

## CASE STUDY

8

### COMMODITIES INVOLVED

Abalone and illicit drugs

### CONVERGENCE TYPOLOGY

Transactional convergence of illicit commodities

### GEOGRAPHIC REGION

Southern Africa



In many parts of Asia, abalone is another highly sought-after seafood delicacy. In South Africa, the illegal trade in abalone to supply the high demand in Asian markets is driving a severe decline in stocks of the shellfish and drawing local fishing communities into the criminal underworld. More than 96 million individual abalone are estimated to have been poached in the 10 years from 2006-2016, with 90% of them sent to Hong Kong SAR.<sup>37</sup>

The illicit abalone trade in South Africa is largely controlled by Chinese criminal groups, who source their product from local gangs operating in fishing settlements close to known poaching sites. The abalone is typically dried in illegal processing facilities in South Africa, before being transported across the border by truck into Namibia, Zimbabwe, or Mozambique, with abalone hidden in false compartments

or among boxes of other products such as dried fruit. From there, it is exported to Hong Kong SAR.<sup>38</sup> In June 2020, South African police and environmental officials busted an illegal abalone processing facility in Western Cape province, arresting two suspects and seizing abalone worth over ZAR 5.4 million (equivalent to approximately USD 374,000).<sup>39</sup>

**Shipments of illegal abalone** are reportedly often exchanged for drugs such as methamphetamine or its chemical precursors, embedding the trade within South Africa's drug economy.<sup>40</sup> This type of barter is an example of transactional convergence, occurring when criminal groups in different markets purchase or exchange goods or services with each other.<sup>41</sup> Although this abalone-for-drugs criminal trade has been widely reported in South Africa by multiple sources, there is a dearth of specific cases of seizures or arrests involving both commodities, indicating that this convergence may not yet be effectively targeted by law enforcement authorities.

**One linked case** that was recently reported in July 2020 involved the seizure of 41 rhino horns at OR Tambo International Airport in Johannesburg from a shipment declared as "fine art", which was destined for Malaysia. A further search of the warehouse led to the discovery of abalone worth an estimated USD 66,000 destined for Hong Kong SAR and approximately USD 40,000 worth of the drug

<sup>37</sup> TRAFFIC (2018), *Empty Shells: An assessment of abalone poaching and trade from southern Africa*, accessed at: [https://www.traffic.org/site/assets/files/11065/empty\\_shells.pdf](https://www.traffic.org/site/assets/files/11065/empty_shells.pdf)

<sup>38</sup> <https://www.theguardian.com/environment/2018/aug/19/poachers-abalone-south-africa-seafood-divers>



Image 11: In June 2020, Police and environmental officials busted an illegal abalone processing facility in Western Cape province, seizing abalone worth over ZAR 5.4 million. Credit: Pixabay

ephedrine hidden in a shipment of printer cartridges destined for Madagascar.<sup>42</sup>

**The illegal abalone trade** also exists alongside the legal commercial trade in wild-caught and farmed abalone, providing the potential for convergence between licit and illicit markets. This is particularly the case once the product is outside of South Africa, as many key transit and destination countries along the supply chain do not have the legal provisions to recognise illegally sourced abalone, while the main abalone species being exploited<sup>43</sup> is not listed by CITES.

**Corruption is also known** to be closely linked to South Africa's abalone black market. In May 2018, nine fisheries officials were arrested for colluding with poachers,<sup>44</sup> while two top officials in the fisheries department have also been involved in separate scandals including rigging auctions of confiscated abalone and sabotaging an investigation into an abalone syndicate.<sup>45</sup>

#### GOOD PRACTICE

- **Anti-corruption:** Some instances of official corruption associated with illegal abalone in South Africa have been investigated and suspects arrested.

#### INTERVENTION STRATEGY FOR FUTURE CONSIDERATION

- **Anti-corruption:** Continuing allegations of high-level corruption indicate the need for a systemic approach to identify and mitigate corruption vulnerabilities in this sector.
- **Organised crime group mapping** would be a useful technique to help identify those criminal networks who are involved in a variety of different crimes and enable law enforcement to focus resources more efficiently on targeting those groups posing a higher criminal threat.

<sup>39</sup> <https://www.thesouthafrican.com/news/abalone-poaching-in-south-africa/>

<sup>40</sup> <https://globalinitiative.net/analysis/abalone-poaching/>

<sup>41</sup> Management Systems International (2020), *Strengthening the Rule of Law Approaches to Address Organised Crime: Criminal Market Convergence*, accessed at: <https://globalinitiative.net/wp-content/uploads/2020/03/ROL-and-OC-White-Paper-4-Criminal-Market-Convergence-March-2020.pdf>

<sup>42</sup> <https://www.timeslive.co.za/news/south-africa/2020-07-14-rhino-horn-worth-r115m-disguised-as-fine-art-seized-at-or-tambo-airport/>

<sup>43</sup> *Haliotis midae*

<sup>44</sup> <https://www.news24.com/news24/SouthAfrica/News/marine-inspectors-bust-for-allegedly-aiding-abalone-syndicate-20180306>

<sup>45</sup> <https://www.groundup.org.za/article/fisheries-department-rots-top/>