



Wildlife Justice  
Commission



# Bringing down the Dragon: An analysis of China's largest ivory smuggling case

February 2022

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# Executive Summary

In December 2020, the Guangzhou Intermediate People's Court in China convicted 17 members of a criminal network that was responsible for smuggling at least 20.22 tonnes of elephant ivory from Nigeria to China between 2013 and 2019. The defendants included 16 Chinese nationals and one Malaysian national, while a further two Chinese nationals who were fugitives at that time have since been arrested and are currently facing trial. The sentences received ranged from two years up to life imprisonment with the confiscation of all personal assets, and individual fines up to RMB 5,000,000 (USD 770,273). It is China's largest ever ivory smuggling case, not only in terms of the quantity of ivory involved, but also the number of people arrested from the same network, and the size of the penalties.<sup>1</sup>

The Wildlife Justice Commission analysed the smuggling methods used by this network and identified a set of 10 enabling factors that facilitated their criminal operations. The enablers in this case are systemic issues that are relevant to many other cases, and they allowed the network to commit crime over at least a seven-year period. While these factors demonstrate the complexity of transnational organised wildlife trafficking, breaking down the criminal scenario into these components is useful to understand why the network was so successful and able to operate with impunity for so long. As such, this report is an in-depth case study of the inner workings of this criminal network, to highlight key systemic practices that could provide useful insights for law enforcement efforts to combat organised

wildlife trafficking. This report is compiled primarily from the trial hearing and media articles.

**The Chen family** from Shanting Town in Putian city, Fujian province was at the heart of this criminal network (hereafter referred to as the Chen organised crime group (OCG)), which was led by the father Chen Jiancheng and his two sons Chen Chengguang and Chen Chengzong. It was a transnational organised crime network consisting of members working along the whole Africa-China supply chain, with contacts inside and outside of China, and in Customs. The Chen OCG displayed various structural and operational characteristics typical of sophisticated traditional organised crime groups. By exploiting multiple techniques, national and international business norms to hide their identities and involvement in crime, and utilising cooperative partnerships with others in customs clearance, transportation, and sales, the Chen OCG operated from at least 2013 until their eventual arrests in March 2019.

**The case began** when the first seizure connected to the network was made in July 2013 at Shatian port in Guangdong province, China. Customs officers detected 4.46 tonnes of ivory and 7.57 kg of rhino horn concealed in two shipping containers, which were packed in wooden crates and hidden behind layers of timber planks. The three Chens were identified as the owners, but they managed to escape from China overland to Malaysia before authorities were able to arrest them.

**From Malaysia**, the Chens continued their ivory smuggling business with new partners, modus operandi, and fake Malaysian passports that allowed them to repeatedly travel back to China undetected. Two further ivory shipments were confirmed to have been successfully smuggled by the Chen OCG from Nigeria to China via Singapore and South Korea: 8.29 tonnes in August 2017 and 7.48 tonnes in February 2018. After entering China, the shipments were transported by road to Anhui province, where they were stored at the Changfeng Cable Factory premises while awaiting sale to buyers. There were two ivory seizures made outside of mainland China that are also suspected to have been linked to the network: 2.26 tonnes of ivory, rhino horns and leopard skins in Hong Kong Special Administrative Region (SAR) in August 2013 and 4.79 tonnes of ivory in Malaysia in 2017.

**China introduced** a complete ivory trade ban that came into effect from 31 December 2017, which was followed up with strict enforcement by Chinese authorities. The Chen OCG began to struggle to sell their ivory in 2018, and it appears that the ivory shipment of February 2018 was stranded for more than a year in storage due to the government's ivory crackdown. Around this time, ivory stockpiling also began occurring in neighbouring countries in Southeast Asia as the crackdown caused difficulties in smuggling shipments across the border into China.

**November 2018** signalled the unravelling of the network when Chen Chengzong was found and

arrested while dining at a restaurant in China. This was a turning point in the investigation, and four months later, on 30 March 2019, police followed up by arresting 20 suspects and seizing 2,748 pieces of ivory weighing 7.48 tonnes at the Changfeng Cable Factory. The arrests included network members along the whole supply chain. Chen Jiancheng and Hu Juqiang, a senior ivory buyer in Nigeria, evaded arrest and were wanted persons, both becoming subjects of an INTERPOL Red Notice. They were both later arrested and escorted back to China through collaboration with Ghanaian and Malaysian law enforcement partners, where they are currently facing trial.

**In further investigations** following the arrests, authorities made various seizures of rhino horn products that the Chen OCG had previously sold to buyers. According to China Customs Anti-Smuggling Bureau (ASB), arresting the suspects and seizing a substantial volume of contraband was a highlight of the case, and the difficulties faced by the group to distribute the ivory in China following the trade ban assisted the investigators.

**Law enforcement authorities** carried out extensive, in-depth investigations into the Chen OCG over several years, including big data analysis as well as lifestyle and financial investigations, enhanced by international cooperation. They targeted not only the network members located in China, but also Chinese nationals who were committing crimes in other countries, and foreign nationals committing crimes in China.

<sup>1</sup> <http://legal.people.com.cn/n1/2021/0108/c42510-31993983.html>



**However**, while Chinese law enforcement authorities are achieving important results such as this, other key countries along the supply chain also need to step up their efforts to avoid the potential displacement of crime to other locations or other criminal groups rising to fill the void. Broader and more consistent use of intelligence analysis, advanced investigation techniques, strong penalties, asset forfeiture, international cooperation, and addressing corruption is needed to ensure a cohesive and coordinated global response to address these crimes.

The Wildlife Justice Commission identified the following 10 crime-enabling factors underpinning the Chen OCG's operations.

- 1 **Established business operations in a susceptible country:** Nigeria had ideal conditions for the Chen OCG to exploit, with their established business settings and access to corrupt actors. They already had the contacts, business infrastructure, and transportation lines to utilise to commit the trafficking crimes, which allowed their criminality to go undetected for at least seven years.
- 2 **Corruption:** Corrupt customs officers and freight forwarding agencies played a crucial role in the transportation of illegal wildlife products across the supply chain.
- 3 **Family-led criminal group:** The Chen OCG was centred on a family-oriented approach to reduce the risks of leaks, disloyalty, and cheating, while also minimising the risk of a network member

becoming an informant for law enforcement should detection occur. This structure is consistently seen in other forms of serious organised crime.

- 4 **Financial flows:** The Chen OCG relied on the formal banking system to launder its money by transferring the illegally obtained funds through third party bank accounts of family members.
- 5 **Corporate layering:** The Chen OCG misused several cover companies with connections to import-export businesses to move their illicit wildlife shipments and launder illicit funds.
- 6 **Use of concealment methods:** The Chen OCG used their established timber business in Nigeria as a cover to smuggle ivory, and wooden crates and timber planks as the concealment method. Analysis of major ivory seizures shows that timber continues to be the dominant concealment method used for ivory.
- 7 **Multiple transit points:** The Chen OCG used longer, more expensive shipping routes with multiple transit points, to re-export shipments with "new" bills of lading and obscure the originating port in Africa. They also took advantage of the fact that transshipment hubs do not have the capacity to inspect every container by sending shipments to Hong Kong SAR, Singapore, and South Korea.
- 8 **Multiple clearing agents:** The Chen OCG used multiple clearing agencies and consignees, suggesting that they had to submit fraudulent documents for customs clearance along the shipping route.

9 **Illegal border crossings and fake passports:** Chen Jiancheng and Chen Chengzong obtained fake Malaysian passports to enable them to enter China undetected using a false identity. It was found that Chen Chengzong had entered China 21 times between 2015 and 2019 using his fake passport.

10 **Purchasing shipping containers:** The Chen OCG chose to purchase their shipping containers instead of renting them. A similar modus operandi has been used by other criminal networks involved in similar smuggling crimes, as it can enable the installation of secret compartments inside the container and help avoid scrutiny should a rental agreement expire.

The case of the Chen OCG is significant not only because it is the largest ivory smuggling case that has been convicted in China, but because it effectively dismantled an entire smuggling network from the source point in Africa to distribution in China. Chinese law enforcement authorities conducted a comprehensive investigation over several years targeting this network, utilising a range of strategies and techniques to collect evidence and build the case which ultimately led to the successful outcome. This case is a model for an effective response to tackle transnational organised wildlife crime and demonstrates the extent of law enforcement efforts in China during recent years to address this issue, and particularly the crackdown on illegal ivory trade.

This report highlights the key modus operandi and crime-enabling factors that allowed the network to exploit maritime transport infrastructure to move vast amounts of illicit wildlife products through Nigerian seaports to China over a period of seven years, with the assistance of at least one corrupt customs officer and freight forwarding agencies. It provides a useful case study for the detailed information it yields on the inner workings of the criminal group, its structural and operational characteristics, which is relevant for a range of law enforcement and conservation stakeholders.

However, despite China's strengthened law enforcement response, an important factor that cannot be ignored is that China is, and will continue to be, a major destination for illegal wildlife trade globally. Whilst the conviction of 17 individuals in the Chen OCG and the pending sentencing of two more individuals represents great law enforcement work by China, this case illustrates some systemic issues that continue to facilitate wildlife crime.

These persistent problems in the face of uneven law enforcement efforts from other countries in the supply chain are likely to result in the displacement of crime to locations with weaker enforcement or open opportunities for other criminal groups to move into the space left behind by Chinese groups and continue trafficking products to meet the ongoing demand. To avoid this scenario playing out in the future, it is imperative that all countries affected by wildlife crime along the supply chains step up their efforts to address these issues to ensure that crime is tackled in an effective and enduring manner.

# Association chart of the Chen OCG showing the key members, their roles, and relationships.

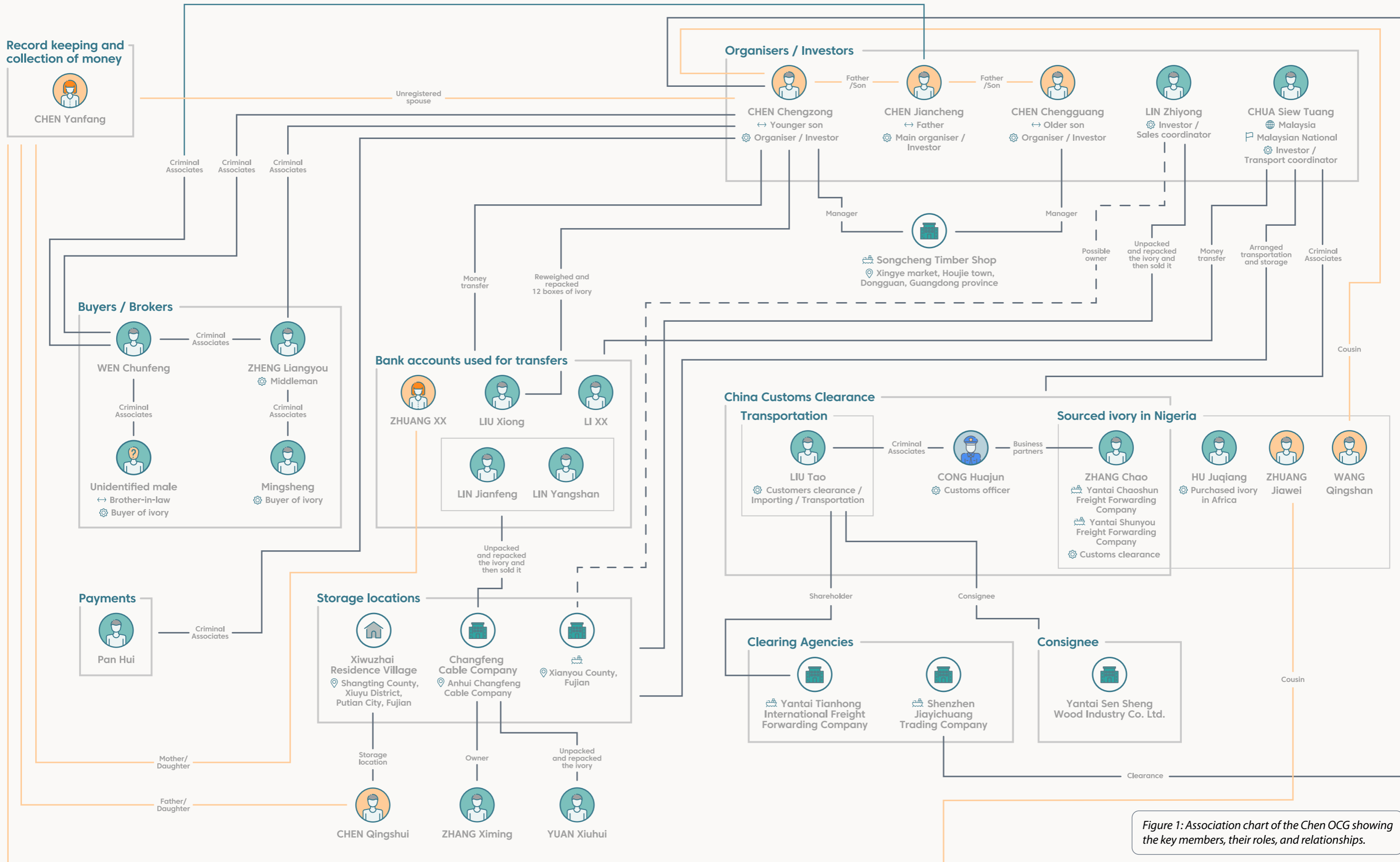
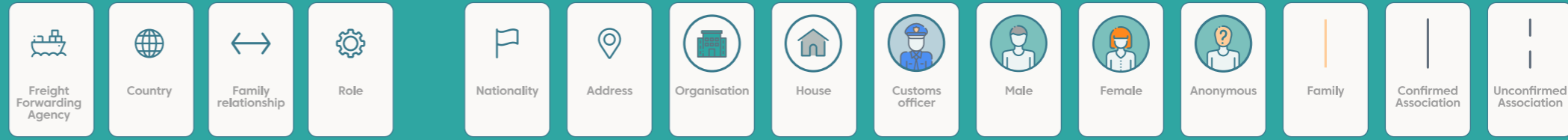


Figure 1: Association chart of the Chen OCG showing the key members, their roles, and relationships.



# Introduction

**This report details** China's largest ever ivory smuggling case and the transnational organised criminal network behind it, which is known to have smuggled at least 20 tonnes of ivory from Nigeria to China over a seven-year period, although the actual quantity they were responsible for trafficking is likely to have been significantly higher. The first seizure connected to the network was made in July 2013 at Shatian port in Guangdong province, China, when Huangpu Customs intercepted two shipping containers carrying 4.46 tonnes of ivory concealed inside wooden crates behind layers of timber planks. Chen Jiancheng (father), Chen Chengguang (older son) and Chen Chengzong (younger son) were identified as the owners, but they fled the country before authorities were able to arrest them. The trio escaped to Malaysia, from where they rebuilt the business utilising new cooperative partnerships with others in customs clearance, transportation, and sales. The network

exploited multiple techniques that allowed them to evade detection and continue to commit crimes until their eventual arrests in March 2019.

**The Chen OCG displayed** various structural and operational characteristics typical of sophisticated traditional organised crime groups, which the Wildlife Justice Commission has observed repeatedly featuring in many of China's investigations into whole wildlife trafficking networks.<sup>2</sup> The networks often appear to be structured as a collection of hierarchically arranged independent persons, devoted to the accomplishment of a particular function. Authority is centralised, with each member playing a specific role such as financing, sourcing, logistics, money movement, and so forth. In many networks these roles are formally defined, and the continuity of membership is evident across multiple years of operation. Prosecutions involving multiple generations of the same family demonstrate the

long-running and continuous nature of crime groups seemingly set up with the view to operating beyond the lifetime of individual members, with what appears to be a clear line of criminal succession from fathers to sons. As this case illustrates, the Chen OCG embodied all these characteristics.

**This case represents** a blueprint for a multi-faceted investigative approach to address transnational organised wildlife crime and shows the proactive efforts of the Chinese government to confront both low- and high-level wildlife crime since the national elephant ivory trade ban came into effect at the end of 2017.<sup>3</sup> Law enforcement authorities carried out extensive, in-depth investigations into the Chen OCG over several years, including big data analysis, lifestyle and financial investigations, and international cooperation. They targeted not only the network members located in China, but also Chinese nationals who were committing crimes

in other countries, and foreign nationals committing crimes in China. Many of the details of the inner workings of the network were revealed during the trial hearing and adjudication, which are useful to analyse as the repeated modus operandi and facilitating factors that featured in this case are also relevant to other cases.

**The purpose** of this report is to understand the crime enablers in this case, break down the supply chain, and explore the associated entities of interest and how they operated within the criminal network. This report serves to highlight some of the systemic practices in place that could provide useful insights for law enforcement officers, policy-makers, researchers, and other individuals working on wildlife trafficking issues. All information presented in this report was collected from open sources, primarily the court trial that was streamed on China Court Trial Online<sup>4</sup> and media articles.

<sup>2</sup> The Wildlife Justice Commission's analysis of China's wildlife trafficking investigations is based on the judgements of 68 major cases published on Court Judgements Online, accessible at <https://wenshu.court.gov.cn/>.

<sup>3</sup> [http://www.gov.cn/zhengce/content/2016-12/30/content\\_5155017.htm](http://www.gov.cn/zhengce/content/2016-12/30/content_5155017.htm)

<sup>4</sup> China Court Trial Online is an online portal for watching China's court trials, accessible at: <http://tingshen.court.gov.cn/>.

# Timeline of the Chen organised crime group's (OCG) ivory smuggling operations from 2011 to 2021.



See events on Map 2 (Page 21)

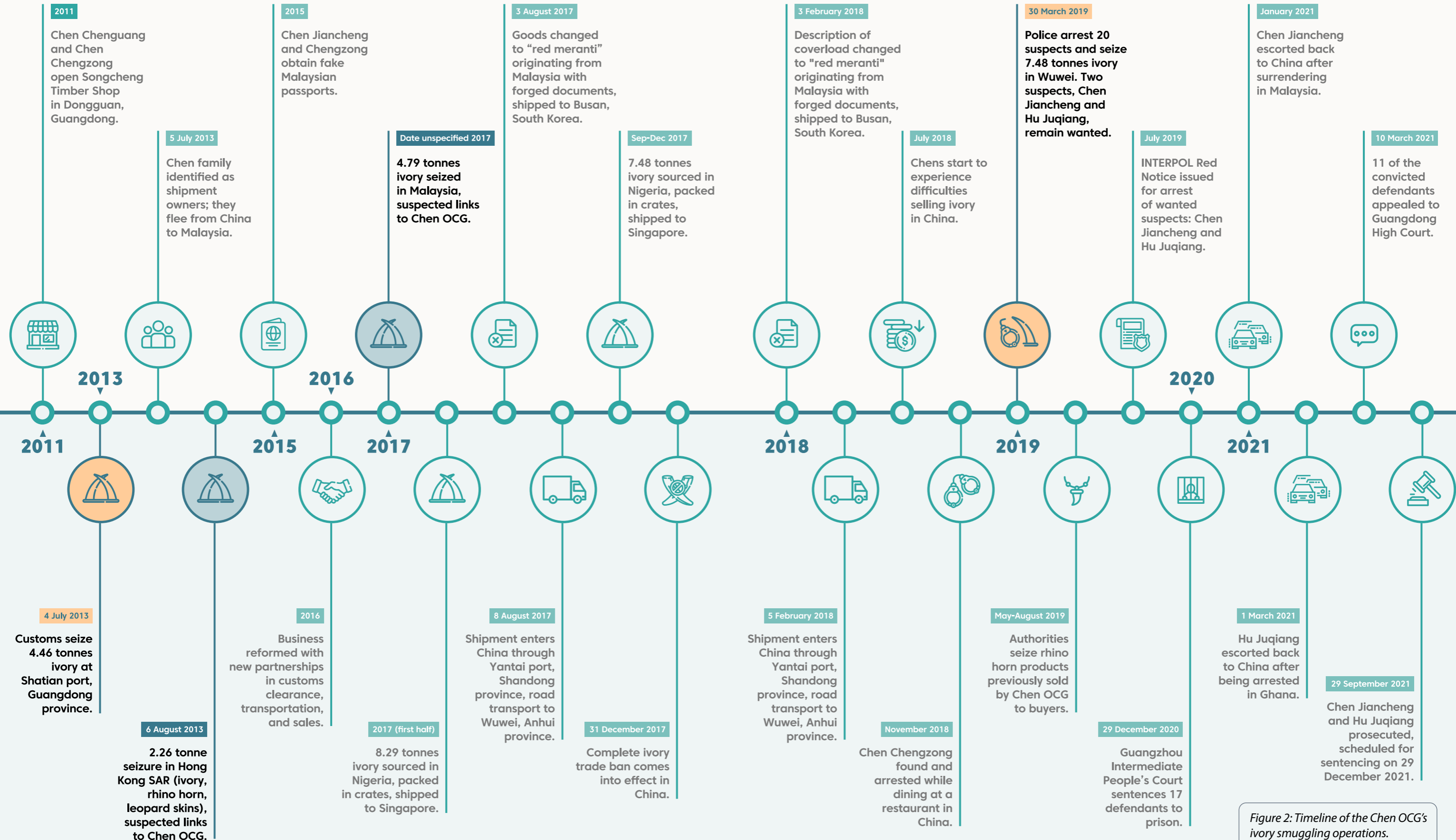


Figure 2: Timeline of the Chen OCG's ivory smuggling operations.






# Case details

## Background

**The Chen family** was purportedly one of the first families who made a fortune in business in their hometown, Shanting Town in Putian city, Fujian province. Chen Jiancheng's father had been involved in several businesses in marine aquaculture, food processing, real estate development, and timber; while Chen Jiancheng and his two brothers developed their own businesses in construction materials, timber, farming and real estate. Locals in the same village reported that Chen Jiancheng had also been working in Africa, although this was not uncommon as many Putian entrepreneurs ran timber and supermarket businesses in Africa.

**In 2011**, Chen Jiancheng's two sons Chengguang and Chengzong opened the Songcheng Timber shop in Xingye Market, Houjie Town, Dongguan city, Guangdong province – the largest timber trading centre in southern China. According to other timber traders in the market, Songcheng Timber did very little business and the two Chen sons appeared to have little understanding of the timber trade. Despite this, the younger son Chengzong was soon driving a new BMW X6 and bought an apartment near the market. It is believed that the timber business was used as a cover for smuggling ivory shipments from Nigeria to China.




## The first seizure in China

 Products seized	4.46 tonnes ivory and 7.57 kg rhino horn
 Trafficking route	Nigeria – Hong Kong SAR – China (Shatian)
 Concealment method	Products inside wooden crates, hidden behind stacks of timber planks

**On 4 July 2013**, Huangpu Customs officers inspected a shipment of four containers declared as rosewood timber, which was being cleared through Shatian Port in Dongguan city, Guangdong province by the Shenzhen Jiayichuang Trading Company. The shipment had originated in Nigeria and transited in Hong Kong SAR prior to arriving at Shatian Port. At that time, the volume of timber coming into the port had been rising sharply, with more than 2,000 TEU containers<sup>5</sup> imported every month. In two of the four containers, customs officers discovered ivory concealed inside 42 custom-made wooden crates, which were hidden at the middle-rear part of each container behind stacked timber planks. In total, 1,913 pieces of ivory weighing 4.46 tonnes were seized, along with two rhino horns weighing 7.57 kg. Huangpu Customs ASB's investigation identified Chen Jiancheng, Chen Chengguang and Chen Chengzong as the owners

of the shipment; however, the three men quickly fled the country and evaded arrest, escaping from Fujian on 5 July 2013 to Guangxi, across the border to Vietnam, through Thailand and on to Malaysia.

## Seizure in Hong Kong SAR

 Products seized	2.26 tonnes ivory, rhino horn, leopard skins
 Trafficking route	Nigeria – China (Shanghai) – Hong Kong SAR
 Concealment method	Products inside wooden crates, hidden behind stacks of timber planks

**During the Huangpu Customs ASB's investigation** of the ivory seizure, it uncovered indications of another shipment of ivory that was en route to Hong Kong SAR and provided the intelligence to Hong Kong SAR Customs. Acting on the tip-off, on 6 August 2013, Hong Kong SAR Customs seized a shipment of 1,120 ivory tusks, 13 rhino horns and five leopard skins weighing a total of 2.26 tonnes. The wildlife products were hidden in 21 wooden crates in a container full of timber. The shipment had also originated from Nigeria, changed vessels in Shanghai before arriving in Hong Kong SAR.<sup>6,7</sup> There were no arrests associated with the seizure, but it is believed to be linked to the Chen OCG.

## Reforming the business

**In 2015**, Chen Jiancheng and his youngest son Chengzong obtained fake Malaysian passports through an illegal agency in Malaysia. Chengzong became "Xu Zhijian" (official name Kho Chee Kian), and the ASB's later investigation revealed he used his passport to travel between Malaysia and China on 21 occasions to continue their ivory smuggling business. While in Malaysia, the business was reformed with new partnerships with Malaysian businessman Chua Siew Tuang (also known as Cai Shouduan) and Xianyou businessman Lin Zhiyong, and cooperating with others in customs clearance, transportation, and sales.

**Chua Siew Tuang** was involved in a number of businesses, including timber, minerals and other commodities covering mainland China, Hong Kong SAR, Southeast Asia and Africa. The ASB investigation discovered a constant cashflow of hundreds of millions of RMB in the bank accounts he controlled. It was Chua Siew Tuang's suggestion to send shipments via Singapore instead of Hong Kong SAR as the Chen family had previously done, utilising his business connections to ensure safe passage of the contraband.

**The Chen family's strength** was their familiarity with the ivory market in Nigeria. They had a close

<sup>5</sup> A twenty-foot equivalent unit (TEU) is a standard-sized shipping container measuring 20 feet long, eight feet wide and eight feet tall.

<sup>6</sup> <https://www.theguardian.com/world/2013/aug/07/hong-kong-illegal-ivory-customs>


<sup>7</sup> [http://news.fjsen.com/2014-07/10/content\\_14467680.htm](http://news.fjsen.com/2014-07/10/content_14467680.htm)



network of associates responsible for sourcing ivory, including Hu Juqiang, a senior ivory buyer who was from the Chen's hometown but had lived in Africa for many years, Chengzong's cousin Wang Qingshan, and Chengzong's girlfriend's cousin Zhuang Jiawei. Chengzong is known to have travelled to Nigeria in 2016 to assist with purchasing ivory. He was responsible for coordinating the export of shipments from Nigeria to Singapore, and Chua Siew Tuang would take over from Singapore.

**The new network structure** appeared to be hierarchically arranged with centralised authority among the Chen family, and each member playing a specific role such as managing payments, sourcing ivory, organising logistics, and so on. These roles appeared to be formally defined and the continuity of network membership was evident over several years of operation.

### Seizure in Malaysia

 Products seized	4.79 tonnes ivory
 Trafficking route	Unspecified
 Concealment method	Unspecified

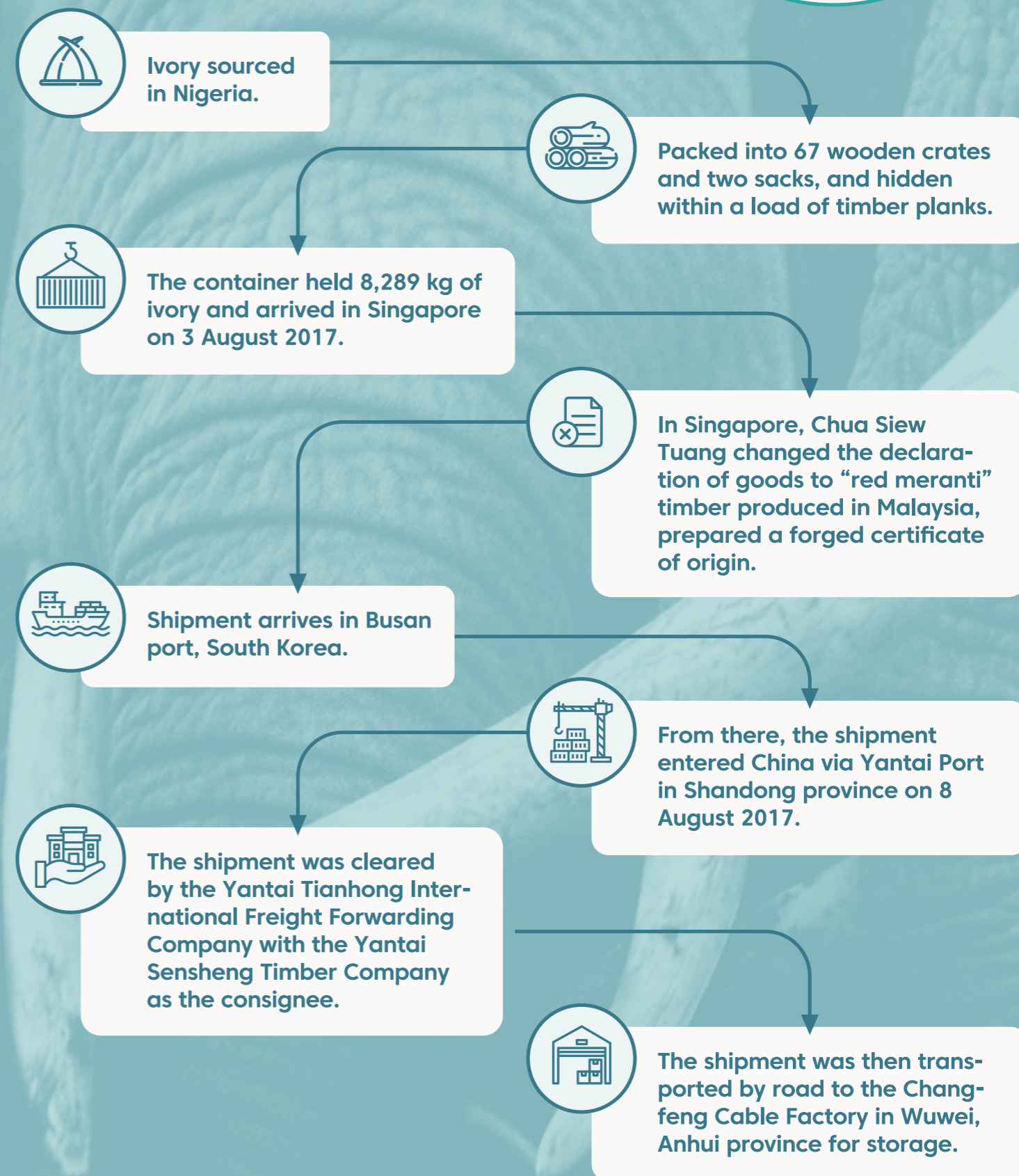
**It was reported that in 2017**, a batch of 4.79 tonnes of ivory sent by Chen Jiancheng and Chen Chengzong to another buyer was seized in Malaysia.<sup>8</sup> The exact date and further details were not specified.

### New modus operandi

**The ASB investigation** identified several ivory shipments that were successfully smuggled into China using the new modus operandi the Chens devised in cooperation with Chua Siew Tuang and Lin Zhiyong. Although, due to the structure, sophistication and financial flows associated with the network, it is believed they were responsible for trafficking many more shipments than they were prosecuted for.

**One of the confirmed shipments** was prepared in the first half of 2017, with ivory sourced in Nigeria, packed into 67 wooden crates and two sacks, and hidden within a load of timber planks. The container held 8,289 kg of ivory and arrived in Singapore on 3 August 2017. In Singapore, Chua Siew Tuang changed the declaration of goods to "red meranti" timber produced in Malaysia, prepared a forged certificate of origin, and sent the shipment to Busan port, South Korea. From there, the shipment entered China via Yantai Port in Shandong province on 8 August 2017, where it was cleared by the Yantai Tianhong International Freight Forwarding

## Trafficking route of confirmed shipment in 2017



<sup>8</sup> [https://k.sina.cn/article\\_2131593523\\_7f0d893302000hfus.html?from=news&subch=onews;](https://k.sina.cn/article_2131593523_7f0d893302000hfus.html?from=news&subch=onews;)  
<https://new.qq.com/rain/a/20210408A04N8H00>



Company with the Yantai Sensheng Timber Company as the consignee. The shipment was then transported by road to the Changfeng Cable Factory in Wuwei, Anhui province for storage.

**The Changfeng Cable Factory** was owned by Zhang Ximing, another business contact of Chua Siew Tuang, and was strategically chosen to avoid attracting suspicion as it was located far away from the traditional ivory trading centres and ports. The container of ivory would be opened, inspected, counted, and repacked by the Chens and various network members, and Lin Zhiyong, Lin Jianfeng, and Lin Yangshan would then be responsible for selling it.

**In late 2017**, Chen Jiancheng and Chengzong together with Chua Siew Tuang and Lin Zhiyong arranged for the network members in Nigeria to source and prepare another ivory shipment. The shipment of 7,481 kg of ivory was packed into 62 wooden crates and using the same modus operandi and shipping routes, it departed Nigeria for Singapore, then on to Busan, South Korea, and entered China via Yantai Port on 5 February 2018. It was reported that the ivory was initially transported to Changfeng Cable Factory, but the group planned to transport it to a second unconfirmed storage location, possibly in Xianyou County, Fujian province.



Map 1: The preferred trafficking routes used by the Chen OCG.

TRAFFICKING ROUTES	2013	Nigeria → Hong Kong SAR → China (Shatian)		
	2017-2018	Nigeria → Singapore → South Korea (Busan) → China (Yantai - Wuwei)		





## Difficulties selling ivory

The **Chen OCG** began to experience difficulties selling their ivory in 2018, after China's complete ivory trade ban came into effect. The ASB's investigation found WeChat messages from Chen Chengzong to his father Jiancheng in July 2018 explaining: "I contacted a few friends yesterday, I said 4500. They didn't reply much, just said the wind was blowing too hard recently." Jiancheng replied: "Just wait for a bit, don't worry." It appears that the ivory shipment of February 2018 was stranded for more than a year in storage as it had become too difficult to sell due to the government's strict ivory crackdown.

**Chen Chengzong (younger son)**  
 "I contacted a few friends yesterday, I said 4500. They didn't reply much, just said the wind was blowing too hard recently."

**Chen Jiancheng (father)**  
 "Just wait for a bit, don't worry."

**In its own investigations**, the Wildlife Justice Commission has observed ivory stockpiling occurring since 2019 in several locations along the supply chain including Vietnam, Cambodia, Lao

PDR, and Mozambique, as a direct effect of a pessimistic ivory market, costly and difficult transportation, and enhanced law enforcement efforts. Intelligence received in August 2020 in Vietnam indicated that one of the top wildlife criminals had buried 15 tonnes of ivory because it was considered "too dangerous" to sell at this time.

## The Chen OCG is arrested

 <b>Products seized</b>	7.48 tonnes ivory and 10 rhino horn products
 <b>Concealment method</b>	Products inside wooden crates, stored in shipping containers at factory premises

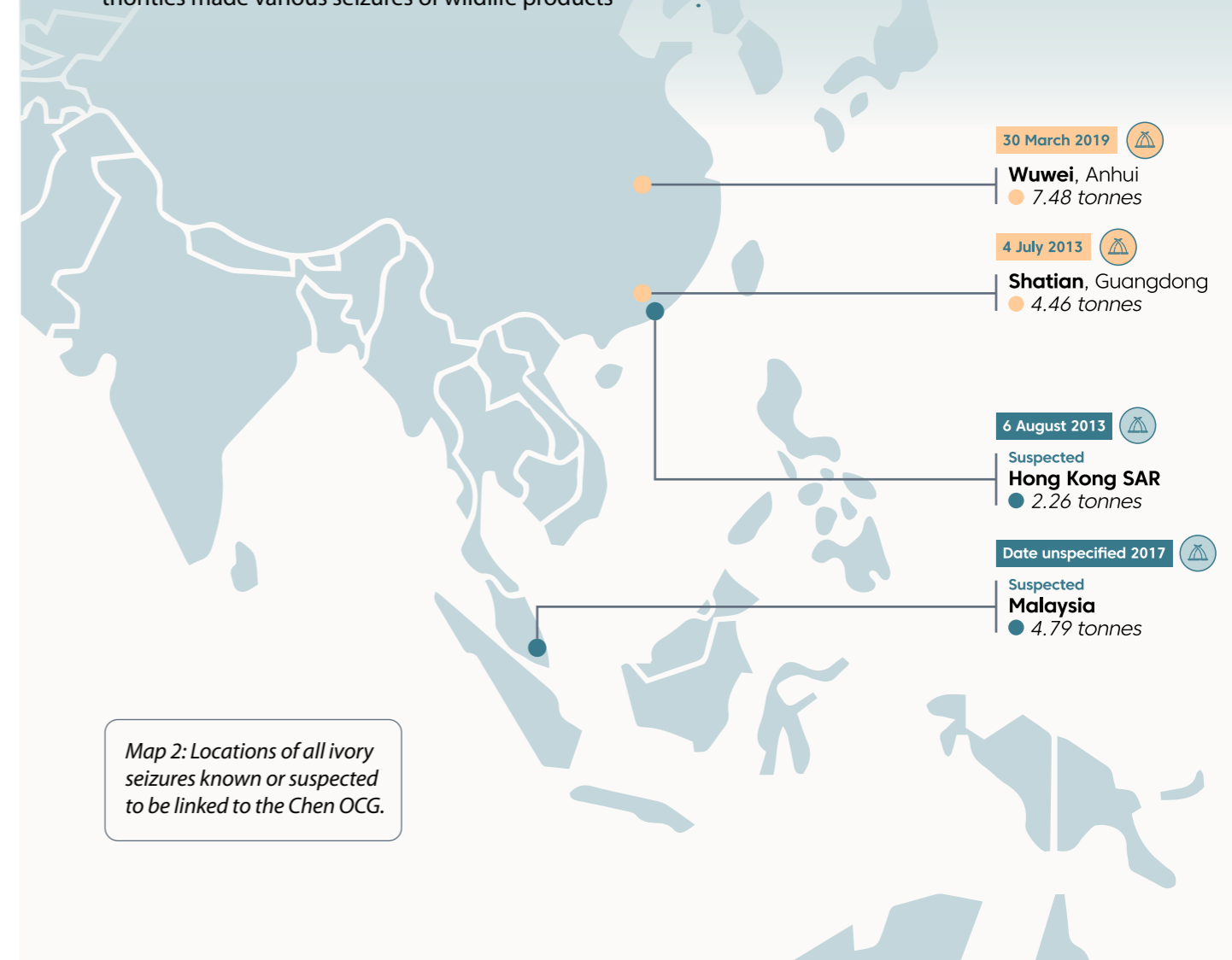
**In November 2018**, Chen Chengzong was found and arrested while dining at a restaurant in China. This was a turning point in the investigation, and a few months later in January 2019, Huangpu Customs ASB established the "1.17" taskforce to expand the investigation and plan the arrest phase for other network members.

**The arrest operation was executed** on 30 March 2019, with police arresting 20 suspects and seizing 2,748 pieces of ivory weighing 7.48 tonnes at the Changfeng Cable Factory. The ivory consisted of batches from previous shipments that had not yet

sold, as well as new batches that had been recently smuggled into China. A total of 238 police officers from Huangpu, Hefei, Nanjing, Beijing, Fuzhou, and Qingdao Customs ASBs, as well as local public security agencies, were dispatched in 36 action teams to conduct coordinated arrests in multiple locations. Chen Jiancheng and Hu Juqiang (the senior ivory buyer in Nigeria) evaded arrest and were wanted persons, both later becoming subjects of an INTERPOL Red Notice.

**In further investigations** following the arrests, authorities made various seizures of wildlife products

that the Chen OCG had previously sold to buyers. In May 2019, authorities seized a rhino horn bracelet (56.6 g) that had been supplied to an address in Tianjin city in March 2018. They also seized a rhino horn cup and three rhino horn bracelets that Chen Chengzong had sold to retail buyer Wen Chunfeng on three separate occasions in October 2017, March 2018, and September 2018. In August 2019, four libation cups and rhino horn bracelets were seized, which had previously been sold by Chen Jiancheng to A Lin from Malaysia in February 2018 and delivered to an address in Hubei province.



Map 2: Locations of all ivory seizures known or suspected to be linked to the Chen OCG.



## Convictions, sentencing and appeals

On 29 December 2020, the Guangzhou Intermediate People's Court delivered a first-instance verdict on the case, marking it as the largest ivory smuggling case since the founding of New China. The court found the Chen OCG to be responsible for smuggling three batches of ivory totalling 20.22 tonnes and determined the value at RMB 842 million (USD 131 million).<sup>9</sup> It sentenced 17 defendants to prison. Chen Chengzong and Lin Zhiyong were sentenced to life imprisonment, and the remaining 15 defendants were sentenced from two to 15 years imprisonment for the crimes of smuggling precious wildlife products, illegally purchasing and selling precious and endangered wildlife products, concealing the proceeds of crime, and other related offences. The total fines issued amounted to more than RMB 7 million (USD 1.1 million), and all property and smuggled goods were confiscated according to the law. Chen Jiancheng's older son Chengguang was not named as being among those convicted, despite being known to be a key organiser in the group at least for earlier ivory shipments. It is not known if he was among the three unnamed suspects who were arrested but not prosecuted.

Three months later, on 10 March 2021, the Guangdong High Court accepted an appeal from 11 of the convicted network members: Lin Zhiyong, Lin Jianfeng, Lin Yangshan, Chua Siew Tuang, Cong Huajun, Liu Xiong, Zhang Ximing, Zhang Chao, Zhuang Jiawei, Pan Hui, and Zheng Liangyou. The other eight members did not join the appeal. The final verdict was scheduled to be delivered on 12 July 2021 but was delayed to 11 November 2021 due to the significance and complexity of the case. At the time of writing, the appeal judgement was not yet published.

## International cooperation

In December 2020, Hu Juqiang was identified crossing the border into Ghana and arrested by Ghanaian law enforcement. Through collaboration between China Customs ASB and law enforcement in Ghana, Hu Juqiang was escorted back to China on 1 March 2021. Chen Jiancheng had surrendered earlier in Malaysia and was escorted back to China in January 2021 through the China-Malaysia bilateral law enforcement cooperation mechanism. The two defendants were prosecuted on 29 September 2021, with the sentencing scheduled for 29 December 2021.

No.	Name	Role / responsibility	Sentence
1	Chen Chengzong	Organiser and investor	Life sentence, all personal assets confiscated
2	Lin Zhiyong	Investor and sales coordinator	Life sentence, all personal assets confiscated
3	Chua Siew Tuang (aka Cai Shouduan)	Investor and coordinated transportation from Singapore to China.	15 years imprisonment and RMB 5 million fine
4	Cong Huajun	Customs officer facilitating clearance in China	10 years imprisonment and RMB 500,000 fine
5	Lin Jianfeng	Sold ivory products and transferred profits to investor bank accounts.	7 years imprisonment and RMB 150,000 fine
6	Lin Yangshan	Sold ivory products and transferred profits to investor bank accounts.	7 years imprisonment and RMB 150,000 fine
7	Zhang Ximing	Owner of the Changfeng Cable Company, used as a storage location for the shipments.	7 years imprisonment and RMB 100,000 fine
8	Liu Xiong	Bank account was used to transfer money from sales to Chen Yanfang.	6 years imprisonment and RMB 100,000 fine
9	Zheng Liangyou	Middleman facilitating sales	6 years imprisonment and RMB 70,000 fine
10	Wang Qingshan	Sourced and packed ivory products in Nigeria	5 years imprisonment and RMB 100,000 fine
11	Pan Hui	Assisted with payments and transactions	5 years imprisonment and RMB 100,000 fine
12	Liu Tao	Director of a freight forwarding agency and assisted with customs clearance and transportation in China.	4.5 years imprisonment and RMB 300,000 fine
13	Zhang Chao	Sourced ivory in Nigeria and coordinated with customs officers in China. Owned a freight forwarding agency.	4.5 years imprisonment and RMB 300,000 fine
14	Zhuang Jiawei	Transferring money, sourced and packed ivory products in Nigeria	4.5 years imprisonment and RMB 100,000 fine
15	Wen Chunfeng	Retail buyer of wildlife products	3 years imprisonment with 3-year probation and RMB 20,000 fine
16	Chen Yanfang	Record keeping and collecting money	2 years imprisonment and RMB 20,000 fine
17	Yuan Xiuhui	Unpacking and repacking ivory at the Changfeng Cable Company	2 years imprisonment with 2-year probation and RMB 20,000 fine
18	Chen Jiancheng	OCG leader, organiser, and investor	Not yet sentenced
19	Hu Juqiang	Senior ivory buyer in Nigeria	Not yet sentenced

Table 1: Chen OCG members, their criminal roles, and sentences received.

<sup>9</sup> During investigation and sentencing, the price of smuggled ivory was calculated at RMB 41,667/kg, in accordance with the standard set by the State Administration of Forestry in 2001, which varies from the reported ivory prices identified in the Chen network's bookkeeping, WeChat, and bank transaction records.

## Crime-enabling factors

**The Wildlife Justice Commission** analysed the smuggling methods used by the Chen OCG and identified 10 enabling factors that facilitated their criminal operations. By exploiting national and international business norms to hide their identities and involvement in crime, the network operated for at least seven years successfully smuggling ivory from Nigeria to China. It is useful to examine each of the **10 crime-enabling factors** to build a greater understanding and inform enforcement efforts, and to ensure the necessary resources are being allocated to tackle wildlife trafficking commensurate with how crime is occurring.

# 01 ESTABLISHED BUSINESS OPERATIONS IN A SUSCEPTIBLE COUNTRY

**Organised crime**, including wildlife trafficking, thrives in countries with weak governance and rule of law, poor regulatory and enforcement capacity, and high levels of corruption. Criminal groups seek out locations to set up their operations that will facilitate an ease of doing illicit business, and they will adapt and shift in response to strengthening law enforcement efforts if those locations become “too hot” to use.

**Nigeria is highly susceptible** to organised crime and ranked 5<sup>th</sup> for criminality out of 193 countries worldwide in the Global Organised Crime Index, due to the widespread presence of criminal markets across the country and the size and type of criminal actors behind them.<sup>10</sup> It was also ranked 149<sup>th</sup> out of 180 countries in the Global Corruption Perception Index for 2020, indicating high levels of perceived public sector corruption.<sup>11</sup>

**Nigeria has grown** in relevance to the global supply chain of ivory and pangolin scales over the past decade, particularly since 2017 with a rapid increase in the number of shipments linked to Nigeria. By 2019 it had emerged as the primary transit hub for the trafficking of ivory and pangolin scales out of Africa destined for Asian consumer markets.<sup>12,13</sup> Due to the small population of elephants in Nigeria it is believed that most of the ivory is sourced from other African countries, such as the Democratic Republic of Congo (DRC), Republic of Congo, and Central

African Republic (CAR), and moves through Cameroon into Nigeria for shipping.

**Their well-established business operations**, good transport links, and access to corrupt actors are some of the factors that may have attracted the Chen OCG to use Nigeria as a base to export illicit wildlife products from. The criminal network had been operating their coal and timber export company in Nigeria for several years and may have been lured by the large profits and lack of serious consequences to opportunistically introduce illegal activities to their operations. It is notable that the Chen OCG was using Nigeria for its wildlife trafficking operations since at least 2013, but likely earlier than that, and well before it became a global trafficking hotspot. This could potentially indicate the size and importance of this network in being so far ahead of the broader shift in trafficking dynamics to Nigeria in 2017.

**The Chen OCG** had a team of buyers in Nigeria who were responsible for sourcing and packing the ivory for shipping to China. Hu Juqiang was from the same hometown in China as the Chen family and was a senior ivory buyer who had lived in Africa for many years. Chen Chengzong’s cousin Wang Qingshan had helped source ivory in Africa since 2014, and Chengzong’s girlfriend’s cousin Zhuang Jiawei went to Nigeria to assist in 2017. The Chen’s established timber businesses in Nigeria and China

were used as cover for the smuggling operations. According to the court judgement, all 20.22 tonnes of ivory that the group was known to have smuggled into China between 2013 and 2019 were shipped from Nigeria.

**Although the ASB investigation** focused on the Chen OCG’s operations in Nigeria, the fact that they were known to deal in rhino horn as well as ivory suggests they likely had either criminal connections or established business operations in other African countries as well, such as South Africa or Mozambique.



## Key finding 1

Nigeria had ideal conditions for the Chen OCG to exploit, with their established business settings and access to corrupt actors. They already had the contacts, business infrastructure, and transportation lines to utilise to commit the trafficking crimes, which allowed their criminality to go undetected for at least seven years.

<sup>10</sup> <https://ocindex.net/country/nigeria>

<sup>11</sup> <https://www.transparency.org/en/cpi/2020/index/nga>

<sup>12</sup> <https://wildlifejustice.org/significant-changes-in-dynamics-ivory-trafficking/>

<sup>13</sup> <https://wildlifejustice.org/new-report-analyses-unprecedented-levels-of-pangolin-trafficking-urging-stakeholders-to-tackle-it-as-transnational-crime/>



## 02 CORRUPTION

**Corruption** is one of the main enablers for criminals involved in wildlife trafficking across the supply chain, and it is one of the biggest obstacles to effective law enforcement. Corruption frequently occurs in the process of applying for licences, permits, or other documents, or at border control or other inspection points where officials may be influenced or bribed to become complicit or “turn a blind eye” to illegal activities. Corrupt support can also extend to warnings about police activity, payments for protecting or not prosecuting traffickers, selling back seized goods, or in the private sector, such as bribing individuals or businesses associated with the trade of bulk products to facilitate illegal activities.

**In addition** to the use of concealment methods, the Chen OCG relied heavily on bribing officials and used freight forwarding agencies with corrupt connections at Customs to enable the passage of their shipments. The ASB investigation found evidence of payments made to corrupt officials through both bank transfers and cash payments.

**Cong Huajun** was a branch-level manager in charge of logistics at Yantai Customs, and it was reported that he had worked for Malaysian busi-

nessman Chua Siew Tuang since 2012 clearing his timber shipments and charging high customs clearance fees. Cong Huajun partnered with Zhang Chao, who owned both the Yantai Chaoshun and Yantai Shunyou freight forwarding agencies, and also conspired with Liu Tao who was a shareholder in the Yantai Tianhong International Freight Forwarding Company, to assist with customs clearance and transportation. Liu Tao had worked in the import/export business for many years and was responsible for the declaration and transportation of products for Chua Siew Tuang. According to the ASB investigation, Cong Huajun had colluded to import 25 batches of products for Chua Siew Tuang, for which he used his personal bank account to receive the reimbursements, then gave half of it in cash to Liu Tao for his share of the payment for customs clearance and domestic transportation.

**Although Cong Huajun** was the only customs officer arrested in this global trafficking network, it is highly likely there were additional officers in Nigeria, Singapore, South Korea, and possibly Hong Kong SAR, who were used to facilitate the transportation of shipments along the trafficking route.

### Key finding 2

Corrupt customs officers and freight forwarding agencies played an important role in the transportation of illegal wildlife products across the supply chain.



## 03 FAMILY-LED CRIMINAL GROUP

**Family was an important aspect** used by the Chen OCG to control the illicit activities and keep the business tight. It is suggested that a family-oriented approach was used to reduce the risk of leaks, disloyalty, and cheating.

**The network** was led by the Chen family, with the father Chen Jiancheng as the leader, and his two sons Chen Chengguang (older son) and Chen Chengzong (younger son) as co-leaders. The involvement of multiple generations of the same family is a structural characteristic typical of many traditional organised crime groups, which can enable long-running operations. Such networks are often set up with a view to operating beyond the lifetime of individual members, with criminal succession from one generation to the next.

**Female family members** had important roles in collecting and managing payments on behalf of the network. Chen Yanfang was the unregistered spouse<sup>14</sup> of Chen Chengzong and assisted with record keeping and collection of payments. Chen Yanfang's mother (Zhuang XX)<sup>15</sup> also assisted with transferring payments from the sale of products through her bank account, while her father (Chen Qingshui) assisted with storing ivory at his house in Shanting Town, Putian city, Fujian province.

**Family connections** were also prominent in the sourcing and packing of ivory in Nigeria. Chen

Chengzong's cousin (Wang Qingshan) had helped with sourcing ivory in Africa since 2014, and Chen Yanfang's cousin (Zhuang Jiawei) went to Africa to assist in March 2017. Hu Juqiang, a senior ivory buyer who had been resident in Africa for a long time, was not a family connection but was from the same hometown as the Chen family in Shanting Town.

**It was reported that** although Lin Zhiyong, Lin Jianfeng and Lin Yangshan were all from the same village in Xianyou county, Fujian province, they were not relatives. It is not known if this is correct or not. The three Lins were all involved in selling the ivory to buyers in China.

**A prosecutor** who handled the case reportedly remarked that due to the strong family characteristics of the criminal network, most suspects refused to confess after they were arrested. This required the ASB to strengthen the collection of objective evidence and establish chain of custody in order to effectively prosecute the defendants.<sup>16</sup>

### Key finding 3

The Chen OCG was centred on a family-oriented approach to reduce the risks of leaks, disloyalty, and cheating, while also minimising the risk of a network member becoming an informant for law enforcement should detection occur. This structure is consistently seen in other forms of serious organised crime.



<sup>14</sup> An unregistered spouse in China is a couple who are not legally married. For ease of reference in this report, the Wildlife Justice Commission has used the term "girlfriend" to refer to Chen Yanfang's relationship to Chen Chengzong.

<sup>15</sup> First name was redacted in this case.

<sup>16</sup> <https://new.qq.com/rain/a/20210408A04N8H00>



## 04 FINANCIAL FLOWS

**Wildlife trafficking** is a crime that can generate vast revenues for organised criminal networks. It is largely driven by financial motivation; however, there is often a deficiency of information relating to the financial flows from wildlife crime as most countries rarely use financial investigation or anti-money laundering techniques as part of wildlife crime investigations. Following the money by conducting financial investigation is important to identify the proceeds of crime, where and how they are moving in the criminal network, and any associated money laundering activity that may be occurring. Tracing the financial flows can also help to identify other higher-level members of the criminal network who may be removed from the day-to-day criminal operations.

**In this case**, the ASB used various techniques such as intelligence analysis, lifestyle investigation and financial investigation to uncover many crucial details relating to the financial flows from the Chen OCG's illicit activities. The investigation collected evidence of the value of ivory, how the group made and received payments, and the extent of their wealth.

### Financial investors

**The organisers** of the criminal network – Chen Jiancheng, Chen Chengguang, Chen Chengzong, Chua Siew Tuang, and Lin Zhiyong – were all financial investors in the ivory shipments. After the ivory was delivered from Nigeria to Singapore, Chua Siew Tuang (Malaysian businessman) was

responsible for coordinating the shipment from Singapore to China, and its eventual delivery to the Changfeng Cable Factory in Anhui province. The ASB investigation discovered a constant cashflow of hundreds of millions of RMB in the bank accounts controlled by Chua Siew Tuang, which likely comprised both licit and illicit funds. The significant cashflow could also indicate that far more ivory shipments were conducted than the network was eventually convicted for. Lin Zhiyong was in charge of sales, with the profits transferred from the bank accounts of Lin Jianfeng and Lin Yangsan to the bank accounts of Chen Jiancheng, Chen Chengzong and Chua Siew Tuang.

### Evidence of ivory transactions

**It was reported that** analysts had extracted pictures of handwritten ledgers from Lin Zhiyong's mobile phone, including payment records to Chen Jiancheng and Chen Chengzong and distribution of profits from two containers of ivory. It is alleged that the ivory price paid by the network in Africa was RMB 2,300/kg (USD 360/kg). After the ivory was shipped to China, Lin Zhiyong charged RMB 4,300/kg (USD 674/kg) when selling to wholesale buyers. The cost of customs clearance was said to be RMB 2 million (USD 313,000), so one container of smuggled ivory was estimated to yield a profit of RMB 13.282 million (USD 2.1 million), which was then divided into three parts among the financial investors (the Chen family, Chua Siew Tuang, and

Lin Zhiyong). Investigators found Lin Zhiyong's bank records of transactions from Lin Jianfeng and Lin Yangshan to accounts controlled by the Chen family to be consistent with his handwritten ledgers. The weight of each crate of ivory in Lin Zhiyong's ledgers also matched Wang Qingshan's (responsible for sourcing and packing ivory in Nigeria) handwritten records in Africa when the container was loaded.

**However**, ASB investigators found discrepancies in the calculation methods and results between Lin Zhiyong's ledgers and the WeChat records of Chen Jiancheng and Chen Chengzong. The WeChat messages suggest that this discrepancy created tension between the parties. For one shipment, the WeChat records between Jiancheng and other network members indicated that a deposit of RMB 2-3 million (USD 313,000-470,000) had already been paid for the shipment, with more than RMB 4 million (USD 627,000) balance outstanding. Based on this, the estimated cost of this batch of ivory was approximately RMB 7 million (USD 1.1 million), or RMB 1.5 million per tonne

(USD 235,000), while the price for raw ivory in China was reported to be at least RMB 4 million per tonne (USD 627,000), or almost three times higher.<sup>17</sup>

**During its investigations**, the Wildlife Justice Commission collects wholesale values of raw ivory at various locations along the supply chain. Analysis of these data indicates that the average value of ivory at source locations in Africa and market locations in Asia has maintained a decreasing trend since 2017 and compared to the prices allegedly paid by the Chen OCG at that time. This is believed to be the result of the strict enforcement of China's national ivory trade ban causing a lower-demand ivory market, while costly and difficult transportation of products driven by the impact of the COVID-19 pandemic could also be contributing to a low supply of products. It is further suspected that some of the price instability seen in Vietnam during 2020 and 2021 could be influenced by the stockpiling of ivory by high-level traffickers to avoid diluting the lower-demand ivory market with a large supply in a short period of time.

Year		Chen OCG	Wildlife Justice Commission				
		2017	2017	2018	2019	2020	2021
Source	Nigeria	235-360	N/A	203	N/A	233	143
	DRC		300	N/A	N/A	110	N/A
	Mozambique		187	144	N/A	127	60
Market	China	627-674					
	Vietnam		756	660	528	608	398

Table 2: Ivory prices allegedly paid by the Chen OCG in 2017 compared to average raw ivory values collected by the Wildlife Justice Commission from 2017-2021 (USD/kg).

<sup>17</sup> [https://k.sina.cn/article\\_2131593523\\_7f0d893302000hfus.html?from=news&subch=onews;](https://k.sina.cn/article_2131593523_7f0d893302000hfus.html?from=news&subch=onews;)  
<https://new.qq.com/rain/a/20210408A04N8H00>



### Payments for customs clearance

**Between 2013 and 2019**, China Customs officer Cong Huajun assisted Chua Siew Tuang with customs clearance and helped to import 25 batches of products. Cong Huajun used his personal bank account to receive payment from Chua Siew Tuang for the ivory, then gave half of it in cash to Liu Tao for his share of the payment for customs clearance and domestic transportation. It was reported that in Cong Huajun's confession, he admitted to initially charging RMB 200,000 (USD 31,300) per container but gradually increased the fee to more than RMB 400,000 (USD 62,600) per container.<sup>18</sup> The Wildlife Justice Commission notes there is a discrepancy between this amount and the amount in Lin Zhiyong's handwritten ledger. One potential explanation for the discrepancy could be that the customs clearance fee in the ledger was the total of multiple payments made at the various ports used along the trafficking route, of which the payment to Cong Huajun in China was just one portion.

### Laundering payments through third party bank accounts

**The investigation found** that in August 2018, Chen Chengzong travelled to a second ivory storage location in a remote part of Xianyou County, Fujian province, which is likely to have been a facility belonging to Lin Zhiyong, who was a Xianyou businessman. Chengzong identified 12 crates of ivory amounting to 800 kg that was poor quality and hid them in the home of his girlfriend's father, Chen Qingshui, in Shanting Town, Putian city, Fujian province.

**On 9 September 2018**, Chen Chengzong was alleged to have sold the 800 kg of ivory at a lower price to a buyer named Minsheng through middleman Zheng Liangyou and received RMB 3.04 million (USD 476,000) for the transaction. The funds passed through the bank accounts of Liu Xiong, Li XX<sup>19</sup>, and others, and were transferred to the bank account of Zhuang XX, who was the mother of Chengzong's girlfriend (Chen Yanfang). This investigation finding indicates the Chen OCG relied on the formal banking system to transfer and launder funds. Charges for concealing the proceeds of crime were issued in this case alongside the charges for smuggling precious wildlife products and illegally purchasing and selling precious and endangered wildlife products.

### Chen family wealth

**In 2012**, the Chen family started building an ancestral home in their hometown at Shanting Town in Putian city, Fujian province. The structure of the seven-storey house had been completed by the time of the 2013 seizure, but the financial loss and escape of the three Chens from China following the seizure did not interrupt construction. Instead, subsequent visits by Huangpu Customs ASB as part of lifestyle investigations found the home to be extravagantly decorated and new luxury cars purchased by the family. It was reported that even in the Putian countryside where there is a plethora of luxury villas, the Chen family's home appeared to be extraordinarily grand and opulent.<sup>20</sup> During the conviction of Chen Chengzong, the court ordered the confiscation of all his personal assets, but it is not yet clear if this will include the Chen family's ancestral home.

### Key finding 4

The Chen OCG relied on the formal banking system to launder its money by transferring the illegally obtained funds through third party bank accounts of family members.

<sup>18</sup> <https://new.qq.com/rain/a/20210408A04N8H00>

<sup>19</sup> First name was redacted in this case.

<sup>20</sup> <https://new.qq.com/rain/a/20210408A04N8H00>



## 05 CORPORATE LAYERING

**Traffickers often own** legitimate business operations which are used as a cover for their illicit activities; for example, a timber trading business that is used to hide dealings in wildlife trafficking and to launder illicit funds.

**The Chen OCG** was found to have misused several legitimate companies with connections to import-export businesses in order to move their products from Africa to Asia and to hide and launder illicit proceeds. Open-source research found the following companies were linked to the network (further details are in the company profiles in Annex 1 of this report):

- 1** **Shenzhen Jiayichuang Trading Company** – used to clear the July 2013 shipment of 4.46 tonnes of ivory through Shatian Port in Dongguan city, Guangdong province. This shipment had transited in Hong Kong SAR, which is adjacent to Dongguan city.
- 2** **Yantai Sensheng Timber Company** – likely to be the same company as Yantai Sen Sheng Wood Industry Co. Ltd. It was listed as the consignee for the August 2017 and February 2018 ivory shipments.
- 3** **Yantai Tianhong International Freight Forwarding Company** – used to clear the August 2017 and February 2018 ivory shipments through Yantai port in Shandong province.

**4** **Changfeng Cable Company** – identified as Anhui Changfeng Cable Company. Used as a storage location for ivory shipments after they entered China.

**5** **Yantai Shunyou Freight Forwarding Company** – linked to Zhang Chao and believed to be used as an alternative option for clearing shipments at Yantai port in Shandong province.

**6** **Yantai Chaoshun Freight Forwarding Company** – linked to Zhang Chao and believed to be used as an alternative option for clearing shipments at Yantai port in Shandong province.

**These companies and their locations** were plotted on Map 3 (next page) to illustrate their proximity in relation to Busan port in South Korea (number 7 on the map) and Hong Kong SAR (adjoining number 1), which were the final transit points for the three confirmed ivory shipments before they entered mainland China. Three of the four companies in Yantai are located in Zhifu District and are in close proximity to one another, while the fourth company is located in Laishan District.

**The criminal network** carefully planned their shipping routes and opted for multiple transit points to reduce the risk of detection. For the later shipments in 2017 and 2018, Busan port in South Korea acted as a trading post between the African and Chinese ports to aid in obscuring the true origin

of the shipments. The coastal cities in Shandong province are popular loading ports for trade with South Korea due to their close geographical locations. In order to further serve the ivory demand from inland and southern China, products were moved from Yantai to Anhui province as a more central storage location.



### Key finding 5

The Chen OCG misused several cover companies with connections to import-export businesses to move their illicit wildlife shipments and launder illicit funds.



## 06 USE OF CONCEALMENT METHODS

**Traffickers exploit weak,** ineffective, and inconsistent port controls to smuggle illicit goods across the globe. Freight containers are often targeted for the shipment of illegal wildlife products, which are smuggled alongside bulk legal commodities using concealment methods that can range from crude to sophisticated.

**Ivory and rhino horn** in particular are often cut into smaller pieces, packaged into multiple boxes, bags or sacks, and covered with large quantities of legal products such as dried or frozen fish, plastic for recycling, agricultural products such as beans, nuts, or fruit, or other items in an attempt to avoid inspections or raising the suspicions of authorities.<sup>21</sup> New means of concealment are invented all the time, including camouflaging the contraband by painting it or encasing it inside other objects. False declaration of the goods on shipping documents is another method frequently used to conceal the illicit cargo.

**The Chen OCG** had an established business in Nigeria exporting rosewood to China and had the infrastructure already in place in terms of contacts in Nigeria and access to shipping routes. It is likely that the Chens saw the lucrative criminal opportunity available in ivory trafficking and decided to use their legitimate business operations to facilitate their involvement in this illicit trade.

**The network wrapped** the ivory in plastic bags and concealed it inside custom-made wooden crates, which were then hidden at the back of the shipping container behind tightly stacked timber planks. This concealment method was repeatedly used on all known shipments and seizures connected to the Chen OCG. This was likely a favoured concealment method not only because of the Chens' existing timber business, but also due to timber planks being heavy and cumbersome to move so they could potentially act as a deterrent to customs officers from fully unloading a container during an inspection.

**In addition to this technique,** the network also made false declarations of the goods on shipping documents to avoid raising suspicion and deter potential inspections. The shipments that entered China through Yantai port in August 2017 and February 2018 were both declared as red meranti timber planks originating from Malaysia and accompanied by a forged certificate of origin.

**The Wildlife Justice Commission's analysis** of reported major ivory seizures between 2015 and 2019 found that timber continues to be the dominant concealment method used for ivory shipments, accounting for over one third of detected shipments during this period.<sup>22</sup>

### Key finding 6

The Chen OCG used their established timber business in Nigeria as a cover to smuggle ivory, and wooden crates and timber planks as the concealment method. Analysis of major ivory seizures shows that timber continues to be the dominant concealment method used for ivory.



Image 1: Timber planks used as cover material for the ivory shipments. Credit: China Central Television (CCTV).



Image 2: Custom built wooden crates used to conceal the ivory. Credit: China Central Television (CCTV).

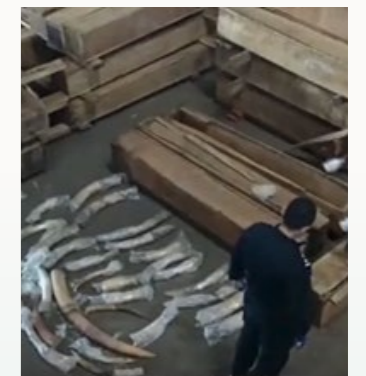


Image 3: Ivory wrapped in plastic and hidden inside the crates. Credit: China Central Television (CCTV).

<sup>21</sup> <https://wildlifejustice.org/significant-changes-in-dynamics-ivory-trafficking/>

<sup>22</sup> <https://wildlifejustice.org/significant-changes-in-dynamics-ivory-trafficking/>



## 07 MULTIPLE TRANSIT POINTS

**Intelligence collected** during the Wildlife Justice Commission's investigations indicates that transnational organised criminal networks are constantly searching for more creative and less risky routes to facilitate smuggling. Although direct shipping route options are available from Nigeria to various seaports in China, traffickers typically choose to use longer, more circuitous routes with multiple transit points to obscure the true origin of the shipment being from Africa.

**To avoid detection**, traffickers will export goods to a specific destination under the cover of one bill of lading, from where it will then be re-exported to the destination or to additional transit points under a "new" bill of lading. Intelligence gathered by the Wildlife Justice Commission from previous investigations indicates that shipments from Africa bound directly for China will undertake strict customs inspections due to the high risk of smuggling. Criminals often use transit points in Southeast Asia such as Thailand, Malaysia, or Singapore, where a "new" bill of lading will be issued in an attempt to evade detection from Chinese Customs.

**Wildlife Justice Commission** analysis suggests that after the first seizure in 2013, the Chen OCG carefully planned its transport routes by choosing a more costly but secure route via South Korea and opting for multiple transit points to reduce the po-

tential risk of detection. The known shipments that were made using this new route successfully entered China undetected. Considering these smuggling "successes" as well as the apparent increase in the number of wildlife seizures linked to South Korea (see analysis below), the South Korea-China route should potentially be flagged as high risk for wildlife trafficking.

Chen OCG	Route
July 2013	Nigeria – Hong Kong SAR – China (Shatian port, Guangdong)
August 2017	Nigeria – Singapore – South Korea (Busan) – China (Yantai port, Shandong)
February 2018	Nigeria – Singapore – South Korea (Busan) – China (Yantai port, Shandong)

Table 3: Trafficking routes used by the Chen OCG.

### South Korea as a transit point

**Much attention has been given** to Southeast Asian countries as hotspots for wildlife smuggling from Africa to Asia. However, according to open-source research conducted by the Wildlife Justice Commission on China Judgements Online, South

Korea appears to be increasingly popular among wildlife smuggling networks as a transit location. Since 2013, there have been 26 seizures recorded where South Korea served as the transit point for shipments destined for China. These comprised at least 23 tonnes of ivory, 10.6 tonnes of pangolin scales,<sup>23</sup> 41 kg of rhino horns, 2.8 tonnes of sandalwood, as well as lesser-known species including 779 pieces of California totoaba fish maw, 13 python skins, two marmosets and one orangutan.

**The analysis found that ivory**, rhino horn or pangolin products bound for South Korea departed from Kenya, Nigeria, Angola, or Mozambique, and then made one more stopover in Hong Kong SAR, Vietnam, or Lao PDR, or headed directly to mainland China. The exceptions were five seizures of California totoaba fish maw, which originated from Mexico instead of Africa. A closer look at these 26 seizures revealed all the smuggling activities involving South Korea were almost solely concentrated at either Seoul Incheon Airport or the Port of Busan.

**Even if it meant** higher transportation costs and longer delivery times, the Chen OCG shipped its ivory from Nigeria to China via Singapore and Busan, South Korea. China and South Korea have a strong trade relationship, with China being the largest destination for legal exports from South Korea, equating to USD 12.3 billion in September

2020 despite the economic disruptions caused by the COVID-19 pandemic.<sup>24</sup> Criminal networks take advantage of such a large volume of goods traded from South Korea to China, and use this opportunity to hide illegal products within shipments to secure a "safer" smuggling route from Africa to Asia, specifically China via South Korea.

**Although South Korea** was once listed by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) as a country of "secondary importance" in the illegal ivory trade in 2002,<sup>25</sup> it has not been identified as a country of focus or concern since then. The apparently increasing role of South Korea in the global illegal wildlife trade is concerning, and the Wildlife Justice Commission will continue to monitor this situation.

### Use of transshipment hubs

The Chen OCG also took advantage of the fact that transshipment hubs such as Hong Kong SAR, Singapore, and Busan are free ports, which generally have less strict controls for transshipment. Due to the extremely high volume of containers moving through these ports, they do not have the capacity to inspect every incoming or outgoing container and instead will rely on risk profiling to identify

<sup>23</sup> This is the largest pangolin scale seizure in China. The criminal network was responsible for the smuggling of 23 tonnes of pangolin scales from Nigeria to China, 10.6 tonnes of which were confirmed to be transferred via South Korea. <https://wap.peopleapp.com/article/4905510/4795985>

<sup>24</sup> <https://asiatimes.com/2020/11/south-koreas-china-exports-outpace-rest-of-world/>

<sup>25</sup> [https://cites.org/eng/news/pr/2002/021004\\_ivory.shtml](https://cites.org/eng/news/pr/2002/021004_ivory.shtml)

containers for inspection. This is another reason why long, circuitous routes are useful from a criminal perspective, to obfuscate the origin and ultimate destination of the shipment. Transshipment hubs may also have less impetus to conduct full due diligence of shipments as they are not the end destination for the goods.



**Key finding 7**

The Chen OCG used longer, more expensive shipping routes with multiple transit points, to re-export shipments with “new” bills of lading and obscure the originating port in Africa. They also took advantage of the fact that transshipment hubs do not have the capacity to inspect every container by sending shipments to Hong Kong SAR, Singapore, and South Korea.

**08 MULTIPLE CLEARING AGENTS**

**Trafficking networks** exploit the services of maritime companies to move their illegal wildlife products. Corrupt shipping agents specialising in clearing services are used to export the illicit cargo, paying higher-ranking officials up the chain and others involved in inspection and border control measures. These agents are responsible for “switching” the bill of lading to conceal the origin of the container and the identities of the sender and recipient.

**To avoid detection**, the Chen OCG would send shipments of multiple containers of timber along with containers carrying ivory concealed within timber, delivered in batches, and delegated to multiple layers of clearing agents. By using complicit clearing agents, the switching of bills of lading and repacking was done before onward transportation took place. Upon arrival in China, the illegal shipments were cleared with the help of another clearing agent before being transported to the designated storage location to await onward sale to buyers.

**The clearing agents** connected to the confirmed shipments are all located in China (Table 4), while there must have been additional agents in Nigeria, South Korea, Singapore, and possibly Hong Kong SAR, which were used by the network to facilitate the smuggling and switching of bills of lading.

Shipment	Clearing agency	Consignee
July 2013 (seized)	Shenzhen Jiayichuang Trading Company	-
August 2017	Yantai Tianhong International Freight Forwarding	Yantai Sensheng Timber Company
February 2018	Yantai Tianhong International Freight Forwarding	Yantai Sensheng Timber Company

Table 4: Clearing agents identified in connection to confirmed ivory shipments.

**Key finding 8**

The Chen OCG used multiple clearing agencies and consignees, suggesting that they had to submit fraudulent documents for customs clearance along the shipping route.





## 09 ILLEGAL BORDER CROSSINGS AND FAKE PASSPORTS

**Criminals often make use** of fraudulent travel documents to disguise their identity when crossing country borders to carry out their illegal activities. In this case, Chen Jiancheng (OCG leader) and Chen Chengzong (co-leader) obtained fake Malaysian passports through an unauthorised agency in Malaysia that enabled them to repeatedly travel in and out of China undetected.

**After the ivory seizure in July 2013**, the Chens escaped from China to avoid being arrested. They illegally crossed the border into Vietnam, then via Thailand into Malaysia. In 2015, they obtained the fake passports and Chengzong became “Xu Zhijian” (official name Kho Chee Kian). The ASB’s later investigation revealed he used his passport to travel between Malaysia and China on 21 occasions to continue the ivory smuggling business. He was also known to have travelled to Nigeria on at least one occasion in 2016, for which he is likely to have used the fake Malaysian passport.

**Chen Chengzong** was eventually arrested by police in November 2018. He had slipped back into China under the cover of his foreign identity and was found dining at a restaurant.

### Key finding 9

**Chen Jiancheng and Chen Chengzong obtained fake Malaysian passports to enable them to enter China undetected using a false identity. It was found that Chen Chengzong had entered China 21 times between 2015 and 2019 using his fake passport.**

## 10 PURCHASING SHIPPING CONTAINERS

**Wildlife trafficking networks** are exploiting the vulnerabilities in maritime transport and customs capability by illegally shipping wildlife products in shipping containers. Regardless of whether a shipping container is purchased or rented, it is handled in the same manner and subject to the same level of inspections by Customs authorities. However, some networks prefer to own their shipping containers rather than rent them, in order to install modifications such as false floors or walls to create secret compartments to hide their contraband. When done well, this is a highly sophisticated concealment method that is difficult to detect without an x-ray scan of the container, and for this reason, shipper-owned containers can be considered a risk indicator for smuggling.

**Intelligence gleaned** from an investigation by the Environmental Investigation Agency (EIA) also indicated that a transporter specialising in the trafficking of ivory from Africa to Asia had advised his criminal associates to buy rather than rent shipping containers, to reduce inspection risks in the case a shipment is delayed, or the rental agreement expires.<sup>26</sup>

**Information indicates** that the Chen OCG bought their own shipping containers to smuggle ivory to China. For example, container number IP-XU3306247 was purchased and used to ship 62

custom-made wooden boxes concealing 7,481 kg of ivory to China in February 2018. Two of the shipping containers owned by the network were also used as storage for the ivory while it was held at the Changfeng Cable Factory in Wuwei, waiting to be sold. The ASB investigation did not discover any secret compartments within these containers, so it is inferred that the containers may have been purchased to avoid an inconvenient expiry of the rental agreement during intended longer-term usage of the containers.



*Image 4: Two shipping containers stored at the Changfeng Cable Factory in Wuwei county, Anhui province. Credit: China Central Television (CCTV).*

<sup>26</sup> <https://reports.eia-international.org/exposingthehydra/>

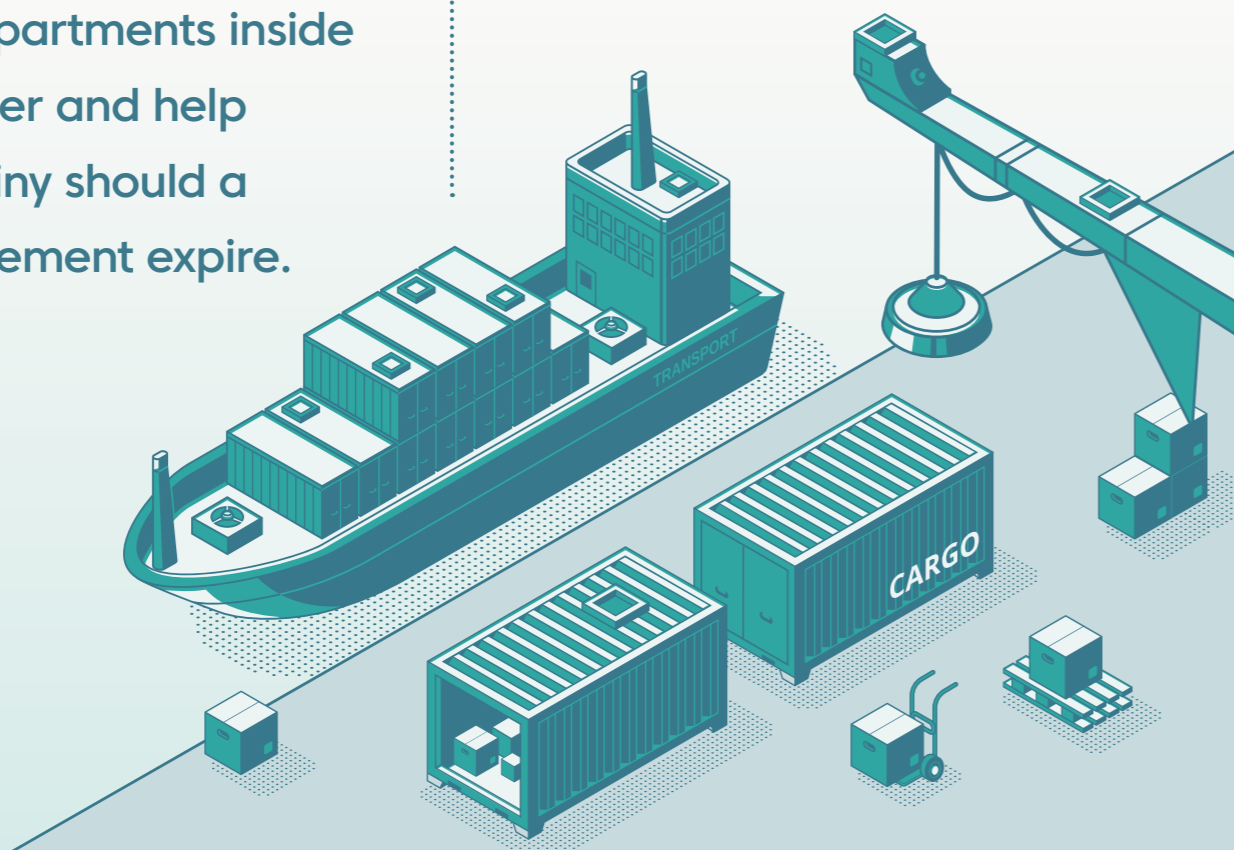


**Key finding 10**

The Chen OCG chose to purchase their shipping containers instead of renting them. A similar modus operandi has been used by other criminal networks involved in similar smuggling crimes, as it can enable the installation of secret compartments inside the container and help avoid scrutiny should a rental agreement expire.



Image 5: Container number IPXU3306247 was purchased and used to ship 62 custom-made wooden boxes concealing 7,481 kg of ivory to China in February 2018. Credit: China Central Television (CCTV).





# China's law enforcement efforts are changing the trafficking landscape

**Over the past few years**, faced with ever-growing international pressure to tackle the illegal trade in threatened and endangered species, and products thereof, the Chinese government has implemented stricter legislative measures. Most important among these is the national elephant ivory trade ban which came into effect on 31 December 2017,<sup>27</sup> a major update adding 517 new fauna species to China's list of endangered and protected species in February 2021,<sup>28</sup> and in response to the COVID-19 outbreak, a ban on the trade of any type of wildlife including all online and e-commerce platforms.<sup>29</sup>

**These legislative measures** have been followed by an amplified law enforcement response, with a growing number of cases and heavier sentences for people charged with smuggling protected wildlife and products thereof, or their sale. According to China Judgements Online, more than 23,000 verdicts related to wildlife crimes have been delivered since 2014, and the number of cases continues

to increase each year.<sup>30</sup> For example, at the time of writing, there were 6,218 verdicts delivered in 2020 compared to 4,515 in 2019, representing a 38% increase despite the disruptions of the COVID-19 pandemic. In the first nine months of 2020, more than 15,000 people were prosecuted in China for wildlife-related crimes, representing an increase of 66% compared to 2019. Approximately 3,000 people were prosecuted for illegally purchasing, transporting, or selling endangered wild animal products, and 273 people for smuggling endangered wildlife.<sup>31</sup>

**In 2018**, the Chinese government began implementing a new strategy whereby Chinese nationals were being deported from Africa to China to face prosecution for wildlife crimes committed in African countries. Within China itself, entire trafficking groups were being arrested for wildlife offences. Chinese law enforcement is also now looking at foreign nationals committing serious offences in China, as demonstrated by the conviction of

Malaysian national Chua Siew Tuang in the Chen ivory smuggling case.

**Analysis of wildlife crime cases** on China Judgements Online also reveals a steady growth in the number of criminals being convicted due to investigations conducted on or through WeChat. A clear impact of Chinese law enforcement monitoring criminality on WeChat can be seen in the way it is contributing to traders altering their means of communication. For instance, the Wildlife Justice Commission's investigations have found that since 2020, several high-level brokers in Vietnam have stated their deliberate avoidance of discussing wildlife "business" on WeChat, instead suggesting the use of WhatsApp, an American messaging app which is banned in mainland China. In addition, Telegram, a Russian messaging app, is preferred by some high-level wildlife traders in Africa as the "safer" means of communication. Some of the known high-level Vietnamese traffickers have also resorted

to simply sending voice messages when communicating with Chinese traders on WeChat, thereby minimising the risk of being detected through keyword searches.

**The effect of these efforts** over the past four years is that in a short period of time, the global trafficking landscape has changed. Crime displacement occurs when law enforcement efforts are strengthened, and it is likely that a large proportion of adaptations in traders' behaviour can be attributed to the response of the Chinese government. Opportunities are now presenting for other crime groups to take over, and the Wildlife Justice Commission's investigations indicate that Vietnamese traffickers in particular are filling the void left by the removal of Chinese networks. In Nigeria, DRC, South Africa, Mozambique, Angola, and Namibia, the Wildlife Justice Commission is observing Vietnamese criminal networks replacing or competing with Chinese traffickers.

<sup>27</sup> [http://www.gov.cn/zhengce/content/2016-12/30/content\\_5155017.htm](http://www.gov.cn/zhengce/content/2016-12/30/content_5155017.htm)

<sup>28</sup> <https://www.scmp.com/news/china/politics/article/3120842/china-adds-517-species-protected-wildlife-list>

<sup>29</sup> [http://www.gov.cn/zhengce/zhengceku/2020-01/26/content\\_5472280.htm](http://www.gov.cn/zhengce/zhengceku/2020-01/26/content_5472280.htm)

<sup>30</sup> <https://wenshu.court.gov.cn/>

<sup>31</sup> <http://env.people.com.cn/n1/2020/1110/c1010-31924896.html>



# Good practices for law enforcement

**The Wildlife Justice Commission** commends the Chinese law enforcement authorities for their efforts in disrupting and dismantling the Chen OCG and has identified several good practices that can be highlighted from the ASB's investigation. These practices played a crucial role in the eventual successful outcome of the case and are essential tools to tackle wildlife crime that is occurring in a highly organised manner.

**However**, while Chinese law enforcement authorities are achieving important results such as this, progress is not occurring evenly across the wildlife supply chain, nor fast enough to stem the trafficking flows. Other key countries along the supply chain also need to step up their efforts to avoid the potential displacement of crime to other locations or other criminal groups rising to fill the void. Broader and more consistent use of the following law enforcement practices is needed to ensure a cohesive and coordinated global response to address these crimes.

## Intelligence analysis and advanced investigation techniques



**Chinese law enforcement authorities** carried out extensive, in-depth investigations into the Chen OCG over several years, including big data analysis, phone extractions and analysis, and lifestyle and financial investigations. For example, once investigators had identified Chen Chengzong's use of a false identity to return to China, they discovered that he often travelled to Wuwei county in Anhui province, despite having no apparent connection to any businesses, relatives, or friends there. ASB also found that Chen Chengzong often drove to the airport and stayed for several hours, but there was no record of him taking a plane. After big data analysis of the flight and passenger records, ASB identified that the time of Malaysian businessman Chua Siew Tuang's arrival and departure was consistent with Chen Chengzong's stay at the airport. In this way, they were able to piece together the connections between the various network members.

**This array of intelligence analysis** and investigative techniques enabled authorities to assemble the details of the large, complex case and build an irrefutable brief of evidence that ensured successful prosecution of the group. Greater utilisation of intelligence analysis and advanced investigation tech-

niques across the supply chain is essential to effectively combat transnational organised wildlife crime.

## International cooperation



**China issued INTERPOL Red Notices** for two suspects as part of the investigation into the Chen OCG. Red Notices are issued for fugitives wanted either for prosecution or to serve a sentence and are a request to law enforcement worldwide to locate and provisionally arrest the suspect, pending extradition or other legal action.<sup>32</sup> In the Chen case, the Red Notice instigated international cooperation with Ghana for the arrest and deportation of Hu Juqiang. In Malaysia, Chen Jiancheng had surrendered and was escorted back to China via the China-Malaysia bilateral law enforcement cooperation mechanism.

**International cooperation** is vital for transnational cases, and it is apparent that China is developing stronger working relationships with more countries, including Nigeria. The Wildlife Justice Commission's research into China's wildlife trafficking convictions found at least 20 trials in China between 2013-2021 relating to Nigeria. One of the most significant cases of collaboration involved China Customs ASB and Nigerian Police in Lagos working together to arrest two prolific Chinese traffickers.<sup>33</sup> In January 2021,

the two countries signed a Memorandum of Understanding covering several areas for cooperation, including security matters.<sup>34</sup>

## Asset forfeiture



**The most effective way** to disrupt and dismantle transnational organised wildlife crime is to remove the financial incentive that makes it an attractive crime type. This can be done by identifying the funds and assets that are the proceeds of crime during an investigation, which can then enable the confiscation and forfeiture of money and property that has been illegally gained. The ASB conducted lifestyle investigations of the Chen OCG, identifying that the family maintained a significant level of wealth despite suffering previous financial losses through ivory seizures. Financial investigations identified payments made for ivory sales and calculations for shipment costs. Criminal proceeds and instrumentality forfeiture routinely occur as part of the sentencing process in China,<sup>35</sup> and in this case the court ordered the seizure of all personal assets of Chen Chengzong and Lin Zhiyong in addition to their prison sentences.

<sup>32</sup> <https://www.interpol.int/en/How-we-work/Notices/Red-Notices>

<sup>33</sup> [http://www.xinhuanet.com/legal/2019-01/07/c\\_1123954069.htm](http://www.xinhuanet.com/legal/2019-01/07/c_1123954069.htm)

<sup>34</sup> <https://guardian.ng/news/nigeria-china-sign-mou-to-coordinate-cooperation/>

<sup>35</sup> <https://www.fatf-gafi.org/media/fatf/documents/reports/mer4/MER-China-2019.pdf>



## Strong penalties



**Accompanying the success** of investigation, prosecution, and conviction in China is the heavy sentencing which seeks to address the higher-tier of organised wildlife crime, rather than targeting lower-level players such as poachers who are often easily replaced. This case was served with the heaviest penalty issued for wildlife trafficking in China in the past decade, with two of the network organisers sentenced to life imprisonment and the confiscation of all their personal assets. During the trial, the prosecutor highlighted that the number of participants in the case, the volume of ivory, the amount of money involved, the length of time committing the crime, and the severity of the crime was exceptional, which may account for the court's heavy sentencing. Although life sentences for wildlife crime are rare, sentences of 10-15 years imprisonment are regularly issued in China.

## Addressing corruption



**Corruption** is the single greatest advantage that trafficking networks have over law enforcement authorities investigating wildlife trafficking. Whether that support extends to warnings about police activities, payments for protecting or not prosecuting traffickers, selling back seized goods, or facilitating the movement of wildlife products across borders, all these activities create an uneven playing field. In order to level the playing field, corruption in the trade must be addressed through the collection of intelligence and evidence to identify and expose these corrupt actors. The arrest and sentencing of customs officer Cong Huajun for his role in facilitating the movement of the Chen OCG's ivory shipments into China is a positive step in this direction. However, Cong Huajun represented just one corrupt actor in a global trafficking network. Intelligence and evidence sharing on other corrupt actors identified during the investigation is crucial to systematically address corruption across the supply chain.

# Conclusion

**The case of the Chen OCG** is significant not only because it is the largest ivory smuggling case that has been convicted in China, but because it effectively dismantled an entire smuggling network from the source point in Africa to distribution in China. Chinese law enforcement authorities conducted a comprehensive investigation over several years targeting this network, utilising a range of strategies and techniques to collect evidence and build the case, which ultimately led to the successful outcome. This case is a model for an effective response to tackle transnational organised wildlife crime and demonstrates the extent of law enforcement efforts in China during recent years to address this issue, and particularly the crackdown on illegal ivory trade.

**This report highlights** the key modus operandi and crime-enabling factors that allowed the network to exploit maritime transport infrastructure to move vast amounts of illicit wildlife products through Nigerian seaports to China over a period of seven years, with the assistance of at least one corrupt customs officer and freight forwarding agencies. It provides a useful case study for the detailed information it yields on the inner workings

of the criminal group, its structural and operational characteristics, which is relevant for a range of law enforcement and conservation stakeholders.

**However**, despite China's strengthened law enforcement response, an important factor that cannot be ignored is that China is, and will continue to be, a major destination for illegal wildlife trade globally. Whilst the conviction of 17 individuals in the Chen OCG and the pending sentencing of two more individuals represents great law enforcement work by China, this case illustrates some systemic issues that continue to facilitate wildlife crime.

**These persistent problems** in the face of uneven law enforcement efforts from other countries in the supply chain are likely to result in the displacement of crime to locations with weaker enforcement or open opportunities for other criminal groups to move into the space left behind by Chinese groups and continue trafficking products to meet the ongoing demand. To avoid this scenario playing out in the future, it is imperative that all countries affected by wildlife crime along the supply chains step up their efforts to address these issues to ensure that crime is tackled in an effective and enduring manner.

# Annex 1: Profiles of legitimate companies linked to the Chen OCG

## 1 Shenzhen Jiayichuang Trading Company

Status	Suspended
Registration date	11/10/2010
Certificate for Uniform Social Credit Code	914403005627930060
Organisation Code Certificate	562793006
Registration number	440301104980597
Registered Capital	RMB 1,000,000
Address	9A West Building, Taiwan Garden, Dongyuan Road, Futian District, Shenzhen City.
Business scope	Sales of electronic products, home appliances, communication products, financial equipment, office supplies and other domestic trade, import and export business.
Legal representative	Xiao Tianrui (肖天润)
Supervisors	Hou Linbo (侯凌波)
Shareholders	Deng Yongjian (邓永建) Zhang Yi (张宜)

## 2 Yantai Sen Sheng Wood Industry Co. Ltd.

Status	Operating
Registration date	Operating
Certificate for Uniform Social Credit Code	91370602680678068K
Organisation Code Certificate	680678068
Registration number	370600200006479
Registered Capital	RMB 5,000,000
Address	No 22 Haigang Road, Zhifu District, Yantai City.
Business scope	Wholesale and retail of timber, timber products, building materials, hardware, rubber products, agricultural and sideline products, fruit products, import and export of goods and technology.
Legal representative	Chen Jianguo (陈建国)
Executive Director	Chen Jianguo (陈建国)
Manager	Chen Jianguo (陈建国)
Shareholders	Chen Jianguo (陈建国) Min Lanqin (闵兰芹)

## 3 Yantai Tianhong International Freight Forwarding Company

Status	Operating
Registration date	23/09/2005
Certificate for Uniform Social Credit Code	91370602780753993L
Organisation Code Certificate	780753993
Registration number	370602228037496
Registered Capital	RMB 5,000,000
Address	No 2, 177 North Street, Zhifu District, Yantai City.
Business scope	Customs brokerage; international sea, road, and air freight forwarding.
Legal representative	Gong Qiuling (宫秋玲)
Executive Director	Liu Tao (刘涛)
Manager	Gong Qiuling (宫秋玲)
Shareholders	Liu Tao (刘涛) Liu Youyue (刘有月)

## 5 Yantai Shunyou Freight Forwarding Company

Status	Operating
Registration date	22/02/2012
Certificate for Uniform Social Credit Code	913706135903454387
Organisation Code Certificate	590345438
Registration number	370613200021390
Registered Capital	RMB 20,000,000
Address	No 3003 Lansheng Gongguan, 588 Gangcheng East Street, Laishan District, Yantai City, Shandong Province.
Business scope	International land, sea and air freight forwarding, general cargo storage services (excluding chemically dangerous goods), import and export of goods and technology.
Legal representative	Zhang Chao (张超)
Executive Director	Zhang Chao (张超)
Manager	Zhang Chao (张超)

## 4 Anhui Changfeng Cable Company

Status	Operating
Registration date	08/09/1999
Certificate for Uniform Social Credit Code	913402257117689139
Organisation Code Certificate	711768913
Registration number	341422000001843
Registered Capital	RMB 220,880,000
Address	Ding Xing Industrial district, Wuwei County, Wuhu City, Anhui Province.
Business scope	Manufacturing and processing of high and low temperature wires, cables, heating appliances, high and low voltage frequency conversion devices, instruments and meters, smelting and processing of copper and aluminium wires; processing and manufacturing of high resistance alloy series; self-running and brokering for the import and export of all kinds of goods and technologies; agri-products purchase.
Legal representative	Zhang Ximing (张锡铭)
Executive Director	Zhang Ximing (张锡铭)
Manager	Zhang Ximing (张锡铭)
Shareholders	Zhang Ximing (张锡铭) Wang Weixia (汪维霞)

## 6 Yantai Chaoshun Freight Forwarding Company

Status	Operating
Registration date	23/09/2016
Certificate for Uniform Social Credit Code	91370602MA3CHBDJ41
Organisation Code Certificate	MA3CHBDJ4
Registered Capital	RMB 5,000,000
Address	No 13, Unite 2, Building 1, Xinzhuang Street, Zhifu District, Yantai City, Shandong Province.
Business scope	Freight forwarding, customs clearance and inspection, import and export of goods and technology.
Legal representative	Zhang Chao (张超)
Executive Director	Zhang Chao (张超)
Manager	Zhang Chao (张超) Liu Jianing (刘佳宁)



See companies on Map 3 (Page 37)



**Law enforcement and legal  
experts fighting transnational  
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