn money. Students or short term visa holders are used commonly in this role, therefore payments made for visa applications or changes may be an indicator of involvement in offending.

Parcels sent by couriers are usually paid for with cash at post offices to avoid identification; however, this is not always the case and credit/debit cards are occasionally used.

### DOMESTIC TRADER

A **domestic trader** is a person who engages in the domestic trade of animals. They generally sell animals legally with appropriate licenses and permits to accompany domestic sales. However they can also be involved in poaching, fraudulent transactions, or illegal trade.

Domestic traders in Australia have their own network and may be aware of each other's animal breeding, and at times trade amongst themselves. Different traders specialise in various breeds, which results in domestic transfers and trade.

Domestic traders are often found selling reptiles online or via social media platforms. Details provided on these websites and social media platforms, such as addresses, phone numbers and email addresses can be used for cross referencing and to identify additional offenders.

The domestic trade of native animals is legal with correct licences and permits in place. Domestic traders may be unknowingly involved with illicit international trafficking, providing animals to domestic coordinators, who in turn organise the international trafficking of animals.

## DRIVER/TRANSPORT

A **driver** transports animals domestically for a fee. They may have limited knowledge of illegal export activity but can specialise in pet transport and freight services.

Animals can also be transported for legitimate trade via specialised animal freight businesses, with some coordinated via animal transport logistics businesses. Payments to these types of businesses may indicate the transport of animals to domestic coordinators.

## MONEY MULE

A **money mule** is a person who receives funds on behalf of a coordinator. They may have limited knowledge of illegal trafficking activity and be paid a fee to receive funds.

A money mule can also be a family member of a domestic trader, poacher or coordinator, attempting to disguise the origin or destination of the funds.

## OVERSEAS TRADER

An **overseas trader** is a person known to trade in Australian native animals, who is likely to be involved in receiving the illegal exports.

Overseas traders use social media platforms and websites to advertise animals available for purchase.

## POACHER

A **poacher** is a person who hunts and traps live animals independently or in response to orders from coordinators.

Poaching can disrupt ecosystems, pose a threat to vulnerable or endangered species and cause damage to habitats.

Poachers may be identified through payments made for hotel/motel accommodation located in remote locations ideal for poaching animals from their natural environment. A poacher may travel long distances to take animals from their natural habitat, displaying behaviour that is unusual or nomadic and otherwise difficult to explain.

A foreign poacher is someone who travels from overseas to Australia to poach animals, potentially on behalf of an overseas coordinator.

## OTHER FACILITATORS

Illegal wildlife trafficking requires a number of different roles as detailed above. People in certain industries or services can lend themselves to certain parts of the trafficking process. These can include pet store owners or employees, transport/freight companies or trusted insiders.



# FINANCIAL INDICATORS

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## AMOUNTS

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The amount paid for Australian animals can vary on domestic and international markets, with trafficked animals commanding a larger price tag. Trafficked Australian lizards for example, can range from approximately \$1,000 with some breeds costing around \$20,000. However, the amounts can vary depending on the number of species or reptiles purchased.

Legal, domestic wildlife payments will typically be of a lower value than payments for illegal reptile trades, and will usually be valued at approximately \$100 - \$400.

## COUNTRY OR REGION

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Demand for Australian animals can be found worldwide; however, investigations have identified international buyers are more likely to come from Asia with high demand for trafficked animals in China, Hong Kong and Taiwan.

## RELATED COSTS

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The transfer of funds is not just limited to purchasing animals, with multiple payments required to enable the international trafficking of Australian wildlife. Payments for expenses are financial indicators that can be used to detect illegal activity.

These include:

- animal freight or transport of animals by drivers – it generally costs hundreds of dollars paid to legitimate animal freight companies or to individual drivers
- accommodation – use of short-term accommodation such as hotels/motels when poaching animals in remote locations
- animal storage and maintenance – payments for animal enclosures, food and equipment to store animals before they are trafficked overseas.

For example, Male A wanted to poach shingleback lizards. He purchased enclosures, food and poaching equipment from a reptile store and travelled to remote land in Western Australia. He then paid for motel accommodation in a nearby town, where he set up his equipment and stored the captured lizards. Male A paid Animal Freight Company B to transport the lizards to Female C. Female C then concealed the animals in parcels and paid to send them overseas via the post office.

## PAYMENT DETAILS

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References to animal species in domestic and international payment details may indicate the movement of animals to be trafficked overseas. Domestic traders have been identified through animal breeds referenced in domestic internet transfers. These keywords can reference names or slang terms used for certain breeds and can be used to generate profiles and monitor financial activity.

Payment details provided for transfers, both internationally and domestically, can identify the role of the beneficiary within the network. For example, a driver or supplier may receive instructions in the details of payment.

Examples of reptile species keywords



## PAYMENT METHODS

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Payment methods used by individuals and criminal networks include but are not limited to:

- online payment platforms
- money remitters
- online domestic transfers
- debit and credit card purchases
- ATM cash deposits – sometimes identified across multiple states with the market for interstate trade
- face-to-face transactions via bank branch tellers.

Each of these payments may represent legal domestic trade of animals; however, when combined with other financial indicators may indicate Australian wildlife is being trafficked overseas.

## LINKS TO OTHER OFFENDING

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People involved with wildlife trafficking often commit other crimes, such as identity and financial fraud. Each of these crimes is committed for financial gain, highlighting that financial gain is a key motivation when trafficking animals.

## PAYMENTS FOR THE ILLEGAL TRAFFICKING OF WILDLIFE

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Payments for the illegal trafficking of Australian wildlife can be made to both personal accounts and business accounts. Businesses receiving suspicious payments are generally in the pet trade or related fields such as animal catchers or animal rescue organisations. These business accounts may be used to disguise payments for trafficked animals.

When making a payment for the purchase of illegally trafficked Australian wildlife, the customer may provide details that are false or misleading. In Australia it is a criminal offence to provide false information when undertaking certain financial transactions.

Offenders may use the accounts of family members or associates to receive funds in an attempt to disguise the origin and purpose of funds transferred. The investigation and reporting of family members and associates of offenders help law enforcement disrupt the trafficking of Australian wildlife.

## ONLINE FOOTPRINT

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When someone accesses financial services online it creates an online footprint. This includes information such as their Internet Protocol (IP) address, network port number and user agent data to access the internet, for example web browser, operating system, device ID, web beacon, pixel tag, ad tag, cookie or software. This information can assist to identify and locate an overseas coordinator and also identify when and where an animal may be trafficked overseas.



# SUMMARY

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## OFFENDERS

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Offenders can have a variety of roles in a wildlife trafficking network, including:

- coordinator
- courier
- domestic trader
- driver/transport
- money mule
- overseas trader
- poacher.

The level of knowledge individuals have about the offending will depend on what role they have within the network.

One person can perform multiple roles in the trafficking process, or it can involve a number of entities performing different roles.

Online apps and social media platforms are often used to advertise animals and for communication purposes.

## FINANCIAL INDICATORS

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- Amounts paid for animals can vary, depending on the species and the number of animals purchased.
- Lizards, when illegally trafficked can sell for \$1000-\$20,000, compared to \$100 - \$400 when legally traded.
- Demand can be found worldwide, however a significant proportion of demand is found in China, Hong Kong and Taiwan.
- International and domestic payment details may reference the animal species purchased and can be used for generating profiles and monitoring financial activity.
- International and domestic payment details may reference the role of the individual being paid.
- Payments for animal related goods and services, such as equipment and freight.
- Payments can be made to individuals, pet/animal related businesses or to family members/associates.
- IP addresses and network port numbers can assist with identifying the location of offenders.

## CASE STUDY

A 27 year old man from Australia, was paid \$30,000 from an animal purchaser's Australian bank account. The man travelled from Australia to Bangkok to arrange an import of stingrays and reptiles to Australia. The packages were then mailed to a hotel in Sydney under a false name.

Upon his return, the man was met by Australian Border Force officers. The following day 16 FedEx parcels from Bangkok were intercepted. The packages contained turtles, fish, stingrays, sugar gliders and chameleons.

Over a period of four months, it was identified that the man recruited people to mail wildlife in packages from Australia to recipients in Sweden. A total of 26 shingleback lizards and 10 native turtles were intercepted. It is believed that the man received wildlife of equal value in return for payment.

He was sentenced to four years jail for wildlife trafficking offences including the attempt to import and export animals and for illegally possessing two pythons in his home.

Financial intelligence identified that the individuals in Sweden were transferring funds to another Australian beneficiary, a woman, via a money transfer business. The woman would then provide the money in cash to her father, who would coordinate the wildlife trafficking. Further searches identified that the woman was also receiving funds from individuals in Hong Kong, believed to be involved with wildlife trafficking.

The native reptiles seized during this investigation were transferred to domestic wildlife facilities for accommodation and care.



## WHAT TO DO IF YOU SEE SOMETHING SUSPICIOUS

On its own, one of these indicators may not suggest illegal activity. However, if you notice a combination of these indicators or observe other activity that raises suspicion, consider submitting a suspicious matter report to AUSTRAC.

High-quality, accurate and timely SMRs give us the best chance to detect, deter and disrupt illegal wildlife trafficking and other criminal activity.

To find out more visit: [austrac.gov.au/smr](https://austrac.gov.au/smr)

## FOR MORE INFORMATION

If you have questions about your AUSTRAC compliance obligations, please email [contact@austrac.gov.au](mailto:contact@austrac.gov.au) or phone 1300 021 037.

Further information about protecting Australia's unique wildlife is available from the Department of Agriculture, Water and the Environment's website: <https://www.environment.gov.au/biodiversity/wildlife-trade>



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