

**Forum:** Conference of the Parties (COP28)

**Issue:** Strengthening Global Approaches to Combat the Production and Illicit Trade of Environmental Commodities.

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**Introduction:**

When the topic of illegal production and trade comes up, it is people's response to think of drugs, or human trafficking, however, environmental crimes are just as big of an issue. The illicit production and trade of environmental commodities, including wildlife, timber, and marine resources, pose a grave threat to the environment, biodiversity, and sustainable development worldwide. This problem spans various sectors, from wildlife trafficking to illegal logging, Unreported and Unregulated (IUU) fishing, and resource extraction, often driven by criminal networks. Although environmental crime is a growing threat, it remains a low priority for governments as it is a 'victimless' crime, however, that is not the case, the victims are just presented differently in a multitude of ways such as environmental consequences, exploitation of local communities, repercussions on the economy, ecetera. Strengthening global approaches to combat this issue is crucial for environmental conservation and sustainable development.

**Definition of Key Terms:**

- 1. Illicit Trade:** Illicit Trade is defined in Wikipedia as "the production or distribution of a good or service that is considered illegal by a legislature."
- 2. Environmental Commodities:** Environmental Commodities are defined in ALLCOT Trading as "basic goods originating from natural resources, produced under sustainable conditions."
- 3. Wildlife Trafficking:** Wildlife Trafficking is defined by the UNODC as "the illegal trade, smuggling, poaching, capture, or collection of endangered species, protected wildlife (including animals or plants that are subject to harvest quotas and regulated by permits), derivatives, or products thereof."

4. **Illegal Logging:** Illegal Logging is defined by WWF as “related trade occurs when timber is harvested, transported, processed, bought or sold in violation of national or sub-national laws. It also refers to clearing of forests for plantations such as oil palm.”
5. **IUU Fishing:** IUU Fishing is illegal, unreported, and unregulated fishing which violates both national law and international law.
6. **Mining and Resource Extraction:** Mining and Resource Extraction is defined in the Oxford Dictionary as “the act or process of removing or obtaining mineral resources from the Earth”
7. **Environmental Crimes:** Environmental Crimes are defined by UNODC as “Environmental crimes can be broadly defined as illegal acts which directly harm the environment. They include the illegal trade in wildlife; smuggling of ozone-depleting substances (ODS); illicit trade in hazardous waste; illegal, unregulated, and unreported fishing; and illegal logging and the associated trade in stolen timber”

## Background Information

Production and Illicit Trade of Environmental Commodities has been growing with the acceleration of industrialisation during the 20th and 21st centuries, this is due to the increasing demand for materials such as timber, minerals, and wildlife products.

Below are the main forms of producing environmental goods;

1. **Wildlife Trafficking:** Illicit wildlife trafficking remains a paramount concern, with species being pushed toward extinction due to poaching and the illegal trade in animal parts, such as ivory and rhino horns. Additionally, this illicit trade fuels transnational organised crime and corruption.
2. **Illegal Logging:** The illegal logging of timber and deforestation have profound and detrimental impacts on forests, biodiversity, and the climate. Unregulated logging practices, often linked to criminal networks, lead to habitat destruction and contribute to carbon emissions as up to one-fifth of greenhouse gas emissions stem from deforestation.
3. **IUU Fishing:** Illegal, unreported, and unregulated (IUU) fishing contributes to overfishing, resource depletion, and the degradation of marine ecosystems. This

phenomenon not only jeopardises food security but also undermines the livelihoods of millions dependent on the fishing industry.

4. **Mining and Resource Extraction:** The illicit extraction of minerals and resources, often from protected areas or indigenous lands, wreaks havoc on ecosystems and has broader repercussions, including the fueling of conflicts and human rights abuses.

As nations aimed for economic development, the surge only kept growing creating opportunities for illegal products to enter the market, exploiting these demand gaps. The growth of international markets further fueled the illicit trade, as criminals wanted to be a part of the profits made from this heavily demanded commodity. Due to the growth of these illegal commodities, efforts to counter them have also grown, and organizations and initiatives are emerging to address the environmental and social consequences of illegal production and trade of environmental commodities. There have been many contributing factors to this issue including;

## Contributing Factors

### *Economic Incentives*

Environmental crimes “bring in anything from 110 to 281 billion US dollars yearly. Two-thirds of this amount is accounted for by the three research focal areas: trash trafficking, illicit mining, and forestry crime.” This simple statistic speaks the truth about the situation at hand. Environmental crimes have a very high-reward and low-risk situation, as explained further in this report. This makes it a lucrative environment for organisational criminal groups to grow and, in turn, recruit various people from lower economic backgrounds due to the financial gains allowing these criminal groups to grow and develop their capabilities. In regions where economic opportunities are limited, engaging in illegal activities provides significant financial gains, especially illegal activities related to environmental commodities.

### *Weak Governments*

Having weak or no structures in the government, inadequate law enforcement, and corruption create environments that are lucrative to illegally trade in, allowing criminal networks to be prosperous. A study by Bloomberg found that “Environmental Crimes May Cost World Economy \$258 Billion” [read more here.](#)

## ***Globalisation***

Increased global connectivity and ease of transportation facilitate the movement of illegal goods across borders. Criminal networks exploit global trade routes and networks to smuggle environmental commodities.

## **Current Situation**

“Taken together, economic leakages from illicit trade create an annual drain on the global economy of \$2.2 trillion – nearly 3% of the world’s economy. If illicit trade were a country, its economy would be larger than Brazil, Italy and Canada – and as large as Mexico and Indonesia combined.” (UNCTAD). Environmental crimes are one of the most profitable forms of criminal activity, generating tens of billions of dollars in profits for criminal enterprises every year, and continue to grow. This growth can be attributed to the increase in international environmental agreements, more control over environmental goods, many criminal operations diversifying their crime, and lastly, the ease of facilitating the movement of illegal goods across countries.

Countries around the world are just now facing the ruin of illicit goods, especially the Asia-Pacific region. Regions with a long supply of illicit goods are experiencing an increase in demand for said goods, compounding this problem significantly. All this demand has severe consequences such as wildlife animals disappearing at an alarming rate, illegal logging remaining a threat to deforestation, an increase in organised networks, ectetera.

A key aspect related to environmental goods is corruption. Because environmental crimes do have a high profit margin, and the materials needed to make the goods can be harvested or poached at minimal costs, there is an increase in organised networks participating. Organised criminals would thrive as they have the means to succeed and they are adaptable. On top of organised crime, there is money laundering and the exploitation of disadvantaged communities. In the same way that criminals perceive environmental crime as an easy option for money, the same can be said for individuals in positions of authority. Individuals in positions of authority can facilitate the transport of illicit goods, ‘turn a blind eye’ to what’s happening around them, and prevent the true cost of environmental crimes from being assessed. Corruption, organised crime, money laundering, and economic crime are all aspects of environmental crime which prevent the world from successfully combating this issue.

## ***Issues Related to the Increase of Production and Illegal Trade of Environmental Goods.***

### ***Impacting all aspects of the SDGs***

The Sustainable Development Goals, aimed to be achieved by 2030 will be severely set back with the increasing production and illegal trade of environmental goods. Specific SDGs affected include SGD 15 - Life on Land; SDG 14 - Life Below Water; SDG 12 - Responsible Consumption and Production; SDG 13 - Climate Action, such illegal environmental activities can contribute to carbon emissions and disrupt natural carbon sinks; SDG 16 - Peace, Justice, and Strong Institutions. The illegal production and trade of environmental goods are often linked to organized crime, corruption, and weak governance. Addressing these issues is crucial for achieving SDG 16's goals; Lastly, SDG 8 - Decent Work and Economic Growth, Illegal activities in the production and trade of environmental goods can undermine sustainable economic growth and negatively impact livelihoods.

### ***Irreversible Damage to Ecosystems***

“Environmental crimes are rising by 5-7% annually – 2–3 times the rate of the global economy” (UNEP). As there is an increase in environmental crimes, there is a proportional increase in irreversible damage to ecosystems. An example includes illegal logging, “with an estimated annual value of up to \$157 billion, it is the world’s most profitable crime involving natural resources.”(WWF). Once forests are cleared or habitats are lost due to this illegal logging, the biodiversity that once existed in those areas may never fully recover. The illegal trade of wildlife also has a major impact on the loss of ecosystems, often involving the depletion of rare or endangered species. Removing these species from their natural habitats disrupts ecological balances and leads to effects on other species. Lastly, Illegal fishing, including overfishing and the use of destructive techniques. The depletion of fish populations and damage to marine ecosystems, make it hard to recover.

### ***Illicit practices - High Profit and Low Risk***

Organized criminal groups can make a lot of profits with minimal risk through illicit trade. Penalties, sentences, and other punishments for crimes in the production and illicit trade of environmental commodities are significantly weaker than for other types of trafficking. This leads to more and more organised criminal groups getting involved with this industry, which then leads to the rise of other criminal issues, due to it being a safe-sounding revenue for criminals. Trafficking environmental goods can cause a lot of other issues including counterfeiting, piracy, tax evasion, etc.

## Major Parties Involved and Their Views

### COP-28 & UNODC

“The “Conference of the Parties” (COP) is the global decision-making body of the UN Framework Convention on Climate Change (UNFCCC). The Parties meet every year to review progress and decide on the path forward.” The United Nations Office on Drugs and Crime (UNODC) at COP28 is the leading issue on crimes that affect the environment, which contribute to the planetary crisis of biodiversity loss, pollution, and climate change. This is due to the fact that environmental crimes often have links to corruption and other types of crimes. UNODC’s efforts contribute to the achievement of the Sustainable Development Goals (SDGs), particularly, 3, 13, 14, 15 and 16.

### INTERPOL

The International Criminal Police Organization (INTERPOL) is against the illegal production and trade of environmental commodities for many reasons, mainly focusing on the criminal aspect of it. Firstly, recognizing the severe threats these activities pose to biodiversity, ecosystems, and global security, Interpol has prioritized the fight against environmental crime, stating environmental crime as the world's third most lucrative criminal business after drugs and counterfeit goods, ahead of human trafficking. INTERPOL predicted the interest of organized crime groups entering the industry of environmental commodities due to the high profits and low punishments. Predicting this early on, INTERPOL implemented an Environmental Security Programme (ENS) which helps member nations improve and enforce their environmental laws and treaties making their nation less susceptible to these types of crimes. Furthermore, over the past decade, INTERPOL has been actively reducing this issue by increasing operations which have resulted in numerous successes, [read more here.](#)

### United States of America

The United States of America has demonstrated a commitment to addressing the production and trade of illicit environmental commodities. The US recognises the global implications of environmental crime, and the government has enacted legislation and established frameworks to combat illegal activities. The United States actively participates in collaborating with other nations, organizations, and organisations to share intelligence and coordinate

enforcement actions. Additionally, the U.S. has supported initiatives aimed at raising public awareness, strengthening penalties for environmental offences, and promoting sustainable practices both domestically and internationally. An example of how the US is taking definitive action is that they launched a bill that would prohibit the import of products made from commodities produced on illegally deforested land called the 'FOREST Act of 2023'.

## **China**

China is a hub for a lot of fake productions, it has often been a destination for illegal wildlife products, however, these businesses can endanger lives. The country has faced scrutiny for its involvement in activities such as illegal logging, wildlife trafficking, and the trade of illicit minerals. Due to this efforts to take action have been implemented, and the Chinese government increased regulations, and law enforcement measures, and is raising public awareness. Additionally, as one of the largest consumers of timber and wood products, China has grappled with issues of illegal logging and the importation of unlawfully harvested timber.

## **World Wildlife Fund (WWF)**

The World Wildlife Fund showcases dedication and commitment to stopping/reducing the illegal trade and production of environmental commodities, mainly focusing on the environmental aspect of it. This organization has implemented many actions frequently highlighting the importance of this issue. One of the main actions WWF has made is raising awareness about this issue and all the factors relating to it. This can be seen through the many articles posted aimed at people everywhere for them to get a better understanding of this topic, and the urgency of it, examples of articles can be found in the useful links section. Furthermore, by leveraging their scientific knowledge, and relationships with various governments and non-governmental organisations, WWF's aims are to disrupt the illicit supply chains and contribute to the establishment of sustainable practice.

## **UN Involvement, Relevant Resolutions, Treaties and Events**

The United Nations has several resolutions related to the topic of Strengthening Global Approaches to Combat the Production and Illicit Trade of Environmental Commodities. While these resolutions are specifically directed towards countering illegal wildlife trade, they need to take actual action and look at the problem more broadly.

- Resolution on Tackling Illicit Trafficking in Wildlife:
  - [A\\_RES\\_73\\_343-EN.pdf](#)
  - Adopted by the UN General Assembly, this resolution urges member states to reinforce efforts and adopt effective measures to counter crimes impacting the environment, conservation, and biodiversity. It emphasizes the need for decisive national actions to prevent, combat, and eradicate illegal wildlife trade, which is associated with organized crime and threatens ecosystems, security, rule of law, and good governance.
  - This Resolution serves as advocacy for the problem at hand by urging nations to take action but doesn't take any direct action.
  
- Resolution on Tackling Illicit Trafficking in Wildlife:
  - [A/RES/69/314](#)
  - Welcomed by the United Nations Environment Assembly, this resolution acknowledges the significant problem of illegal trade in wildlife and its profound impact on flora and fauna.
  - It calls upon member states to develop, adopt, and implement strategies and action plans to address illegal wildlife trade, strengthen wildlife trade governance systems, and support various international and regional initiatives combating this trade.
  - Once again, this Resolution serves as advocacy to the problem at hand by urging nations to take action, but doesn't take any direct action.
  
- Resolution on Cooperation with the International Consortium on Combating Wildlife Crime:
  - [ECN152022\\_L2\\_rev\\_in\\_COW.pdf](#)
  - This resolution recognizes the important role of non-governmental organisations, academic institutions, and the private sector in combating illegal wildlife trade. It urges collaboration with the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and other partners to support member states in implementing commitments against wildlife trafficking.



- Resolution serves as advocacy for the problem at hand by recognizing the role of NGOs, Institutions and the Private Sector
  
- Resolution on Supporting National Legislation and Capacity Building:
  - Resolution 22/8
  - Calls for the Executive Director to assist national governments in developing and implementing legislation related to illegal wildlife trade.
  - Emphasizes capacity building in prosecutorial investigations and other relevant areas to strengthen national responses to wildlife trafficking.
  
- Resolution on Identifying and Compiling Knowledge on Environmental Crimes:
  - [https://www.unodc.org/documents/commissions/CCPCJ/CCPCJ\\_Sessions/CCPCJ\\_31/BackgroundNote\\_ExpertDiscussions\\_Crimes\\_that\\_affect\\_the\\_environment\\_final.pdf](https://www.unodc.org/documents/commissions/CCPCJ/CCPCJ_Sessions/CCPCJ_31/BackgroundNote_ExpertDiscussions_Crimes_that_affect_the_environment_final.pdf)
  - The resolution requests the UN Environment Programme's Executive Director to work with relevant organizations to compile knowledge on crimes with significant environmental impacts, including illegal wildlife trade.
  - This effort aims to better understand the environmental impacts of these crimes and their interlinkages and report on these findings to the UN Environment Assembly.

## Possible Solutions

1. **Collaboration between countries and organisations:** Collaborative efforts to enhance law enforcement, intelligence sharing, and border controls are essential for effective enforcement. By fostering improved coordination amongst nations, these initiatives enable the pooling of resources and the sharing of critical intelligence. This results in authorities focusing on key criminal networks engaged in environmental crimes. Furthermore, cross-border cooperation further strengthens the ability to monitor and combat illegal activities. This could be done by the implementation of a committee to

oversee a meeting every year based on trying to combat the production and illicit trade of environmental commodities.

2. **Strengthening legal frameworks:** Delegates can amend or add policies relating to the production and illicit trade of environmental commodities. Enhanced legislation enables authorities to clearly define and classify environmental crimes, which then in turn can allow authorities to take relevant action more efficiently. Examples of policies include wildlife protection acts, requiring permits and licenses for businesses producing these products, implementing advanced technologies at borders, holding businesses accountable for their supply chain ensuring transparency, and lastly enforcing laws that mandate environmental impact assessments to ensure projects comply with environmental regulations.
3. **Technological Solutions:** Leveraging technologies for monitoring, and using case studies like Operation Thunderbird and REDD+ as successful models can help combat the production and illicit trade of environmental commodities more effectively. Artificial intelligence and data analytics can help process mass information, identify patterns, and predict potential illegal activities. Meanwhile, blockchain technologies such as ones used to track where a product came from, can be used to establish transparent and tamper-proof supply chains, ensuring the traceability of products from source to consumer. Increased and more advanced technology can be achieved with increased investments into research and development, subsidising technology companies that specialise in these technologies, and enforcing less stringent rules for startups.
4. **Raising awareness:** Environmental crimes are just as big of an issue as drugs and human trafficking, however, people don't recognise that. This makes raising awareness for this issue a solution of utmost importance. Increased awareness educates the public about the ecological consequences, the decrease of endangered species, and the exploitation of natural resources associated with illegal trade. This knowledge pushes consumers to make environmentally conscious decisions, opting for sustainably sourced products and rejecting those tied to illicit practices. Overall this helps reduce the demand for illicit environmental commodities, which reduces criminal groups exploiting these gaps. Raising awareness can be done in various ways including, public campaigns, educational programs, and media engagement.

- 5. Utilizing the technologies in space:** There are many space technologies which can help stop these environmental crimes such as;
- a. Satellite observation - Satellite observation allows for the real-time monitoring of remote areas prone to illegal logging or wildlife trafficking
  - b. Global Navigation Satellite Systems - GNSS can track the movements of ships and detect if anything UUU fishing is occurring, or GNSS can provide geo-tagging services for data collection and tracking wildlife or goods.
- 6. Increasing punishment:** Adding on to the enhancing legal frameworks, delegates can make policies to increase the punishments for environmental crimes. Such policies include sanctions, imprisonment, or any other punitive measures. This increases the risk of producing and illegally trading environmental goods making the high-profit low-risk situation turn into a high-profit, high-risk situation. The fear of legal repercussions will disincentivise criminal organisations to take part in this industry and engage in environmentally harmful practices.

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### Useful Links

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