



# Chinese underworld exposed

## Local collusion at lower levels

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The unprecedented growth of Chinese immigration has brought with it the feared Chinese organised crime syndicates called triads, who are working in cahoots with Namibian crime syndicates, a renowned private investigator has observed.

Andrew Fordred claims these Chinese criminals are not entrepreneurs seeking to make a quick, if dishonest, buck. Instead, they are part of ancient and well-organised criminal groups with "fierce internal discipline".

Often poorly educated, many of these immigrants form so-called Chinatowns wherever they go, which often leads to illegal activities such as sales of pirated goods bearing famous brand names. A natural progression, says Fordred, is escalating involvement in drug smuggling, foreign currency contraventions, prostitution and wildlife crime.

A triad is one of many branches of transnational organised crime syndicates which usually are based in China. At least four triads are operating in a number of African countries, including Namibia, South Africa, Tanzania, Kenya, Zimbabwe, and Zambia.

These are the Wo Shing Wo group, San Yee On group, 14K-Hao group, and the 14K-Ngai group.

The 14K triad is one of the most powerful criminal organisations in China and the world, says Fordred.

Criminal groups have recently risen to prominence in Botswana where the Directorate of Intelligence and Security Services (DISS), as well as labour and immigration departments, have become "ideal targets" for a "Chinese mafia takeover".

Recently, the Directorate on Corruption and Economic Crime (DCEC), the Financial Intelligence Agency (FIA) and the Botswana United Revenue Services (BURS) "stumbled" upon information suggesting that a Botswana Democratic Party (BDP) presidential candidate was sponsored by an investor linked to the so-called Chinese mafia.

A money-laundering investigation by FIA and DCEC revealed that the Chinese investor had "repatriated" more than 45 million pula in cash in about 24 months.



(<https://d3rp5jatom3eyn.cloudfront.net/asse-underworld-exposed2017-08-110.jpg>)  
ROSEWOOD KINGPIN: 'Main buyer' Xuecheng Hou. Photo: File



(<https://d3rp5jatom3eyn.cloudfront.net/asse-underworld-exposed2017-08-111.jpg>)  
TRACKING THE TRIADS: Private investigator Andrew Fordred. Photo: Catherine Sasman



(<https://d3rp5jatom3eyn.cloudfront.net/asse-underworld-exposed2017-08-112.jpg>)  
investigator: Andrew Fordred.



In a paper entitled 'Chinese Organised Crime and Africa' Dr Gary K Busch identifies a link and interaction of Chinese organised criminal structures with African states and their symbiotic relationship with forces of the Chinese state and the military-industrial sector.

(<https://d3rp5jatom3eyn.cloudfront.net/assets/underworld-exposed2017-08-113.jpg>)  
TRACKING THE TRIADS: Private investigator Andrew Fordred. Photo: Catherine Sasman

“The cooperation between the triads and the Chinese military companies make it easier to disguise the political aspects of Chinese investment by masking it behind a front of intermediaries with no military connections.



(<https://d3rp5jatom3eyn.cloudfront.net/assets/underworld-exposed2017-08-114.jpg>)

“The triad structure allows for secrecy to prevail. The triads can, and do, make a lot of money on their own and are not financially dependent on the corporations, which broaden their face in many transactions,” Busch writes.

Busch says such criminal entities operate in virtually every African state, especially where there is a coast and a mining industry.

He mentions that Chinese criminals operating in Africa often have niche markets such as controlling the export of wildlife products, buying and trading in illegal ivory and rhino horns, as well as being major buyers of illegally mined gold and diamonds.

Namibia is not exempt from such crimes, as is increasingly evident from court cases.

As recently as 2009 Namibia, perhaps naively, did not anticipate that the scourge of rhino poaching in neighbouring South Africa would move across the border because of Namibia's relative success in the management of conservancies.

The coordinator of the Land, Environment and Development (LEAD) project of the Legal Assistance Centre (LAC), Willem Odendaal, says this changed with the first rhino poaching case in December 2012 in the Palmwag area.

“That was the beginning of our problems,” says Odendaal.

From 2013/14 onwards, rhino, elephant and pangolin poaching escalated and it continues unabated.

#### LEVELS OF POACHING

Fordred says local syndicates work in cahoots with the Chinese criminal giants.

From 2012 to 2015 seven Chinese nationals and 103 Namibians were arrested for wildlife crimes in Namibia.

This led the Chinese embassy in Namibia to conclude that local outrage over Chinese involvement in such crimes was largely unfounded because the largest number of suspects was locals.

However, the Financial Intelligence Centre (FIC) points out that locals are usually involved in Level 1 and Level 2 poaching with very little international resources, access or contacts.

Level 1 poaching is usually for subsistence purposes; while Level 2 is for commercial gain.

The Chinese are usually involved at Level 3, or the syndicated, sophisticated organised crime, which is internationally orchestrated and is the commercial driver of wildlife crime. These syndicates recruit large networks of locals to do the actual poaching.

In a strongly-worded letter in December last year the Namibian Chamber of Environment demanded that the Chinese embassy "put a stop" to wildlife crime.

The chamber argued that the embassy is responsible for the behaviour of its citizens because Chinese nationals cannot travel independently and appear to be part of a state-supported system.

Conservation organisations estimate the losses to Namibia's wildlife and ecosystems caused by Chinese nationals at around N\$811 million.

#### LOCAL PLAYERS

Local crime syndicates so far identified include Dr Gerson Kandjii and his cohorts who have been repeatedly arrested – and released – on poaching charges.

This group was first arrested in November 2014 for having poached four rhinos in the Etosha National Park. While out on bail in that case they were arrested for the murder of German industrialist Reinhard Schmidt in the Kalkrand area in March 2015.

In certain circles it was suggested that Schmidt's murder was linked to plans to introduce rhino to his hunting farm in the Omamas district. He was murdered about two months before the first rhino was to be delivered there.

This stirred speculation of collusion by officials in the Ministry of Environment and Tourism because Schmidt had to get permits from the ministry for the rhino to be received at the hunting farm.

The Etosha arrests also resulted in the arrest of Pinehas Auene, the deputy director of marine pollution control in the directorate of maritime affairs. He was released on N\$35 000 bail.

Also arrested was Fillemon Magongo Ilende, a police constable, linked to another poaching case. He was released on N\$25 000 bail.

The 'Karibib gang', which operated around 2010, included Beatus Emvula, Absalom Fillemon, Thomas Iyambo, Jacob Jacobine, Joe Emvula, Otilia Sheehama, Paulus Amakali and Thomas Xoagub.

Absalom was arrested a month ago for rhino poaching and appeared in the Omaruru Magistrate's Court.

Fordred says the group around Festus Mazuva, an employee at Nored, changed tack in that they attempted to get involved at Level 3 by trying to directly sell rhino horns in Zambia in May 2016.

That led to the arrest of Nefuma Stefanus alongside three Zambians, two of whom are air force officers.

Mazuva, Eben Levi and Tuakutuakumue Mupiam were also arrested and denied bail in Namibia. However, in 2013 Levi was given a presidential pardon. Still at large is someone known only as Ulemo, who allegedly is a nurse at the Rundu State Hospital.

## THE CHINESE KINGPINS

The most noted wildlife criminals include Chinese national Xuecheng Hou (41), who goes by the street name Jose.

His company New Force Logistics is currently involved in tree logging at Katima Farm and in the Caprivi State Forest.

Fordred says Hou is a "main buyer" of African rosewood, which his company has been logging at the Katima Farm since around February.

Hou was arrested eight times in Namibia between 2004 and 2014 for theft and wildlife crime, although he has never faced trial in any of the cases from 2010 and is out on a combined bail amount of N\$100 000.

A successful investigation into organised wildlife crime led to the arrest of Hui Wang, Li Xiaoling, Li Zhibing and Pu Xuexin, who are now serving 14-year prison sentences.

Linked to this prosecution, says Fordred, was the arrest of Stefan Geng, who allegedly paid for their accommodation. Stefan is the brother of Zhi Geng, who was arrested with James Barron Wallace for smuggling rhino horn and abalone.

Fordred says there is evidence of some involvement by Pakistani and Indian nationals.