The horn ultimatum: 'Lift the ban on trade or killing goes on'

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Mpumalanga's rhino-farming tycoon, John Hume, says the best financial investment he could make would be to keep stockpiling rhino horn because the price of this prestige commodity just keeps rising.



The rhinos' army

In battling the scourge of rhino poaching in South Africa, private reserves are having to increase their security measures, look to alternatives like dehorning, and where possible, work together.

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He would be happy to sell off his other endangered species, which include disease-free buffalos and roan and sable antelope, even his 6500ha wildlife ranch called Mauricedale, near Malalane, worth more than R4-million.

"But my financial advisers tell me not to sell my rhino horn because its value is increasing more than any other investment," he said.

With 764 rhinos at Mauricedale and another breeding farm in North West province, Hume is the biggest rhino farmer in the world. He has de-horned all his rhinos and shaves off about 1kg of regrowth every year.

Loath to disclose the size of his present stockpile, kept in safety vaults off his properties, by the end of 2010 it included more than 500kg of rhino horn with a retail value of an estimated R200-million.

That was when horn was worth an estimated R400 000/kg; today it could fetch at least R520 000/kg. In theory, anyway, because he has not been able to sell it since a moratorium was imposed on the local horn trade in 2009.

Protecting rhinos

Even though his stash keeps growing and the price keeps rising, Hume has joined other private owners to demand that the trade in the horns of white rhinos be reopened. "I

personally don't need the trade to be legalised," he said, "but it is the only chance we've got to stop the slaughter of rhinos."

Rhino poaching in South Africa

Number poached and arrests made from 2010 to March 2012

Rhino poached			Number of arrests		
2010	2011	2012	2010	2011	2012
146	252	75	20	82	67
0	6	3	0	0	(
15	9	0	10	16	10
52	74	17	29	73	16
17	31	3	0	2	7
57	21	15	3	34	36
4	11	3	15	21	2
3	4	0	6	0	(
38	34	18	5	4	25
0	6	1	0	0	2
1	0	0	1	0	(
333	448	135	89	232	165
Northe	North W	ark 9 ng 24 est 93 Free		Krug Natio Park 473	er nal
	2010 146 0 15 52 17 57 4 3 38 0 1 333 Mapungu	2010 2011 146 252 0 6 15 9 52 74 17 31 57 21 4 11 3 4 38 34 0 6 1 0 333 448 Limpopo Mapungubwe Nat Pa Gauter Morth W	2010 2011 2012 146 252 75 0 6 3 15 9 0 52 74 17 17 31 3 57 21 15 4 11 3 3 4 0 38 34 18 0 6 1 1 0 0 333 448 135 Limpopo 143 Mapungubwe Nat Park 9 Gauteng 24 North West 93 Free State 7 Northern State 7 Eastern	2010 2011 2012 2010 146 252 75 20 0 6 3 0 15 9 0 10 52 74 17 29 17 31 3 0 57 21 15 3 4 11 3 15 3 4 0 6 38 34 18 5 0 6 1 0 1 0 0 1 333 448 135 89 Limpopo 143 Gauteng 24 14 14 Mapungubwe Nat Park 9 Gauteng 24 Kw North West 93 Free Kw Northern State 7 Kw	2010 2011 2012 2010 2011 146 252 75 20 82 0 6 3 0 0 15 9 0 10 16 52 74 17 29 73 17 31 3 0 2 57 21 15 3 34 4 11 3 15 21 3 4 0 6 0 38 34 18 5 4 0 6 1 0 0 1 0 0 1 0 0 333 448 135 89 232 Limpopo 143 Mapungubwe Nat Park 9 Kruge Natio Park 473 Northern State 7 Kwa2ulu-Natio Park 473

Graphic JOHN MCCANN Source DEPT OF ENVIRONMENTAL AFFAIRS Private ranchers own about

25% of the estimated 18 600 white rhinos in South Africa. They also own a large part of the almost 20 tonnes of horn stockpiled in the country, although no one knows exactly how much.

With debate raging about how best to protect rhinos in the build-up to a seminal congress on the Convention on International Trade in Endangered Species (Cites) early next year, private owners want local and international bans on trade in white-rhino horn to be lifted. This week, the department of environmental affairs closed its register of draft proposals from stakeholders that will inform the government's position at Cites.

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Limpopo-based wildlife researcher Rael Loon said private owners had helped to grow rhino populations in the past two decades but were being burdened with spiralling security costs. Poaching was responsible for the death of close to 140 rhinos this year alone and many ranchers no longer wanted to keep them.

The average price of live rhinos has dropped from R200 000 to R150 000 for a young female, and from R160 000 to R120 000 for a young male. Because poachers were being offered up to R300 000 for a single horn, the rhinos were more valuable dead than alive.

"Private owners have huge assets lying in safes that they can't use, but that could potentially be used to pay to protect the rhinos," he said. "A controlled legal trade in the private sector would bring the market out into the open so that it could be monitored and managed."

Reducing the risk

Private owners need to protect their rhinos with round-the-clock guards, hi-tech security systems and up to 90% now opt to cut off the animals' horns to reduce the risk of poaching. Running a small anti-poaching unit for a handful of rhinos can cost at least R1-million a year.

"People don't realise how much work goes into patrolling fences day after day. A lot of farmers end up putting more money into security than the rhinos are worth," said Chris Sussens, the owner of a small crush of rhinos on a reserve west of the Kruger Park.

Protecting his rhinos had become so expensive, he had no option but to dehorn them. He also joined Rhino Revolution, an owners' collective responsible for the dehorning of 90% of the rhinos in private hands around Hoedspruit.

Sussens said the dehorning had drastically reduced the number of infiltrations by suspected poachers on his farm, but he regarded it as an interim measure until trade re-opened and black-market prices for horn come down.

"Farming rhinos and dehorning them gives control to the trade. The minute you legalise it, you will take the pressure off the natural population in the wild," Sussens said.

According to conservation economist Michael Sas-Rolfes, demand for horn in Asian markets is "price inelastic", meaning that consumers are insensitive to price increases.

There was nothing especially new or remarkable about the recent rise in demand for horn, he said. "All that has happened is a realignment of market supply and demand factors."

Clamping down on permits

Sas-Rolfes and Hume argue that the surge in poaching since 2008 can be directly linked to a clampdown on hunting permits that had been used to launder horn. Then in 2009, when the environment department imposed a moratorium on local trade that had been used to leak horn to the East, it closed a loophole and forced traders to look for illegal alternatives.

"Once the South African government imposed measures to restrict supply, the market responded aggressively. Prices had now risen sufficiently -- and demand was sufficiently inelastic -- to justify spending on more intensified illegal efforts to obtain horn; efforts that increasingly included organised crime syndicates and necessitated lethal methods," said Sas-Rolfes.

Speculators could be stockpiling horn in anticipation of further price increases and opportunities for profit, he said. But he disagreed with the view that South Africans in the hunting and game-ranching industry were "fuelling demand" for horn by playing a role in the

illegal supply chain.

"I believe this view to be a confusion of cause and effect. In fact, it is more likely that the South African game-ranching industry played a role in delaying an inevitable resurgence of poaching activity, driven by Asian consumer demand."

Hume, who has had nine rhinos poached despite their being dehorned, suggested the demand could be legitimately supplied by selling off two to three tonnes of horn a year from South Africa's R10-billion stockpile. Rather than selling the horns to one buyer who could manipulate the price and the market, the stocks should be put on public auction.

"We would initiate a publicity campaign around the auction to alert the poachers. It won't stop the poaching immediately, but it would relieve the current pressure," he said.

Last strongholds

South Africa, Namibia and Botswana are the last stronghold of about 95% of the world's rhinos. The 15 000-odd southern white rhinos in South Africa hold the flag for their species: black rhino numbers have dropped from about 60 000 across Africa in 1960 to less than 5 000 today, most of them in South Africa.

Only a few northern white rhinos are left in Tanzania; the Javan rhino population in Vietnam was wiped out last year, leaving no more than 50 in Java; a handful of Indian rhinos are left in protected areas in the Himalayas; and there are less than 300 Sumatran rhinos left.

It would make sense for South Africa to be in control of future trade in horn, said Loon. But getting Cites to agree to open the trade could take years because it involved complicated administrative procedures and all rhino-range states -- including some in Asia and Africa that no longer have any rhinos -- would have to agree to the proposal.

"The prohibitive 'stick' approach applied by Cites is clearly not working," Loon said. "The economic-incentive 'carrot' approach appears to be a much better strategy. Current poaching statistics show that the South African conservation community is fighting a losing battle and the rhinos are paying the price."

Legalising market 'like pulling the tail off a snake'

"It is virtually impossible to get a legal permit to destroy a rhino horn, so how are they going to control a trade in thousands of horns?" asked Louise Joubert, the owner of a wildlife sanctuary raising several orphaned rhinos.

Lack of capacity to enforce the complicated permit system that applies to dehorning rhinos and dealing with the horns is one of the main objections raised by opponents of opening the trade.

At least four permits are needed for dehorning, moving and storing a horn and conservation officials must be present during the process. The horns must be micro-chipped and DNA samples must be taken.

Joubert and other ranchers who wanted to destroy horns after a rhino died said provincial officials had no idea how to deal with the request. One owner also mentioned instances of microchips being removed from horns and implanted into others.

"The legislation we have is fine; the problem is enforcement," said Joubert.

"The provincial authorities who are responsible are mostly dysfunctional." She believed the recent upsurge in rhino poaching can be attributed to game farmers and international traders manipulating the market in an attempt to force the Convention on International Trade in Endangered Species [Cites] to legalise the trade.

"The same kind of people who deal in lion bones and other endangered species have been thwarted in their attempts to trade in rhino horn in recent years. Now they are pushing Cites to open the trade, but it is not going to solve the poaching problem," she said.

It is a view shared by Worldwide Fund for Nature South Africa's rhino programme manager, Dr Joseph Okori. He told parliamentary hearings on the rhino crisis in January that legalising trade would not be the "silver bullet" that solves the poaching crisis.

"This notion has been based on many economic assumptions, postulations and correlations to other nonsustainable forms of resource utilisation such as the diamond industry. At this point, we see it lending itself to greater unforeseen risks and few, if any, guarantees towards survival of the rhino across Africa," he said.

In the recent past, South Africa had sustained and grown its rhino industry quite successfully with local internal trade and limited hunting.

"Recapitalisation, providing new or additional incentives to the sector in which subsidies are considered and policy adjustments would serve a more sustainable way forward," Okori said.

Steven Topham, a Limpopo rancher who sold all his rhinos last year after four were poached in the space of three weeks, said the government needed to intervene at the highest level in Asian consumer countries.

"We can't keep pulling at the tail of the snake; we need to cut off its head," he said.

"Dehorning and trading could be interpreted as saying to consumers that it is okay to use rhino horn, so long as they have a piece of paper. We should rather stop the trade in its tracks."

Orphans get a second chance

Karen Trendler has rescued more than 200 rhinos orphaned by poaching in the past 25 years, and her expertise has never been as much in demand as it is now. "The bond between a mother and calf is incredibly strong. When the mother is killed, the calf will hang around her, so often the young orphans of poaching are covered with panga wounds," she said.

Older calves, who often tried to charge the poachers, were regularly found with gun wounds - if they were not killed for the little stumps of their horns, she said. "Some of the older

calves just take off and keep running, so when we find them days later we have to deal with dehydration.

"The biggest problem we have to deal with in all the cases is helping them get over the trauma of seeing their mother killed," Trendler said.



After Arrie van Deventer, wildlife manager at a safari resort in the Waterberg, witnessed the distress of a calf orphaned by poaching, he set steps in motion to establish a much-needed specialised rhino orphanage. It will be opened in April and will be the world's first.

Trendler has set aside the next two years to establish a team at the orphanage that will raise traumatised calves and release them back into the wild. Her team includes a pair of rescued rhinos that will act as surrogate parents. "It's a noncommercial centre that will have nothing to do with the 'pay and play' exploitation encouraged by many so-called 'calf rescue' projects that just use the calves as marketing and fundraising tools, and end up condemning them to a lifetime in captivity," she said.

In conjunction with the Endangered Wildlife Trust, she recently launched a rhino response project for the rapid rescue of orphans after a casualty. It is a national network with emergency field personnel and helicopters. "As the poaching has escalated, people are feeling hopeless about the rhino population. These interventions provide a tiny ray of hope in a desperate situation," she said.

Medical claims amount to fraud

Anybody who claims that rhino horn is part of traditional medicine could be charged with fraud, according to Rian Geldenhuys, director of the Section 24 Rights Coalition. "In 1993, rhino horn was removed from the pharmacopoeia by the official guardians of traditional medicines in China and Vietnam, the Pharmacopoeia Commission of the ministry of health of the People's Republic of China," he said.

Several pharmacological studies have shown that rhino horn, like fingernails, was made of agglutinated hair and had no medicinal qualities.

Geldenhuys said traditional medical practitioners who prescribed rhino horn for any condition or who sold rhino horn as medicine were guilty of misrepresentation, and could have serious legal consequences, such as charges of fraud, defined as "unlawful and intentional misrepresentation which can lead to actual or potential disadvantage to another

individual or group". The belief in rhino horn could be compared to people visiting "traditional doctors" to win the Lotto, he said.

The coalition monitors official compliance with Section 24 of the Constitution, which safeguards the right to a healthy environment, which should be protected for the benefit of present and future generations through reasonable legislative and other measures.