CASE STUDY ANTI-MONEY LAUNDERING

Using Hong Kong's Anti-Money Laundering Laws to Combat the Illegal Wildlife Trade

How a decade-long conservation campaign turned financial-crime controls into a tool for protecting endangered species — and what corporate investigators can learn from it.

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LONDON, 25 AUGUST 2026 — Wildlife crime has been recognised by the United Nations General Assembly as a lucrative business perpetrated by organized criminal groups. Illegal wildlife trade is one of the most significant and harmful forms of serious, organised crime, and arguably one that has the greatest impact beyond purely financial terms. It is often run by the same criminal syndicates involved in other serious crimes. Illegal wildlife trafficking is organised, multi-jurisdictional, and on the rise. It's also closely entwined with other forms of serious and organised crime, such as money laundering, corruption and fraud.

A decade ago, WildAid, a US-based charity focussed on reducing global demand for endangered species, led a grassroots campaign to ban Hong Kong's infamous ivory trade.

When it began its campaign in 2013, an alarming 20,000 African elephants a year were being poached – and many of the tusks from those slaughtered herds were going to dealers in China, often via Hong Kong. However, after an eight-year battle, and with support from the public, lawmakers, other conservation groups and hundreds of students from schools across the city, WildAid's campaign resulted in it becoming illegal to sell elephant ivory in Hong Kong from New Year's Day 2021. The Hong Kong ivory ban put a large dent into demand for ivory products.

A significant part of the success of the campaign was derived from the strength of a public private partnership, as resources were made available to financial institutions through third party database content. This partnership was made possible through a successful collaboration between charities, database providers, regulated financial institutions and several Hong Kong government agencies including Hong Kong's Customs and Excise Department and the Hong Kong Joint Financial Investigation Unit.

01 How the Hong Kong ivory trade was banned

Achieving the ban involved deploying a wide range of campaigning tools to shine a light on systemic regulatory failings within the Hong Kong government's wildlife department – the Agricultural, Fisheries and Conservation Department (AFCD). WildAid's goal was to expose how Hong Kong's legal ivory trade was masking a parallel illegal trade in poached ivory, and how traders were abusing a failed licensing system. Somehow, the city's existing ivory stockpile, which was spread across around seventy licensed traders, never seemed to go down. WildAid enquiries suggested Hong Kong's legal stocks of raw ivory were being used as a cynical mechanism to launder freshly poached ivory onto the market, and legal enforcement of the permitting system was lax or non-existent. For WildAid's campaign to succeed they had to prove it.

UNDERCOVER FOOTAGE: SUBTITLED ADMISSIONS FROM LICENSED TRADERS. PHOTO CREDIT: WILDAID

Alarmingly, during the mid-2010s, Hong Kong customs officers were making record-breaking seizures of raw elephant tusks with increasing regularity. Every couple of months, they would seize another shipment of tonnes of fresh ivory from illegally killed African elephants from countries where elephant populations were being decimated, such as Kenya, Tanzania, Ivory Coast and Angola. Organised crime groups were smuggling vast quantities of illegally poached ivory into Hong Kong through its Kwai Chung port, or by air into the city's busy international airport.

PHOTO CREDIT: ALEX HOFFORD

At one Hong Kong customs briefing, a seized elephant ivory tusk was so fresh that dried elephant blood could be seen and smelt encrusted around the end of the tusk where it had been brutally severed from the poor creature's skull. This freshly poached ivory was quickly being carved into jewellery, bangles, necklaces, trinkets, or bogus antiques to be sold to tour groups of tourists from mainland China bussed into shops and luxury stores across Hong Kong. Clearly this posed legal and reputational risks for the city.

PHOTO CREDIT: ALEX HOFFORD

02 Follow the money

WildAid's public-facing media and social media campaign relied heavily on juxtaposing images of seized raw ivory in Hong Kong with graphic images of slaughtered elephants in the beautiful expanses of Africa. However, one weapon in WildAid's arsenal which was kept firmly out of the public gaze was the leveraging of Hong Kong's anti-money laundering (AML) laws.

> "The old adage *follow the money* applies to solving wildlife crime. Freezing of assets derived from illegal wildlife trade, and money laundering charges are important tools in stopping the extinction of endangered species. Where possible enforcement agencies should use organised crime laws with stiffer penalties and longer sentences to prosecute illegal wildlife trade."
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> **PETER KNIGHTS OBE — CHIEF EXECUTIVE, WILD AFRICA**

Going back a decade, financial investigations were rarely used in relation to illegal wildlife trade. The Royal United Services Institute (RUSI) was the first organisation to systematically highlight this gap, through a UK-government-funded report published in 2017 which highlighted the significant potential of financial tools to disrupt those facilitating the trade at a high level.

> "Efforts to follow the money had long been neglected in this thematic area. They hold significant potential to allow investigators to go beyond low-level poachers and identify those directing illegal wildlife trade at a higher level. Significant investment has been made in the interim to build capacity to follow the financial footprints at a global level. This work is challenging, however, and requires concerted commitment from public and private-sector alike – which has not been forthcoming in all cases."
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> **CATHY HAENLEIN — DIRECTOR OF ORGANISED CRIME AND POLICING STUDIES, RUSI**

In the WildAid case, to combat the illicit financial flows generated by several known or suspected Hong Kong-based illegal wildlife traffickers, who operated with impunity across immense shadowy networks spanning several African countries, as well as China, Vietnam, and Laos, WildAid simply followed the money. Through a trusted intermediary, WildAid supplied multiple lists of known or suspected illegal wildlife traders to third parties who would then make them available to banks and other regulated financial institutions. This was so they could screen and hopefully match them with existing lists from the global AML community. For example, these might have included lists of sanctioned individuals or entities, terrorist financing lists, specially designated individual lists, or other lists of high-risk individuals or entities. These lists might have been held by the banks themselves, or by the Financial Action Task Force (FATF), the United Nations Office on Drugs and Crime (UNODC), the European Union, or the United States Office of Foreign Assets Control (OFAC). A suspicion has long existed in wildlife conservation circles that there is link between the illegal wildlife trade and terrorist financing.

WildAid's campaign began small. In early 2015, they decided that to properly illustrate the scale of Hong Kong's out-of-control ivory trade, they simply had to map it. Their market survey began in Hong Kong's antique district centred around Hollywood Road. It grew rapidly from there until they had recorded information on every retail outlet selling ivory in the city. In English and Chinese, WildAid consultants recorded company names, individual names, phone numbers, addresses, email addresses, license numbers if they were available, and often took photographic evidence too. From Chinese state-owned high end jewellery stores in gleaming towers of glass and steel, from luxury shopping malls to humble hole in the wall operators in Kowloon, WildAid's market survey spreadsheet eventually grew to over a hundred rows.

As the hot summer of 2015 wore on, WildAid's simple market survey turned into a full-blown investigation. Securing video evidence to support their case was key. For the larger, more egregious, ivory traders, WildAid used a range of subterfuge tactics to gain access to premises to obtain intelligence and video footage of ivory stocks which they then fed to the media to support their campaign. Undercover volunteers met with raw elephant ivory tusk traders that they knew were illegally supplying carvers in China, which itself was an illegal cross border multi-jurisdictional activity. Undercover footage included ivory traders boasting that they could place calls to the agents of poachers in Kenya and Tanzania to kill elephants on order. Often these individuals had links to organised crime. Eventually, through a CNN exclusive, WildAid blew the lid off the Hong Kong ivory trade.

In 2016, Liberty Asia, a charity focussed on reducing human trafficking approached WildAid with an offer to collaborate. Liberty Asia believe that the best way to tackle human trafficking – and illegal wildlife trafficking – is to follow the money. They believed that a highly effective way to save elephants would be to hit the smugglers in their pockets. WildAid then began to pass its raw data to Liberty Asia in the form of spreadsheets from its market survey of illegal wildlife traders it suspected of selling freshly poached ivory and money laundering. Acting as a safe conduit, Liberty Asia would take WildAid's information, anonymise it, then pass it to LSEG World-Check, LexisNexis WorldCompliance and Dow Jones. These large third-party companies would clean up the data and present it in their own format to a wide range of banks and financial institutions through their global subscription-based databases. For obvious reasons, this was conducted out of the public eye. Of course, due to the black box and one-way direction nature of the information flow, it is impossible to know if any of WildAid's information generated a match for any trader on, for example, an Office of Foreign Assets Control (OFAC) list of Specially Designated Nationals and Blocked persons (SDN) sanctions list, a terrorist financing list, or any other kind of list, but it is suspected to have done so, which made the efforts all worthwhile.

WildAid found out later that much of the smuggling that fuelled Hong Kong's illegal wildlife trade was facilitated by the South African branch of Taiwan's Bamboo Union Gang as well as Hong Kong's infamous 14K triad gang.

03 Hong Kong honorary consuls to African countries

WildAid also provided Liberty Asia information on Politically Exposed Persons, or PEPs, in Hong Kong. These included honorary consuls to African countries WildAid suspected of having links to the illegal wildlife trade. Wealthy Hong Kong businessmen still operate as consular representatives of African countries which were homes to large herds of elephants subject to spiking poaching rates. In 2015, a few of these honorary consuls were found to be operating jewellery shops selling carved poached ivory items in Kowloon, one of the main tourist hubs of Hong Kong. Were these PEPs using their diplomatic bags to smuggle ivory tusks buried within large consignments of gemstones mined in East Africa, but carved and polished in Hong Kong factories? It will never be known for sure, but it is strongly suspected to be the case.

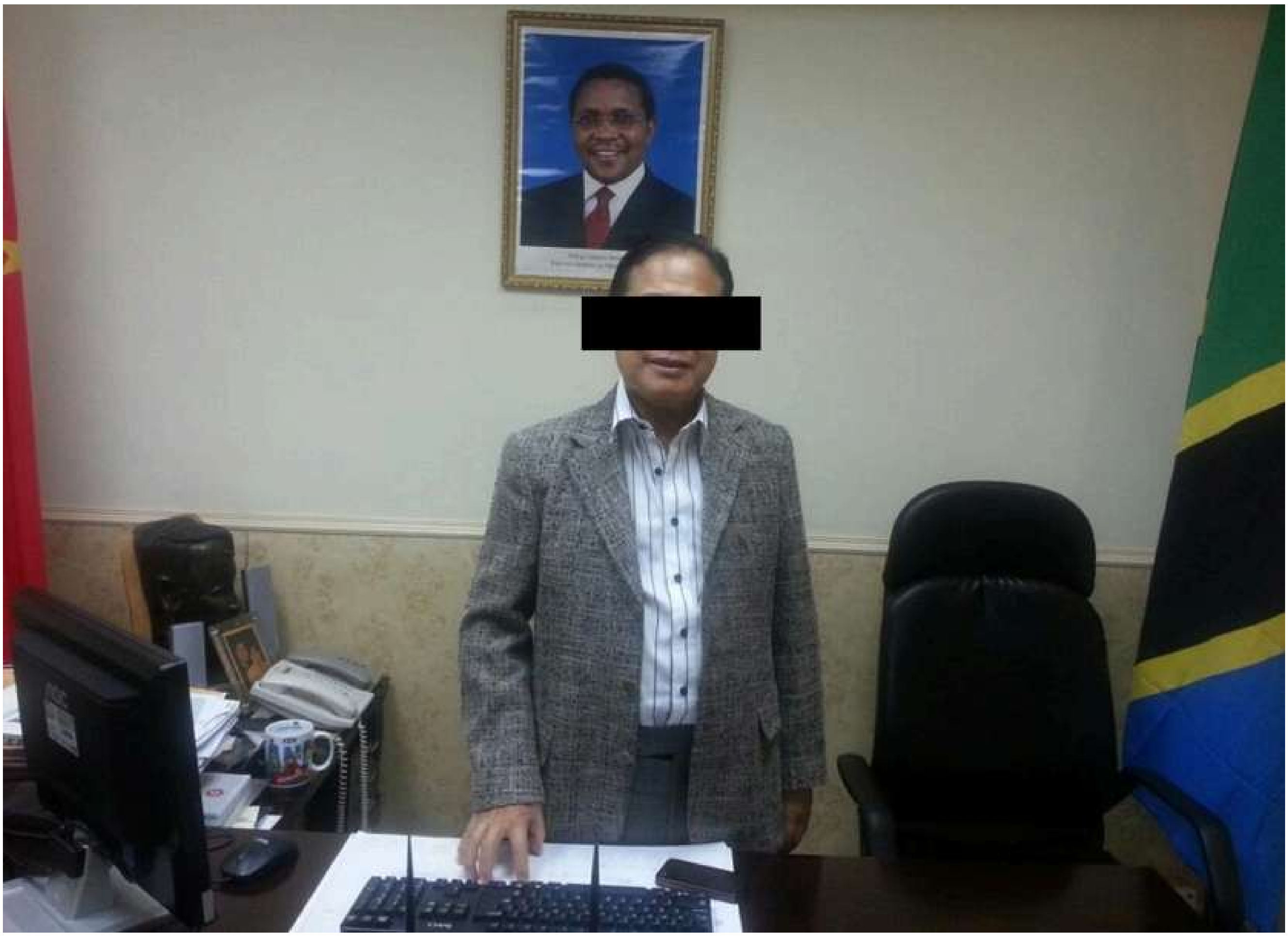

PHOTO CREDIT: FACEBOOK

> "The illicit trade in natural resources — from ivory and timber to critical minerals — flows from Africa to Asia through complex networks that often rely on front companies to conceal the true beneficiaries. Financial investigations remain the most effective means of exposing beneficial ownership and unravelling the fraudulent and corrupt practices that sustain this trade. Without systematic financial scrutiny, traffickers operate with near impunity, perpetuating environmental destruction and undermining the rule of law."
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> **GIOVANNI BROUSSARD — AFRICA COORDINATOR, UNODC ENVIRONMENT TEAM**

One of the Hong Kong honorary consuls WildAid had suspicions about still runs a complex web of over 80 companies, including several offshore companies based in the British Virgin Islands. His companies' main purpose of business is the export of raw materials to China from areas of a large country in central Africa notorious for elephant poaching. These commodities included sand, gravel, gypsum, iron ore, zinc, copper, coal, gold and timber. This honorary consul relied on shipping vast quantities of these commodities within giant bulk carrier vessels with cavernous hulls where anything of size can be easily hidden from prying customs officials. Think, for example, of a crate of ivory tusks or weapons buried beneath thousands of tonnes of sand dredged from a river estuary. Again, it is hard to prove but, over the course of WildAid's investigation, initial concerns hardened into strong suspicions, especially when coupled with evidence of past criminality and insider trading.

PHOTO CREDIT: MONGABAY

To raise the profile of WildAid's public-facing campaign to ban the Hong Kong ivory trade, their survey data provided the basis for their 2017 report into regulatory failings of the city's legal ivory trade which was entitled *The Illusion of Control*. However, many of WildAid's suspicions had to be left out of the report as they could only publish confirmed facts rather than speculation. But in the world of AML suspicions are fair game.

At around this time, Prince William's Royal Foundation led-programme, United for Wildlife, established its Transport Taskforce and later its Financial Taskforce to tackle illegal wildlife trafficking, one of the most significant and harmful forms of serious and organised crime and which has the greatest impact beyond purely financial terms. To combat it, Prince William brought together representatives from the corporate sector alongside wildlife conservation charities working on anti poaching in Africa and demand reduction in Asia to protect endangered wildlife. Corporate members of the United for Wildlife Transport Taskforce included airlines, shipping lines, logistics companies, and port operators, while banks and regulated financial institutions made up its Financial Taskforce. It was at one of the first meetings of United for Wildlife's Financial Taskforce in Hong Kong, the charity groups and members of the corporate sector were first introduced to the now familiar nomenclature of the AML world such as 'red flags', 'suspicious transaction reports' and 'enhanced due diligence'.

> “The majority of wildlife trafficking, specifically the movement of the illicit goods, was taking place via commercial infrastructures. The transport and financial sectors were unwittingly being targeted by criminal networks to move both physical products and finances around the world. By bringing together groups of private and civil sectors to share trends and analysis, it allowed these corporates to collectively develop red flag indicators and typologies in their sectors, establishing industry guidelines and new regulations, while also bringing their own resources in to combat IWT globally.”
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> **ROBERT CAMPBELL — PROGRAMME DIRECTOR, UNITED FOR WILDLIFE**

04 OSCO

A couple of years later, having exposed the dire regulatory failings of Hong Kong's endangered species sales and possession control licensing regime, and to highlight the growing importance of combating illicit financial flows in the global illegal wildlife trade, another piece of the jigsaw began to fall into place. This came in the form of a further WildAid initiative, an amendment to Hong Kong's wildlife laws so that they could be added to a schedule of ‘predicate offences’ under the city’s Organised and Serious Crimes Ordinance (OSCO).

Because of its colonial past, Hong Kong still practices English Common Law and the OSCO has features similar to the United Kingdom's Proceeds of Crime Act 2002 (POCA). Both laws function as omnibus legislation designed to combat organised crime by targeting its financial incentives. In 2017, WildAid drafted a letter on behalf of NGOs to the then Hong Kong leader Leung Chun-ying calling on the territory’s government to drastically increase penalties for wildlife crime and add wildlife related offences to the schedule of the OSCO. In 2018, the letter was repurposed, adding a lot more legal details with the help of Professor Amanda Whitfort, a legal expert in animal law at the University of Hong Kong. It was then passed to Elizabeth Quat, a supportive Hong Kong lawmaker, for her to send to Hong Kong's Secretary for Security for his consideration. These letters formed the nascent kernel of a WildAid campaign that eventually brought in other wildlife charities and which finally resulted in Ms Quat presenting her Organised and Serious Crimes (Amendment) Bill 2021 to Hong Kong’s law making body, the Legislative Council. Eventually, the following offences from Hong Kong's Protection of Endangered Species of Animals and Plants Ordinance (Cap. 586) were added to Schedule One of Hong Kong's OSCO (Cap. 455) on 18 August 2021:

CAP. 455 SCHEDULE 1 — ITEM 20

Protection of Endangered Species of Animals and Plants Ordinance (Cap. 586)

SECTION	OFFENCE
Section 5	Illegal import of a specimen of an Appendix I species
Section 6	Illegal introduction from the sea of a specimen of an Appendix I species
Section 7	Illegal export of a specimen of an Appendix I species
Section 8	Illegal re-export of a specimen of an Appendix I species
Section 9	Illegal possession or control of a specimen of an Appendix I species
Section 11	Illegal import of a specimen of an Appendix II or III species
Section 12	Illegal introduction from the sea of a specimen of an Appendix II species
Section 13	Illegal export of a specimen of an Appendix II or III species
Section 14	Illegal re-export of a specimen of an Appendix II or III species
Section 15	Illegal possession or control of a specimen of an Appendix II species

Added 23 of 2021 s. 3. Short descriptions of offences are for ease of reference only. Source: elegislation.gov.hk — Cap. 455

The Bill contained the following interesting background:

> *"Wildlife trafficking and illegal trade are highly lucrative and attractive to criminal organizations and syndicates. Despite the May 2018 amendment to the Protection of Endangered Species of Animals and Plants Ordinance (PESAPO) (Cap. 586) to increase the maximum penalties of offences under it, wildlife seizures in Hong Kong continued to reach new peaks in 2019 and 2020. In 2019, record seizure of 8.3 metric tonnes (MT) of pangolin along with 2.1 MT of ivory was made in a container from Nigeria. In the same year, the largest seizure of 82.5kg of rhino horn was made from cargo transhipment in the Hong Kong International Airport. April and May 2020 saw two almost identical seizures of 13 MT of shark fins. Even though the maximum penalties of offences under Cap. 586 were increased by 900%, the fact remains that neither the penalties under the Ordinance nor the powers it confers to investigators and enforcers are sufficient to effectively deter criminal organizations."*

Sometimes wildlife conservation victories can take years. In a low-key press release issued on 9 July 2025, the Hong Kong authorities announced that two men had been prosecuted with enhanced sentencing under OSCO for illegal possession of an endangered turtle species. For wildlife conservation, this was a landmark moment. Now, under the OSCO, the Hong Kong authorities were finally going after wildlife smugglers with increased powers. They could impose longer jail sentences and higher fines on criminals, as well as seize or confiscate their assets. The law would now also force financial institutions to report wildlife related money laundering offences and suspicious transactions to the Hong Kong's Joint Financial Investigation Unit. Placing Hong Kong's wildlife laws under the OSCO also allowed authorities to use specialised tools for financial investigations of suspected illegal wildlife traffickers, such as restraint orders to freeze assets and production orders to obtain bank records. All of this created a new deterrent effect.

> "While the amendment to OSCO should have been a gamechanger for Hong Kong, it is disappointing that to date there has been very limited use by law enforcement of their new powers."
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> AMANDA WHITFORT — ASSOCIATE PROFESSOR, FACULTY OF LAW, UNIVERSITY OF HONG KONG

> "Hong Kong now has powerful legislation, but it's impotent without equally powerful, transnational investigations. The authorities are clearly able to intercept wildlife shipments but should make more effective use of pro-active techniques like controlled deliveries to identify, arrest and prosecute members of organised criminal networks who still seem largely undeterred from trafficking wildlife through Hong Kong."
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> JUSTIN GOSLING — LAW ENFORCEMENT SPECIALIST, ENVIRONMENTAL INVESTIGATION AGENCY

As its political and legal climate darkens, time will tell if Hong Kong remains a reliable ally in the global battle to save endangered species from extinction.

ABOUT THE AUTHOR

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Alex Hofford is a wildlife crime investigator and environmental compliance expert who brings together a rare combination of frontline wildlife crime investigations and specialist expertise in anti-money laundering. Whilst living in Hong Kong, Alex was an investigative photojournalist and a wildlife campaigner who spearheaded WildAid's Hong Kong ivory ban campaign from 2015 to 2021. As an investigator with direct insights into how organized, transnational wildlife crime syndicates operate on the ground and across supply chains, he now applies this knowledge through a financial crime lens, focusing on how criminal networks rely on complex financial flows, trade-based money laundering, and cross-border systems to operate and expand. Holding an International Compliance Association (ICA) Certificate in Anti-Money Laundering (with Distinction), Alex is well positioned to bridge the gap between conservation and financial enforcement, helping to identify, disrupt, and prevent the financial mechanisms that enable organized wildlife crime, ultimately supporting environmental goals. Alex is currently studying for the ICA Diploma in Anti-Money Laundering and is expected to graduate in early 2027.

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