



# A FRAMEWORK TO IDENTIFY AND MITIGATE RISKS TO WILDLIFE FROM ILLEGAL WILDLIFE TRAFFICKING THROUGH OVERSEAS INVESTOR OPERATIONS IN UGANDA



Author: Rachel Hemingway

July 26, 2017



CONSERVATION INTERNATIONAL



the Jane Goodall Institute



The Nature Conservancy



WORLD RESOURCES INSTITUTE



**AFRICA BIODIVERSITY COLLABORATIVE GROUP**

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This report was made possible in part by the generous support of the American people through the United States Agency for International Development (USAID) under the terms of Cooperative Agreement No. AID-OAA-A-15-00060 - WCS (“Prime Award”) for the Africa Biodiversity Collaborative Group (ABCG) II: Hosting & Management Services, (“ABCG”) Program, dated September 22, 2015. The contents are the responsibility of the members of the ABCG and do not necessarily reflect the views of USAID or the United States Government.

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# Africa Biodiversity Collaborative Group

## A FRAMEWORK TO IDENTIFY AND MITIGATE RISKS TO WILDLIFE FROM ILLEGAL WILDLIFE TRAFFICKING THROUGH OVERSEAS INVESTOR OPERATIONS IN UGANDA

### A Summary Report

Program Title: Africa Biodiversity Collaborative Group (ABCG II)  
USAID Technical Office: Bureau for Africa /Office of Sustainable Development  
Cooperative Agreement No.: AID-OAA-A-15-00060  
Author: Rachel Hemingway



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## II.ACRONYMS

ABCG	Africa Biodiversity Collaborative Group
CITES	Convention of International Trade in Endangered Species
CNPC	Chinese National Petroleum Corporation
EIA	Environmental Impact Assessment
EPO	Environmental Protection Officer
ESIA	Environmental and Social Impact Assessment
HR	Human resources
HQ	Headquarters
IWT	Illegal wildlife trafficking
MFPED	Ministry of Finance, Planning, and Economic Development
MOFCOM	Ministry of Commerce of the People’s Republic of China
MTWA	Ministry of Tourism, Wildlife, and Antiquities
NEMA	National Environment Management Authority
NGO	Non-governmental organization
NIAP	National Ivory Action Plan
PAU	Petroleum Authority of Uganda
PDD	Project design documents
POE	Privately owned enterprise
SEA	Strategic Environmental Assessment
SMART	Specific, measurable, agreed, relevant, and time-bound
SNAPP	Science for Nature and People Partnership
SO	Sustainability officer
SOE	State owned enterprise
TCM	Traditional Chinese Medicine
UIA	Uganda Investment Authority
USAID	United States Agency for International Development
UWA	Uganda Wildlife Authority
WCS	Wildlife Conservation Society
WWF	World Wildlife Fund

# I. INTRODUCTION

The Africa Biodiversity Collaborative Group (ABCG) is a coalition of seven US-based international conservation non-governmental organizations (NGOs) with extensive field programs in Africa: African Wildlife Foundation, Conservation International, the Jane Goodall Institute, The Nature Conservancy, World Resources Institute, Wildlife Conservation Society (WCS), and World Wildlife Fund (WWF). ABCG is supported by the U.S. Agency for International Development (USAID) to advance understanding of critical biodiversity conservation challenges and their solutions in sub-Saharan Africa.

ABCG's Emerging Issues thematic area builds on its position as a partnership with a strong field presence in priority areas across Africa by creating teams to analyze new threats or opportunities, and convening stakeholders in the U.S. and Africa to present data and catalyze discussion. By commissioning targeted one-year projects, ABCG identifies and develops strategies to respond to emerging issues that are likely to shape conservation priorities in the coming years, and influence the effectiveness of biodiversity conservation efforts in Africa.

Recognizing the complexity of wildlife trafficking, this theme was designed to contribute to existing knowledge, ongoing activities, and emerging innovative approaches that will result in the promotion of cross-site, cross-institutional, regional, and international sharing of best practices to effectively interdict wildlife crime along the entire value chain from source and transit to demand reduction and end markets.

China is currently the largest market for illegal wildlife products and the expansion of Chinese investment in Africa is increasing opportunities and channels for illegal wildlife trafficking. Through its Emerging Issues small grants, ABCG supported WCS, in collaboration with WWF-TRAFFIC China, A Scalable Approach to Engaging Chinese Overseas Enterprises to Mitigate Impacts of Wildlife Trafficking in Africa. The project sought to develop a wildlife trafficking framework that could enhance existing relevant guidelines or policy/regulation and lead to implementation by Chinese companies, African host country governments and civil society partners.

## 2. OVERVIEW

The global and illegal trafficking of wildlife and wildlife parts is a major concern and escalating threat to biodiversity conservation and security in and between many African countries. The combined effects of habitat fragmentation, climate change, and illegal wildlife trafficking (IWT) are increasingly threatening species with extinction. China is a significant market for illegal wildlife products, including elephant ivory, rhino horn, and pangolins from Africa. The Chinese government recognises this issue and has actively supported a number of projects and

initiatives aimed at curbing illegal wildlife demand in China, with support or collaboration of organizations such as international or national NGOs. However, to date there has been little attention paid to the role of Chinese companies and investments in opening up opportunities for trafficking through legitimate business activities in Africa. The rapid and increasing expansion of Chinese investments in Africa is creating new channels for wildlife products, illegally procured from key source populations in Africa, to reach major wildlife markets in China and the rest of Asia. These growing trade and investment links are often supported by grants or concessional loans from China's government, as part of the country's "Going Global" strategy which reflects China's increasing wealth and ongoing demand for raw materials to fuel continued economic growth<sup>1</sup>. Many of the largest Chinese investments are therefore engaged in extractive industries (mining, logging) or the industries associated with them such as infrastructure development and power generation. These large scale projects, particularly roads, mining, logging, hydropower dams and railway construction, are opening up formerly inaccessible wildlife habitats whilst the presence of large numbers of Chinese staff in these project areas create opportunities for wildlife smugglers to connect more directly with local wildlife poachers and hunters. These factors may result in the creation of new and robust trafficking networks within the region and with China.

Working directly with Chinese enterprises operating in Africa to help them identify and mitigate these risks to wildlife is therefore a significant opportunity for high impact, low cost disruption to the trafficking chain. Additionally, the current political climate provides an ideal window of opportunity to capitalize on the commitments of the Chinese and African governments to address illegal trafficking of wildlife and wildlife products.

This approach, combining corporate and government engagement, is modeled on the experience and successes WCS have achieved working with international logging companies to reduce negative conservation impacts resulting from business operations. A strategy which directly engages corporations will be highly effective in addressing trafficking pressures as it also supports corporate needs for risk management and mitigation.

With support from ABCG and the Science for Nature and People Partnership (SNAPP), WCS selected Uganda to pilot the strategy. Uganda was selected due to the existing strong presence of WCS, high biodiversity levels and rapidly growing Chinese investment activities. China is already the number one source of Foreign Direct Investment in Uganda<sup>2</sup> and these investments are set to double over the coming years in an effort to reduce the large trade imbalance between the two nations.<sup>3</sup>

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<sup>1</sup> <https://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/Anglaischina.pdf>

<sup>2</sup> <http://allafrica.com/stories/201704270151.html>

<sup>3</sup> [http://www.newvision.co.ug/new\\_vision/news/1411524/chinese-investments-uganda-double](http://www.newvision.co.ug/new_vision/news/1411524/chinese-investments-uganda-double)



## 2.1 OBJECTIVES

- Identify the risks posed by Chinese investments to wildlife and the opportunities offered by engaging with Chinese enterprises to mitigate these wildlife trafficking risks.
- Develop new guidance to specifically include wildlife trafficking in existing sustainability guidelines. This guidance will be discussed through workshops convened to engage local Ugandan stakeholders, government representatives (and potential Chinese partner companies), and we will use their feedback to develop final recommendations to enhance implementation and effectiveness.
- Examine the relevant legislation in Uganda and outline a set of recommendations to improve national-level legislation to improve foreign companies performance with respect to combating wildlife trafficking.

## 2.2 EXPECTED OUTPUTS OF PILOT PROJECT

- A scoping report of types and scale of risks of exposure of Chinese companies to wildlife trafficking and opportunities for engagement in Uganda and Gabon;
- A module on risk mitigation measures and a monitoring framework on wildlife trafficking for companies to implement and elaborate on existing policy/regulations (including guidelines) developed;
- Recommendations to improve the uptake and implementation of policies/ regulations by Chinese companies to address wildlife trafficking;
- Analysis and recommendation for Uganda authorities to improve legislation related to foreign company's performance related to combating wildlife trafficking;

## 2.3 OUTLINE OF RESULTS IN THIS REPORT

**Section One** outlines a list of practices of Chinese enterprises in Uganda that could indicate a high risk of exposure for wildlife trafficking. A set of recommendations is provided for enhancing corporate HR policies and creating training materials, at a practical level, to reduce these practices/behaviors. In this section, we highlight three areas of potential risk, provide general recommendations at both operational and Environmental Impact Assessment (EIA) levels to minimize these risks and present a training manual outlining steps to reduce risks of wildlife trafficking.

**Section Two** provides details of the implementation and monitoring framework, including sets of metrics/indicators for assessing the impact of the approach on biodiversity, wildlife trafficking and corporate policy. WCS will present this framework to enterprises for consideration to implement best practices recommended and reduce risks of wildlife trafficking in their operations. This framework is designed to ensure that enterprises are provided with sufficient guidance to implement recommendations and measure the effectiveness over time.

**Section Three:** examines the relevant legislation in Uganda and outlines a set of recommendations to improve national-level legislation to improve foreign company's performance with respect to combating wildlife trafficking.

### 3. WILDLIFE TRAFFICKING RISK ASSESSMENT FOR CHINESE ENTERPRISES IN AFRICA

Using Uganda as a case study, this study examined the types and nature of Chinese corporate practices and investments that would pose the greatest threat to the wellbeing and survival of wildlife in Uganda. Based on this, corporate policy recommendations were created and training materials developed, at practical level, to reduce the high risk operations, practices and behaviors that expose investors to wildlife trafficking. Risks stem from both corporate practices which provide opportunities for staff to engage in wildlife trafficking as well as a corporate environment within which wildlife crimes are seen as acceptable or low risk. Uganda is increasingly seeking to attract greater investment from China<sup>4</sup> as traditional donors have reduced involvement following high profile corruption allegations and legal changes affecting human rights in Uganda<sup>5</sup>. Chinese state owned enterprises (SOEs) are being actively encouraged by the Uganda Investment Authority (UIA) to engage in large scale infrastructure and heavy industrial or extractive activities in Uganda<sup>6</sup> as a means of securing infrastructure, generating local employment and export earnings. These types of activities can and do open up and increase human presence in formerly undisturbed habitats and ecosystems exposing wildlife to the threat of poachers and trafficking<sup>7</sup>. In addition to the increased risk of poaching the industries are associated with high levels of international movement of goods and people, particularly those that involve exports of raw materials such as mining and forestry. These large, frequent shipments create a significant opportunity for smuggling, both of products originating within Uganda and those transferred from other countries. The increasing numbers of staff contracted to these large investments also pose a risk through creating local demand (either perceived or real) for direct wildlife consumption and providing more communication and transport links with overseas markets.

This study does not consider small scale private Chinese enterprises such as shop owners, restaurants or retailers operating in Uganda although these businesses and people are not necessarily low risk. Recent investigations in South Africa<sup>8</sup> have shown Chinese small-

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<sup>4</sup> [http://www.chinadaily.com.cn/business/2017-04/22/content\\_29041506.htm](http://www.chinadaily.com.cn/business/2017-04/22/content_29041506.htm)

<sup>5</sup> <https://www.theguardian.com/global-development/2014/feb/25/uganda-donors-cut-aid-anti-gay-law>  
<http://thediplomat.com/2014/03/uganda-looks-to-china/>

<sup>6</sup> <http://www.monitor.co.ug/Business/Markets/Uganda-promotes-bankable-investment-projects-in-China/688606-3450982-11lock7/index.html>

<sup>7</sup> [http://www.unodc.org/documents/Wildlife/Toolkit\\_e.pdf](http://www.unodc.org/documents/Wildlife/Toolkit_e.pdf)

<sup>8</sup> Al Jazeera 'The Poachers Pipeline' November 2016 <https://www.youtube.com/watch?v=JMguWY99q6s>

business men acting as wildlife retailers and middlemen between Africa and Asia. However, this project aims to improve business practices through enhanced corporate sustainability guidelines and risk management which would not be influential for small business owners who are directly participating in and facilitating the illegal trade. Large state owned enterprise (SOEs) and large privately owned enterprises (POEs) with offices employing over 100 people in Uganda that engage in the following activities are the primary target of this work<sup>9</sup>:

1. Forestry
2. Logistics and transport
3. Agriculture
4. Power generation
5. Infrastructure construction
6. Mining
7. Oil and gas exploration
8. Telecommunications

### **3.1 HIGH RISK CORPORATE PRACTICES THAT COULD PROMOTE WILDLIFE TRAFFICKING**

Based on the activities outlined above the following practices have been identified as the primary areas that create opportunities for increased wildlife trafficking<sup>10</sup> and where changing corporate practices could effectively mitigate these risks. The terms enterprise and company are used interchangeably to refer to both private and state owned businesses that are seeking to generate profit from commercial activities.

- Enterprise has opened projects located in high risk areas – including, but not limited to; known wildlife trafficking routes, near international borders<sup>11</sup>, close to local and tourist wildlife markets in high biodiversity locations;
- Enterprise offers opportunities for staff to engage in trafficking through the business operations, for example operating in or near wildlife markets, remote and highly biodiverse habitats and generating high volumes and frequency of bulk exports;
- High exposure of staff to business operations, which provide high degree of access to international shipments as well as the relevant customs and border guard inspectors;
- Engagement of staff in national or international procurement creating a high degree of access to potential poachers or wildlife traders;
- Enterprise operates projects in or near previously inaccessible locations;
- Enterprise lacks a clear environmental strategy and implementation plan for its operations;
- Enterprises involved in a business involving a high volume of bulk export traffic to main illegal wildlife markets (China, USA, Vietnam), exposing staff to smuggling opportunities.

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<sup>9</sup>

[https://www.savetherhino.org/rhino\\_info/thorny\\_issues/the\\_transportation\\_industry\\_and\\_the\\_illegal\\_wildlife\\_trade](https://www.savetherhino.org/rhino_info/thorny_issues/the_transportation_industry_and_the_illegal_wildlife_trade)

<sup>10</sup> <http://pubs.iied.org/pdfs/17576IIED.pdf>

<sup>11</sup> IIED 2014 <http://pubs.iied.org/pdfs/17576IIED.pdf>

## **3.2 CORPORATE STAFF PRACTICES THAT COULD CREATE DEMAND FOR WILDLIFE<sup>12</sup>**

- Enterprise leaders do not discourage engagement in wildlife trafficking<sup>13</sup> or demonstrate clear leadership discouraging involvement in trafficking or wildlife consumption;
- The enterprise encourages a traditional business approach involving a cultural [traditional] practice of *guangxi* (relationship building and networking) crafted around giving prestigious and high value gifts to individuals in another company or government agency;
- A low perception of risk associated with receiving physical gifts, including wildlife trophies and products. Typically, companies without gift acceptance or conflict of interest policies have a high exposure to this type of risk; and
- Visible consumption of wildlife products within the enterprise or visible tolerance / promotion of exchange of wildlife and wildlife products as an acceptable gift by senior staff, for example ivory statues on display in the corporate building.

## **3.3 INDIVIDUAL STAFF MOTIVATIONS AS A RECIPE FOR WILDLIFE TRAFFICKING<sup>1415</sup>**

- Staff are very much profit orientated, over and above other considerations (this can link to pressure resulting from a cultural trend of promoting conspicuous consumption and displaying wealth);
- Staff receive (or perceive themselves to receive) a low salary, insufficient to cover their preferred lifestyle, particularly in relation to perceived benefits accruing to others;
- Staff developed high levels of personal or family debt or perceive debt to be an issue;
- Staff have a risk taking personality;
- Staff perceive the risk of engaging in wildlife trade and trafficking as very low, possibly due to low awareness of legislation and penalties relating to wildlife trafficking;
- Staff have some level of involvement in wildlife-related businesses in China either directly or through family members (these could include dealing in Traditional Chinese Medicine [TCM], wildlife farming, trading in curios or antiques);
- Staff are involved in organized crime – either voluntarily or as a result of coercion.

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<sup>12</sup> <http://news.nationalgeographic.com/2015/08/150812-elephant-ivory-demand-wildlife-trafficking-china-world/>

<sup>13</sup> [https://www.corwin.com/sites/default/files/upm-binaries/4910\\_Kidwell\\_Chapter\\_3.pdf](https://www.corwin.com/sites/default/files/upm-binaries/4910_Kidwell_Chapter_3.pdf)

<sup>14</sup> Kaptein, Muel, Why Do Good People Sometimes Do Bad Things?: 52 Reflections on Ethics at Work (July 25, 2012). Available at SSRN: <https://ssrn.com/abstract=2117396> or <http://dx.doi.org/10.2139/ssrn.2117396>

<sup>15</sup> [http://www.swlearning.com/pdfs/chapter/053872689X\\_2.PDF](http://www.swlearning.com/pdfs/chapter/053872689X_2.PDF)

### 3.4 GENERAL RECOMMENDATIONS TO ADDRESS ALL THREE RISK CATEGORIES

These recommendations are specifically directed at larger (100+ employees in Uganda) Chinese enterprises (both state owned and private) operating in Uganda over the long term (5+ years). These recommendations are listed in order of priority (high to low) and implementation. All recommendations should be fully implemented within a 24 month period from initiation and progress tracked in following years with full sustainability progress reports published annually. Research conducted by WCS with Ugandan authorities and Chinese enterprises<sup>16</sup> has indicated that the largest and most established enterprises with long investment horizons are the most likely to be interested and capable of engaging in risk mitigation measures for wildlife trafficking. Therefore, whilst these recommendations are open for all enterprises the initial focus could usefully be on the largest state owned operations in Uganda.

- Senior management in Chinese HQ and Ugandan branch offices clearly and publicly support the development and implementation of a risk management strategy and zero tolerance policy<sup>17</sup> for wildlife consumption, trafficking and internal and external gift giving involving wildlife products. This should include a commitment to publishing an annual wildlife or sustainability report with a measurable baseline and annual records charted against the baseline to track and measure progress toward increased sustainability.
- A senior Chinese staff member with appropriate qualifications based in Uganda should be appointed by the enterprise/Chinese company to serve as a Sustainability Officer (SO) or environmental protection officer (EPO) responsible for developing and overseeing the implementation of the zero tolerance policy and risk management strategy. EPO should also be responsible for tracking and recording changes against the baseline for the annual sustainability / wildlife reports.
- All Ugandan-based senior staff should be involved in discussions regarding development of the new policies, compliance with the relevant aspects of the new policies should be included in staff annual performance reviews to incentivise positive engagement amongst staff with 'gold / silver / bronze' grading available for staff meeting, exceeding and substantially exceeding requirements.
- Annual progress reports should be shared with the headquarters of the company as well as the host government agency responsible for monitoring foreign companies' practices and standards with changes against the baseline clearly marked and recommendations for future action outlined.
- An internal 'wildlife audit' should be conducted at the corporate premises of both Ugandan and Chinese operations to determine whether any wildlife products are visibly displayed, have been endorsed through use as internal or external gifts and / or events (i.e. Staff away-days to wildlife markets, staff awarded with wildlife products, senior staff gifting wildlife products). This will act both as a baseline against which to measure change and to ensure that there are no inconsistent messages. Results should be recorded and made public in the annual sustainability report of the enterprise.

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<sup>16</sup> February 2017 research report by Zhuli Hess "Insights to engage Chinese Enterprises in Uganda for biodiversity wildlife conservation"

<sup>17</sup> Defined in detail in section 2.7 below

- Staff development programs for in-country staff (Uganda) to be developed with input from EPO in partnership with local HR to determine what existing mandatory and optional staff development training can be enhanced with specific modules on wildlife trafficking, conservation and the role of companies in supporting environmental sustainability.
- EPO to supervise translation of relevant Ugandan legislation and guidelines relating to environmental protection, corporate best practice and wildlife trafficking into Chinese for distribution to senior staff as part of their professional development. Specific regulations relevant to actions of enterprise staff to be incorporated into mandatory annual and new hire training courses for all staff along with relevant Chinese guidelines. Incentive structure for staff advancement should be examined to ensure awareness and understanding of the regulations regarding conservation and wildlife trafficking is improved.
- EPO to ensure the clear communication of new policy to all new and existing staff, local hires and short term contractors as part of annual training and professional development and induction / contract development. Clear signs to be displayed in public areas of operations outlining policy goals and achievements and results to be published in annual sustainability review. Communication materials should include a clear warning regarding the penalties for infractions and the behaviour expected from staff and contractors.
- EPO in conjunction with public relations department to develop and implement a stakeholder communication strategy in order to engage and inform interested parties about the main elements of the new policy and the rationale behind implementing it. Stakeholders should include local and national NGOs, media, government departments, law enforcement, local market overseers and hunters.
- All Chinese Enterprise environment documents e.g. policies, guidelines and standards to be translated into English as well as Mandarin. WCS Uganda program previously undertook this as part of collaboration with Total E&P Uganda during Seismic Surveys in Murchison Falls National Park for a Chinese Contractor (CNPC BGP Oriental Geophysical (U) Co. Ltd / BGP Inc) and the effort to translate all materials was very helpful in improving and upscaling the overall communication strategy to achieve minimum impact on biodiversity during seismic and oil exploration phase.

### **3.5 RECOMMENDED CORPORATE RISK REDUCTION PRACTICES**

- A structured risk assessment of operational locations and activities to be undertaken for all existing and new project activities with an explicit inclusion of wildlife trafficking as a discrete environmental risk into all Project Design Documents (PDDs), Environmental Impact Assessments (EIAs) and Environmental and Social Impact Assessments (ESIAs). Specific risk factors to be considered relating to wildlife trafficking are outlined below. Clear operational risk mitigation measures that are recommended for mitigating risks should be acted on for all EIAs and ESIAs and progress against these published in the public domain to enable external bodies to track progress. Where applicable Biodiversity Action and/or Management Plans should include the risk management recommendations and measure progress against these in annual reports.

- Random searches of all vehicles (and other means of transportation) leaving high risk sites or heading for high risk locations (including high biodiversity locations, markets involving wildlife products, routes for overseas shipments of goods) should be done routinely. Proper documentation of incidences of illegal wildlife seizures, suspects and species should be recorded and reported to law enforcement agencies. A standard form for recording such information, including location, date, wildlife material, source, destination, shipper, receiver, driver, route should be developed by the companies and enforced. In the event of any arrests, the driver and shipper should be held equally responsible for aiding IWT and appropriate penalties enforced and publicised;
- The construction of roads and other infrastructure in remote places is discouraged. Where unavoidable<sup>18</sup> it should be coordinated closely with local law enforcement agencies to support the recruitment or placement of law enforcement guards in those areas to conduct intelligence-led patrols and searches of road users to prevent illegal activities taking place inside protected areas;
- Where remote infrastructure development forms an integral element of business operations, construction should be undertaken within the context of a strategic land use plan that considers the impacts of alternative operational approaches. This strategic plan should be agreed with local stakeholders and regulatory agencies and incorporate an analysis of the potential risks to wildlife from IWT and hunting resulting from the different operational options. Identified impacts and risks should be recorded and minimised or avoided.
- Rotation of staff in key positions to prevent opportunities for corruption and bribery of Ugandan government officials, especially customs / export officials;
- EIAs and ESIA's to be undertaken independently of the company and recommendations to be made public as part of the annual sustainability review. Risk factors to be included into EIAs / ESIA's:
  - Operational location – highly biodiverse, in or near previously inaccessible biodiversity sites (i.e. wildlife reserves);
  - Operational location - on or along known trafficking routes and networks including import and export hubs such as international borders, airports, freight loading points;
  - Natural resource based operations – logging, mining, agriculture;
  - High levels of bulk exports and shipping as part of normal operations, especially to market countries such as China and Vietnam;
  - High volume shipping to known markets (Hong Kong / Guang Dong / Shanghai / etc.) or known transshipment points (such as Singapore etc.);
  - Examine the project labour demand and staffing requirements who are likely to be deployed to work in sensitive locations with high access to wildlife markets.

### **3.6 TRAINING MATERIALS TO BE INTRODUCED AS PART OF THE NEW POLICY**

There are two primary aspects to increasing staff awareness of wildlife trafficking: firstly, to increase the perception of personal risk associated with trafficking. Secondly, to enhance individual understanding of the negative impacts of wildlife trafficking on the environment,

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<sup>18</sup> Is a vital part of business operations without location alternatives



society, economy and health of countries along the supply train to build comprehension that trafficking is a high impact crime. Developing the training courses and content would ideally be contracted out to specialists working to combat wildlife trafficking; It is recommended that WCS and WWF develop a package of training materials in Chinese and English that can be rapidly tailored to the needs of different industries and organisations. These could be made freely available for use by stakeholders in both Uganda and China. However, where possible all training should be conducted based on a full needs assessment and tailored to the specific context of the corporate (or other) partner to be trained.

Additionally, in the case of Chinese staff, the importance of positive public opinion and displaying the positive side of China's role in overseas development should be highlighted.

Training materials should include as a minimum:

- Main relevant elements of Chinese legislation and penalties for engaging in wildlife trafficking, Chinese government investment guidelines regarding best practice for overseas investments;
- Ugandan legislation and guidelines relating to wildlife protection and the standards expected of investments - if possible this should be tailored specifically to the industry (infrastructure / extractives etc);
- The role of China and Chinese people in wildlife trafficking, the negative press associated with this, reputational damage to companies and national image;
- The impact of wildlife trafficking on biodiversity, socio-economic development, human health, corruption and security in source, transit and market countries and the impact on businesses through increased security costs, and loss of natural resources;
- The social, economic and environmental problems associated with wildlife decline in source, transit and market countries;
- Main wildlife trafficking methods, what to do if you suspect trafficking is happening in the company or if you see wildlife products used as gifts;
- Case studies of Chinese nationals arrested and imprisoned in Africa or China (particularly Uganda, if any exist) on charges of wildlife trafficking. If possible, video interviews with imprisoned Chinese nationals caught trafficking or engaging in some form of wildlife consumption.

### **3.7 ZERO TOLERANCE POLICY ON WILDLIFE TRAFFICKING**

An important aspect of managing corporate risk and exposure is the perception among staff of the level of importance and tolerance given to the issue by senior management. A clear, management-led zero tolerance policy that is widely communicated and effectively enforced is a valuable tool. This policy should be incorporated into the standard health and safety induction for new staff and contractors as well as prominently displayed in a public place on the company premises, vehicles and visitors pass cards.

Any zero tolerance policy should include the following elements in order to be effective at preventing staff involvement in IWT:



- A clear statement of the policy objectives to be achieved, the time frame and a statement regarding the transparency of the policy, what will be reported on, by who- (i.e. led by the EPO) and where (i.e. company website, annual sustainability report etc).
- A definition of the personnel responsible for leading the implementation of the policy and their remit.
- A clear statement of what is prohibited by the company and who is affected by this.
- This statement should also clarify the status of the following under the policy: possession of wildlife products, gifting, receiving as gifts, smuggling, facilitating smuggling and allowing these activities to be conducted by staff. The policy should be explicit about the liability limits for subcontractors, service providers and affiliates, and clearly define the application of the policy to permanent staff, contractors, clients, suppliers and business partners.
- The policy should clearly outline the penalties for different individuals; permanent staff, contractors, clients, suppliers and business partners found to be in breach of the policy e.g. loss of promotion option, loss of contract, breach of contract, demotion, loss of pay etc) up to dismissal and referral to police in serious cases.
- The policy should include time bound review points at which the supervisor of the EPO should assess the impact of the policy against its objectives using predetermined metrics (possible metrics included in section two).
- The policy should include the outline of a communication strategy and a clear remit for the EPO to implement the strategy to all new and existing staff, contractors, suppliers and customers. Policy to be prominently displayed in public areas of company operations.

## 4. DRAFT IMPLEMENTATION AND MONITORING FRAMEWORK FOR WILDLIFE TRAFFICKING

This framework presents a set of metrics/indicators for assessing the impact of the policy outlined above on wildlife trafficking. WCS will recommend this to Chinese enterprises to help them implement best practices in risk mitigation, based on a) policies defined in section one, b) existing legal and policy frameworks in Uganda, and c) best practices.

The elements included in the corporate risk reduction approach to wildlife trafficking presented in section one have been developed as a series of steps and concrete actions to take to help enterprises achieve effective risk management. It should be used in conjunction with the following implementation framework as a means of measuring and enhancing the efforts to reduce exposure of the enterprise to illegal activities. Stakeholder engagement and communication is also emphasized as a vital element of an effective risk reduction approach, the main issues to be included in the communications strategy are presented in this section.

## 4.1 IMPLEMENTATION FRAMEWORK

This is set out in detail as a series of steps and processes to support the effective implementation of the risk management framework outlined in section one. It is recommended that all elements are considered although it is expected each organisation will be able to tailor this to meet their own needs.

- Senior management in China and Uganda assign a sufficiently senior and appropriately qualified Environmental Protection Officer (EPO) to lead and oversee implementation of best practice risk management across operations and staff practices. This best practice should also include guidance on effective risk management for Chinese-based operations to support effective risk management across the corporation and support standardisation of risk management approaches internationally.
- EPO to define the final long term and short term goals of the policy in discussion with senior staff, and communicate these goals effectively to all staff within the enterprise.
- EPO to lead or support senior staff to communicate with relevant authorities in Uganda as well as local stakeholders and civil society to inform them of the new policy and seek engagement and support in implementing it. This could be managed through a series of stakeholder meetings and workshops as joint training for both enterprise staff and external stakeholders on wildlife traffic and sustainability.
- EPO will be responsible for providing clear concrete recommendations, based on the recommendations outlined in section one and the existing legislative framework of Uganda, for achieving the goals associated with reducing exposure to the risk of wildlife trafficking across both staffing and operation activities. These recommendations should be discussed with senior management in Uganda and supported by senior management in both Uganda and China. The effect of the recommendations should be measured annually against a baseline based on measurable metrics (full list of suggested metrics at the end of the section) defined by the EPO and agreed across the enterprise.
- EPO should identify relevant legislation<sup>19</sup> and best practice guidelines<sup>20</sup> in host and country of origin addressing environmental sustainability and wildlife trafficking, as well as legislation and regulations that cover the specific operations of the enterprise. The EPO should ensure that all relevant legislation, guidelines and regulations are available in both the local language as well as Chinese. Based on this information the EPO should conduct an audit of the current commercial and HR practices of the enterprise to determine whether all activities are in line with existing guidelines and legislation regarding wildlife trafficking (I.e. are the recommended staff trainings undertaken, are Environmental Impact Assessments [EIAs] independently undertaken and verified, are EIA recommendations implemented and audited). Any examples of practices that do not meet the current legislation and guidelines should be recorded with clear recommendations on how to address these. The audit should be repeated annually and progress recorded, it should also form part of risk assessments for new activities. Audit results and

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<sup>19</sup> Relevant legislation is discussed in section three

<sup>20</sup> Best practice guidelines are under development

recommendations should be submitted to senior staff in order to secure support for the necessary changes to be made.

- The baseline, metrics and annual results should be published annually in the enterprise's sustainability report. This should be available online with details of changes and areas where more work is needed.
- As part of both the implementation and communication strategies there should be a clear and easy to use set of tools for people from within and outside the enterprise to report any activities that they suspect infringe on the policy for the company to investigate. This should include an email address, phone number, physical address, we chat account and named person responsible. All infringements should be followed up and the outcomes publicly reported.

## **4.2 COMMUNICATION STRATEGY FRAMEWORK**

As part of the transparency and implementation framework the EPO should develop a communication strategy to ensure that the new strategy is effectively and widely communicated both internally and externally. A suggested communication strategy framework is outlined below.

Who needs to know:

- All staff in Ugandan operations and senior staff in other operations, including China, in order to learn best practice;
- Chinese institutions including local diplomatic bodies and embassies, industry bodies, governance bodies (such as MOFCOM);
- Suppliers, contractors and business partners to Ugandan operations;
- Local government bodies and local offices of national government bodies in Uganda
- National government bodies including inter alia; NEMA, Ministry of Energy and Minerals, Ministry of Finance, Uganda Investment Authority (UIA), and UWA;
- Local and national civil society bodies and NGOs in Uganda;
- Law enforcement in Uganda;
- Local and national media in Uganda, media in China.

What they need to know:

- That the enterprise has devised and implemented a new strategy to lead the way in preventing illegal wildlife trafficking from threatening local biodiversity or their business operations;
- That the strategy has the full support of all senior leaders within the enterprise and will be incorporated into relevant staff performance reviews;
- The main elements of the strategy – internal zero tolerance for all wildlife gifts and products, random searches of vehicles, penalties associated with infractions;
- The purpose of the strategy and who will be affected by it;
- When the strategy will be implemented and which locations are most affected by potential changes;
- Who is responsible for implementing the strategy and is able to respond to questions;

- The communication and transparency arrangements for the new strategy;
- Where to access more information and how to track progress made against the strategy.
- For specific stakeholders such as civil society and media outlets, more detailed information may be provided regarding the steps they can take in the event of suspected illegal activity by the corporation or affiliated entities.

When they need to know and who should inform them:

- Implementation date of the new strategy and regularly afterwards to ensure awareness remains high;
- EPO is responsible for ensuring communication is transmitted effectively.

How the information should be packaged and communicated:

- Usual communication channels for senior management to inform staff of new initiatives (intranet, emails, meetings etc);
- Press releases, radio interviews, posters in local markets;
- HR bulletins, annual training and induction courses;
- Mechanism for feedback for internal and external stakeholders, feedback should include a means of anonymously reporting infringements of the policy;
- Annual sustainability report outlining the baseline and progress made against the baseline, this should be made available online in both English and Chinese.

### **4.3 MONITORING FRAMEWORK**

This framework requires a clarity regarding the goals to be achieved within set time frames, how these are to be measured, who is responsible, and what measures should be taken in the event of goals and targets being missed. The monitoring framework should also strongly encourage transparency through outlining what information should be published, when and where, (ideally the monitoring results should be fully published in the annual sustainability report and made available online). A clear communication system (I.e. gold / silver / bronze or red / yellow / green) could be used to indicate progress made each year against metrics by different departments across the enterprise. As part of the monitoring framework the steps to be taken and by whom in the event that metrics of success are not met should be clearly defined and reported on, I.e. staff retraining, redesign training materials, enhance communication efforts, invite local media and local government to support monitoring efforts, increase spot checks on vehicles.

Information should be easy and low cost (financially and in terms of human resources) to collect and relevant to the metric being measured. Attributing reasons for observed changes

in biodiversity levels is always complex, project impacts can be delayed and it may be impossible to describe causes of change in the short - medium term. Due to the multitudinous forces at play on the levels of poaching and wildlife trafficking in Uganda (for example government policies, neighbouring country policies, poverty levels, conflict, weapon availability, changes in market demand etc) it is not possible to specifically attribute any changes in local levels of biodiversity to this project, therefore only one local biodiversity metric has been included as an option. The metrics below are therefore indirect and are designed to measure the effectiveness of the risk reduction approach on reducing the exposure of Chinese enterprises to illegal wildlife trafficking and any change in number of illegal wildlife trafficking incidents that result from the presence of Chinese nationals in Uganda. At the beginning of the project period all of these metrics should be measured (means of measurement suggested below) and recorded as a baseline for change.

#### **4.4 POSSIBLE METRICS TO BE MEASURED TO DETERMINE IMPACT OF POLICY ON RISK OF WILDLIFE TRAFFICKING**

- Change in levels of understanding of Chinese and local staff regarding:
  - Definition of wildlife trafficking and what products and species are included;
  - The main Ugandan and Chinese guidelines, regulations and penalties relating to possession, trading, consumption and trafficking of wildlife;
  - Why wildlife trafficking is an issue for the company, for the environment and for society in source, transit and destination countries;
  - The policies and penalties of the enterprise regarding wildlife possession, trading, gifting, consumption and trafficking;
  - The steps they should take to report incidences of illegal wildlife trafficking
- The perception among staff of the rewards offered by wildlife trafficking in comparison to risks of trafficking to themselves and the company;
- The number of wildlife products on display within the enterprise;
- The number of spot checks undertaken on shipments and vehicles managed by the enterprise and the proportion of these that uncover illegal wildlife products;
- The number of wildlife products offered as gifts to staff within the enterprise from external partners annually, including details on species offered, value offered and location;
- The number of wildlife products that have been gifted by the enterprise to external partners annually, including details on species offered, value offered and location;
- The number of incidences of staff approached by external wildlife vendors to buy wildlife annually, including details on species offered, value offered and location;
- Understanding among clients, suppliers, local government, business partners and other stakeholders of the new policy;
- The number of arrests / seizures annually related to wildlife consumption or trafficking involving Chinese nationals or Chinese operations in Uganda;
- The number of positive media references to the company in relation to its environmental record.

These metrics should be SMART (Specific, measurable, agreed, relevant and time-bound). Measurement for metric 1 - 7 could be completed through internal anonymous and confidential staff surveys conducted annually. The 8<sup>th</sup> metric could be measured through stakeholder surveys, the 9<sup>th</sup> and 10<sup>th</sup> metrics would require external data collected from Ugandan authorities and the media. The methodology and questions used to track progress should be comparable each year in order to accurately measure change.

Measuring the impact of the policy on biodiversity would be high cost and low accuracy (as attribution of changes would be very difficult). However, an annual survey of biodiversity levels in project locations could be undertaken to measure changes in the numbers of most commonly trafficked species.

## 5. RECOMMENDATIONS TO IMPROVE UGANDAN LEGISLATION TO COMBAT WILDLIFE TRAFFICKING

This section examines national legislation in Uganda to identify and recommend changes that can be made to reduce the exposure of foreign investments and investors to the risks of wildlife trafficking. This does not examine the detail of all legislation relating to investments and foreign companies as the main focus is on existing environmental management structures and opportunities to enhance these. This section is also limited in scope due to the very large number of relevant ministries, laws, policies and regulations that affect wildlife trafficking and prevention within Uganda and is therefore a fragmented and complex area to understand. As such it is recommended that a broader study be conducted into Ugandan legislation should more comprehensive and detailed recommendations be necessary.

### 5.1 INTRODUCTION

Wildlife in Uganda is provided for under the 1995 Constitution of the Republic of Uganda which gives state protection to important natural resources such as land, water, wetlands, minerals, fauna and flora on behalf of the people of Uganda under Objective XIII. Parks, Reserves, recreation areas and conservation of natural resources by central and or Local Governments comes under Objective XXVII along with the obligation to promote the rational use of natural resources so as to safeguard and protect the biodiversity of Uganda.

The guidance provided in the Constitution is elaborated and enhanced through a number of additional policies and laws including the - National Environment Policy (1994) and National Environment Act, Cap 153 of 2000. Other enabling policies and laws include the Local Government Act, 1997; National Forestry and Tree Planting Act, 2003; Wetland Policy, 1995; Oil and Gas Policy for Uganda, 2008; Fish Act, Cap 197 of 2000; Animal (Prevention of Cruelty) Act, Cap 220; Cattle Grazing Act, Cap 222 of 2000; Plant Protection Act; Prohibition of Burning of Grass Act, Cap 33 of 2000; and Animal Diseases Act, Cap. 218 of 2000; among others<sup>21</sup>. Wildlife is covered by the 1995 Uganda Wildlife Act, Cap 200 of 2000 and the 2014 Wildlife Policy.

The legislative framework in Uganda managing wildlife and biodiversity has been extensively revised and updated in recent years with a new wildlife policy published in 2014, a new wildlife bill and associated regulations approved in April 2016<sup>22</sup> and a new environment bill currently being developed (2016). These updates and revisions have been implemented partly in response to the listing of Uganda as a 'party of most concern' by the Convention on International Trade in Endangered Species (CITES) following high levels of trafficking and poor law enforcement responses in recent years. As a result of the recent revisions and updates the current situation regarding wildlife protection in Uganda is somewhat unclear and the text of the new wildlife act and environment act have not been available for detailed study. This section is therefore based on currently available information (June 2017) and may require updating as the new regulations are published and implemented in the coming months.

Uganda is a signatory to CITES and many of the provisions of CITES have been translated in Ugandan legislation through the Environment Act and associated regulations. However, there remain opportunities to better implement CITES regulations into national legislation and create a more coherent legal framework to manage wildlife within the international context.

There are three principle authorities in Uganda which need to be engaged to reduce (non-sector specific) investor risk and exposure to wildlife trafficking; the Ugandan Wildlife Authority (UWA), the National Environment Management Authority (NEMA) and the Uganda Investment Authority. Wildlife in Uganda is managed by Ministry of Tourism, Wildlife and Antiquities (MTWA) which reflects the priority and purpose given to wildlife in Uganda (in contrast with an ecological or intrinsic value). The MTWA has oversight of the UWA which is responsible for wildlife trafficking and trade management as well as for overseeing and managing developments in protected wildlife locations. Environmental issues more broadly, including setting environmental standards and guidelines and reviewing and monitoring Environmental Impact Assessments (EIAs) falls under the remit of NEMA. Foreign investors are overseen by the Ugandan Uganda investment Authority which has the responsibility to issue and renew the necessary investment licenses for business to operate in Uganda. Other sectoral authorities such as the National Petroleum Authority, and the National Forestry Authority, should be engaged at an early point to build awareness of the risks their business sectors pose to illegal wildlife trafficking and means of mitigating these risks.

In relation to setting the appropriate national standards for national and international investors it is important that the following government bodies have a strong understanding

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<sup>21</sup> Uganda Wildlife Policy 2014

<sup>22</sup> Uganda Progress Report to CITES <https://cites.org/sites/default/files/eng/com/sc/67/E-SC67-13-A9.pdf>

of the potential risks of wildlife trafficking from corporate activities and the mitigation options that are available<sup>23</sup>.

- The Ministry of Finance, Planning and Economic Development (MFPED); responsible for the National Planning Framework that translates the Government Policies into actionable strategies. The Ministry is important in determining national priority areas, as well as guiding expenditure allocations in line with the national priorities.
- Ministry of Works and Transport; responsible for infrastructure development, including construction of roads and railways.
- The Ministry of Lands, Housing and Urban Development.
- The Ministry of Energy and Mineral Development, especially as regards oil and gas and mining developments.
- Ministry of Agriculture, Animal Industry and Fisheries.

## 5.2 RECOMMENDATIONS

The primary recommendation is for wildlife trafficking specialists to enhance Uganda's existing environmental management frameworks through including wildlife trafficking as a discrete risk to be considered during strategic, sectoral and project planning. Key institutions to be engaged include the MFPED, UWA, NEMA, UIA, Local Governments and civil society. MFPED, as the body responsible for developing and funding strategic priorities across sectors, should be brought on-board in order to provide the necessary high level support for integrating wildlife trafficking prevention measures across multiple industrial sectors. NEMA, as the primary agency responsible for environmental management in Uganda should ensure that understanding of wildlife trafficking is brought up to appropriate levels among staff, particularly those engaged in developing and reviewing environmental assessments and liaising with other sector authorities such as the National Forestry Authority and the Petroleum Authority. Wildlife trafficking should be more effectively mainstreamed across environmental sectors in Uganda, for example the 2014 National Environment Management Plan references the threat posed by wildlife trafficking to biodiversity but fails to provide any policy guidance<sup>24</sup>. The 2014 Wildlife Policy includes combating wildlife crime as an objective of the policy with a list of associated strategies. However these are extremely general with vague wording and could not be implemented without significant work.

Reports indicate that the Ugandan Parliament will be presented with an amendment to the Wildlife Act during this tenth parliament (2015 - 2021) which may present the best opportunity for operationalising the 2014 Wildlife Policy. If possible it is strongly recommended that UWA is supported to enhance and strengthen Uganda's wildlife legislation

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<sup>23</sup> WCS Gap Analysis Legal and Policy Framework No Net Loss / Net Gain Ugandan Biodiversity June 2017

<sup>24</sup> National Environment Management Plan  
[http://nema.go.ug/reports/DRAFT\\_FINAL\\_NEMP\\_2014\\_Dec\\_20143.pdf](http://nema.go.ug/reports/DRAFT_FINAL_NEMP_2014_Dec_20143.pdf)



and policies in line with a more cautious, risk-management approach to permitting resource exploitation in protected areas and strengthening wording and strategies regarding combating wildlife trafficking.

### 5.3 RISK MANAGEMENT

Overall the single most cost effective change that could be made to Uganda's national legislation and risk management framework to reduce the risk of wildlife trafficking is to include wildlife trafficking as an explicit and specific risk within both Strategic Environmental Assessments (SEAs) and EIA / ESIA or risk management guidelines, particularly in high risk sectors and locations<sup>2526</sup>. Currently the environmental management framework developed in Uganda requires independently reviewed EIAs to be conducted by the developer in sectors such as infrastructure, oil and gas exploration, mineral extraction, energy developments (including hydro power), and forestry operations. NEMA provides guidance on EIAs as well as maintaining a list of qualified practitioners, it is recommended that a solid understanding of wildlife trafficking risk mitigation is included in the requirements for EIA practitioners and that training for practitioners be provided. Additionally the risks posed to wildlife trafficking by the private sector and mitigation measures for these (as outlined in section one and two) should be incorporated into the official guidance for EIAs.

EIAs can be a powerful tool for effective environmental management when used correctly, this includes maximizing transparency through publishing full EIA reports and recommendations as well as ensuring follow up audits are conducted and published to encourage compliance. SEAs offer an opportunity to identify risks and opportunities at a higher level, including at the policy level, and should be used to identify the most high risk sectors and locations that should be subject to additional controls at developer and project level.

Additionally implementing wildlife trafficking risk management best practice should form part of the criteria for issuing and renewing investment licenses for priority sectors and locations. The current Investment Code allows for environmental considerations to be incorporated into the language and terms of the investment license<sup>27</sup>. The Uganda Investment Authority should be considered a key stakeholder to be brought on board these efforts to reduce corporate exposure to wildlife trafficking.

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<sup>25</sup> High risk to include investments located in or near previously inaccessible and highly biodiverse areas, export orientated and logistics industries, particularly in the natural resource and extractive sectors, located in or near high volume trafficking routes (roads, markets, airports, ports), located in or near wildlife parks or game reserves.

<sup>26</sup> EIA Regulations in Uganda [http://nemaug.org/regulations/eia\\_egulations.pdf](http://nemaug.org/regulations/eia_egulations.pdf)

<sup>27</sup> Ugandan Investment Code Act <http://www.ulii.org/ug/legislation/consolidated-act/92>

## 5.4 TRANSPARENCY AND MONITORING

In addition to using EIAs as a discrete tool to encourage and guide considerations of wildlife trafficking risks as an integral part of all operations the UWA (as lead wildlife agency) and NEMA as the independent reviewers of the developer-drafted EIAs are boosting transparency and public engagement through creating a public EIA database of approved projects. Generally, follow up to project approval and effective oversight of agreed mitigation measures is a weak spot for the EIA system<sup>28</sup>, publication of projects with details of the agreed mitigation measures and time frames that these should be completed by would enable local and district environmental committees, civil society and local government to monitor implementation more effectively.

An opportunity for greater transparency is also offered through the Investment Licensing process, the UIA is required to maintain records of all licenses issued and renewed<sup>29</sup>. Information contained includes licensee names, locations, and activities as well as potentially the environmental considerations agreed by the authority and the investor. Publishing this information online would enable greater oversight by civil society and authorities of the activities and risk management systems employed by investors.

Both transparency mechanisms should be designed with guidance and feedback opportunities to enable interested parties to report on investors' activities to the relevant authorities. Effective communication strategies, potentially based on the strategy outlined in this paper should also be implemented to ensure that the mechanisms are publicised effectively.

## 5.5 AWARENESS RAISING AND COORDINATION

Uganda has recently improved its management of wildlife trafficking following the CITES listing of Uganda as a 'party of primary concern'. Many of the measures taken are positive and should effectively enhance the law enforcement capacity of Uganda regarding illegal wildlife trafficking. One element of the agreed enhancements is to improve public awareness of wildlife trafficking as an issue in Uganda, however a noticeable gap in this approach is corporate engagement and training. To continue to improve and build on the foundation provided by public awareness raising programs, an additional training and awareness raising program should be developed targeting investors in high risk locations and sectors. This should build on the program developed by NGOs working on this issue to learn from experience as to what is the most effective approach. The training program should aim to both raise corporate awareness of wildlife trafficking as a potential threat to their business operations and to let investors know that the Government of Uganda takes wildlife trafficking seriously. Local and District Environment Committees are an important resource to be

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<sup>28</sup> Review of EIA Effectiveness in Africa

[http://www.encapafrika.org/documents/cleaa/African\\_Experts\\_Workshop\\_on\\_Review\\_of\\_Effectiveness\\_of\\_EIA\\_Systems\\_April\\_2007\\_Annex\\_6.pdf](http://www.encapafrika.org/documents/cleaa/African_Experts_Workshop_on_Review_of_Effectiveness_of_EIA_Systems_April_2007_Annex_6.pdf)

<sup>29</sup> <http://www.ugandainvest.go.ug/>

engaged in public outreach, providing training and awareness raising activities for the general public and private sector.

Institutional coordination has also been addressed in the enhanced wildlife trafficking approach through the creation of a multi-agency task force. However, this is focused only on law enforcement coordination and does not include working with private sector investors on prevention and risk mitigation. The high number of institutions and ministries that are relevant to wildlife trafficking prevention (including the UIA, Petroleum Authority, National Forestry Authority etc.) do not currently have any formal mechanism for coordinating to develop regulations or joint policies to tackle wildlife crime. The sector is fairly fragmented with UWA having overall authority for wildlife protection in protected areas but with no clear management framework for preventing wildlife trafficking across all sectors or locations.

As such the final recommendation is for UWA to create a liaison post to support greater engagement with all relevant sectors in order to implement the wildlife trafficking risk reduction approach outlined in this report. This would include structured training for government agencies as well as developers and investors regarding the risks of wildlife trafficking and how to mitigate these. The UWA should work closely with civil society, church groups, local government, district and local environment committees to build engagement and support for efforts to combat wildlife trafficking. UWA should also work with the technical committees appointed by NEMA on ESIA and biodiversity conservation<sup>30</sup> to ensure that wildlife trafficking is included as a discrete risk within environmental management policy and frameworks.

## **5.6 LEGISLATION AND INSTITUTIONAL FRAMEWORK**

### **5.6.1 The National Environment Act<sup>31</sup> and the National Environmental Management Authority**

All environmental issues that do not include wildlife come under the remit of the National Environment Management Authority (NEMA) created by the 1995 National Environment Act. The principal agency in Uganda for the management of the environment NEMA is responsible for coordinating between lead agencies in different specialisms and will work with lead agencies on technical issues such as reviewing Environmental Impact Assessments (EIAs). The Act provides for wildlife protection and contains provisions for protection and sustainable use of wildlife. It includes provisions for the conservation of biological resources *in situ*, and the selection and management of protected and buffer areas. The Act and NEMA also provide guidance on EIAs and maintain a list of qualified practitioners.

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<sup>30</sup> As set out in the National Environment Act 1995 section III no. 10 <https://ulii.org/ug/legislation/consolidated-act/153>

<sup>31</sup> The National Environment Act <http://www.wipo.int/edocs/lexdocs/laws/en/ug/ug019en.pdf>

## 5.6.2 The Uganda Wildlife Act and the Ugandan Wildlife Authority

The Act<sup>32</sup> provides for conservation and management of wildlife and wildlife protected areas in Uganda. It creates the Uganda Wildlife Authority and charges it with management of wildlife in and outside protected areas. The Act under S.4 (3) puts the Uganda Wildlife Authority under overall supervision of the ministry responsible for tourism, wildlife and antiquities. The Act sets out the uses of wildlife and penalties for offenses, including utilising wildlife without the appropriate license, however the main focus of the act is on the creation and management of protected areas.

The UWA staffing structure<sup>33</sup> was updated in mid 2016 to include a new focus on wildlife trafficking and law enforcement through the creation of an intelligence unit and a cross-agency task force for law enforcement. These are significant improvements on the previously law emphasis given to this issue (based on staffing levels focused on combating wildlife trafficking). However, the focus is strongly on law enforcement rather than seeking to engage the private sector or coordinate effectively with other relevant authorities and departments to raise awareness and prevent wildlife trafficking.

In 2014 Uganda's Wildlife Policy was redeveloped<sup>34</sup>, partly in response to the increasing demand for resource exploitation within national parks and the increase in wildlife trafficking. The new policy explicitly supports natural resource exploration and development within protected areas, tackling wildlife trafficking is listed as a discrete objective and has a number of associated strategies to help achieve it.

These updates have been developed in response to Uganda's placement on the list of 'parties of primary concern' by the Convention on International Trade in Endangered Species (CITES) as a result of the very high poaching and trafficking rates seen in Uganda in recent years. Uganda, as a signatory of CITES was requested to complete a National Ivory Action Plan (NIAP) and submit annual progress updates to the CITES Secretariat, this included action on law enforcement, coordination and awareness raising. The most recent update (2016) indicated all recommendations had been 'significantly achieved' and the actions taken should have a significant impact on enforcement and public awareness in Uganda<sup>35</sup>.

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<sup>32</sup> The Uganda Wildlife Act <https://www.gouandasafari.com/uganda-wildlife-policy.html>

<sup>33</sup> Uganda's Wildlife Authority Management Structure <http://www.ugandawildlife.org/about-uganda-master/management-structure>

<sup>34</sup> Wildlife Policy 2014 <https://www.gouandasafari.com/uganda-wildlife-policy.html>

<sup>35</sup> Uganda CITES Progress Report available in Annex 1

### 5.6.3 Investment Code Act and the Investment Authority

Oversight of companies and foreign investments is the remit of the Ministry of Planning and Economic Development, specifically the Uganda Investment Authority which has the responsibility for issuing investment licenses as laid out in the 1991 Uganda Investment Code Act<sup>36</sup>. These Investment licenses offer an opportunity to engage investors in responsible behavior as the licenses must be renewed every five years. The Investment code also includes stipulations about environmentally sustainable behavior by investors and a requirement the enterprise allow the authority reasonable access to inspect investments or to include a clause that the investor takes reasonable steps to ensure operations do not damage the ecology and environment. The Code also requires that the Authority shall keep a record of all licenses issued under this code - this clause offers a good opportunity to boost transparency and promote responsible investment.

### 5.6.4 2008 Oil and Gas Policy

Uganda's 2008 Oil and Gas policy has a very short paragraph addressing potential environmental and biodiversity impacts from oil and gas exploration.<sup>37</sup> The policy does go on to outline and clarify the roles of the different stakeholders involved in oil and gas exploration which include the Petroleum Authority of Uganda's duty (PAU) to ensure that developers adhere to laws and regulations to protect the environment, the PAU is answerable to the Ministry for Energy and Mineral Development. Other ministries have been given responsibility to ensure that developments follow the necessary legislation and regulations for locations and issues within their remit. This includes the NEMA and UWA which have been given clear roles in the implementation of the policy. However it is not clear the strength of these agencies or how they are able to enforce the policy requirements in practice. It would also be informative to understand how this policy is implemented in practice, for example if the relevant agencies are informed of development activities and given sufficient authority to demand changes to activities when these may impact negatively on wildlife and the environment.

**The National Forestry Authority:** has the responsibility to manage wildlife in forest reserves under its jurisdiction under technical guidance of Uganda Wildlife Authority.

**Ministry of Local Government:** with technical guidance from Uganda Wildlife Authority in charge of management of wildlife that is found in areas outside protected areas under District jurisdiction including private lands.

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<sup>36</sup> <http://www.ulii.org/ug/legislation/consolidated-act/92>

<sup>37</sup> [Uganda's 2008 Oil and Gas policy](#)

## 6. CONCLUSION

Uganda is a highly biodiverse country that is very dependent on a healthy natural resource base to provide the basis for agriculture and forestry operations. Wildlife are a vital draw for the rapidly growing tourism industry in Uganda as well as supporting healthy ecosystem functioning. Effectively identifying, managing and mitigating corporate exposure to illegal wildlife trafficking is a highly efficient and beneficial approach for both Ugandan and Chinese stakeholders to avoid the negative side effects of economic development and investment. Fortunately the necessary regulatory and legislative framework already exists in Uganda to facilitate this approach, small enhancements and greater stakeholder coordination and engagement as outlined in this report should enable a very low cost and highly effective low-risk investment framework.

The illegal wildlife trafficking supply chain from source to market is complex and highly adaptable, efforts to address demand and restrict supply through enhance law enforcement efforts are not sufficient to stem the flow of illegal wildlife. Corporations have a strong level of self interest in ensuring their staff and long term viability are not undermined by the illegal trade in wildlife exploiting loopholes and weaknesses in their operational structure. Working with businesses who are at the front line of the supply chain offers a potentially very high impact and relatively low cost means of closing an overlooked element in the international supply chain of illegal wildlife.