



special report

RHINOS

FROM SOUTH AFRICA TO CHINA
a troubling timeline



ANNAMITICUS

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Rhinos from South Africa to China: A Troubling Timeline

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February 2013

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In 1993, the State Council promulgated the Notification on Banning the Trade in Tiger Bone and Rhino Horn, which forbids import and export of rhino horn, tiger bone and their products, forbids selling, purchasing, transporting, carrying and mailing rhino horn, tiger bone and their products. It also requires registering and sealing up all rhino horn, tiger bone and their products (except for uses on researches of substitutes).— Report on Implementing Resolution Conf.12.5 of CITES. (2006). CoP14 Doc. 52 Annex 1 – p. 2. CITES Management Authority, People's Republic of China.



THE PROPOSAL

On July 20, 2010, I posted the first in a series of articles about what has become one of the most disturbing issues within the rhino crisis: A commercial enterprise centered around the use of rhino horn.

At the time, I was following up on a 2007 *Wall Street Journal* article about a Chinese government infusion of \$130 million to “standardize and modernize” traditional Chinese medicine. My research turned up an interesting document entitled *Proposal for Protection of the Rhinoceros and the Sustainable Use of Rhinoceros Horn*. The proposal — apparently funded by the State Soft Sciences Project, Development for Traditional Chinese Medicine Research — revealed that a “rhino breeding center” was located in China’s Hainan Province.

“In Hainan Province, the Sanya City center for artificial propagation of the rhinoceros has already introduced a group of rhinoceroses from Africa, and is now engaged in research and other efforts related to rhinoceros nutrition, disease, rearing and breeding.”

According to the proposal, “horn harvesting” experiments were already being conducted under the guise of “reintroducing wild rhinoceroses from overseas through establishment of breeding centers”. Use of the term “reintroduction” is misleading; the Southern white rhinoceros is an African species and not native to China.

“Initial progress achieved in research to extract rhinoceros horn from live rhinoceroses merits the attention and support of relevant institutions.”

The authors advocate the breeding of “endangered medicinal-use animals” to meet the demands of an increasing population “without violating international convention”. They recommend that China create “dual standards” for wild and captive-bred animals, presumably so that the use of rhino horn can be encouraged.

“When formulating laws, China must implement dual standards for wild animal species and cultivated species, so that we can encourage the sustainable development of the Traditional Chinese Medicine industry without violating international convention.”

China’s 1993 Notification on Banning the Trade in Tiger Bone and Rhino Horn clearly states that rhino horn must be “sealed up” and can be researched only if the purpose of the research is to identify a substitute for its use in traditional Chinese medicine.

“[The Notification] also requires registering and sealing up all rhino horn, tiger bone and their products (except for uses on researches of substitutes).”

But these plans strongly suggest an intent to turn the use of rhino horn into a commercial enterprise.

“With the support of national policy, capital, and technology, commercial investment and business management can be used to extract the horn from the live rhinoceros.”

One of the authors of the proposal, Jia Qian, is the retired head of the National Traditional Chinese Medicine Strategy Research Project. The “rhino propagation base” was established by Longhui Pharmaceutical Co., Ltd.



Clarification on the purpose of keeping large aggregations of captive rhino in China would be welcomed. — African and Asian Rhinoceroses - Status, Conservation and Trade. (2009). CoP15 Doc. 45.1 Annex – p. 7. CITES Secretariat, Geneva, Switzerland.



THE COMPANY & THE CANCER RUMOR

Longhui Pharmaceutical Company is apparently owned by the Hawk Group, an arms manufacturer. The Hawk Group is headed by Zhang Juyan, a member of China's National People's Congress, according to *TIME* in June 2011. In November 2011, *Seven Sisters Post* reported that rebel groups in Northeast India — the United Liberation Front of Assam (ULFA) and National Socialist Council of Nagaland (NSCN) factions — were approached that same year by representatives from the Hawk Group who offered to trade weapons for rhino horns.

Longhui publicly claims that it plans to sell rhino horn as a cancer treatment (among other things) on a “rhino horn biological medicine industrialization project” information page located on the Fularji District People's Government website, as well as in a company document which describes the “shaving alive rhino horn technology and rhino horn biological medicine industrialization project”.

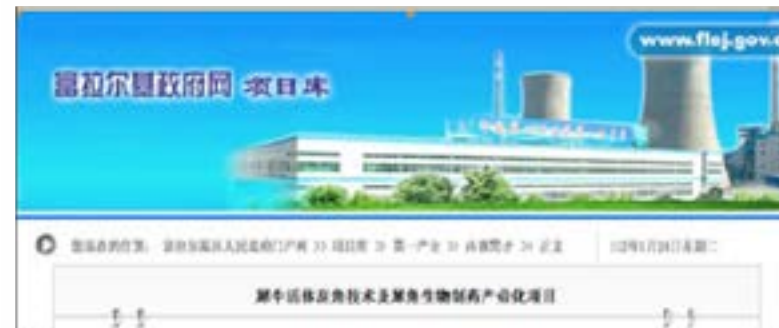
“Rhino horn is very important in the Chinese medicine field because of its effects: detoxication and anti-cancer, eliminating pathogenic heat from the blood, removing eczema. Rhino horn resources are rare because rhino are protected by [World Organization] and nobody can catch or kill them or trade in rhino horns. The Chinese government encourages people to develop a new substitute for rhino horn, but without substantial progress.

Therefore, the market demand for rhino horn will be great.”

Longhui Pharmaceutical's project is described as a “complete business chain of raw material extraction, processing, deep development and utilization” and the company's main products are “products with rhino horns, Chinese proprietary medicines or health products”. According to the aforementioned document, the company's projected annual profit is 178.86 RMB (28.24 million USD) from 390.99 RMB (61.74 million USD) in annual sales. It was further noted that because rhino horn is “natural and without side effects, traditional Chinese herbal medicine containing rhino horn will be easily accepted by the market and the price will be higher.”

Longhui Pharmaceutical also hopes to control the “rhino horn market” by breeding its own rhinos.

“The rhino horn will be supplied by the company itself, so there will be no market restraints or competitors, with the company's raw materials providing an obvious advantage. The price of the medicine and its cost will be stable.”



Highlighted areas indicate references to rhino horn as a cancer treatment.
<http://flej.gov.cn>





Longhui's horn-harvesting plan was not kept from the authorities; in fact, it moved forward with the approval of the National Forestry Bureau.

"Longhui Group's 'shaving alive rhino horn technology' was approved by the National Forestry Bureau and Ma Jianzhang, professor at Northeast Forestry University and Wild Animal Management academician."

China's State Forestry Administration also seemed to be on board with the project.

"When the project was brought forward, much attention was paid by leaders in the State Forestry Administration."

It is considered to be a good project which can [inherit and] develop traditional Chinese herbal medicine. The development of this project will surely promote the cause of traditional Chinese medicine."

A 2009 report published by China National Group Corp. of Traditional & Herbal Medicine, *Effectively Utilizing Traditional Chinese Medicine in Unexpected Event*, recommends the accumulation and stockpiling of raw medicinal materials — such as rhino horn — because of its "long growth cycle".

"If they are not stockpiled in adequate quantity in advance, shortage of them will occur in case of an epidemic of infectious disease."

The same document suggests that China already possesses a massive stockpile of rhino horn.

"According to incomplete statistics, there are tons of rhinoceros horns kept in the storehouses of TCMM companies in provinces and municipalities. If they are not laid up, supervised and regulated in a unified manner by the government, this resource will be wasted."

However, in August 2011, Lixin Huang, the President of the American College of Traditional Chinese Medicine (ACTCM) and Council of Colleges of Acupuncture and Oriental Medicine (CCAOM) released a statement saying that the use of rhino horn as a cancer treatment is non-traditional and unproven.

There is no evidence that rhino horn is an effective cure for cancer and this is not documented in TCM nor is it approved by the clinical research in traditional Chinese medicine. — Lixin Huang, President of the American College of Traditional Chinese Medicine (ACTCM) and Council of Colleges of Acupuncture and Oriental Medicine (CCAOM).



The deliberative process and criteria used by South Africa in determining what constitutes an “appropriate and acceptable destination” for live rhinos also remains to be clarified. — African and Asian Rhinoceroses - Status, Conservation and Trade. (2009). CoP15 Doc. 45.1 Annex – p. 7. CITES Secretariat, Geneva, Switzerland.



THE IMPORTERS & THE EXPORTERS



South Africa's Southern white rhino population is listed under CITES Appendix II and the export of live rhinos is allowed, with the annotation "to appropriate and acceptable destinations".

However, the decision to authorize multiple exports of live rhinos to states implicated in rhino horn consumption in the midst of escalating illegal rhino horn trade is indeed open to question. Several discrepancies were found in the trade reporting of live rhinos between South Africa and China. In 2006 and 2007, China reported the import of 117 rhinos in contrast to South Africa's records which suggest 61 rhinos were exported.

In 2009 "concerns about these issues in South Africa resulted in a temporary moratorium being placed on live rhino exports". But in 2009 and 2010, South Africa exported 52 rhinos to China, which recorded 42 rhinos.

Chinese media reported the arrival of at least 18 rhinos from South Africa in 2010. 12 of the rhinos landed in Guangzhou on June 23, after a stopover in Kuala Lumpur. Two days later, they were said to have arrived at the Yunnan Wild Animal Park in Kunming. According to the same media report, the rhinos were between two and four years of age, and were selected on June 3, 2010, using a helicopter.

Six rhinos arrived in China later in 2010, including a "breeding pair" of two-year-old rhinos which reportedly arrived at the Tianjin Zoo on August 10, 2010. On November 4, 2010, the Yunnan Entry-Exit Inspection and Quarantine Bureau noted on its website that four white rhinos passed through the inspection center on the previous night. The four rhinos were said to have been imported by Shi Lin Longhui Wildlife Research Co., Ltd.

South Africa's provincial records differ from the CITES trade data referenced above. Four rhinos were exported from Gauteng Province to Changsha Zoo in 2010 by an exporter listed as Jimmy Magill. During 2007 — 2011, 30 rhinos were exported from Limpopo Province, and 38 from North West Province, to various importers. The North West records contained only the addresses of the importers. Total: 72 rhinos.



30 RHINOS EXPORTED FROM LIMPOPO PROVINCE TO CHINA

EXPORTERS/IMPORTERS

2007



EXPORTER: DE CAI INTERNATIONAL

IMPORTER: WEI FENG TIAN

2009



EXPORTER: THABA MANZI NATURE RESERVE

IMPORTER: THAI SKIN & HIDE

2011



EXPORTER: DE CAI INTERNATIONAL

IMPORTER: ZHENG ZHOU ZOO



EXPORTER: DE CAI INTERNATIONAL

IMPORTER: KUNMING GAME RESERVE

ABOUT DECAI INTERNATIONAL:

According to information provided to Annamiticus in May 2012, Decai International's registration date is November 10th, 1998, and its business activities are listed as "wholesale and retail trade; repair of motor vehicles, motor cycles and personal and household goods; hotels and restaurants".

Decai International's registered physical address in Gauteng Province: 53 Featherdale Estate, Bonaero Park, Kempton Park, 1619. The mailing address is listed as PO Box 8157, Bonaero Park, 1622.

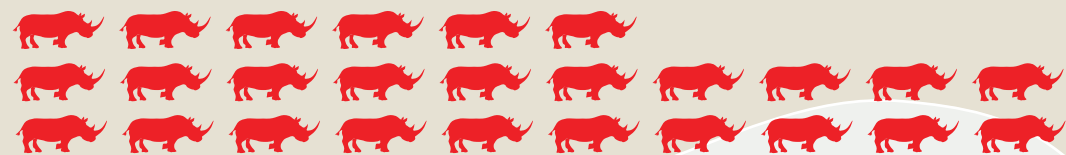
Decai International's directors: Hao Song, Hong Wang, Hong Yu Chen, Jin Hong Wang, and Shouwen Jiang. Seven people — Hongpeng Ju, Tao Liang, Shouwen Jiang, Haiquan Lu, Xiaoming Li and Yuan Lun Liu — were listed as "resigned". (It is not clear if Shouwen Jiang refers to the same individual.)



38 RHINOS EXPORTED FROM NORTH WEST PROVINCE TO CHINA

IMPORTER ADDRESSES

2008



**NQI SIULONG ARTERY, HANGFU (OR 'HANFU') ROAD, HANGZHOU,
ZHEJANG PROVINCE**



NO. 59, HUTOUJI ROAD, FUZHOU, FUJIAN PROVINCE

2009



NO. ZERO XIN GONGYUAN RD., NANCHANG

2010



**LUOYANG WANGCHENG PARK, NO. 312, ZHONGZHOU MIDDLE ROAD XIGONG DISTRICT,
LUIOYANG CITY, HENAN PROVINCE**



**TIANCE XU, SANYA LONGHUI BREEDING CO, LTD. TAILING VILLAGE TIANYA, SANYA (CITY),
HAINAN PROVINCE**



The status of previously imported live white rhino in China should be tracked in view of documented business plans for commercial harvesting of rhino horn for the production of items marketed as medicine. For this reason, China should also be considered a priority country for continuing assessment pursuant to Resolution Conf. 9.14. — African and Asian Rhinoceroses - Status, Conservation and Trade. (2012). CoP16 Doc. 54.2 (Rev. 1) – p. 32. CITES Secretariat, Geneva, Switzerland.



THE END?

At the CITES CoP15 in Qatar in March 2010, attendees reportedly said that Chinese delegate Liu Xiaoping attempted to put the “rhino farming” rumors to rest. But in 2011, Liu “denied having said in Qatar that China had no intention of farming rhinos for their horn and refused to speak further on the subject”.

In March 2011, Student Alliance for Animal Rights in China teamed up with Green Beagle, a Chinese environmental NGO, to investigate the Sanya City breeding center. Investigators identified ten rhinos — one male and nine females. However, most of the rhinos had been moved from Sanya to another location in Yunnan Province. Residents living near the Sanya location were interviewed, and claimed that the “company was unsuccessful at breeding rhinos”. While specific health issues could not be confirmed, it is suspected that some of the rhinos have died.

On December 31, 2011, the final draft of a paper entitled *Histological Study of the Adrenal Gland of African White Rhinoceros* was published on the Pakistan Veterinary Journal website. The study was done on two rhinos, a male and a female, who had been housed in Sanya City.

“The adrenal glands of two adult African white rhinoceros (impending death) were used in the present study. The two African white rhinoceros, one male and another female, were kept in The Rhinoceros Research Center of Sanya in Hainan Province of China, geography coordinate north latitude: 18°14’, East longitude: 109°31’. After being deeply anesthetized, the adrenal glands were immediately removed from the abdominal cavity.”

The 2012 IUCN/TRAFFIC report notes that DNA sampling was not done for most of the rhinos exported to Asia, and that there is “no formal reporting procedure” in place to track the rhinos (or horns resulting from deaths) once they arrive in the importing country.



QUESTIONS

China's "Circular of the State Council on Banning the Trade of Rhinoceros Horn and Tiger Bone" dated May 29, 1993, states that rhinoceros horn and tiger bone must be sealed unless researching a substitute. Does Longhui's "rhino horn biological medicine industrialization project" comply with the Circular?

In 2009, the IUCN/TRAFFIC report prepared in advance of CoP15 acknowledged the export of live rhinos to China, noting that "clarification on the purpose of keeping large aggregations of captive rhino in China would be welcomed". Did South Africa's CITES Authorities have a responsibility to share information at that time?

If indeed a temporary moratorium on South Africa's rhino exports was in effect in 2009, what were the start and end dates?

Who provided Decai International with rhinos to export?

What is considered an "appropriate and acceptable destination" for live rhinos?

Will the issues of rhino exports from South Africa to China and Longhui's "rhino horn biological medicine industrialization project" be taken up at CITES CoP16?



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