



AN UNHOLY ALLIANCE

LINKS BETWEEN EXTREMISM & ILLICIT TRADE IN EAST AFRICA

INTRODUCTION

East Africa's war against extremism, crime and corruption is inextricably linked to the menace of illicit trade. This report reveals how illicit trade in the region finances extremism, funds criminal enterprises and breeds corruption, while threatening economic and social structures and leeching vital resources.

KEY FINDINGS

- Militant groups such as Al Shabaab are exploiting the illegal wildlife trade, endangering precarious animal populations while exposing human society to deadly zoonotic diseases.
- The region's multi-million-dollar trade in illicit tobacco funds corruption and insurgency and has been linked to the illegal arms trade.
- Ongoing conflicts in neighbouring countries, such as the Democratic Republic of Congo and Central African Republic, are fuelled by the illegal expropriation of environmental resources, including diamonds and wildlife.
- International crime syndicates target East Africa to import illicit animal products and export narcotics and counterfeit goods. Vaccine supply chains are considered at risk from the same criminal organisations.

Combatting illicit trade is therefore a regional and international imperative. However, it is also an unenviable task. East Africa's vast borders and weak security and market controls make the detection of illegal goods difficult.

There is increasing awareness of, and alarm over, the deep connections between extremism, crime, corruption and illicit trade, and this has inevitably led to national and regional governments taking more concerted action to clamp down on illegal trafficking.

The report examines the region's illicit markets in wildlife, natural resources, narcotics, pharmaceuticals, agriculture and consumer products and human trafficking. It spotlights three additional illicit markets in need of special attention from authorities.

IVORY

In East Africa global demand for ivory has encouraged a host of extremist groups to engage in the poaching and illicit trafficking of elephant tusks. While the price per kilo of ivory in destination markets can reach USD 1,000 and above, African poachers often receive USD 200 or less from middlemen.

Besides fuelling extremism, ivory poaching and smuggling also breeds corruption. Traffickers routinely bribe officials, including park rangers, border guards and police, while money laundering associated with the trade undermines the integrity of financial systems in East Africa.



TOBACCO



Although reliable data is not available for all East African countries, research conducted in 2011 suggested that Uganda's illicit market share for tobacco products stood as high as 20%, or 300-400 million illegal cigarettes. Kenya's illicit tobacco market share has also been estimated at between 10% and 30%. As well as funding criminal and extremist groups, illegal tobacco deprives government services of excise tax revenues. In East Africa, illicit tobacco is believed to cost governments USD 100 million in taxes every year.

Proceeds derived from illicit tobacco can be immense. In the present market, a shipping container carrying 10 million cigarettes, which costs as little as USD 100,000 to produce in China, may fetch as much as USD 2 million sold illicitly in the United States.

ARMS & MUNITIONS

In the past decade, major conflicts on East Africa's doorstep have helped to create a mass market for illicit arms. Some efforts, most notably in Kenya, have been made to curb the proliferation of illegal weaponry. While hardly sufficient, the sheer quantity of arms that state officials have recently taken in does give some indication of the extent of the problem.

In 2017, the most recent year for which such data is available, the Kenyan government seized 51 machine guns, 5,720 rifles, 738 pistols, 840 revolvers, 2,136 shotguns, 202 submachine guns and 41 other weapons (including rocket launchers), for a total haul of 9,728 units compared to 5,264 the year before.



RECOMMENDATIONS

East African governments, regional authorities and global powers must work quickly and in concert to staunch the flow of illicit trade, and thereby turn off the taps for extremism, crime and corruption. As an economic hub and keystone security partner for both Central Africa and the Horn of Africa, East Africa's war on illicit trade will have considerable ramifications for the wider region. Adopting a comprehensive and coordinated approach to illicit trade must therefore be made the number one priority for East African policymakers, while international allies must do all they can to help upgrade the region's anti-illicit infrastructure.

CEP proposed a five-point plan for a safer, wealthier and more stable East Africa:

1. **Treat crime, corruption, extremism and illicit trade as equal evils threatening national security**
2. **Adopt comprehensive multi-category anti-illicit trade strategies**
3. **Foster regional cooperation and enlist international support to fight illicit trade**
4. **Target law enforcement interventions to deter illicit trade and catch the perpetrators**
5. **Introduce surveillance tools to enforce manufacturing and market regulations to prevent the production and free circulation of illegal products**

To **read the report** that makes an irrefutable case for challenging illicit trade and thereby developing a wealthier and more stable East Africa, visit CEP's website or click [here](#)