BOOK REVIEWS

Hong Kong's Ivory: More items for sale than in any other city in the world

Esmond Martin and Lucy Vigne, 2015, Save the Elephants, Nairobi

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Martin and Vigne carried out this survey of Hong Kong's ivory market in December 2014 and January 2015. It updates similar surveys carried out in 2002 (Martin and Stiles 2003) and 2010–2011 (Martin and Martin 2011). Hong Kong has been increasingly criticized for its sizeable ivory market. Several large seizures of illegal ivory smuggled to Hong Kong, in addition to information gathered in China earlier in 2014 (Vigne and Martin 2014), suggested to the authors that more illegal activity than previously detected might be occurring in Hong Kong. They set out to find out what was going on.

The authors found no illegal activity within the shops themselves, as their methodology of simply interviewing vendors and counting items was not designed for that, but they did conclude that significant illegal activity was taking place after sales had occurred in the form of smuggling purchased ivory out of Hong Kong.

The three surveys carried out by Martin and others show significant changes in Hong Kong ivory market patterns from 2002 to early 2015 (Table 1).

There were actually more outlets and ivory items for sale in Hong Kong before the recent upsurge in demand than there are currently. The reduction is probably not significant however, while—as indicated by the title of the report—the number ivory items for sale in one city is unparalleled anywhere in the world.

Table 1: Number of outlets recorded selling ivory in Hong Kong and the number of items counted. Sources: Martin and Stiles (2003), Martin and Martin (2011), Martin and Vigne (2015)

Year	No. of outlets	No. of items
2002	85	35,884
2010–11	62	33,516
2014–15	72	30,856

The most significant change that has taken place is in the nationalities of the customers. In 2002 the main buyers were the Japanese, followed by Europeans, Americans and, fourth, Hong Kong Chinese. Mainland Chinese are not even mentioned in the 2002 report. The number of Chinese visitors to Hong Kong was around 5 million in 2002. Now this number has risen to more than 40 million visitors annually, and over 90 per cent of buyers of ivory in Hong Kong are Chinese from the mainland. The report states that ivory prices have more than doubled in four years, partly driven by record numbers of mainland Chinese coming to the territory. Since it is illegal to export Hong Kong ivory to China, the authors assume that Chinese buyers smuggle it there, mainly in their suitcases. There simply are not enough customs inspectors to deter the smuggling with seizures. Lack of regulation is of concern to the authors.

Chinese go to Hong Kong primarily to buy luxury goods and electronics, which are cheaper there than on the mainland because of lower taxes. However, despite the huge numbers of Chinese shoppers in Hong Kong, and the fact that they now make up over 90 per cent of the ivory clientele, the authors state: "We saw few customers in the retail shops, however, and the small handful of Chinese people who actually bought any ivory chose bangles and pendants" (Martin and Vigne 2015, p 36).

The authors also do not seem to support the contention of many critics that Hong Kong dealers launder large quantities of illegal ivory through their

factories and outlets. The small decline in officially declared ivory stocks has been cited as evidence of laundering, but Martin and Vigne quote government officials as saying that it may simply be because the local demand for ivory is small. In the four years 2010–2013 the stocks only dropped by one tonne per year. This occurred during a period when mainland Chinese visitors increased from 22.2 million to almost 41 million each year.

The report states, "the most recent regular AFCD [Agriculture, Fisheries and Conservation Department], inspection of the shops selling ivory took place in 2014 and the officials did not spot any illegal trade of ivory" (Martin and Vigne 2015, p 53). The authors do not question the statement.

An important piece of information is revealed. In 2009 the government changed its system of registration for privately held ivory. Previously, all privately held ivory stocks were required to be declared. After 2009, only commercial ivory stocks needed to be declared annually. The stocks registered in 2009 fell by 54 tonnes from 2008, and in 2010 they fell a further 57 tonnes. While from 2000 to 2008 ivory stocks declined by about 3.6 tonnes per year on average, between 2009 and 2010 about 111 tonnes disappeared from the books. If the consumption average of 3.6 tonnes remained stable, it means that approximately 104 tonnes of ivory became 'non-commercial' during this period.

The report states that government officials said that they do not know where this non-commercial ivory went because non-commercial stock is not subject to a 'licence to possess'. This situation sounds identical to the system practiced in Japan. Ivory owners in Japan only need to register stocks that they intend to sell, not other ivory. This means that dealers can accumulate large quantities of undeclared ivory simply by saying that is non-commercial. This is like Amazon stating that unsold inventory in their warehouses is non-commercial. Ivory is intrinsically commercial by its very nature, except for small quantities of worked ivory owned for personal use. It is difficult to see how over 100 tonnes of mostly raw ivory is 'non-commercial'. The report does not consider the reasoning and possible motivation behind this change in the ivory registration procedure.

The report also analyses the import and use of mammoth ivory in Hong Kong. Mammoth imports, mostly from Russia, have increased dramatically from 22 tonnes in 2009 to 54 tonnes in 2014. The price for grade A tusks, the highest quality, has increased from USD 600/kg in 2010 to USD 1,500/kg in 2014. (In 2001, it could be purchased from Russia for USD 60/kg!). This compares to prices in Europe for imported legal Pre-Convention raw ivory of USD 830–1,140/kg in late 2014 (Dentex, pers. comm. to D. Stiles, 25 September 2014). High quality mammoth ivory is actually more expensive than elephant ivory.

There were slightly more shops selling mammoth ivory (29) in 2002 than in 2014–2015 (27), but the number of items had increased from 12,207 to 20,583. Mammoth ivory vendors "are confident about the future of mammoth ivory sales because this trade is legal almost all over the world and demand is rising, especially among the mainland Chinese" (Martin and Vigne 2015, p 10). This was in sharp contrast to the elephant ivory vendors, who were very worried about the growing campaign to shut down Hong Kong's legal ivory market. As more recent events have confirmed, they were right to be concerned.

The mainland Chinese buy 80% of the mammoth ivory on offer, followed by Americans, Europeans and Russians. Between 2007 and 2014, 78 per cent of raw mammoth ivory has gone to the mainland to be carved, much of it returning to Hong Kong. Mammoth ivory has the distinct advantage of being legal to trade and move internationally.

Martin and Vigne express concerns that mammoth ivory can be passed off as elephant ivory since, when carved, the two look very similar, especially smaller pieces. Furthermore they found instances of vendors advising buyers to say that the elephant ivory they had purchased was mammoth ivory, if questioned upon departure from the city. With the legal elephant ivory market now planned for closure, this concern will take on much greater significance.

In general, as with all ivory survey reports co-authored by Esmond Martin, this report contains a wealth of quantitative data on ivory that can be found nowhere else. It is essential reading for those who wish to gain an understanding of the ivory market in Hong Kong and how it relates to China, and to encourage solutions to curtail illegal trade.

Martin E, Martin C. 2011. Large and mostly legitimate: Hong Kong's mammoth and elephant ivory trade. *Pachyderm* 50:37–49.

Martin E, Stiles D. 2003. The ivory markets of East Asia. Save the Elephants, Nairobi and London.

Vigne L, Martin E. 2014. *China faces a conservation challenge: the expanding elephant and mammoth ivory trade in Beijing and Shanghai.* Save the Elephants and The Aspinall Foundation, Nairobi and Kent, UK.