TRAFFIC INTERNATIONAL

England & Wales · Charity number 1076722

Details

Status	Registered
Legal form	Charitable company
Company number	03785518
Registered	1999-07-23
Register	View on the Charity Commission register

Contact

Address	Traffic International The David Attenborough Building Pembroke Street Cambridge CB2 3QZ
Phone	01223277427
Email	traffic@traffic.org
Website	www.traffic.org

Activities

Objects: TO PROMOTE FOR THE PUBLIC BENEFIT THE CONSERVATION AND PROTECTION OF NATURE AND NATURAL RESOURCES WORLD-WIDE THROUGH HELPING TO ENSURE THAT TRADE IN WILD ANIMALS AND PLANTS IS AT SUSTAINABLE LEVELS AND IN ACCORDANCE WITH DOMESTIC AND INTERNATIONAL LAWS AND AGREEMENTS

Activities: TRAFFIC works to ensure that trade is not a threat to the conservation of nature. TRAFFIC actively monitors and investigates wildlife trade and advocates policy messages to diverse audiences worldwide. TRAFFIC International is the co-ordinating office of the TRAFFIC network with functions that include strategic direction, network operations, programme development and delivery, and communications

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Environment/conservation/heritage
- **Who:** The General Public/mankind

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Geography

- **Area of benefit:** WORLDWIDE
- Australia
- Belgium
- Brazil
- Cameroon
- Canada
- China
- Costa Rica
- Ecuador
- Estonia
- France
- Georgia
- Germany
- Hong Kong
- Hungary
- India
- Japan
- Kenya
- Malaysia
- Mexico
- Netherlands
- Peru
- South Africa
- Spain
- Sweden
- Switzerland
- Taiwan
- Tanzania
- Thailand
- United Arab Emirates
- United States
- Vietnam
- Zimbabwe

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Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£12,035,335	£12,883,305	£2,974,400	178
2024-06-30	£12,254,247	£13,454,197	£3,822,371	182
2023-06-30	£12,066,382	£12,962,405	£5,022,320	187
2022-06-30	£11,361,214	£10,360,063	£5,918,343	169
2021-06-30	£10,117,317	£9,552,721	£4,917,192	153

Trustees

Name	Role	Appointed
Mark Halle	Chair	2025-08-01
Aban Marker Kabraji		2020-08-26
Anthony John Cowell		2025-01-01
Christopher Douglas Hallam		2025-07-01
Dr Pamela Davis		2023-05-25
Dr Viviana Elsa Figueroa		2023-11-24
Justin Rupert John Hainaault Mundy		2024-08-01
Kavita Prakash-Mani		2023-08-01
Wendy Joan Elliott		2025-08-05

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TRAFFIC INTERNATIONAL

England & Wales - Charity number 1076722

Accounts

TRAFFIC®



TRUSTEES' REPORT

AND FINANCIAL STATEMENTS FY25

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PUBLISHED BY:

TRAFFIC International, Cambridge, United Kingdom.

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A MESSAGE FROM THE CHAIR OF TRUSTEES/EXECUTIVE DIRECTOR

Image: *Many sea Turtles are illegally traded as food, curios, and traditional medicine. We work to ensure these species remain a critical component of healthy marine ecosystems.*

© Antonio Busiello / WWF-US

The fiscal year ending June 2025 (FY25) marked the second full year of implementation of TRAFFIC's ambitious 2030 Strategy. Through a diverse portfolio of projects, we continued to tackle pressing issues and systemic drivers of illegal and unsustainable trade in wild species in Africa, the Americas, Asia, Europe and Central Asia, and the Pacific.

TRAFFIC delivered strong results across all five Priority Areas of our 2030 Strategy; addressing illegal wildlife trade across the breadth of the supply chain – from international legislation, through national law enforcement, working with communities, best practice with the business sector, to demand reduction at the consumer level.
Strengthening evidence-based decision making within the international policy arena remained a high priority, with a focus on supporting implementation of CITES decisions, particularly facilitating legal and sustainable trade. We contributed to the delivery of the Kunming Montreal Global Biodiversity Framework targets related to wild species trade and participated in key decisions adopted at the Convention on Biological Diversity COP20. We advanced the call for protections of sharks and rays at the 2025 United Nations Oceans Conference. Significantly this year we also sought to drive and support policy change at the regional level with a focus on the European Union, Central Asia and the African Union.

National enforcement efforts were strengthened through data, tools, and training across the criminal justice system, with a growing emphasis on financial crime. A particular focus has been the timber and high-value marine species trades, to not only enforce the illegal trade in wild species but also facilitate legal and sustainable supply chains. We have worked with communities, particularly in Central Africa, Nepal and Tanzania, to improve their participation and benefits derived from trade in wild species whilst ensuring that harvesting is sustainable.

In addition to working with timber importers and the traditional medicine industry to improve the sustainability of their sourcing, TRAFFIC has worked to influence and change behaviours with sectors that enable the illegal wildlife trade, including e-commerce (in response to increasing online trade in wild species), transport and logistics, and the financial sector. Demand reduction campaigns targeted exotic pets and species used in traditional medicine and delicacies in China and Vietnam. Our expertise helped governments develop national demand reduction strategies. These are complex issues that require comprehensive systems solutions. Success has depended on partnering with donors, experts and those with lived experience, bringing together a wide range of perspectives and expertise.

A very challenging funding environment, with escalating geopolitical, environmental, social, and technological challenges, and marked by reductions in national contributions to overseas development assistance led to difficult decisions to pause affected projects and make some reductions to the workforce. This was a difficult and painful process but was essential to ensure longer term effectiveness. However, despite this, during FY2025 TRAFFIC continued to deliver an impactful and diverse project portfolio in support of the 2030 Strategy.
There has been a concerted cross-organisational effort to diversify income streams and develop new supporters and partnerships, and new opportunities have opened up to us as a result.

We thank everyone who has helped us this year - our achievements would not have been possible without strong and valued partnerships with a wide range of stakeholders, including from government agencies, intergovernmental bodies, local communities, businesses, and the many partners who help amplify TRAFFIC's impact.

We extend our sincere gratitude to our highly dedicated staff and to our Trustees for their strategic guidance and to our founding partners, IUCN and WWF, for their continued support and collaboration.

Finally, we acknowledge with deep appreciation the generous financial contributions from numerous organizations, foundations, and individuals. Their commitment has been instrumental in enabling the progress we achieved in FY25.

We are excited about plans for the 12 months ahead as we continue to mobilise our global network to protect wildlife, empower communities, and reshape trade systems for a more sustainable future. It is a pivotal year – not just for TRAFFIC, but for nature. The need has never been greater, and together we are building a better future – one where legal and sustainable trade works to benefit the planet and people.



Richard Scobey
Executive Director



Mark Halle
Chair of the Board



OUR STRATEGY AND OBJECTIVES

TRAFFIC's mission, as outlined in our 2030 Strategy is to ensure that trade in wild species is legal and sustainable, for the benefit of the planet and people. TRAFFIC's vision is aligned with the long-term vision of the Kunming Montreal Global Biodiversity Framework: a world living in harmony with nature where, by 2050, biodiversity is valued, conserved, restored, and wisely used, maintaining ecosystem services, sustaining a healthy planet and delivering benefits essential for all people.

TRAFFIC is at the forefront of ensuring the global trade in wild species is a force for good. Without intervention, illegal and unsustainable wildlife trade will continue to:

- **cause species extinction**
- **fuel transnational crime and regional insecurity**
- **drive poverty, denying local people livelihoods and resources**
- **destroy ecosystems that help mitigate climate change**
- **spread diseases which pass to humans**

But none of this is inevitable. When legal and sustainable, trade in wild species can be a transformative agent for positive change: protecting biodiversity and bringing economic benefits. To this end TRAFFIC's 2030 Strategy has two Goals:

1. By 2030, illegal and unsustainable trade in wild species will be significantly reduced; and
2. By 2030, legal and sustainable trade in wild species will provide significantly increased social, economic and environmental benefits to people.

With 50 years of expertise, TRAFFIC is a trusted partner and advisor to governments, businesses, law enforcement, and communities worldwide, tackling the root causes of illegal trade in wild species. From source to destination, we provide evidence, influence, and solutions to galvanise change. FY25 was the second full year of implementing TRAFFIC's 2030 Strategy. The strategy is structured through five Priority Areas ensuring that trade in wild species is addressed across the breadth of the supply chain as well as through effective international and national policy:

1. International Frameworks: Prioritised global and regional intergovernmental agreements are strengthened and new policies developed to promote legality and sustainability of trade in wild species and discourage illegal and unsustainable trade practices.
2. National Policy and Regulation: Governments in priority geographies are effectively implementing regulations and policies for improved governance of trade in wild species and prevention and response to illegal wild species trade.
3. Empowering Communities: People in prioritised supply chains and geographies have improved livelihoods through their involvement in legal and sustainable harvesting, trade, and processing of wild species
4. Working with the Private Sector: Priority businesses in target sectors involved in or facilitating trade in wild species implement new or strengthened best practice to verify responsible wild species supply chains and deter illegal products from entering supply chains.
5. Responsible Consumption: Consumption of illegal and unsustainable wild species products by target consumer groups is reduced in favour of sustainable wild species products or suitable alternatives.

This report highlights just some of the 270 activities delivered and impact achieved through a portfolio of over 80 projects this year by strategy Priority Area.

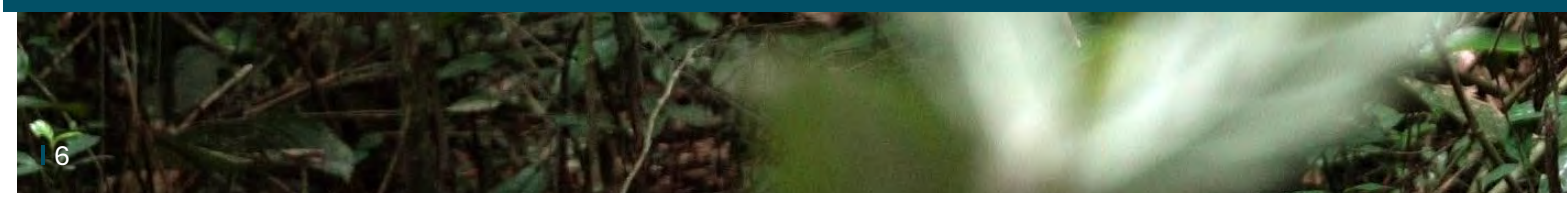




Image: *Community forestry for Indigenous Peoples and local communities in Cameroon is bringing essential benefits for both people and biodiversity.*

© Sam Obae / TRAFFIC

Cover image: © Yingboon Chongsomchai / ZSL Thailand

TARGETED IMPACT:
STRATEGIC PROGRESS IN GLOBAL WILDLIFE TRADE
SELECTED HIGHLIGHTS

Our achievements in FY25 show targeted interventions across five priority areas. By addressing policy, business practice, community livelihoods, and consumer demand, we are actively working to disrupt illegal wildlife trade and promote sustainable use globally.

SUPPLY CHAIN STAGES OF WILDLIFE TRADE



PRIORITY AREA 1
INTERNATIONAL FRAMEWORKS



31 knowledge products produced

17 research findings incorporated into intergovernmental decision-making

2 intergovernmental agreements influenced



PRIORITY AREA 2
NATIONAL POLICY AND REGULATION

117 tools, resources, or collaboration mechanisms developed or strengthened

2,945 law enforcement staff successfully completed training on wildlife trade-related issues

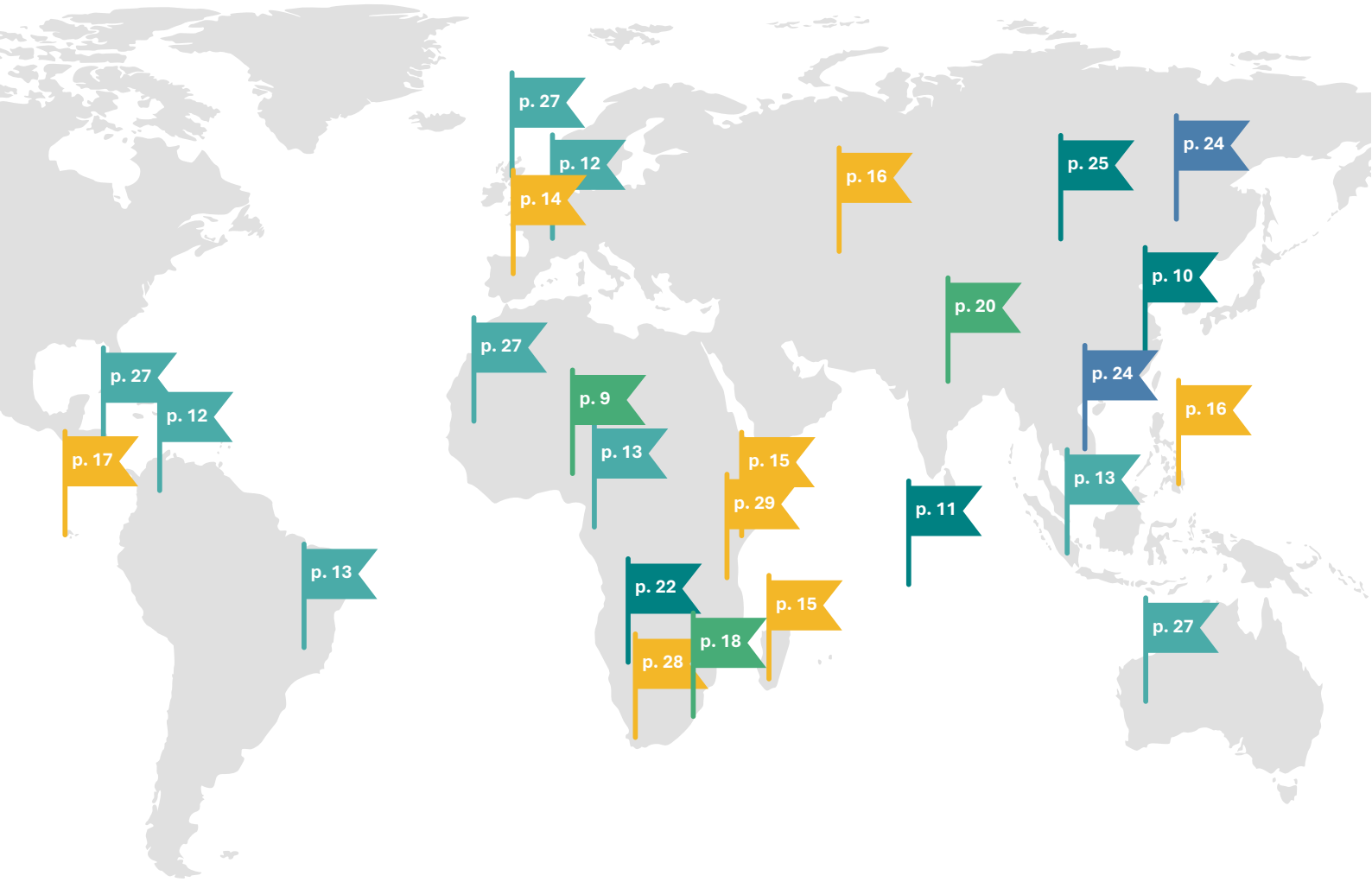


PRIORITY AREA 3
EMPOWERING COMMUNITIES

1176 community representatives successfully completed capacity building

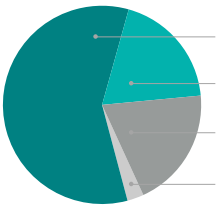
2 new community empowerment mechanisms established to support legal and sustainable harvesting





PRIORITY AREA 4
WORKING WITH THE PRIVATE SECTOR

407
businesses verified to be implementing new or strengthened best practice measures



238 timber (China)
78 timber (Vietnam)
80 wild plants (FairWild)
11 airlines/transport

PRIORITY AREA 5
RESPONSIBLE CONSUMPTION



4
new behavioural change initiatives delivered in
China
Vietnam
Japan

850+
previous consumers of illegal wildlife products from local communities in Tanzania committed to sustainable alternatives

DEEP DIVE:
TIMBER AND RAINFORESTS

Protecting forests from illegal timber trade remains one of TRAFFIC's biggest priorities, particularly given the escalating global climate crisis and the central role of forests in mitigating and adapting to climate change.

While global forest cover continues to decline, a hopeful sign is that the rate of deforestation is slowing. The Kunming-Montreal Global Biodiversity Framework has brought renewed global focus to the biodiversity crisis, whilst establishing robust targets for progressing towards the sustainable use of nature.

Wood production has reached a record 4 billion cubic metres each year. At the same time, billions of people rely on nontimber forest products for their livelihoods.

TRAFFIC's mission is twofold: to tackle the root causes of illegal timber trade thereby reducing deforestation and corruption, but also to determine and support sustainable levels of trade so that forests can be managed in a way that benefits people and planet.



Images: *(Background) Illegal loggers transport illegally-harvested timber in Cameroon. (Inset) TRAFFIC staff from our Central Africa office accompany local community members from East Cameroon on Community Forest management training.*

© Sam Obae / TRAFFIC



Empowering Cameroon's forest guardians

Image: *Moizol Sosso Gladys, Indigenous member of Mayos village in East Cameroon benefits from access to a Community Forest.*

© Sam Obae / TRAFFIC

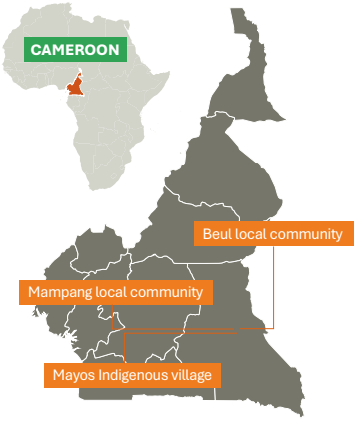
Community forestry for IPLCs' rights and resilience

In the heart of the Congo Basin, Cameroon's rainforests are home to extraordinary biodiversity, ancient traditions, and a culture of reciprocal relationships with nature.

For Indigenous Peoples and local communities (IPLCs), these forests are both spiritual homelands and an essential source of sustenance. Yet, despite their vital role in protecting nature, IPLCs have long been excluded from enjoying the rewards of their ancestral forests.

TRAFFIC is helping to change that.
Piloted in two community forests and five villages, including one Indigenous Baka community, TRAFFIC has supported IPLCs in navigating complex legal frameworks to access "community forests."

These portions of forest, granted by the state, allow communities to sustainably harvest timber and other resources, participate in forest governance, and generate income.



The transformative power of community forests

With local partners, TRAFFIC has provided training in forest mapping, species inventories, legal compliance, and developing simple forest management plans for approval by the Ministry of Forestry and Wildlife.

As a result, these communities can now sustainably use forest resources. They plan to build schools, health centres, and water and sanitation infrastructure as a result. The next step is certification, which allows IPLCs to earn almost ten times more from the legal timber they harvest.

While challenges remain, TRAFFIC's work in Cameroon shows that community forestry is a scalable solution that protects both community members and the forests they call home, through combatting illegal logging, deforestation, and wildlife poaching.

TRAFFIC hopes to expand to 20 more community forests in Cameroon, with aspirations to replicate the approach across other Congo Basin countries.

We believe conservation means inclusion. By empowering IPLCs, we're not only protecting forests, but we're also investing in a nature positive future led by those who know and understand it best.



© Marcus Cornthwaite / TRAFFIC

> **"TRAFFIC has resurrected us - our community forest has given our village the chance to lift ourselves out of poverty**
>
> *Majesty Mital Athanase, Chief of Mampang village*

East Africa timber tracker is born

Success for forestry expands

Following the success of Tanzania's timber tracking system, TRAFFIC has been supporting its rollout in neighbouring Kenya.

The system helps Tanzania Forest Services manage the country's extensive forests, so that degraded woodland recovers, corruption in timber trade is stamped out, and timber revenue increases.

At a TRAFFIC-convened meeting, Kenya's forest service expressed eagerness to adopt the "beautiful system." Now, Tanzania and Kenya are collaborating on a cross-border tracking system, with Uganda also signalling interest in joining the regional effort.

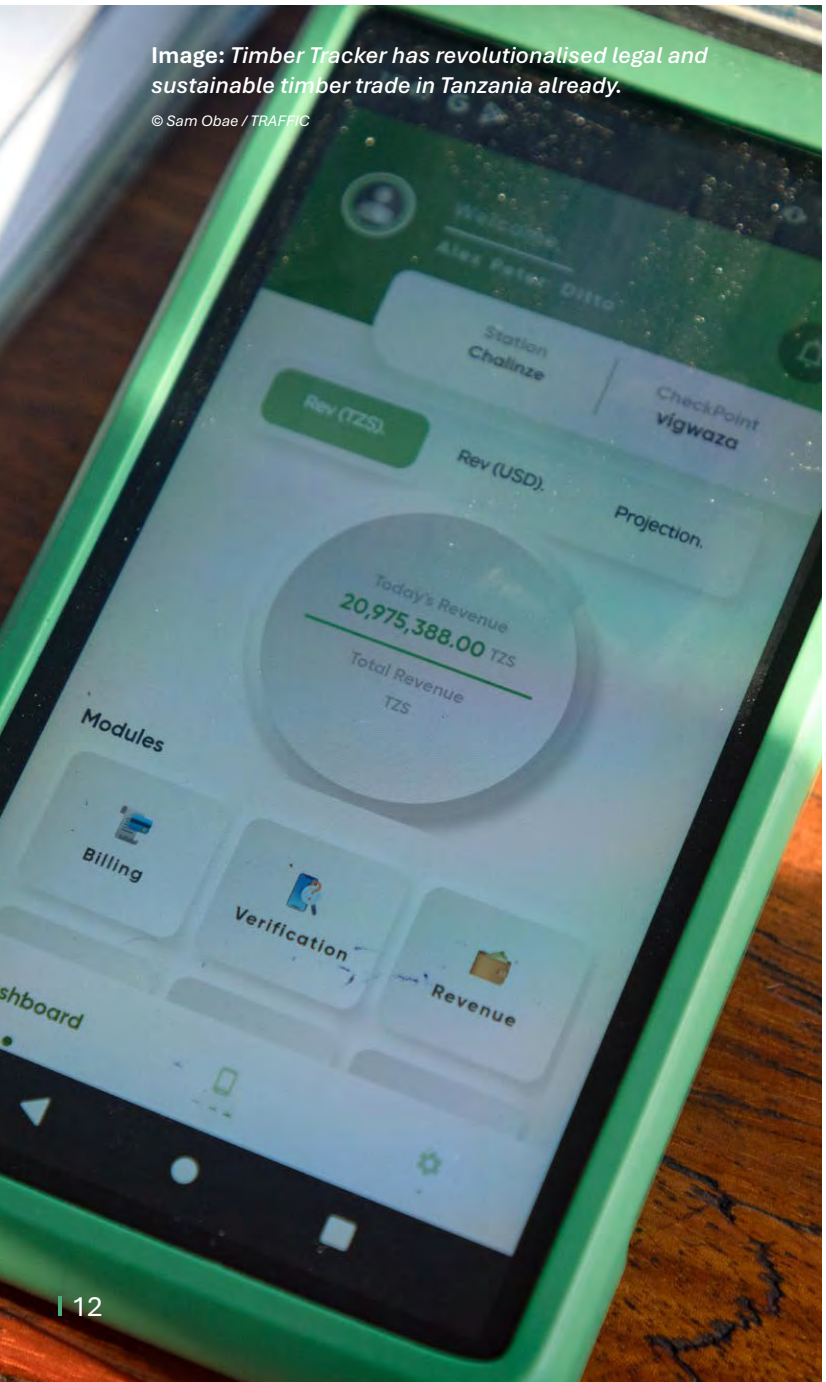


Image: *Timber Tracker has revolutionalised legal and sustainable timber trade in Tanzania already.*

© Sam Obae / TRAFFIC



Image: *Vietnamese timber companies are pushing ahead with sustainability pratices.*

© James Morgan / WWF

Code of Conduct for Vietnamese timber companies

TRAFFIC worked with a forest products association in Vietnam to create a voluntary Code of Conduct for timber manufacturers. The aim is to help companies establish systems to check that the wood they import and export comes from legal and sustainable sources.

During the last year, TRAFFIC trained 47 timber companies in how to implement the Code of Conduct. The training ensured an increased level of understanding of the laws and sustainability standards for timber and wood furniture.

30 timber companies have adopted the Code so far

These signatories have now started verifying the legality of their timber. This helps protect them from legal trouble and reputational damage linked to deforestation.

More companies will be introduced to the Code soon. The Vietnamese Government has agreed continued support and plans to expand training in the coming months.



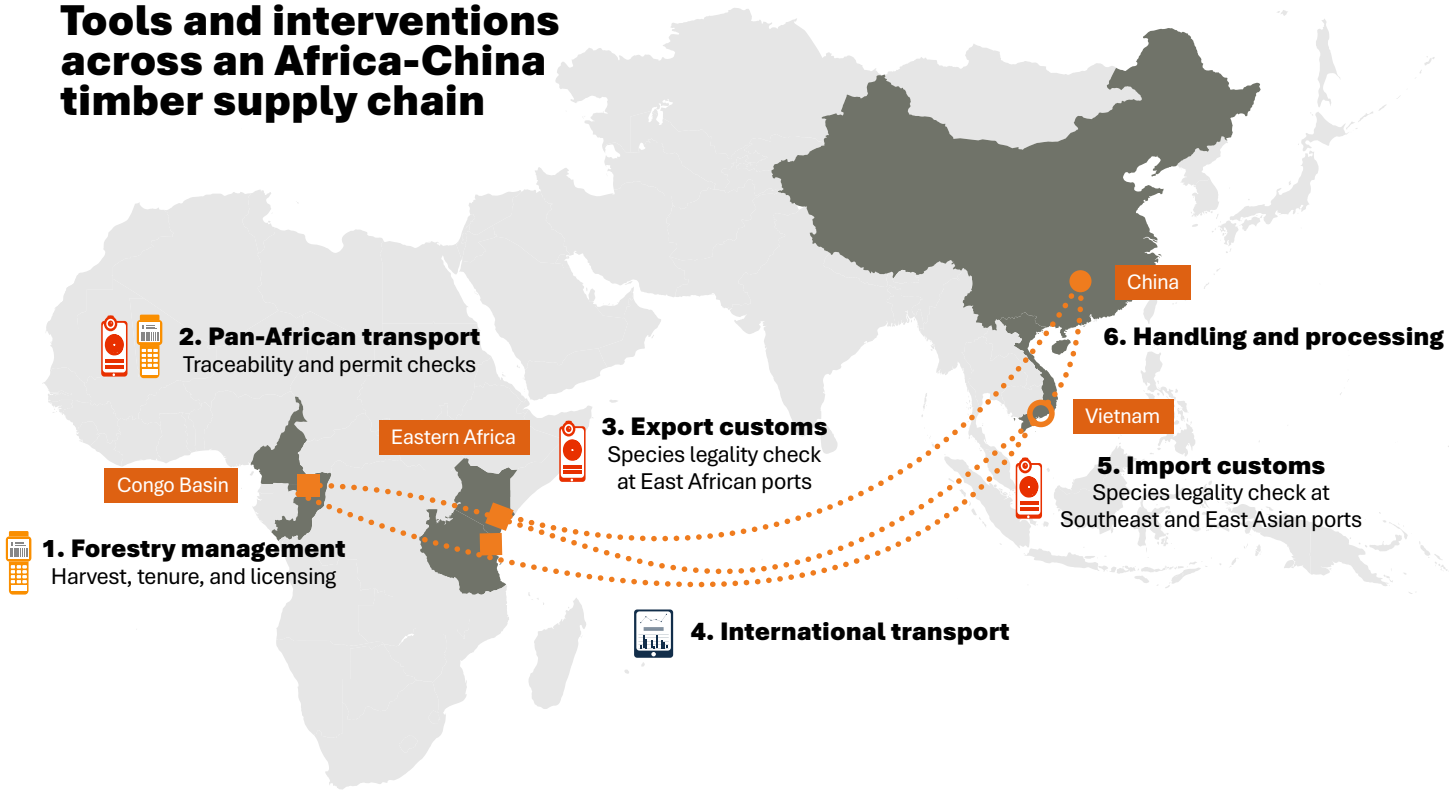
Image: *Certified timber operations in Europe.*
© Jaap van der Waarde / WWF-Netherlands

Supporting legal and sustainable timber trade into the EU

A new **TRAFFIC guide supports legal timber trade from Cameroon to the EU** by helping exporters and importers comply with the EU Timber Regulation and upcoming EU Deforestation Regulation (EUDR). In French and English, it includes step-by-step instructions, and is accompanied by national legality frameworks for six Central Africa countries.

The guide aims to combat illegal logging, protect ecosystems, and promote sustainable trade, ensuring transparency and legality in timber supply chains ahead of the EUDR's enforcement in 2026.

Tools and interventions across an Africa-China timber supply chain



TOOLS AND INITIATIVES KEY:

Timber Tracker: A handheld device that streamlines timber tracking and verification of timber shipments

WoodID: This technology uses a smartphone app and macro-lens attachment to identify wood species in the field

TimberStats: This interactive data platform helps combat illegal timber trade by allowing law enforcement and financial institutions to analyse trade activity and identify potentially suspicious trade for further investigations

PRIORITY AREA 1

INTERNATIONAL FRAMEWORKS

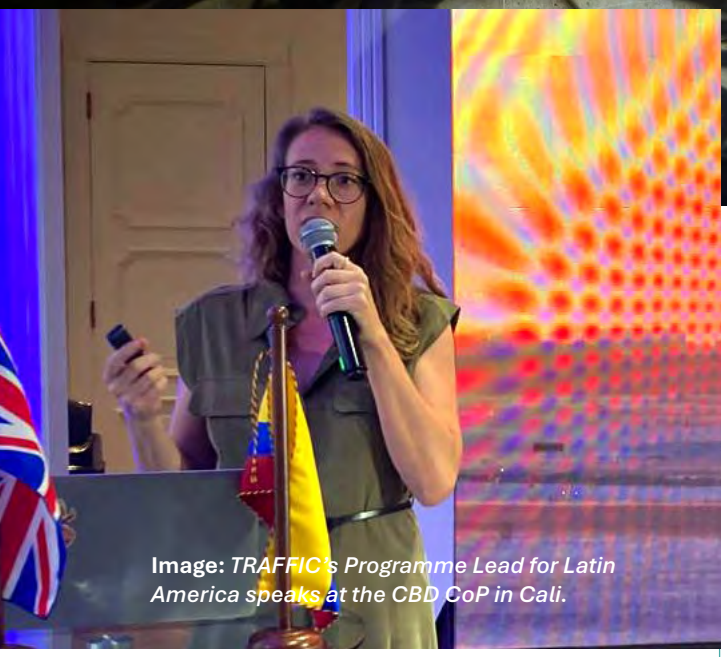


Image: *TRAFFIC's Programme Lead for Latin America speaks at the CBD CoP in Cali.*

Image: *The European trade in Eels is a multi-billion Euro industry beset by corruption, legality and sustainability threats.*

Pushing wildlife trade up the agenda at Cali CoP

At CoP16 of the Convention on Biological Diversity, **TRAFFIC successfully raised the profile of wild species trade** - central to Targets 5 and 9 of the Global Biodiversity Framework. Through briefings, stakeholder engagement, and input to the Collaborative Partnership on Sustainable Wildlife Management (CPW), gaps were acknowledged on trade in wild species, which will need to be addressed. Outcomes included key decisions recognising the importance of wildlife trade under CPW and a Global Action Plan on Biodiversity and Health.

EU continues to drive action on wildlife trade

The **EU remains a major hub for wildlife trafficking and trade**, with species and products smuggled into, through, and out of, Member States. As a global policy leader, the EU influences international wildlife trade significantly.

Under a European Commission contract, TRAFFIC produced the first EU Wildlife Trafficking Action Plan (EU WAP) monitoring progress report and the 2025 EU Wildlife Seizures report. These were shared via webinars with over 300 participants, including EU CITES authorities, Commission departments, law enforcement agencies, NGOs and researchers.

TRAFFIC fostered dialogue between the EU CITES and EU Deforestation-Free Regulation (EUDR) authorities, supporting Member States in preparation for its implementation.

In support of the Environmental Crime Directive (ECD), TRAFFIC co-hosted a **high-level European Parliament event with UNODC, WWF, and the Spanish Guardia Civil**, attended by senior EU officials and agencies including Europol, Eurojust, and the French Gendarmerie, the private sector and civil society. The event underscored the need to prioritise environmental crime in the next EU budget and ensure effective ECD implementation.

TRAFFIC's 2025 EU-TWIX data analysis supported investigations, contributed to strategic analysis and operational investigations including Europol's EU policy cycle EMPACT, and informed national enforcement priority setting.

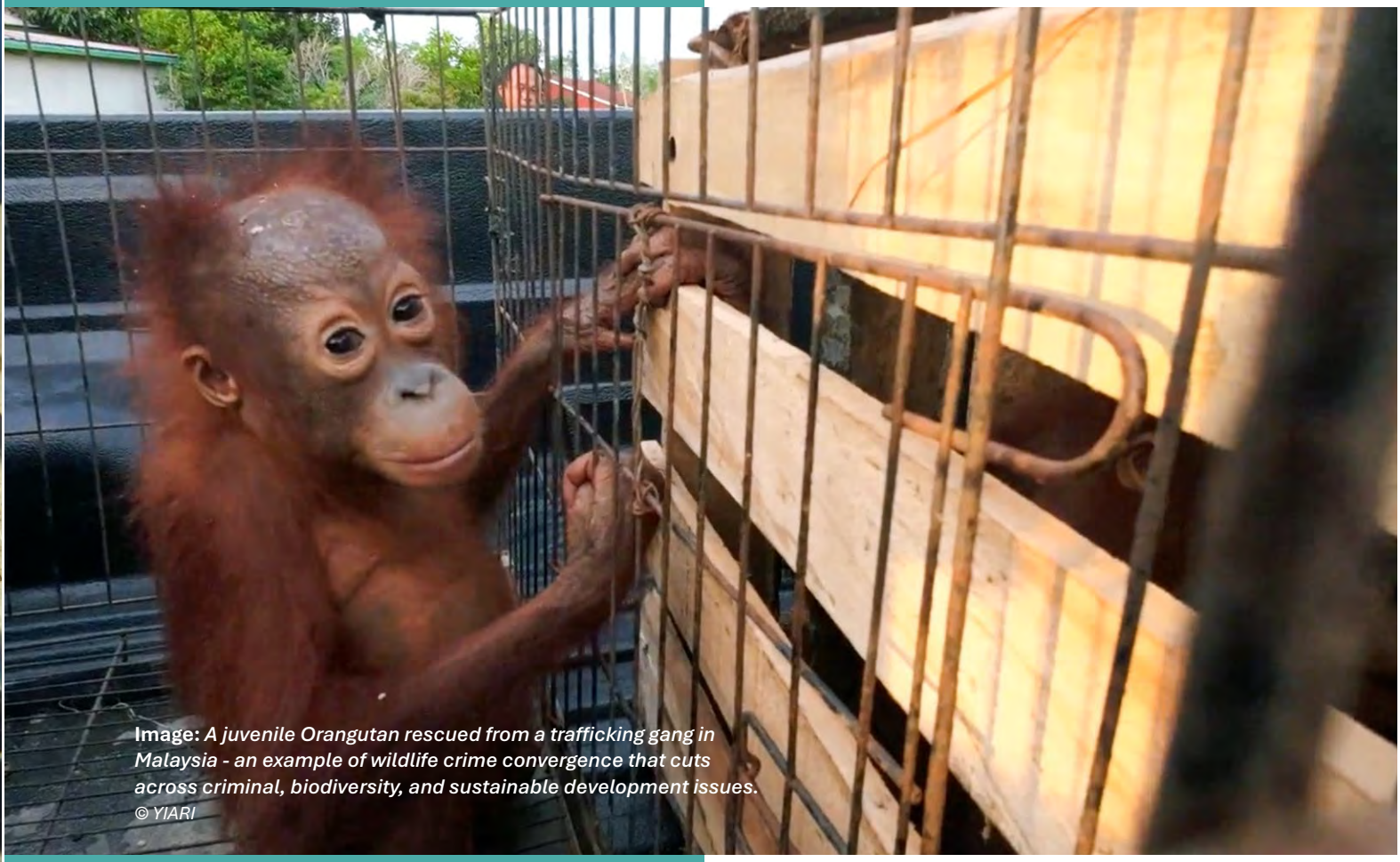


Image: *A juvenile Orangutan rescued from a trafficking gang in Malaysia - an example of wildlife crime convergence that cuts across criminal, biodiversity, and sustainable development issues.*
© YIARI

Tackling crime convergence: uniting against nature crimes

Wildlife trafficking doesn't happen in isolation - it's part of a global criminal web fuelling drug smuggling, money laundering, and corruption. TRAFFIC's work on crime convergence is exposing these connections and helping enforcement agencies respond in smarter, more coordinated ways.

This year TRAFFIC published reports highlighting how wildlife trafficking converges with illegal logging, mining, and drug trafficking in Brazil, Cameroon, Indonesia and Vietnam. These reports informed concrete, evidence-based recommendations on how and where to focus future research and capacity-building efforts across these countries. These outputs provide a strong foundation for coordinated action against conservation crimes at both national and regional levels.

This approach not only protects endangered species but also helps dismantle wider criminal enterprises that threaten security, economies, and communities worldwide.

As recognition of convergence grows, our evidence-based insights are shaping a new generation of integrated crime-fighting strategies for people and planet.

Guidelines for ensuring sustainable CITES harvesting

TRAFFIC, in collaboration with German government agency BfN and other partners, is working to protect CITES listed perennial plants and tree species, including those in Central Africa's Congo Basin by providing guidance and a training tool for sustainable trade.

Workshops were held in Ghana, Cameroon, along with regional workshops in Latin America and West Africa where scientists and CITES authorities were trained to determine sustainable levels of international trade in plants and timber.

During the workshops, participants were taught to develop robust science-based 'Non-Detriment Findings' (NDFs) guided by a practical 9-step tool to assess whether timber exports would be sustainable. The initiative aims to ensure that communities continue to benefit from legal, sustainable trade as far as possible, balanced with long-term forest sustainability and compliance with international regulations.

This guidance can be applied anywhere to identify and ensure sustainable harvest and trade of CITES-listed perennial plants and tree species

PRIORITY AREA 2

NATIONAL POLICY AND REGULATION



Image: *South African enforcement authorities seize a shipment of rhino horn and other contraband from a trafficking gang.*

© Julian Rademeyer / TRAFFIC

An international alliance to beat crime - TWIX

A powerful collaboration of law enforcement teams is proving effective in fighting back against illegal wildlife crime.

TWIX (Trade in Wildlife Information Exchange) is a unique mechanism for international cooperation which helps law enforcement stay one step ahead of global criminal networks who are plundering nature for profit.

Established in 2005 by Belgian agencies and TRAFFIC, it now connects over:

1,500 officials from 39 European countries

Furthermore it has spread across Africa, with a total of five regional TWIX platforms facilitating regular communication between international enforcement agencies, connecting 1,671 individuals across the continent, and proving highly effective in helping disrupt transnational smuggling networks.

During the last year, the West African TWIX was launched, connecting 140 new law enforcement officers across 57 agencies. In Southern Africa, a new mobile app was rolled out to give agents real-time access in the field.

Interpol's Operation Thunder in February 2025, **involving TWIX users based in West Africa and beyond, led to nearly 20,000 live animals being seized**.

> **"The TRAFFIC TWIX platform for networking across law enforcement, and the recent expert training in how to address the illegal wildlife trade provided by TRAFFIC staff, were very useful to us during Operation Thunder.**
>
> *Anonymous Senior Law Enforcement official and TWIX user, West Africa*



© INTERPOL







Image: *Police representatives attend a TRAFFIC wildlife identification and regulation training workshop in Moshi, Tanzania.*

© Sam Obae / TRAFFIC

Upskilling police in Tanzania

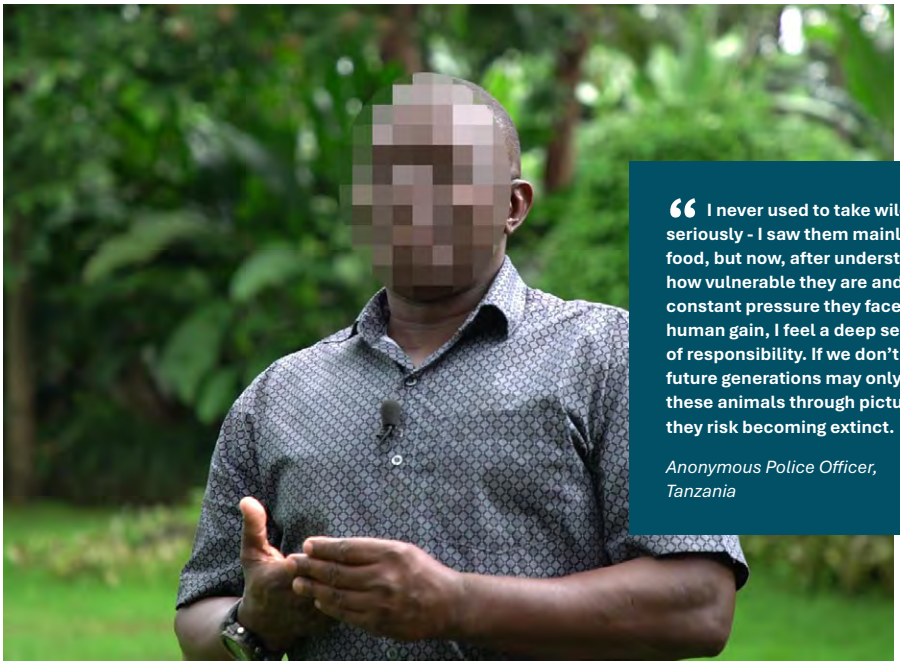
The illegal wildlife trade (IWT) has traditionally not been part of mainstream training for police officers in Tanzania, meaning they do not always have the required knowledge, skills, or tools to tackle wildlife trafficking.

TRAFFIC has worked with authorities to embed IWT training into police training curricula, so it is rolled out to law enforcement officers at scale, and the initiative remains sustainable. In Tanzania, illegal wildlife trade modules are now embedded in the curriculum of five police colleges, including one dedicated to wildlife crime investigation – emphasising stronger management of the chain of custody for wildlife crimes.

295
officers have been trained

10,000
police cadets have been upskilled

70%
improvement on knowledge on IWT



© Sam Obae / TRAFFIC

“ I never used to take wildlife seriously - I saw them mainly as food, but now, after understanding how vulnerable they are and the constant pressure they face for human gain, I feel a deep sense of responsibility. If we don’t act, future generations may only know these animals through pictures, as they risk becoming extinct.

Anonymous Police Officer, Tanzania



Image: *TRAFFIC staff with winners of the "Wildlife Sentinel" awards in the Philippines.*
© Elizabeth John / TRAFFIC

'Wildlife Sentinels' in successful Philippines wildlife busts

Over the span of just a few days, law enforcement in the Philippines took down two different online sellers offering protected wildlife, highlighting how social media has become a marketplace, but one that's being watched.

In early May in Cubao, Quezon City, two individuals were caught trying to sell endangered Sulcata tortoises; a popular exotic pet that is illegal to trade without permits. Just two days later in Pasay City, a man was arrested after offering 10 live cockatiels for sale via Facebook.

Winners of the TRAFFIC-led Wildlife Sentinel Awards (WiSe) 2024 were amongst the individuals and units involved in the seizures.

The WiSe Awards were established to recognise and support outstanding efforts to tackle wildlife crime in the Philippines.



Image: *Saiga Antelope populations in Central Asia have recovered thanks to conservation action.*
© Navindah Singh

Digital wildlife defenders

Kyrgyzstan has launched a powerful new electronic database to help law enforcement combat wildlife trafficking.

Developed with TRAFFIC and Fauna & Flora, the tool enables agencies to verify permits, identify species, and share smuggling data. Training sessions have upskilled law enforcement staff – some of whom had previously not known about legislation governing wildlife trade – and equipped customs and border officers to use the system effectively.

This initiative strengthens interagency cooperation and aims to protect Central Asia's rich biodiversity, including endangered species like Saker Falcon and Saiga Antelope.



Prosecutions and sentencing increase in Madagascar

The number of wildlife trade related court sentences in line with the law has increased fourfold since training began at law enforcement colleges.

TRAFFIC worked with **Madagascar authorities to embed a training module on illegal wildlife trade** (IWT) in the curricula of four law enforcement training colleges.

Over the four years of the project, which concluded in 2025:

132%
increase in prosecutions

300%
rise in sentencing in line with the law

Traditionally, wildlife law enforcement in Madagascar has been reactive and focused on low-level offenders. Most judges and prosecutors did not view wildlife trafficking as transnational organized crime. As a result, criminal proceedings usually targeted carriers and intermediaries while buyers and final beneficiaries were rarely charged. Few criminal investigations focused on modus operandi, corrupt facilitators, or financial transactions.

TRAFFIC's work in Madagascar sought to foster a common understanding around the severity and drivers of IWT, and around how to best prevent, investigate, and prosecute these offences.

Important progress has been achieved by promoting regulatory change and ambitious criminal policies, and by building the capacity of investigators, prosecutors, and judges towards intelligence-led prosecutions focusing on high level offenders.

From setbacks to sustainable success

In 2021, 185 endangered baby giant tortoises were found hidden in a suitcase at Galápagos Ecological Airport (ECOGAL), bound for illegal trade. Ten had already suffocated. While the seizure was a success, poor coordination and lack of training meant crucial evidence was mishandled, weakening the legal case and jeopardising justice being carried out.

This situation sparked action. **ECOGAL supported by TRAFFIC and local authorities have developed a new Chain of Custody Protocol** to ensure future wildlife crimes uncovered in the Galápagos – one of the world's most unique ecosystems - are properly handled. The protocol outlines clear roles, evidence procedures, and provides training for airport staff and law enforcement, reinforcing coordination between institutions.

Now officially adopted, it strengthens the islands' ability to protect biodiversity. Captain Sebastián Espinoza, Chief, National Environmental Police Protection Unit, said: "This protocol is of vital importance, providing the necessary tools to confront crimes against wildlife and guarantee the protection of species."

Using TRAFFIC's datasets to leverage wildlife wins

Data on illegal and unsustainable wildlife trade is one of TRAFFIC's most valuable assets. TRAFFIC's Wildlife Trade Information System (WiTIS) is our secure database containing records of thousands of incidents involving poaching, wildlife seizures, and other law enforcement actions, in addition to market monitoring and actionable information.

60,000
incident records are registered in WiTIS

WiTIS contains over 60,000 incident records. It is used by TRAFFIC staff to support work mapping wildlife crime incidents, trade routes, and patterns, and supporting our work on species including sharks, fish maws, pangolins, timber, and rhinos.

During this past year, the data underpinned analyses which informed national and regional enforcement strategies, cross-border cooperation, and conservation priorities, including judicial responses, forensic capacity-building, and forest governance.

TRAFFIC publishes a majority of this data on the Wildlife Trade Portal – the world's most comprehensive open-access repository of wildlife seizure data.

The Wildlife Trade Portal now boasts 3,100 users from 138 countries around the world. During the last year, the underlying Portal data has seen a significant increase, with 5,000 new incident records bringing the total record count to 39,000. 1,800 export files were downloaded in the past year - a 37% increase from the previous year - helping target enforcement actions against key illegal wildlife trade actors.

15%
increase in incident records

3,150
regular users from 138 countries

The Portal has been used for a wide range of tasks to combat illegal trade and promote sustainable practices, including research projects, policy and prioritisation work, disease risk assessments and money laundering detection.



"As Deputy Director of Sri Lanka Customs and a WCO-accredited expert on Illegal Wildlife Trade, I have found the Wildlife Trade Portal to be a critical tool that directly supports both enforcement operations and capacity-building efforts.

Hasantha Kaushalya,
Deputy Director of Sri Lanka Customs



PRIORITY AREA 3

EMPOWERING COMMUNITIES

© Sam Obae / TRAFFIC

Assuring the future survival of African Geranium

***Pelargonium sidoides*, known as African Geranium, is native to South Africa and Lesotho. It's widely used in herbal medicines and plays a vital role in supporting local livelihoods. However, rising global demand has led to localised overharvesting, threatening the plant's survival in key areas.**

To address this, TRAFFIC collaborated with the Pelargonium Working Group -led by South Africa's Department of Forestry, Fisheries and the Environment and including industry, NGOs, and communities - to update the Biodiversity Management Plan for *Pelargonium sidoides*. This plan promotes sustainable harvesting, fair access and benefit-sharing.

TRAFFIC prepared guidance for the Government to determine sustainable harvest levels in the form of a 'non-detriment finding', and a benefit-sharing analysis of arrangements in place for the African Geranium industry in South Africa.

426

collectors trained on sustainable harvesting techniques

The updated Biodiversity Management Plan outlines 14 priority conservation actions and will be 'gazetted' (i.e. accepted) into law in South Africa in 2025. A key goal is to strengthen collaboration between South Africa and Lesotho to ensure the species is managed sustainably across borders.

This is a success story in sustainable trade that benefits people and nature. With strong support from all stakeholders, TRAFFIC's contributions ensure that *Pelargonium sidoides* can continue to provide health benefits and economic value without risking its future.





Images: *(Top) A local harvester collects African Geranium. (Bottom) The quality of plants is assessed through the colour of the root.*

© Lemone Sebastian / TRAFFIC





Images: *Constantiono was once one of Tanzania's most wanted poachers. Now, he works as a welder, is on the local hospital board, and works with communities throughout the Kwakuchinja corridor to support the development of alternative livelihoods.*

© (Left) Marcus Cornthwaite / TRAFFIC (Right) Sam Obae / TRAFFIC

"All I came out with were scars and wounds"

After 15 years of poaching in Tanzania, **Constantiono Martin walked away with nothing but scars and regret.** He had lost friends to dangerous hunts and lived in poverty despite years of illegal poaching for wild meat. When a friend was arrested and shown a list of Tanzania's most wanted poachers- including Constantiono- he decided to turn himself in. "I wasn't born to be a poacher," he said.

Today, Constantiono runs a welding garage and serves on the purchasing committee of his local hospital. He's now using his story to discourage others from poaching, as part of TRAFFIC's campaign to reduce illegal wild meat consumption in the Kwakuchinja Wildlife Corridor, a vital link between Tarangire and Lake Manyara National Parks.

TRAFFIC's behaviour change campaign, delivered through local partners COSITA and ABC Bros, reached over 227,000 people through posters, radio broadcasts, workshops, and community events. It focused on educating communities - especially women - about the health risks of handling and eating illegal wild meat and promoting alternative livelihoods like bead-making, farming, and small businesses.

The impact has been significant. As well as shifting consumption and employment trends, women have gained confidence and skills to advocate against poaching.

It's a great model for how storytelling, education, and community engagement can transform lives and protect wildlife.

99%

of individuals reported not consuming illegal wild meat during the past year

76%

noted a shift towards sustainable income sources

Searching Nepal for its high-altitude gold

Each May local villagers embark on an annual trek to the high pastures of Nepal's Dhorpatan Hunting Reserve to harvest Yarsagumba *Ophiocordyceps sinensis* - an elusive caterpillar fungus known as "Himalayan gold."

Found at altitudes above 4,000 metres, the fungus is prized in traditional Chinese medicine and is considered a candidate to boost immunity, fight cancer, and improve gut health.



Yarsagumba harvesting regions: directly supporting communities in both sustainable harvest and trade

Additional species: the same approaches being applied to the harvest of species such as Jatamansi

100k

hectares are undergoing ecosystem restoration activities

350

Community Forest user groups are being supported

Image: *A local collector shows off one of her finds following a day searching for Yarsagumba.*
© ANSAB

A remote and arduous climb in search of hidden treasure

Collectors endure freezing temperatures, thin air, and steep terrain, often praying at stone shrines for luck. Spotting the tiny mushroom tip of Yarsagumba is a moment of joy. Its value depends on size and colour, with larger, reddish specimens fetching higher prices. Yet the search is unpredictable - some days yield none, others up to sixteen.

For remote communities, especially women who are the primary collectors, Yarsagumba is a vital source of income for the entire year ahead. Earnings provide food, education, and religious donations, which enhance social status and community bonds.

But challenges abound: villagers report finding Yarsagumba harder to find, legal misunderstandings around collection rules have hurt traders, and traditional knowledge is fading as youth migrate. In response, communities are forming trading groups and exploring cultivation.

Restoration, training, and equitable-access

TRAFFIC, and our partners ANSAB and FECOFUN, are supporting legal and sustainable trade in Yarsagumba through a five-year project to support sustainable harvesting of medicinal plants and fungi in the Himalayas, plus ecosystem restoration across 100,000 hectares.

Other key medicinal plants targeted by this project include the CITES-listed Jatamansi *Nardostachys jatamansi* – an aromatic herb used in traditional medicine, cosmetics and incense, valued for its fragrance and potential to treat various ailments. The Jatamansi industry was valued at USD 493 million in 2023.

Currently in Year 2, the project has already established a network of forest officers and trained local people across 10 priority districts of Nepal. Capacity building and training of around 350 Community Forest User Groups is taking place to help them manage their wild resources sustainably, including Yarsagumba.

Meanwhile, villagers continue their annual pilgrimage, balancing tradition with modern pressures. Each tiny fungus carries the hope of survival - and the preservation of a way of life nestled in Nepal's mountain peaks.







Images: *(Top and middle) Collectors search for Yarsagumba on Himalayan slopes. (Bottom) dried Yarsagumba.*

© ANSAB



PRIORITY AREA 4

WORKING WITH THE PRIVATE SECTOR

Action with eBay to stop illegal online plant trade

To help protect native succulent plants in South Africa, TRAFFIC organised a training course for eBay employees to help them spot plants poached from the wild and sold illegally online.

Beautiful and characterful ornamental plants – which often grow in one single place on earth where they are critical to biodiversity - are in huge demand by house-plant lovers everywhere, and sell online in their millions.

But what most online plant consumers don't realise is that they are likely to be buying into crime, biodiversity loss and environmental destruction. TRAFFIC's work revealed that ornamental plant trade has increased exponentially with many species illegally harvested from the wild – to the extent that some species are wiped out in single poaching events.

TRAFFIC and Royal Botanic Gardens Kew provided advice to help enforce eBay's Prohibited and Restricted Items Policy, including the Plants and Seeds Policy, via virtual training for eBay staff monitors.

In its 2024 Impact Report, eBay states it 'blocked or removed one million item listings prohibited under our Animal and Wildlife Products Policy'.

> **"Collaborating with TRAFFIC, the world's leading NGO tackling illegal wildlife trade, and the Royal Botanical Gardens, Kew, we strengthened protections to prevent illegal succulent and plant trafficking and expanded domestic shipping restrictions for plants and seeds from the U.S. and Australia to the EU and U.K.**
>
> *eBay Impact Report*

eBay's impact report continues:

"TRAFFIC and RBG Kew also offered a virtual workshop for approximately 50 eBay employees that increased their ability to identify and block sales of protected plants."



Image: *An illegally harvested wild succulent bulb seized from traffickers.*

© Kristen van Schie





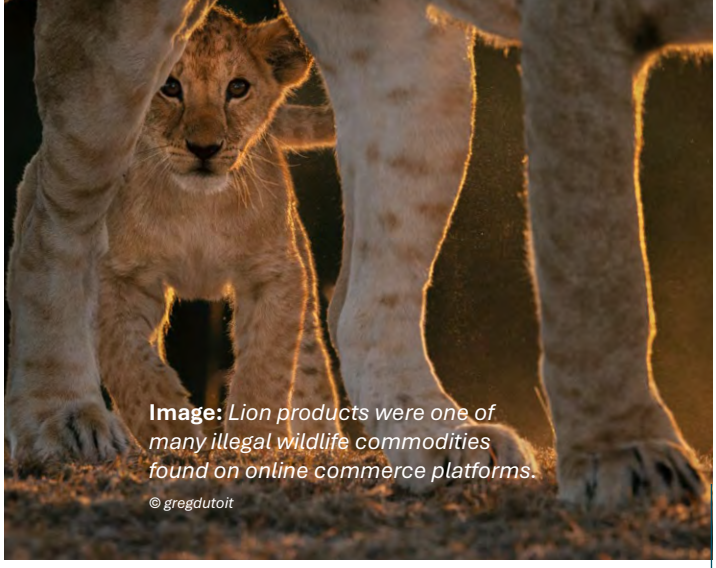


Image: *Lion products were one of many illegal wildlife commodities found on online commerce platforms.*

© gregdutoit

Building expertise in online market monitoring

With illegal online wildlife trade surging, TRAFFIC has refined its monitoring methodologies, producing its most comprehensive dataset to date. This year, 890 suspect posts were documented across Africa, with one-third flagged as high priority due to conservation and trafficking risks. These records helped identify critical species and trade routes, directly informing enforcement and policy. Data was shared with law enforcement and sales platforms to enable them to take action.

Threatened species like pangolins, lions, and African grey parrots were found on Facebook, TikTok, and Jiji, offering actionable intelligence. In East Africa, monitoring data supported real-time enforcement operations. AI and Natural Language Processing tools streamlined data processing, improving efficiency and uncovering hidden content.

TRAFFIC engaged directly with companies including Afribobo and Afribaba and delivered a virtual training session to Alibaba Group in March 2025. Afribobo has since set up filters that prevent protected wildlife species from being advertised on its platforms and joined the **Coalition to End Wildlife Trafficking Online.**

> **“ Our platform plays an important role in connecting people and opportunities across the region. But with that opportunity comes responsibility. We are proud to be taking this step with the Coalition and TRAFFIC to help protect Africa’s rich wildlife from exploitation online.**
>
> *Jules Ndam,*
> *Founder and CEO of Afribobo*

TRAFFIC has developed, and hosted on the Coalition website, an online module for the training of law enforcement personnel in Africa, focussed on monitoring, investigating and prosecuting illegal wildlife trade crime online.

TRAFFIC’s advocacy led to 21Food removing 29 adverts for 15 threatened species.

Chinese businesses shift to legal, sustainable timber

The proportion of legal and sustainable timber imported to China from Congo Basin countries has increased significantly in the last year.

China is a major market for timber from the Congo Basin – the world’s second biggest rainforest. China’s new Forest Law states an ambition that Chinese companies sustainably and legally source timber. But a lack of timber legality verification tools is hampering efforts to correctly identify illegally sourced or restricted timber throughout global supply chains.

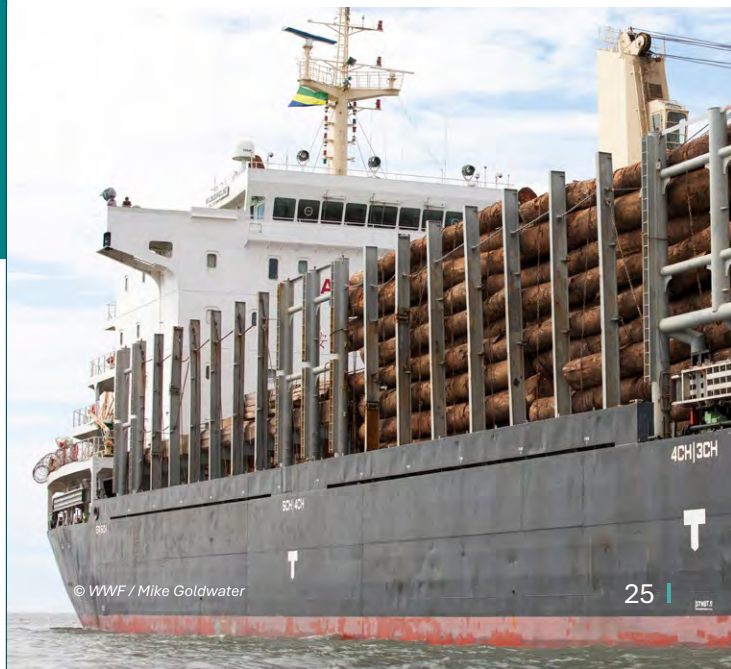
TRAFFIC has been working with the China Timber & Wood Products Distribution Association (CTWPDA) to strengthen its Code of Conduct and co-develop a Corporate Social Responsibility Guide. Both these were promoted to members through training, and at CTWPDA’s conference in September 2024.

In an encouraging development, the proportion of timber imported to China from Congo Basin countries that has been verified to be legal by CTWPDA members increased from 49.1% to 65.7% over the last year.

65.7%

of timber imported into China from the Congo Basin is now verified as legal - up from 49.1% the year before

238 companies have been verified as implementing the Code of Conduct, as part of qualifying for CTWPDA membership. In-depth interviews with timber companies in China confirmed a clear awareness of timber legality issues and core CSR topics, while identifying that some implementation gaps remain. These results highlight the critical need for continued support and advanced operational guidance.



© WWF / Mike Goldwater



PRIORITY AREA 5

RESPONSIBLE CONSUMPTION

Images: *(Top) Practioners at one of Vietnam's largest traditional medicine pharmaceutical companies. (Bottom) TCM students in Vietnam pledge to use sustainable alternatives to endangered wildlife products.*

China and Vietnam join forces for sustainable traditional medicine

Traditional medicine practitioners across Asia have long sought to reconcile traditional knowledge and wildlife conservation, particularly regarding consumption of medicinal ingredients from endangered species, such as rhinos and pangolins.

Now, **a groundbreaking cross-border partnership between China and Vietnam** has forged a path to eliminate reliance on endangered wild species in traditional medicine, while advancing sustainable and ethical practices.

TRAFFIC's initiative, aimed at reducing demand and consumption of rhino horn, provided the technical framework necessary to make this collaboration a reality.

During this year, TRAFFIC brought together 100 Vietnamese and Chinese traditional medicine experts, first in Hanoi, Vietnam, and subsequently in Beijing, China. The experts visited research facilities and pharmaceutical companies, exchanged knowledge on conservation of wild medicinal plants, and discussed development of sustainable alternative ingredients.

As a result, in May 2025 in Beijing, the two leading traditional medicine associations from China and Vietnam, the China Association of Traditional Chinese Medicine (CATCM) and the Vietnam Oriental Traditional Medicine Association (VOTMA), signed a Memorandum of Understanding (MOU) to promote conservation-oriented healthcare.

Following the signing of the MOU, the VOTMA-CATCM cooperation led to reciprocal visits by members and participation in traditional medicine events, setting the stage for further research collaborations.

Through a shared commitment to public health, biodiversity conservation, and responsible trade, the partnership offers a powerful regional model for sustainable traditional medicine and contributes to global biodiversity conservation.



Rhino poaching falls but populations still at risk

In some limited, but much-needed, good news for rhinos, data from TRAFFIC and partners revealed that poaching levels in Africa had fallen to their lowest levels in over a decade.

However, set against this, global population numbers declined, with white rhinos at a near 20-year low, highlighting the need to tackle this devastating illegal trade across the entire supply chain, all the way through to reducing demand.

Illegal trade in rhino horn has declined since its 2019 peak, but the threat remains. Between 2021 and 2023, over 750 seizure records were logged globally, totalling an estimated 1.8 tonnes of horn - the equivalent of 716 whole horns.

To tackle demand, TRAFFIC facilitated a historic pledge in Hanoi and an MoU in Beijing between Traditional Medicine associations in China and Vietnam, committing to promote legal and sustainable practices. Future initiatives may include joint research, practitioner training, and industry standards. In Vietnam, TRAFFIC delivered targeted campaigns to reduce demand among traditional medicine practitioners, pharmaceutical companies, and transport businesses - addressing rhino horn use as both a supposed 'remedy' and status symbol.

TRAFFIC continues to play a leading role in monitoring illegal rhino trade, producing reports and developing an interactive online tool to make findings accessible to policy makers. Insights informed the outcome document from the CITES Rhinoceros Enforcement Task Force, strengthening global enforcement responses. TRAFFIC also contributed to South Africa's Biodiversity Management Plan for Black and White Rhinoceroses, supporting a strategic national approach to rhino conservation.

Together, these efforts are helping shift the story for rhinos - from exploitation to protection.





Images: *(Top) A Black Rhino in the Maasai Mara National Reserve, Kenya. (Middle) an installation at an event aimed at reducing the demand for rhino horn. (Background) A seller in Hanoi displays a bowl used for grinding rhino horn into powder.*

© (Top) Richard Edwards

© (background) Robert Patterson



DEEP DIVE:
OCEANS AND MARINE LIFE



> **“ Our Ocean defines our Planet. It sustains us and is home to more than half of life on earth today.**
>
> *Sir David Attenborough, World Oceans Day*

Sir David Attenborough continues to propel the health of our oceans into the world’s consciousness. His words were played to 90 Heads of State at the opening of the UN Ocean Conference which took place in France in June 2025.

Yet in the UN’s 2025 report on progress towards the Sustainable Development Goals, ‘overfishing’, along with ‘illegal, unreported and unregulated fishing’, are referred to repeatedly as major threats to our oceans.

This year TRAFFIC has made great strides forward in strengthening evidence and partnerships to support stronger international frameworks protecting highly endangered marine species, such as deepwater sharks, abalone and sea cucumbers.

Image: *An Ornamental Fish collector surveys his catch off Kenya’s coastline.*

© Nathalie Bertrams



Halt Shark Extinction Coalition launched

With more than a third of sharks and rays threatened with extinction, largely due to overfishing, TRAFFIC is part of a core team that launched the new Global Coalition to Halt Shark and Ray Extinction at the UN Oceans Conference in Nice, 2025.

Championed by the government of France, together with TRAFFIC, the IUCN Species Survival Commission, and WWF, the Coalition calls for concerted and high-level action.

Nine 'early champion' governments, including lead government France, Australia, Ecuador, Maldives, Malta, Panama, Republic of Congo, Spain and UK, endorsed the international call to halt extinction of sharks and rays, together with more than 80 civil society organisations.

Coalition goals:

- **Protect key habitats and secure ecological connectivity**
- **Ensure sustainable and legal trade**
- **Establish a global intergovernmental task force to coordinate efforts**

Bringing Gulpers back from the brink

This year TRAFFIC teamed up with other experts to put critically endangered deepwater Gulper sharks onto the international agenda.

This was achieved through engagement at the CITES Animals and Standing Committees in July 2024. The team **provided data on the plight of Gulpers**, convincing CITES Parties to request further information on catch, trade and management. This supported countries subsequently proposing them for listing on CITES appendices (which would restrict international trade of Gulpers).

This engagement was successful and resulted in a listing proposal submitted for CITES CoP20 (November 2025), co-sponsored by Brazil, Comoros, Dominican Republic, Ecuador, European Union, Lebanon, Nigeria, Panama, Senegal, Syrian Arab Republic, United Kingdom of Great Britain and Northern Ireland.

Also as a result of deliberations at CITES Animals Committee, the EU and UK submitted a paper to CoP20 to consider any further action required to secure a sustainable future for Deepwater Sharks and Rays.

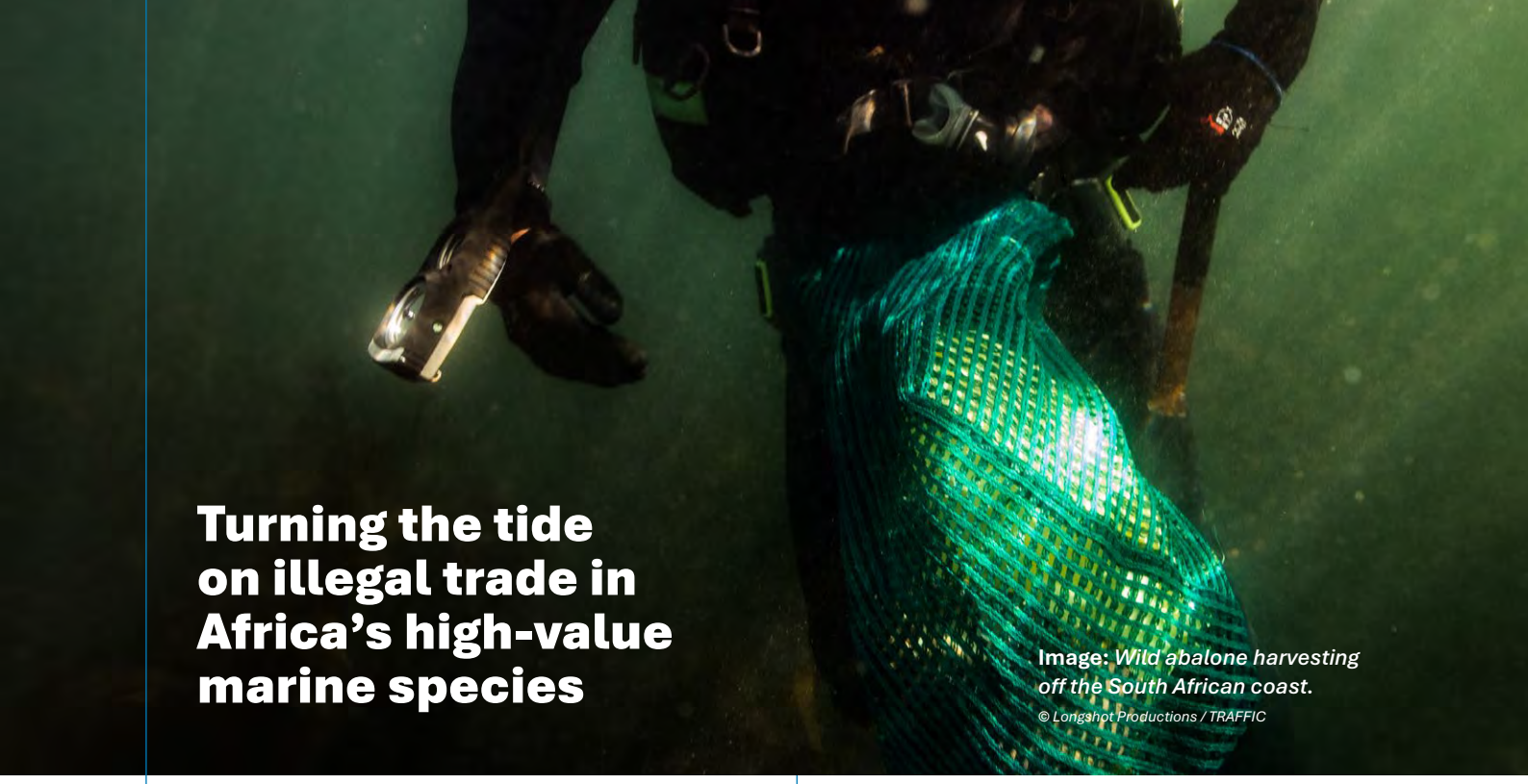
11 of 15

Gulper species are now threatened



Image: *A Gulper Shark photographed on a rare swim near the surface.*

© Andy Murch



Turning the tide on illegal trade in Africa's high-value marine species

Image: *Wild abalone harvesting off the South African coast.*
© Longshot Productions / TRAFFIC

Sea cucumbers, abalone, sharks, and fish harvested for their swim bladders (fish maw) are **among the ocean's most commercially sought after species**. But relentless demand - especially from East Asian markets - is depleting their populations to critical levels.

TRAFFIC is leading the charge to stop this. Through cutting-edge research, innovative tools, and frontline training, we're equipping authorities across Africa to detect, disrupt, and dismantle illegal marine trade networks.

New intelligence, new action

For many years TRAFFIC has provided in-depth analysis of the **trafficking in South African Abalone**, including robust estimates of poaching levels. Our findings directly informed the development of South Africa's first National Strategy and Action plan on abalone - a comprehensive policy and planning tool for government, civil society, and the private sector.

Shark Fin identification goes global

Our 3D replica shark fins are transforming species identification. Since launch, they've been downloaded 266 times by governments, CITES Authorities, universities, NGOs, and private companies. This year, we trained officials from Nepal, South Africa, and Sri Lanka, helping them quickly identify endangered species and intercept illegal shipments.

The full 3D scan set is being used by organisations globally, downloaded over

260 times

Images: *(Left and right) Customs and fisheries management officers are trained in shark fin species identification. (Middle) TRAFFIC's 3D replica shark fins are used to identify illegal shark fins during a seizure in South Africa.*







Sea Cucumber protection expands

Sea cucumbers are threatened by illegal harvest and trafficking. Without adequate identification materials law enforcement are unable to distinguish threatened and CITES listed species and cannot ensure compliance with fisheries and trade laws.

To address this challenge, TRAFFIC developed simple and intuitive field ID guides and conducted sea cucumber ID training for 75 law enforcement officials in Kenya, Tanzania and South Africa. The guide has been translated into French, Malagasy, and Portuguese, and is now in use across the Western Indian Ocean

300

enforcement officers are already using our Guide to combat illegal sea cucumber trade



> **“ The guides are portable – they can be used anywhere! When I say anywhere, it means they are, they can, they can be accessed on the sea when you’re doing patrols, at the port, at the borders.**
>
> *John Barasa, Captain, Kenya Fisheries Service*



Image: *An illegally-caught sea cucumber in a coastal village in Zanzibar.*

© Marcus Cornthwaite / TRAFFIC



Image: *TRAFFIC staff test our ID guides in Zanzibar.*

© Oliver Wright / TRAFFIC

Kenya’s ornamental fish trade

A colourful path to coastal prosperity

TRAFFIC’s research into Kenya’s marine ornamental fish trade spotlighted a vibrant but underregulated sector, which threatens biodiversity.

Supplying global hobbyists with iconic species like clownfish, popularised by animated marine sensation Nemo, the trade supports hundreds of coastal collectors and generates essential national revenue for local development.

Yet behind the beauty lies risk: reef degradation, diver safety concerns, and a 1,133% discrepancy between Kenya’s reported exports and importer records.

TRAFFIC’s research exposed these gaps and positioned our experts as key technical advisors in the development of Kenya’s newly-launched Marine Aquarium Fishery Management Plan.

Now a member of the national committee overseeing implementation and reforms, TRAFFIC is helping shape a future where ornamental fish collection is safe, sustainable, and equitable.

With better data, diver training, and science-based governance, this trade can continue to support livelihoods, empower coastal communities, and protect Kenya’s marine biodiversity.

This is already helping ensure that the magic of reef life remains not just in aquariums, but in the oceans where it belongs.



© Nathalie Bertrams

LOOKING FORWARD TO THE YEAR AHEAD

Through around 80 projects, we're mobilising our global network to protect wildlife, empower communities, and reshape trade systems for a more sustainable future across the five Priority Areas to drive impact and deliver our TRAFFIC 2030 Strategy.



Image: *The sun rises across Dja National Park in Cameroon.*

© Andrew Walmsley / TRAFFIC

Highlights include:

Using data and analysis to inform government decisions, especially around the CITES 20th Conference of Parties (CoP20).

Strengthening cross-border law enforcement and collaboration to combat transnational wildlife crime and crime convergence.

Enhancing detection and traceability of illegal timber through technology, training, and capacity building across continents, whilst strengthening legal and sustainable timber supply chains.

Driving action to protect highly endangered marine species, such as deepwater sharks, from illegal and unsustainable fishing.

Supporting communities in Nepal, Cameroon and South Africa to develop sustainable livelihoods and promote legal trade in wild plants, fungi, and timber.

Partnering with transport, aviation, postal, and online sectors to improve detection of, and prevent, illegal wildlife trade.

Changing consumer behaviour through evidence-based campaigns and partnerships including with traditional medicine practitioners.

Investing in better data systems, AI tools and training to help make smarter, faster decisions.

The FY26 Workplan defines TRAFFIC's annual priorities.

Objectives and project activities span our **Programme Thematic areas** (Fisheries, Forestry, Social and Behaviour Change, Wild plants) as well as the Thematic cross cutting areas (Data and Research, Law Enforcement, and Policy).

The projected proportion of activity and expenditure across each Priority Area for FY26 is broadly similar to FY24 and FY25. **Improving effectiveness of national policy and regulations** (Priority Area 2) has the largest proportion of the projected FY26 budget expenditure and accounts for over half of all activities in the FY26 workplan. **Working with the Private Sector** (Priority Area 4) also forms a significant part of our portfolio alongside strengthening **International Frameworks** (Priority Area 1). We have secured funding to undertake exciting new work on **Empowering Communities** (Priority Area 3) as well continuing to be a global leader in **Responsible Consumption** (Priority Area 5).

We have **ambitious fundraising objectives** to raise funds to deliver exciting new programmes of work, and to continue diversifying our funding portfolio to respond to the trend of declining overseas development assistance from national governments. As we approach the halfway point of our 2030 Strategy we will be reviewing and reflecting on progress and what we have achieved to date and adaptive management required.





© Sam Obae / TRAFFIC



© TRACE Network

FINANCIAL REVIEW

INCOME

During the year, TRAFFIC received income totalling £12.0m, a reduction of £0.2m (2%) compared to the previous year. This was attributable to a reduction in restricted income following the suspension and termination of a number of funding agreements in January 2025 by the new US government administration. Work has subsequently been resumed in the majority of affected projects, which helped to partially mitigate the impact in FY25.

As a result of the above actions by the US government, restricted income at £10.2m represented a decrease of £1.1m (10%) by comparison with FY24. In spite of this, US government funding still represented 39% of restricted income during the year and 33% of total income (FY24 50%). While government agency funding is likely to remain the largest source of income in the foreseeable future and is crucial in enabling the work of TRAFFIC, the organisation continues to diversify and expand its income from other sources to help ensure robust funding for the future.

Unrestricted income for the year increased by £0.9m to £1.9m. This was the result of receiving £1.0m from Arcadia as part of a five year grant agreement signed during the year to support the organisation's 2030 strategy.

EXPENDITURE

Expenditure during FY25 at £12.9m was £0.6m less than in FY24. 98% related to expenditure on Charitable Activities and 2% on raising funds, the same ratio as in the previous year.

Restricted expenditure was £1.5m (12%) less than in the previous year, this being also mainly attributable to the impact of the US government stop work orders.

Unrestricted expenditure of £2.4m represented an increase of £0.9m compared to FY24. This was mainly due to the disruption on US government projects in particular as staff were not able to spend the time planned on these projects and as a result £0.6m less staff time was cost recovered from restricted fund projects than in FY24. There was also an increase in professional fees of £0.15m mainly related to support to help with financial planning and restructuring required (as referred to below) following the US government notifications.

Overall the organisation's staff costs for the year were unchanged. Although the staff retrenchment referred to above resulted in a significant reduction of ongoing staff costs, because this took effect shortly before the end of the year it didn't result in such significant savings within FY25 and these were in any case offset by redundancy costs of £115k.

There was an unrestricted foreign exchange loss of £130k (FY24 £124k loss). These losses relate to the reduced value in GBP of foreign currency bank account holdings held mainly for restricted fund projects where any exchange losses that materialise are not recoverable. TRAFFIC regularly reviews its foreign currency management to mitigate foreign exchange risk where possible and considers foreign exchange risk when setting its reserve policy.

FUNDS

The deficit of £0.8m for the year compared to a deficit of £1.2m in FY24 previous year. This year's deficit comprised an unrestricted deficit of £0.4m and a restricted deficit of £0.4m.

As a result unrestricted funds reduced from £2.1m to £1.7m. Free reserves at the end of the year (defined in this context as unrestricted reserves less fixed assets) at £1.6m represent a little over 3 months of budgeted FY26 core expenditure. The plan per the FY26 budget is to restore free reserves by the end of FY26 to around the minimum of the reserves policy target range of 4 months to 6 months.

RESERVES POLICY

TRAFFIC'S Trustees recognise the importance of establishing reserves to allow the Charity to respond to future opportunities and current global economic challenges, particularly for an organisation with levels of restricted funding significantly higher than unrestricted. The Trustees have set TRAFFIC's free reserves fund target based on the following range: the equivalent of four months of the Charity's planned annual core expenditure to be maintained at all times and a maximum amount equivalent to six months of the Charity's planned annual core expenditure. TRAFFIC routinely models various scenarios to help evaluate the level of reserves that should be put aside to protect against risks such as drops in income, unexpected increases in costs, or, more positively, to allow the organisation to take advantage of new opportunities.

Both the amount of free reserves held and the target itself are reviewed on a regular basis.

At year-end, the group had free reserves of £1.6m, equivalent to 3 months of planned FY26 core expenditure and we are budgeting to increase the free reserves back to around the minimum of the target range (ie. 4 months of core expenditure) by the end of FY26. Free reserves are defined as unrestricted reserves less fixed assets.

INVESTMENT POLICY

Under the Articles of Association, the Charity has the power to make any investment the Trustees see fit. The investment policy, as approved by the Trustees on 16th February 2005, is that funds will be invested in cash, bank current accounts, and bank deposits.

The Charity currently holds no investments aside from its cash holdings. The Trustees will consider possible amendments to this investment policy on a periodic basis.

GOING CONCERN STATEMENT

The decision by the US government to suspend and terminate a number of TRAFFIC's projects in January 2025 had a direct impact on the organisation's finances. In response, Trustees and Management took several steps to manage the impact of the confirmed loss of income and the continued uncertainty of the US review process.

First, the Trustees received legal advice regarding their duties in the event of charity financial distress and instructed BDO LLP (financial advisors) to review TRAFFIC's financial position and consider the charity's current and future liquidity, in accordance with Charity Commission guidelines. BDO reviewed different scenarios and concluded that the Charity faced no imminent risk of insolvency, while noting the volatile environment for the charity sector and recommending measures to ensure strong continued Trustee oversight and effective financial monitoring and reporting by Management.

Second, Management completed several actions to address the confirmed loss of income, including redeployment of affected staff to other donor-funded projects; mobilization of new funding from existing and new donors; reduction in discretionary core expenditures, such as travel; and completion of a staff restructuring and redundancy process to reduce the number of staff and associated payroll costs to a level commensurate with the reduced size of the Charity's operations.

Over the first six months of FY26, TRAFFIC's financial position has further strengthened as a result of the continued disbursement of United States government grants that were expected to be cancelled, the receipt of additional donations, grants, and other revenue streams from new sources, and continued strong cost control measures.

The Trustees have confirmed the organisation's ability to continue as a going concern due to implemented actions in FY25, strong income generation in FY26, detailed 18-months cash flow forecasts and funding sources projections, careful review and assessment of TRAFFIC's projected financial position, and successful business risk management. The financial statements were prepared on this basis, as the charity can continue in operation for the foreseeable future and meet its obligations as they fall due. In making this assessment, the Trustees have not identified any material uncertainty in relation to TRAFFIC's ability to continue as a going concern.

PRINCIPAL RISKS

The Trustees recognise their role in the management and administration of the Charity and that directorship carries legal responsibilities and duties including a responsibility to assess potential risks facing the Charity. The Trustees note that the major potential risks in the areas of governance and management, operations, and finance are reviewed on a periodic basis and that systems have been put in place to minimise these risks both in the UK and overseas.

The nature of TRAFFIC's conservation programme means that the bulk of funding dispersed through TRAFFIC's UK office is subcontracted to TRAFFIC branch and subsidiary offices to implement conservation activities overseas. TRAFFIC has well established guidelines on financial policies and procedures which are followed by TRAFFIC offices globally, including regular review of budgets, financial performance, and related financial management. In addition, TRAFFIC has an established monitoring and evaluation system in place which looks at overall programme delivery and individual project implementation against contracted project budgets and deliverables.

KEY RISKS AND UNCERTAINTIES

TRAFFIC's risk framework focuses on the following four Principal risk main areas:

- **External geo socio-political risks** which may be beyond TRAFFIC's ability to influence, including changes in the physical environment, and in the global economic and political environment. Economically, the conflict in Ukraine since 2022 and the continuing conflict in the Middle East have created shortages of various commodities and price rises. Security tensions are being felt across the globe and forcing Governments to reprioritise spending, resulting in a decline in the funding being made available from Government agencies and multilateral bodies. TRAFFIC will have to work to demonstrate its relevance in this changing landscape to convince new potential donors.
- **Funding Risks** where insufficient funding hampers the organisation to deliver the 2030 Strategy. The Foreign Assistance Review of the US government resulted in a slowdown to TRAFFIC's restricted project portfolio growth. The elevated risk in securing external funding stems from significant shifts in the global landscape—most notably, a marked decline in contributions from our traditional institutional donor base towards conservation efforts. In FY25, TRAFFIC began to successfully diversify its donor portfolio, with a significant number of funding applications submitted to new donors. Further investment in development is needed to generate more programme-level funding and to cultivate long-term relationships with newly secured donors.
- **Cybersecurity and IT infrastructure risks** remain a significant threat across all sectors. An IT review at TRAFFIC highlighted several security deficiencies. These are currently being addressed in FY26 with the support of several funders, including the roll-out of Microsoft Intune as compulsory for accessing TRAFFIC international systems and infrastructure. This ensures comprehensive oversight and security compliance.
- **Internal operating capacity** has been affected by the staff redundancies, which has stretched our ability to deliver on remaining project activities. Assessing organisational structures and staff capacity will be a key undertaking in the coming financial year.

Any "high" risks identified, and the actions taken to mitigate them, are brought to the attention of the Board of Trustees. The Board's Operations Committee reviews the risk register on a bi-annual basis and the Board of Trustees on an annual basis. The Board reviewed and updated the organisation's overall risk policy in January 2022.

In line with Charity Commission requirements, TRAFFIC submitted an incident report to the Charity Commission on the loss of funding from the United States government sources and steps taken in response, as outlined in the Going Concern Statement. It is to be noted that no additional serious incidents were recorded over the past year.

SAFEGUARDING

TRAFFIC International takes very seriously its responsibility to protect people, including our staff, volunteers, partners, consultants, contractors, trustees and others affected by our work, from any harm that may result from coming into contact with our organisation.

As a wildlife conservation charity primarily involved in researching legal and illegal wildlife trade globally, and encouraging necessary action by governments, businesses, and others, TRAFFIC does not usually work directly with children or with adults who could be seen as at risk, nor does the

organisation carry out aid-funded relief work. TRAFFIC is aware that it is bound by the laws of the UK in respect of conduct both at home and abroad. The organisation and its staff are globally committed to acting professionally, fairly, and with integrity in our business dealings and relationships wherever we operate. This includes implementing and enforcing effective systems through a framework of policies including professional conduct, sensitive activity management, anti-bribery, and whistleblowing. TRAFFIC's safeguarding statement can be found on our website. Overall, TRAFFIC has an effective framework for safeguards and a complaints mechanism is in place. TRAFFIC operates globally and in cooperation with a wide range of public and private sector partner organisations to carry out work related to people and their use of natural resources. TRAFFIC recognises the importance of ensuring that our work does not have adverse social or environmental impacts at any level, and the need to incorporate these considerations both into the design and implementation of our activities and into the conduct of our staff and implementing partners. TRAFFIC also recognises the need for ongoing review of its existing frameworks and ongoing training both for TRAFFIC staff and implementation partners.

It is to be noted that no serious incidents were identified internally or reported via the External Complaints Mechanism over the past year.

ENVIRONMENTAL SUSTAINABILITY

TRAFFIC operates in multiple locations across several continents, managed from the global office in Cambridge, UK. TRAFFIC staff work under a variety of conditions in these strategic locations, from single individuals to larger groups, often hosted within an external organisation's office.

TRAFFIC is a key member of the Cambridge Conservation Initiative (CCI) including as an active participant in CCI's Sustainability Working Group with the 2020-2025 David Attenborough Building Sustainability Strategy and Environmental Sustainability Policy providing the basis for TRAFFIC's Environmental Sustainability Policy (2021).

Global application of the TRAFFIC policy, which includes a number of elements (carbon reduction and energy efficiency; purchasing and procurement; travel and transport; waste management; biodiversity and ecology; water use; and host collaboration and reporting), continues to progress slowly, because of difficulties in capturing and consolidating consumption data from offices in different countries to establish baseline data.

CCI tenants in the David Attenborough Building (DAB) have set themselves the same carbon reduction target (absolute zero by 2048) as the University of Cambridge for Scope 1 and 2 emissions, which relate to energy purchased for the building. TRAFFIC has a long-standing carbon offset programme as part of its carbon offset commitment. Based on its FY25 activities, TRAFFIC will contribute £2.6k in carbon offset on behalf of its Global Office in the UK and overseas branch offices.

FUNDRAISING

TRAFFIC is beginning to see tangible results from its efforts to diversify its funding base, with a reduced reliance on statutory funding and the successful addition of new trusts and foundations to its portfolio. Work to cultivate relationships with high-net-worth individuals (HNWIs) has also commenced and is expected to progress in the coming years.

In addition, TRAFFIC has explored alternative income streams, including participation in the 'Big Give' campaign, which leverages a multi-channel marketing strategy. While contributions from this initiative remain modest relative to overall income, it represents a positive step toward broadening and strengthening the organization's funding mix. There were no licensed street collections in the reporting period. We do not use commercial participators.

All Trustees are aware of the CC20 guidance from the Charity Commission and all our fundraising is conducted in line with CC20. TRAFFIC contributed to the Fundraising Regulator during the year in support of the Fundraising Code of Conduct. **There have been no formal complaints concerning our fundraising practice during the reporting period.**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of TRAFFIC International for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the surplus or deficit of the charitable company and group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITOR

Each of the Trustees at the date of approval of this report confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the Charity's auditor is unaware; and
- The Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

STRUCTURE, GOVERNANCE & MANAGEMENT

TRAFFIC was established in 1976 by the Species Survival Commission of IUCN (the International Union for Conservation of Nature), largely to support the implementation of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). CITES is an international agreement between more than 180 governments that aims to ensure international trade in specimens of wild animals and plants does not threaten their survival. Over its first two decades of operation, TRAFFIC developed as a network of offices supported by IUCN and WWF and operated as a joint conservation programme of these two international conservation organisations. TRAFFIC International was established in the UK and registered with the Charity Commission on 23rd July 1999 to provide a base for TRAFFIC's global co-ordinating office.

In 2017, a decision was made by WWF, IUCN and TRAFFIC International to consolidate governance and management of TRAFFIC operations worldwide under the UK Charity; new Articles of Association were accordingly adopted in June 2017. In June 2018, the Trustees agreed to merge five overseas offices into the UK charity as branches from 1st July 2018. Revised Articles of Association were adopted in December 2024,

providing for a minimum of five independent Trustees and up to two Trustees each appointed by WWF and IUCN as founding members.

Since FY19, the TRAFFIC International accounts thus have incorporated Central Africa, East Africa, Southern Africa, China, Southeast Asia, and Viet Nam as branch or subsidiary offices. With Board approval, a China representative office and a Malaysian company registered by guarantee were established in FY20. Registered offices, again with Board approval, were established in Belgium and Tanzania in FY22.

All seven TRAFFIC entities are located in countries of key importance to wildlife trade and biodiversity conservation. The decision to register separately from TRAFFIC's founding partners in four of those locations was influenced by increases in the scale of TRAFFIC's presence and activities in each, an indication of TRAFFIC's growth and maturity as an organisation.

The affiliated office in Japan continued to operate as internal divisions of its WWF host and was not incorporated into the charity in a legal sense.

The Board delegates day-to-day management of the Charity to Richard Scobey, Executive Director and Chief Executive Officer, who appoints the Senior Leadership Team, who, for the purposes of regulatory reporting, are collectively the Key Management Personnel along with the Trustees. The Senior Leadership Team develops strategies and plans for the Board to scrutinise and approve. It subsequently monitors and reports on performance against targets.

As provided for under TRAFFIC International's Articles of Association, the Board has established an Operations Committee chaired by a Trustee with the delegated responsibility to review information on budgets, financial performance, organisational development and business risk and to provide advice and recommendations to TRAFFIC management and the Board of Trustees.

TRUSTEES

The Trustees who served during the year, unless otherwise stated, were as follows:

Justin Mundy, Chair (appointed August 2024)
Mark Halle, Chair (completion of previous term August 2024, reappointed August 2025)
Pam Davis
Viviana Figueroa
Aban Marker Kabraji
Alistair Monument
Kavita Prakesh-Mani
Heather Sohl (completion of term June 2025)
Anthony Cowell (appointed January 2025)

Members of the Board of Trustees are directors for the purpose of company law and Trustees for the purpose of charity law. The company is limited by guarantee. Therefore, no Trustee had any beneficial interest.

APPOINTMENT OF TRUSTEES

The role of the Trustees is collectively, as a board, to ensure delivery of the Charity's objectives, set its strategic direction, and uphold its values. Trustees have a fundamental and legal obligation to act in the best interests of the Charity, and in accordance with the Charity's governing documents. The Trustees oversee the management and operation of the Charity subject to the provisions of the relevant acts (Charities Act 2011; Companies Act 2006 and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" second edition issued in January 2019) and the Memorandum and Articles of Association, and any directions given by special resolution. TRAFFIC's Trustees are drawn from within the broad umbrella of its partner organisations as well as the wider conservation community and bring together an extensive range of expertise in terms of programmatic, technical, financial and administrative skills. Terms of reference for the Board of Trustees (Directors) describe the responsibilities of the board and the role of key officers.

TRAFFIC's conflict of interest policy notes that Trustees have a fundamental and legal obligation to act in the best interests of the Charity, and in accordance with the Charity's governing

documents. Trustees who are employees of WWF and IUCN are further bound by the undertaking dated 17 September 1999 made on behalf of the two founding members of the Charity. This document, addressed to the Charity Commission, states on behalf of both organisations that TRAFFIC will function as an autonomous body and that neither WWF or IUCN will be able to define or restrict the activities of the Charity. Legally and professionally, Trustees therefore serve in a personal and voluntary capacity and not as representatives of their organisations.

Trustees may serve for a maximum of two consecutive three-year terms, unless an exception is approved by the Members. No Trustee who has served in office for six consecutive years shall be eligible for reappointment without a break of at least twelve calendar months.

TRUSTEES' INDUCTION AND TRAINING

When an individual accepts an invitation to become a Trustee, as part of the induction process, he or she receives an initial induction pack and meets with a senior manager of TRAFFIC to review the contents of the induction pack and supplementary materials; review responsibilities of Trustees; review current financial situation and general funding sources; review TRAFFIC's organizational chart, and the Charity's role in the larger TRAFFIC organisation; and review planned future projects and activities. They are regularly provided with financial and programmatic information as well as updates on relevant developments in the UK charity sector. Key documents are provided through a comprehensive governance manual.

REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees consider the Board of Trustees and the Senior Leadership Team comprise the Key Management Personnel of the Charity in charge of directing, controlling, and operating the Charity on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in either year. Details of Trustees' expenses and related party transactions are disclosed in Note 8 to the accounts. The Charity benchmarks remuneration of its Senior Leadership Team against comparable roles in other charities of a similar size and complexity, within a specified pay band. Each member of the Senior Leadership Team may receive an annual cost of living salary increase, which takes into account inflation, changes in national average earnings and pay awards elsewhere in the charity or public sector. The award is made subject to affordability. Increases to the Executive Director's salary that are above the annual cost-of-living salary increase are reviewed and approved by the Board of Trustees.

In FY25, as part of the effort to reduce personnel costs in response to the loss of income from the cancellation of US government grants, the Senior Leadership Team agreed on a voluntary basis to a temporary reduction in compensation; and no cost of living adjustment was provided to staff.

PUBLIC BENEFIT

TRAFFIC is a wildlife conservation charity whose vision is of a world where wildlife trade is managed in a way that maintains healthy wildlife populations and ecosystems; contributes to meeting human needs; supports local and national economies; and helps motivate commitments to conserve wild species and habitats.

The organisation's efforts are therefore focused not only on conserving biological diversity but also on protecting and maintaining the many "ecosystem goods and services" that are or may be threatened by unsustainable or illegal wildlife trade. In reviewing TRAFFIC's charitable objects and as part of planning and implementing our programme of work, the Trustees, have taken account of the Charity Commission's guidance on public benefit. The Trustees have considered how TRAFFIC's work will consistently contribute to the Charity's aims and objectives. TRAFFIC's main areas of charitable activity are detailed throughout this report.

The Trustees' report (which incorporates the requirements of the Strategic Report) was approved by the board on 14 January 2026 and signed on its behalf by:



Mark Halle
Chair

ADMINISTRATIVE INFORMATION

TRUSTEES:
(As of 30 June 2025)

Justin Mundy (Chair)
Anthony Cowell
Aban Marker Kabraji
Pam Davis
Kavita Prakesh-Mani
Viviana Figueroa
Alistair Monument
Heather Sohl

REGISTERED OFFICE:

David Attenborough Building
Pembroke Street
Cambridge
CB2 3QZ
United Kingdom

COMPANY SECRETARY:

Mr R Scobey

EXECUTIVE DIRECTOR:

Mr R Scobey

SOLICITORS:

Mills and Reeve
Botanic House
98–100 Hills Rd
Cambridge
CB2 1PH

COMPANY REGISTERED NUMBER:

3785518

CHARITY REGISTERED NUMBER:

1076722

STATUTORY AUDITOR:

HaysMac LLP
10 Queen Street Place
London
EC4R 1AG

BANKERS:

Barclays Bank
Bene't Street
Cambridge
CB2 3PZ

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAFFIC INTERNATIONAL

OPINION

We have audited the financial statements of TRAFFIC International for the year ended 30 June 2025 which comprise Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets,

the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).
In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 30 June 2025 and of the group and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES FOR THE FINANCIAL STATEMENTS

As explained more fully in the trustees' responsibilities statement set out on page 36, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Company and Charity law applicable in England and Wales, and overseas branches and subsidiaries complying with local legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and consider other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate or improper journal entries and the manipulation of accounting judgements and estimates, including the recognition of income at the year-end. Audit procedures performed by the engagement team included:

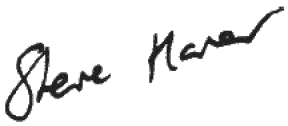
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing minutes of trustees meeting during the year;
- Identifying and testing journals, in particular journal entries posted around year end; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Steven Harper (Senior Statutory Auditor
For and on behalf of
HaysMac LLP,
Statutory Auditors

10 Queen Street Place
London, EC4R 1AG

10 February 2026



TRAFFIC INTERNATIONAL FINANCIAL STATEMENTS: YEAR ENDED 30 JUNE 2025

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT: YEAR ENDED 30 JUNE 2025

	Notes	Unrestricted Funds £	Restricted Funds £	2025 Total £	2024 Total £
Income from:					
Donations		1,682,940	2,459	1,685,399	931,601
Charitable activities		186,553	10,128,242	10,314,795	11,291,774
Investments		3,590	-	3,590	3,660
Other		9,054	497	9,551	27,212
Donated services		-	22,000	22,000	-
Total	5	1,882,137	10,153,198	12,035,335	12,254,247
Expenditure on:					
Raising funds – grant and contract proposal development		315,107	-	315,107	261,439
Charitable activities		2,130,051	10,438,147	12,568,198	13,192,758
Total	6	2,445,158	10,438,147	12,883,305	13,454,197
Net (expenditure)/income		(563,021)	(284,949)	(847,970)	(1,199,950)
Transfers between funds		123,606	(123,606)	-	-
Net movement in funds		(439,415)	(408,555)	(847,970)	(1,199,950)
Reconciliation of funds:					
Total funds brought forward		2,132,906	1,689,464	3,822,370	5,022,320
Total funds carried forward		1,693,491	1,280,909	2,974,400	3,822,370

All activities in both years arise from continuing activities. There were no other recognised gains or losses other than those shown in the statement above and the net income for the year.

The notes on pages 49 to 72 form an integral part of these financial statements.

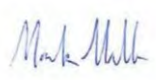
Full comparative figures for the year ended 30 June 2024 are shown in note 20.

BALANCE SHEETS: AS AT 30 JUNE 2025

	Notes	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Fixed Assets					
Intangible fixed assets	10	-	-	-	-
Tangible fixed assets	11	80,758	56,122	72,360	60,211
		80,758	56,122	72,360	60,211
Current Assets					
Debtors	12	1,486,670	1,479,917	4,043,879	3,958,003
Cash at bank and in hand		4,314,557	4,202,456	3,207,834	2,994,131
		5,801,227	5,682,373	7,251,713	6,952,134
Liabilities					
Creditors: amounts falling due within one year	13	2,907,585	2,803,956	3,501,701	3,357,875
Net current assets		2,893,642	2,878,417	3,750,012	3,594,259
Total assets less current liabilities being net assets		2,974,400	2,934,539	3,822,370	3,654,470
The funds of the Charity					
Restricted funds		1,280,909	1,548,507	1,689,464	1,853,244
Unrestricted		1,693,491	1,386,032	2,132,906	1,801,226
Total Charity funds	16	2,974,400	2,934,539	3,822,370	3,654,470

The deficit of the Charity before consolidation was £719,931 (2024: deficit £1,202,404). Further details are presented in note 3.

The financial statements of TRAFFIC International (company number 3785518) were approved by the Board of Trustees and authorised for issue on 14 January 2026 and signed on its behalf by:



Mark Halle
Chair

The notes on pages 49 to 72 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT: YEAR ENDED 30 JUNE 2025

	2025 Total £	2024 Total £
Cash flows from operating activities:		
Net cash flows from operating activities	1,163,657	(90,386)
Cash flows from investing activities:		
Dividends, interest and rents from investments	3,590	3,660
Transfer of assets	-	-
Purchase of fixed assets	(60,524)	(67,733)
Net cash outflow from investing activities	(56,934)	(64,073)
Net increase/(decrease) in cash and cash equivalents	1,106,723	(154,459)
Cash and cash equivalents at 1 July 2024	3,207,834	3,362,293
Cash and cash equivalents at 30 June 2025	4,314,557	3,207,834
Reconciliation of net cash flows from operating activities:		
Net income	(847,970)	(1,199,950)
Depreciation and amortisation	52,126	34,846
Loss on fixed asset disposal	-	2,686
Investment income	(3,590)	(3,660)
Decrease/(increase) in debtors	2,557,209	1,659,064
Increase/(decrease) in creditors	(594,118)	(583,373)
Net cash flows from operating activities	1,163,657	(90,386)

The notes on pages 49 to 72 form an integral part of these financial statements.
Cash and cash equivalents are represented by cash at bank and in hand.

NOTES TO THE ACCOUNTS: YEAR ENDED 30 JUNE 2025

1. ACCOUNTING POLICIES

TRAFFIC International is a company limited by guarantee and registered in England and Wales (3785518), not having a share capital, and as a Registered Charity with the Charity Commission for England and Wales (1076722). The Charity is not liable to corporation tax on its charitable activities and further details are shown above within the Reference and Administrative details on page 41.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Charity's financial statements.

a) Accounting conventions

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (Second Edition effective 1 January 2019)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2019; and the Companies Act 2006. The Charity meets the definition of a public benefit entity under FRS 102. The financial statements are prepared in Pounds Sterling rounded to the nearest Pound.

b) Going concern

The decision by the US government to suspend and terminate a number of TRAFFIC's projects in January 2025 had a direct impact on the organisation's finances. In response, Trustees and Management took several steps to manage the impact of the confirmed loss of income and the continued uncertainty of the US review process. First, the Trustees received legal advice regarding their duties in the event of charity financial distress and instructed BDO LLP (financial advisors) to review TRAFFIC's financial position and consider the charity's current and future liquidity, in accordance with Charity Commission guidelines. BDO reviewed different scenarios and concluded that the Charity faced no imminent risk of insolvency, while noting the volatile environment for the charity sector and recommending measures to ensure strong continued Trustee oversight and effective financial monitoring and reporting by Management.

Second, Management completed several actions to address the confirmed loss of income, including redeployment of affected staff to other donor-funded projects; mobilization of new funding from existing and new donors; reduction in discretionary core expenditures, such as travel; and completion of a staff restructuring and redundancy process to reduce the number of staff and associated payroll costs to a level commensurate with the reduced size of the Charity's operations.

Over the first six months of months of FY26, TRAFFIC's financial position has further strengthened as a result of the continued disbursement of United States government grants that were expected to be cancelled, the receipt of additional donations, grants, and other revenue streams from new sources, and continued strong cost control measures.

The Trustees have confirmed the organisation's ability to continue as a going concern due to implemented actions in FY25, strong income generation in FY26, detailed 18-months cash flow forecasts and funding sources projections, careful review and assessment of TRAFFIC's projected financial position, and successful business risk management. The financial statements were prepared on this basis, as the charity can continue in operation for the foreseeable future and meet its obligations as they fall due. In making this assessment, the Trustees have not identified any material uncertainty in relation to TRAFFIC's ability to continue as a going concern.

c) Consolidation

These financial statements consolidate the results of TRAFFIC International Southeast Asia, TRAFFIC International East Africa and TRAFFIC International Europe on a line-by-line basis. TRAFFIC International Southeast Asia is incorporated in Malaysia, East Africa in Tanzania and Europe in Belgium. Transactions and balances between charitable company and its subsidiaries have been eliminated from the consolidated

financial statements. There are no significant differences between the accounting policies of the parent charitable company and its subsidiaries. In addition to the subsidiary undertakings, the charitable company has a number of branches which are treated as being part of the results of the charitable company in line with section 25 of the Statement of Recommended Practice. As permitted by Section 408 of Companies Act 2006, no separate Statement of Financial Activities for the Charity has been presented. However, the results of the Charity before consolidation are summarised in note 3.

d) Income

Income is recognised and included in the statement of financial activities when the Charity has entitlement to the income, it is probable that the income will be received, and the amount can be reliably measured. Income received relating to future accounting periods is deferred and recognised as a creditor within the balance sheet.

Donated services are recognised based on the best estimate of the value to the charity, having made the assessment of what the charity would be prepared to pay.

e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. VAT cannot be recovered and is reported as part of the expenditure to which it relates.

Costs of raising funds:

These represent costs of internal allocations for staff involvement in implementation of the Charity's funding strategy, donor liaisons and assistance with proposal development and submission.

Charitable activities:

This includes expenditure incurred in the fulfilment of the objectives of the charitable company including allocated overheads.

Support costs:

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the Charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. Support costs are allocated on a pro-rata basis according to the total cost of activities undertaken directly and grant funding of activities.

Governance costs:

This includes expenditure incurred in the general running and administering of the charitable company. These costs include external audit, legal advice for Trustees and costs associated with constitutional and statutory requirements.

f) Tangible fixed assets

Tangible fixed assets are shown at cost less accumulated depreciation. Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful lives of three years on a straight-line basis. The current capitalisation policy is £400.

Impairment reviews are conducted when events and changes in circumstances indicate that an impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, it is written down accordingly.

g) Intangible fixed assets

Intangible assets are shown at cost less accumulated amortisation. Amortisation is calculated on a straight-line basis to allocate the assets value evenly over a three-year period. The current capitalisation threshold is £400.

Impairment reviews are conducted when events and changes in circumstances indicate that an impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, it is written down accordingly.

h) Funds

The Charity records two categories of income—unrestricted and restricted funds.

Unrestricted funds

Unrestricted funds can be used for any purpose approved by the Trustees within the objects of the Charity. Funds that are received without external restriction, and for use in any of the Charity's activities including operational and establishment costs are treated as unrestricted funds and may be designated by the Trustees for particular purposes as deemed appropriate.

Restricted funds

Resources are allocated to restricted funds according to the limitations on their use specified by the donors or other providers.

Restricted funds are allocated to specific activities and outputs usually under the terms of a project contract accompanying the grant. Detailed accounts are maintained for restricted projects including income, expenditure and fund balances by donor. The majority of projects are short-term in nature with grants being expended between one and five years. Deficits within restricted project funds which occur when income is not entitled to be recognised in the current financial period are carried forward to the next period. Where further funding is not anticipated, a transfer is made from unrestricted funds to cover the deficit.

The Charity does not have any endowment funds.

i) Cash and cash equivalents

Cash at bank and in hand includes interest and non-interest-bearing accounts which are highly liquid.

j) Employee benefits – Pensions

The Charity operates a defined contribution scheme, the assets of which are held separately from those of the Charity. The Charity's contributions are charged to expenditure in the year they are incurred.

k) Foreign exchange

Transactions denominated in foreign currencies are recorded at the daily rate of exchange. Assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the year end. Gains and losses on re-translation are dealt with as part of the deficit or surplus on ordinary activities for the financial year.

l) Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

m) Financial instruments

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and

subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

3. RESULT OF THE CHARITY

	2025 £	2024 £
Income		
Donations	1,574,686	857,831
Charitable activities	10,007,997	10,948,130
Other income	54,487	41,418
	11,637,170	**11,847,379**
Expenditure		
Charitable activities and raising funds	12,357,101	13,049,783
Funds transferred to subsidiary undertaking	-	-
	12,357,101	**13,049,783**
Net income	**(719,931)**	**(1,202,404)**
Funds brought forward	**3,654,470**	**4,856,874**
Funds carried forward	**2,934,539**	**3,654,470**

4. RESULT OF SUBSIDIARY UNDERTAKINGS

TRAFFIC International Southeast Asia is a company incorporated in Malaysia and is a wholly owned subsidiary of TRAFFIC International. It was incorporated in January 2021 and carries out the activities of the charity in the region. Prior to incorporation, the activities in the region were run as a branch of TRAFFIC International. On 1 February 2021, the activities and net assets of the branch were transferred to the new company. The results have been included in these financial statements from that date, a summary of which is provided below.

	2025 £	2024 £
Income		
Charitable activities	837,422	1,033,931
	837,422	**1,033,931**
Expenditure		
Charitable activities	901,485	887,906
	901,485	**887,906**
Net income	**(64,063)**	**146,025**
Funds brought forward	145,112	(913)
Funds carried forward	**81,049**	**145,112**
Funds		
Total assets	108,417	216,648
Total liabilities	(27,368)	(71,536)
	81,049	**145,112**

TRAFFIC International East Africa is a company incorporated in Tanzania and is a wholly owned subsidiary of TRAFFIC International. It was incorporated in December 2021 and carries out the activities of the charity in the region. Prior to incorporation, the activities in the region were run as a branch of TRAFFIC International. On 1 January 2022, the activities and net assets of the branch were transferred to the new company. The results have been included in these financial statements from that date, a summary of which is provided below.

	2025 £	2024 £
Income		
Charitable activities	802,948	1,047,795
	802,948	**1,047,795**
Expenditure		
Charitable activities	818,278	1,210,070
	818,278	**1,210,070**
Net income	**(15,330)**	**(162,275)**
Funds brought forward	(22,992)	139,283
Funds carried forward	**(38,322)**	**(22,992)**
Funds		
Total assets	78,945	101,754
Total liabilities	(117,267)	(124,746)
	(38,322)	**(22,992)**

TRAFFIC International Europe is a company incorporated in Belgium and is a wholly owned subsidiary of TRAFFIC International. It was incorporated in December 2021 and carries out the activities of the charity in the region. Prior to incorporation, the activities in the region were run by TRAFFIC International.

	2025 £	2024 £
Income		
Charitable activities	204,752	225,532
	204,752	**225,532**
Expenditure		
Charitable activities	240,239	207,966
	240,239	**207,966**
Net income	**(35,487)**	**17,566**
Funds brought forward	45,782	28,216
Funds carried forward	**10,295**	**45,782**
Funds		
Total assets	3,161	22,903
Total liabilities	7,134	22,879
	10,295	**45,782**

5. INCOME

All of TRAFFIC International's activity relates to ensuring that trade in wild plants and animals is not a threat to the conservation of nature.

	Unrestricted £	Restricted £	2025 Total £
Donations			
IUCN, WWF & other TRAFFIC entities	604,843	-	604,843
Corporate and Individuals	1,078,097	2,459	1,080,556
	1,682,940	2,459	1,685,399
Charitable activities			
IUCN, WWF & other TRAFFIC entities	36,553	837,425	873,978
Governments	-	6,721,157	6,721,157
Multilaterals	-	462,346	462,346
Foundations and charities	150,000	1,358,659	1,508,659
Corporate and Individuals	-	748,655	748,655
	186,553	10,128,242	10,314,795
Other income	9,054	497	9,551
Bank interest	3,590	-	3,590
Donated services	-	22,000	22,000
	1,882,137	10,153,198	12,035,335

2024 Comparative	Unrestricted £	Restricted £	2024 Total £
Donations			
IUCN, WWF & other TRAFFIC entities	919,076	-	919,076
Corporate and Individuals	12,525	-	12,525
	931,601	-	931,601
Charitable activities			
IUCN, WWF & other TRAFFIC entities	39,132	1,738,329	1,777,461
Governments	-	7,130,274	7,130,274
Multilaterals	-	544,747	544,747
Foundations and charities	(124)	1,628,538	1,628,414
Corporate and Individuals	-	210,878	210,878
	39,008	11,252,766	11,291,774
Other income	25,240	1,972	27,212
Bank interest	3,660	-	3,660
Donated services	-	-	-
	999,509	11,254,738	12,254,247

Donated services relate to pro bono coaching support provided to the leadership teams of TRAFFIC International by LeaderLy, a leadership coaching network which offers coaching services to the not-for-profit sector.

6. EXPENDITURE

All of TRAFFIC International's activity relates to ensuring that trade in wild plants and animals is not a threat to the conservation of nature.

	Direct costs £	Support costs £	2025 Total £
Costs of raising funds	-	315,107	315,107
Charitable activities	10,515,578	2,052,620	12,568,198
	10,515,578	2,367,727	12,883,305

2024 Comparative

	Direct costs £	Support costs £	2024 Total £
Costs of raising funds	-	261,439	261,439
Charitable activities	11,249,808	1,942,950	13,192,758
	11,249,808	2,204,389	13,454,197

Analysis of expenditure:

	Unrestricted £	Restricted £	2025 Total £
Costs of raising funds			
Staff costs	275,517	-	275,517
Operational	5,791	-	5,791
Establishment	6,390	-	6,390
Travel	3,883	-	3,883
Depreciation	1,934	-	1,934
Foreign exchange loss	4,925	-	4,925
Governance	16,667	-	16,667
	315,107	-	315,107
Charitable activities			
Staff costs	1,039,008	5,961,037	7,000,045
Operational	147,129	1,157,464	1,304,593
Establishment	162,361	824,038	986,399
Professional fees	-	127,078	127,078
Project sub-contracts	75,000	1,670,241	1,745,241
Travel	98,662	625,534	724,196
Depreciation and amortisation	50,192	-	50,192
Foreign exchange loss	125,126	72,755	197,881
Governance	432,574	-	432,574
	2,130,052	10,438,147	12,568,199
Total expenditure	2,445,159	10,438,147	12,883,306

2024 Comparative

Analysis of expenditure:

	Unrestricted £	Restricted £	2024 Total £
Costs of raising funds			
Staff costs	232,365	-	232,365
Operational	3,931	-	3,931
Establishment	3,041	-	3,041
Travel	5,848	-	5,848
Depreciation	1,089	-	1,089
Foreign exchange loss	3,990	-	3,990
Governance	11,175	-	11,175
	261,439	-	261,439
Charitable activities			
Staff costs	386,120	6,609,772	6,995,892
Operational	118,366	2,101,443	2,219,809
Establishment	91,549	1,068,894	1,160,443
Professional fees	-	103,268	103,268
Project sub-contracts	-	1,223,389	1,223,389
Travel	176,083	831,547	1,007,630
Depreciation and amortisation	33,766	-	33,766
Foreign exchange (gain)/loss	120,130	(17,955)	102,175
Governance	346,386	-	346,386
	1,272,400	11,920,358	13,192,758
Total expenditure	1,533,839	11,920,358	13,454,197

7. SUPPORT COSTS

	Support £	Governance £	2025 £
Professional fees	-	233,942	233,942
Auditor's remuneration	-	38,400	38,400
Other audits	-	14,660	14,660
Staff costs	1,701,337	150,754	1,852,091
Operational	-	3,169	3,169
Establishment costs	191,159	3,497	194,656
Travel	25,989	2,125	28,114
Foreign exchange loss	-	2,695	2,695
Total	1,918,485	449,242	2,367,727

2024 Comparative

	Support £	Governance £	2024 £
Professional fees	-	83,489	83,489
Auditor's remuneration	-	37,488	37,488
Other audits	-	15,157	15,157
Staff costs	1,581,391	206,489	1,787,880
Operational	-	3,494	3,494
Establishment costs	222,691	2,702	225,393
Travel	42,745	5,197	47,942
Foreign exchange loss	-	3,546	3,546
Total	1,846,827	357,562	2,204,389

Support costs are allocated on a pro-rata basis according to the total cost of activities undertaken directly and grant funding of activities. Fees payable to the Charity's auditor are for the audit of the charity's annual financial statements.

8. EMPLOYEE AND TRUSTEE INFORMATION

		2025	2024
		£	£
a)	Staff costs:		
	Wages and salaries	5,444,747	5,586,049
	Social security costs	1,008,248	1,029,142
	Pension costs	619,513	609,158
	Other benefits	111,794	110,768
	Other staff costs	127,388	99,627
	Severance expenses	114,625	-
		7,426,315	7,434,744

Other staff costs include an accrual for untaken annual leave outstanding at the year end, in line with the requirements of FRS102.

		2025	2024
b)	The average number of persons, employed during the year was:		
	Management and Administration	75	77
	Programme and Research	103	105
		178	182

The above numbers do not include Trustees who are not permitted to receive remuneration for their duties. Six trustees received payments for expenses during 2025 totalling £1,825 (2024 – £6,568).

		2025	2024
c)	Employees with emoluments over £60,000 were:		
	£60,001 – £70,000	6	7
	£70,001 – £80,000	5	4
	£80,001 – £90,000	4	3
	£90,001 – £100,000	0	0
	£100,001 - £110,000	3	1
	£110,001 – £120,000	0	1
	£120,001 – £130,000	1	0
		19	16

d) Senior leadership team

Total remuneration of the Key Management Personnel (the Trustees with the Senior Leadership Team comprising the Executive Director and other senior managers), including pension contributions excluding social security costs, was £775,503 (2024: £649,612) for nine (2024: eleven) staff members. In addition employer's NI contributions were paid of £64,292 (2024: £57,580) in respect of Key Management Person No Trustees received nor waived any remuneration.

9. EMPLOYEE BENEFITS - PENSION COSTS

The Charity's pension contributions are made to defined contribution schemes. The assets of the schemes are held separately from those of the Charity in independently administered funds. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £619,513 (2024: £609,158 corrected).

10. INTANGIBLE FIXED ASSETS

GROUP	Computer Software £
Cost:	
At 1 July 2024	94,175
Additions	-
Disposals	-
At 30 June 2025	94,175
Amortisation:	
At 1 July 2024	94,175
Additions	-
Eliminated on disposals	-
At 30 June 2025	94,175
Net book value:	
At 30 June 2024	-
At 30 June 2025	-

CHARITY	Computer Software £
Cost:	
At 1 July 2024	94,175
Additions	-
At 30 June 2025	94,175
Amortisation:	
At 1 July 2024	94,175
Charge for year	-
At 30 June 2025	94,175
Net book value:	
At 30 June 2024	-
At 30 June 2025	-

11. TANGIBLE FIXED ASSETS

GROUP	Leasehold improvements £	Fixtures & Fittings £	Vehicles £	Computer Equipment £	Total £
Cost:					
At 1 July 2024	1,847	53,419	55,208	266,030	376,504
Additions	-	12,324	-	48,200	60,524
Disposals	-	-	-	-	-
At 30 June 2025	1,847	65,743	55,208	314,230	437,028
Depreciation:					
At 1 July 2024	406	38,399	55,208	210,131	304,144
Charge for year	637	9,745	-	41,744	52,126
Released on disposals	-	-	-	-	-
At 30 June 2025	1,043	48,144	55,208	251,875	356,270
Net book value:					
At 30 June 2025	804	17,599	-	62,355	80,758
At 30 June 2024	1,441	15,020	-	55,899	72,360

CHARITY	Leasehold improvements £	Fixtures & Fittings £	Vehicles £	Computer Equipment £	Total £
Cost:					
At 1 July 2024	-	44,146	55,208	253,466	352,820
Additions		3,638	-	33,804	37,442
Disposals	-	-	-	-	-
At 30 June 2025	-	47,784	55,208	287,270	390,262
Depreciation:					
At 1 July 2024	-	35,684	55,208	201,717	292,609
Charge for year	-	4,867	-	36,664	41,531
Released on disposals	-	-	-	-	-
At 30 June 2025	-	40,551	55,208	238,381	334,140
Net book value:					
At 30 June 2025	-	7,233	-	48,889	56,122
At 30 June 2024	-	8,462	-	51,749	60,211

12. DEBTORS: AMOUNTS FALLING WITHIN ONE YEAR

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Trade debtors	202,651	184,026	351,078	304,836
Other debtors	99,616	40,844	122,911	75,726
Prepayments	105,186	105,002	149,479	124,544
Amounts held by hosts	199,585	199,585	409,976	409,976
Amounts owed by subsidiary undertakings	-	81,099	-	33,977
Accrued income	879,632	869,361	3,010,435	3,008,944
	1,486,670	1,479,917	4,043,879	3,958,003

Amounts held by host relates to cash amounts held by hosts on behalf of branches.

13. CREDITORS: FALLING DUE WITHIN ONE YEAR

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Trade creditors	22,395	19,830	103,389	96,892
Other creditors	106,304	45,177	82,150	61,325
Accruals	1,346,625	1,306,688	1,720,892	1,648,110
Salary and tax creditors	21,699	21,699	33,635	30,853
Amounts owed to hosts	66,674	66,674	25,026	25,026
Deferred income	1,343,888	1,343,888	1,536,609	1,495,669
	2,907,585	2,803,956	3,501,701	3,357,875

Amounts owed to hosts relate to cash balances owed to hosts by branches.

14. DEFERRED INCOME

	2025 Total £	2024 Total £
Balance at the beginning of the year	1,536,609	1,816,968
Amount released to income in the year	(1,536,609)	(1,816,968)
Amount deferred in the year	1,343,888	1,536,609
Balance at the end of the year	1,343,888	1,536,609

Deferred income represents income received from donors in advance of contracted activity.

15. ANALYSIS OF CHARITABLE FUNDS

	1 July 2024 £	Income £	Expenditure £	Transfers £	30 June 2025 £
Unrestricted funds	2,132,906	1,882,137	(2,445,158)	123,606	1,693,491
Restricted funds					
Major projects:					
Postcode Lottery – Tackling IWT	234,708	300,000	(595,083)	-	(60,375)
CITES Elephant Trade Information System	80,750	(29,607)	(42,735)	-	8,408
Reducing Trade Threats to Wild Species and Ecosystems Through Strengthened Knowledge in Africa	204,538	465,690	(366,454)	-	303,774
Law Enforcement in Madagascar: a United Response to Combating Wildlife Crime	291,584	119,301	(449,780)	-	(38,895)
Leveraging legality along China's timber supply to reduce deforestation	313,107	800,357	(783,967)	-	329,497
UNDP Pelargonium sidoides Biodiversity	232,681	(33,275)	(33,855)	(8,959)	156,592
USAID Saving Threatened Wildlife, Vietnam	(643,536)	833,110	(236,522)	-	(46,948)
RTI Tuhifadhi Maliasili	(39,021)	49,269	(49,952)	-	(39,704)
Strengthening East Africa Wildlife Law Enforcement	95,981	283,270	(384,167)	-	(4,916)
Money laundering and the illegal wildlife trade in China	145,764	22,791	(125,546)	-	43,009
USAID West AfricaBiodiversity & Low Emissions Development	(391,679)	652,956	(232,273)	-	29,004
Anti-corruption and combating wildlife trafficking activity - Madagascar	(7,405)	(965)	(4,537)	3,297	(9,610)
Demand reduction, Enforcement and policies supporting The conservation of Elephants and Rhinos	336,320	470,863	(814,075)	-	(6,892)
Demand Reduction China Parrot Trade	86,780	171,087	(166,657)	-	91,210
INL Strengthening Criminal Justice in Philippines	23,974	317,014	(410,997)	-	(70,009)
Support to the implementation and development of the EU Wildlife Trade Policy and Regulations	(27,581)	164,169	(167,129)	(4,163)	(34,704)
Harnessing technology to help end the illegal online trade in South African succulents	23,790	13,969	(24,825)	-	12,934
Trialling Wild Harvest Improvement Projects	(10,353)	87,621	(92,083)	-	(14,815)
IWTEV016 Enhancing knowledge to tackle illegal trade of Madagascar's medicinal plants	9,383	9,546	(34,349)	-	(15,420)
Defra evidence fish maw	16,398	20,476	(50,732)	-	(13,858)
CCI Strengthening landscape restoration by applying best practices for the integration of sustainable trade in wild plants and fungi	24,472	42,500	(54,678)	-	12,294
Scaling conservation of Himalayan plants and fungi through sustainable trade	(327,050)	1,050,699	(1,392,700)	21	(669,030)
Guidance for CITES Parties to Develop and Implement Demand Reduction Strategies to Combat Illegal Trade in CITES-listed Species	-	19,980	(11,841)	-	8,139

Support and preparation of CoP20 Rhino Report	-	25,139	(25,526)	-	(387)
Reducing Maritime Trafficking of Wildlife between Africa and Asia	-	19,258	(18,955)	-	303
Training Workshops in non detriment findings	-	7,137	(6,820)	-	317
BMUV CITES CoP20 Support	-	112,441	(31,583)	-	80,858
EU Guard Demand Reduction Alliance	-	42,864	(10,769)	-	32,095
Development of Value Chains for Products derived from Genetic Resources in Compliance with the Nagoya Protocol on Access and Benefit Sharing and the National Biodiversity Economy Strategy	-	130,440	(67,919)	-	62,521
	673,605	6,168,100	(6,686,509)	(9,804)	145,392
Other projects	1,015,859	3,985,098	(3,751,638)	(113,802)	1,135,517
	1,689,464	10,153,198	(10,438,147)	(123,606)	1,280,909
Total funds	**3,822,370**	**12,035,335**	**(12,883,305)**	**-**	**2,974,400**

During the year transfers of £123,606 were made from restricted to unrestricted funds. They were related to the treatment of cost recovery for project staff as well as write off of foreign exchange variances and project balances allowed by donors.
Some of the negative balances in this note including that relating to the project 'Scaling conservation of Himalayan plants' are due to statutory adjustments where a proportion of income was deferred or where there has been an accrual of amounts obligated to be paid to subcontractors but where payments have not yet been made. All other negative balances have been assessed as recoverable.

Tackling the Illegal Wildlife Trade through developing forensic capacity in Southern Africa

Funded by the Postcode Animal Trust

The project aims to strengthen our activities relating to reducing illegal wildlife trade in Southern Africa, specifically through the development of wildlife forensic capacity to enhance wildlife law enforcement. The overall goal is to ensure that access to forensic science is available to support wildlife law enforcement in Malawi, Zambia, and Zimbabwe.

Leveraging legality along China's timber supply to reduce deforestation

Funded by Norwegian Agency for Development Cooperation

The project leverages China's and Vietnam's significant market role in the timber supply chain from source countries in the Congo Basin, to reduce unsustainable forestry operations and illegal timber trade. Along the continent and following primary trafficking routes into Asia promotes evidence-based solutions with those best placed to take remedial action. The project will continue to develop and promote some of the potentially game-changing solutions that were initiated in the first phase of the project.

Demand reduction, Enforcement and policies supporting The conservation of Elephants and Rhinos - DETER

Funded by the German Agency for International Cooperation (GIZ)

The goal of the project is to support elephant, rhino, and pangolin conservation by driving demand reduction, improved enforcement and increased political will to stop the illegal trade in wildlife products. This will be achieved through reducing consumer demand for elephant and rhino products in China and Viet Nam through providing leadership on demand reduction strategies and engaging key stakeholders to maximise the influence of interventions. The project will also support enforcement against IWT activities in China, selected neighbouring countries, and African countries through capacity building, trans-continental collaboration and improved communications. An enabling policy environment in Africa and China will be supported to facilitate these actions.

Tuhifadhi Maliasili.

Funded by USAID via RTI

The goal of the USAID Tuhifadhi Maliasili (TM) activity is to address dynamics that hinder habitat connectivity and the longterm persistence of biodiversity in Tanzania. RTI subcontracts TRAFFIC to implement activities concerning assessment of trade dynamics of threatened species, behaviour change interventions and strengthening of law enforcement and judicial capacity to combat wildlife crime. Activities help the TM Activity to achieve goal to strengthen policy frameworks for biodiversity conservation, natural resource management, improve sustainable tourism and reduce wildlife crime in Tanzania.

Strengthening East Africa Wildlife Law Enforcement

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

The purpose of this project is to address law enforcement capacity shortfalls in East Africa by institutionalising training and providing online resources for critical law enforcement authorities to better address illegal wildlife trade

Scaling conservation of Himalayan plants and fungi through sustainable trade

Funded by Defra Darwin Initiative

This project aims to improve local livelihoods, elevate traditional knowledge, and strengthen national and regional approaches to sustainable biodiversity-based trade. Local livelihoods and biodiversity in the high-alpine Himalaya are threatened by wild plant and fungi overharvesting, climate change, illegal trade and inequitable supply chains. This has an impact across the region. As well as working with local partners to improve local livelihoods this ambitious project aims to amend policies, trade agreements, and legal frameworks along the trade chains from Nepal to consumer countries to include provisions for sustainable, traceable trade in wild plant and fungi ingredients, in line with CBD and CITES commitments.

Money Laundering and the Illegal Wildlife Trade in China.

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

This project aims to contribute to the INL goal of improving China's will and capacity to investigate, arrest, prosecute, convict, and sentence to the fullest extent of the law the perpetrators of wildlife crime, with a focus on Anti Money Laundering (AML) approaches and anticorruption strategies. The project has developed guidelines for wildlife law enforcement agencies and courts to increase their understanding and implementation for the updated AML regulations in China. Training has been delivered including technical expertise to the Peoples Bank of China. TRAFFIC facilitates regular information sharing between provinces to strengthen law enforcement collaboration against wildlife trafficking.

Anti-Corruption and Combatting Wildlife Trafficking Activity – Madagascar

Funded by USAID via WWF US

The goal of the project is to contribute to a reduction of corruption in natural resources to improve conservation outcomes. Anti-corruption actions are key to the good governance and management of Madagascar's natural resources and biodiversity. To fight against issues posed by corruption, stakeholders and different levels must be engaged. TRAFFIC leads implementation of activities to improve the ability of the Malagasy government to use enforcement of financial crimes as an approach to tackle illegal wildlife trade and corruption. Building on extensive experience implementing court case monitoring programs in Madagascar, TRAFFIC also leads on the further development of court case monitoring efforts.

Taking Charge: Strengthening Criminal Justice Response to Wildlife Crime in the Philippines

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

The Philippines is a hotspot for illegal wildlife trade as a source, transit and destination. This project addresses key issues of low levels of arrests and investigations, lack of capacity and tools among law enforcement agencies, airports and ports acting as smuggling hotspots, and an ongoing high number of illegal wildlife sales in-country, particularly online.

West Africa Biodiversity and Low Emissions Development

Funded by USAID via Tetra Tech

The West Africa Biodiversity and Low Emissions Development (WABiLED) Program is a four-year program with 3 core objectives: combat wildlife trafficking and enhance great ape conservation; reduce deforestation, forest degradation, and biodiversity loss in key transboundary forest landscapes; and reduce greenhouse gas emissions and increasing carbon sequestration from land use. TRAFFIC works in partnership with Tetra Tech and others on the first objective.

CITES Elephant Trade Information System (ETIS)

Funded by the European Commission via UNEP

This funding serves to sustain the operational capacity and integrity of ETIS by supporting core fundamentals of data collection, verification and management of the seizure data by the database manager. It also maintains an online ETIS website in three languages for the benefit of the CITES parties. Finally it supports the production of analytical results from the ETIS data. This is instrumental in guiding decision making at CITES meetings.

Saving Threatened Wildlife , Vietnam

Funded by USAID via WWF US

Supports Vietnam to tackle illegal wildlife trafficking. This project focuses on protecting species that are at risk of being trafficked into Vietnam, such as African rhinos, African and Asian elephants, and pangolins, as well as animals that are regularly poached and traded domestically or internationally, such as primates, muntjacs, and big cats.

Demand reduction and behaviour change along China's parrot supply chains

Funded by Defra IWT Challenge Fund

This project aims to reduce threats to African Grey Parrots (AGP) and other endangered African parrots in Cameroon and the Democratic Republic of the Congo (DRC), and tackle high demand in China. Activities integrate innovative social and behaviour change (SBC) approaches to reduce Chinese consumer demand for these parrots as pets, with corporate engagement and behaviour change targeting Chinese nationals in Cameroon and DRC who are potentially involved in the poaching and trafficking of the target parrots

Support to the implementation and development of the EU Wildlife Trade Policy and Regulations

Funded by the European Commission

This contract tasks TRAFFIC to provide support to the European Commission in monitoring the implementation and enforcement of the EU Wildlife Trade Regulations. As part of the contract, TRAFFIC also assists the Member States in carrying out certain implementation and reporting tasks required of them by the EU Wildlife Trade Regulations and provides support to the European Commission and other relevant actors, such as Europol and Eurojust in the implementation of the actions contained in EU Wildlife Action Plan.

Harnessing Technology to End the Illegal Trade in Succulent Plants

Funded by the Defra Illegal Wildlife Trade Challenge Fund via Royal Botanic Gardens, Kew

Aims to apply multidisciplinary research, including the use of novel forms of technology, to identify points of intervention and inform strategies to improve regulation and law enforcement actions concerned with the illegal wildlife trade in succulent plants. Methodologies range from the use of AI search tools to monitor online wildlife trade, the development of chemical fingerprinting and marking techniques aims to enable traceability and transparency in trade, and the use of wildlife trade data combined with new knowledge generated by interviews to form new insights into the illegal trade in Southern African succulent plants. TRAFFIC are co-leaders of the project.

Trialling Wild Harvest Improvement Projects for Sustainable Wild Plant Trade

Funded by Defra Darwin Initiative

This project aims to address challenges faced with certification of wild harvested plants. These challenges are similar to that of the fisheries sector in incentivising conservation with social impact. Benefits for harvesters may be held back by the time and resources required for certification, and the need to address resource governance at landscape level. This project will adapt innovations developed for fisheries to wild plants with pilots in Morocco and Uzbekistan.

Enhancing knowledge to tackle illegal trade of Madagascar's medicinal plants

Funded by Defra Illegal Wildlife Trade Challenge Fund

The illegal and unregulated trade in Madagascar's medicinal and aromatic plants (MAPs) results in biodiversity decline and has pushed some endemic species to extinction. This project identifies priority interventions and informs pathways to strengthen governance, where necessary, and improve regulations and law enforcement strategies to disrupt the supply chains of illegally trafficked plant species. It also identifies new market opportunities to foster legal and sustainable trade of high-value MAP species, thus enhancing benefits to Malagasy communities.

Gathering evidence to address the illegal trade in fish maw

Funded by Defra Illegal Wildlife Trade Challenge Fund

Fish maw is an important high-value dried seafood product, widely traded in Asian markets, alongside sea cucumber, abalone and shark fin. Very little is known about this trade, in particular the species harvested, source fisheries, and associated livelihoods, yet Customs data indicates that trade from Africa is growing, with concerning under-reporting of exports. This project investigates fish maw trade dynamics for three African source countries, and Hong Kong markets, focusing on aspects of illegal and unregulated catch and trade.

Strengthening landscape restoration by applying best practices for the integration of sustainable trade in wild plants and fungi

Funded by Endangered Landscapes Programme

Current initiatives show that restoration can be managed to deliver local socio-economic benefits, as a key to long-term success. This project provides practical guidance to help Endangered Landscape Programme projects overcome barriers to sustainable use of wild species in their restored landscapes.

Guidance for CITES Parties to Develop and Implement Demand Reduction Strategies to Combat Illegal Trade in CITES-listed Species

Funded by CITES Secretariat

TRAFFIC is widely recognized as a competent organization in the context of demand reduction strategies to combat illegal trade in wildlife and has global reach with experience in conducting projects for the CITES Secretariat. The objective of this project is to support parties in the use of the Guidance for CITES Parties to Develop and Implement Demand Reduction Strategies to Combat Illegal Trade in CITES-listed Species. TRAFFIC was commissioned to draft the Guidance and is a strategic partner of the CITES Secretariat in its demand-reduction initiatives to combat illegal trade in CITES-listed species.

Support and preparation of rhinoceros report to CoP20

Funded by BMUV

Since the 14th meeting of the Conference of the Parties in 2007, TRAFFIC and the IUCN /SSC African and Asian Rhino Specialist Groups have been producing analyses and reports to the CITES parties on the status, conservation and trade of African and Asian rhinoceros. This project supported ongoing management and coordination of work related to rhino trade analysis for CoP20.

Reducing Maritime Trafficking of Wildlife between Africa and Asia

Funded by USAID

Addition of further activities under the "Reducing Maritime Trafficking of Wildlife between Africa and Asia". TRAFFIC supported the development of Authorized Economic Operator (AEO) Programme awareness materials in Kenya, Tanzania, and Uganda which included Illegal Wildlife Trade (IWT) content to increase awareness among private sector companies in the transportation sector. TRAFFIC also worked to institutionalize IWT modules in law enforcement institutions. New activities included further expansion of AEO trainings in the region and work to institutionalize AEO Programme training modules within relevant institutions under the East Africa Community (EAC).

Training workshops in Non Detriment Findings

Funded by International Timber Trade Organisation

Project worked to support the International Timber Trade Organisation (ITTO) Secretariat in delivering regional training workshops on Non Detriment Findings in Costa Rica and and Togo.

Support of CITES CoP20 priorities

Funded by BMUV

Activities enhanced data-driven decision-making through the maintenance of the Elephant Trade Information System (ETIS) and providing analytical results, data and information from ETIS to support decision making, informing CITES parties on key aspects for considerations related to trade in saiga antelope, and various aquatic species, ensuring informed policy discussions. TRAFFIC provided technical support for developing responses to various species listing proposals, including assisting in strengthening regulation of aquatic species trade, and empowering demand reduction initiatives for CITES-listed species. By fostering international collaboration and capacity-building among range, transit, and consumer states, TRAFFIC, through this initiative, aimed to bolster the effectiveness of CITES regulations, support conservation strategies, and promote legal, sustainable wildlife trade as a means to protect biodiversity and livelihoods.

GUARD Wildlife – Demand Reduction Alliance

Funded by the European Commission via UNODC

This project supports the implementation of the EU-funded Action GUARD Wildlife (Global United Action to Reduce and Dismantle Organized Wildlife Crime) implemented by the International Consortium on Combating Wildlife Crime (ICCWC) in close cooperation civil society organizations (CSOs). GUARD Wildlife specifically aims to 1) reduce the illicit trafficking in wildlife and wildlife products in targeted source, transit and destination countries; and 2) to reduce the demand in illicit wildlife and wildlife products in targeted destination countries. An Alliance of leading CSOs working in this space (IFAW, TRAFFIC, WCS, WWF) have come together to design and deliver activities in China, including in the Hong Kong SAR of China, Qatar and UAE. These activities aim to achieve a 25% reduction in targeted consumer demand for taxa such as big cats, pachyderms, pangolins, birds, freshwater turtles and tortoises and other reptiles, used for wealth driven demand, Traditional Chinese Medicine (TCM) and the exotic pet trade.

Development of Value Chains for Products derived from Genetic Resources in Compliance with the Nagoya Protocol on Access and Benefit Sharing and the National Biodiversity Economy Strategy.

Funded by GEF via UNDP

Further activities were added to this project under a contracted extension. Activities included development of a Socio-economic and livelihoods study, development of a multi-stakeholder implementation strategy and work on knowledge products and community-based awareness raising. TRAFFIC have supported training on sustainable harvesting guidelines for Pelargonium sidoides and provided training to Government officials to aid the implementation of the Biodiversity Management Plan.

Analysis of charitable funds for the year ended 30 June 2024:

	1 July 2023 (restated)	Income	Expenditure	Transfers	30 June 2024 (restated)
	£	£	£	£	£
Unrestricted funds	2,364,745	999,509	(1,533,839)	302,491	2,132,906
Restricted funds					
Major projects:					
Postcode Lottery TRACE	161,739	336,685	(263,716)	-	234,708
Countering Wildlife Trafficking in Angola	203,583	114,298	(310,986)	-	6,895
CITES Elephant Trade Information System (see note below)	132,949	145,577	(197,776)	-	80,750
WTRAPS	356,036	309,524	(714,366)	(15,427)	(64,233)
Reducing Trade Threats to Wild Species and Ecosystems Through Strengthened Knowledge in Africa	177,369	481,288	(454,119)	-	204,538
Law Enforcement in Madagascar: a United Response to Combating Wildlife Crime	457,170	208,600	(374,187)	-	291,583
OES Crime Convergence Indonesia	(25,181)	453,538	(504,010)	-	(75,653)
Leveraging legality along China's timber supply to reduce deforestation	559,496	838,570	(1,097,321)	12,362	313,107
USAID Saving Threatened Wildlife (see note below)	(456,604)	319,496	(506,426)	(3)	(643,536)
RTI Tuhifadhi Maliasili	(131,087)	319,305	(227,238)	-	(39,020)
Strengthening East Africa Wildlife Law Enforcement	196,653	405,913	(506,585)		95,981
Money laundering and the illegal wildlife trade in China	141,788	198,965	(194,990)	-	145,763
USAID West Africa Biodiversity & Low Emissions Development (see note below)	(325,204)	397,068	(463,543)	-	(391,679)
TNRC Madagascar	155,895	198,030	(361,330)	-	(7,405)
Demand reduction, Enforcement and policies supporting the conservation of Elephants and Rhinos	195,602	648,212	(507,494)	-	336,320
DR China Parrot Trade (see note below)	60,503	171,557	(145,280)	-	86,780
SA Willife Investigator Mentoring Scheme	115,927	358,096	(484,088)	-	(10,065)
INL Strengthening Criminal Justice in Philippines (see note below)	375,155	164,379	(515,560)	-	23,974
USAID Forestry and Biodiversity Support	23,575	166,282	(158,932)	-	30,925
INL Cameroon	-	297,250	(134,523)	-	162,727
INL LAC	-	397,224	(113,414)	-	283,810
INL Malaysia - Project Catalyse	-	513,283	(85,637)	-	427,646
Darwin Plants & Fungi	-	236,174	(563,224)	-	(327,050)
	2,375,364	7,679,313	(8,884,742)	(3,068)	1,166,867
Other projects	282,212	3,575,425	(3,035,616)	(299,423)	522,597
	2,657,575	11,254,738	(11,920,358)	(302,491)	1,689,464
Total funds	5,022,320	12,254,247	(13,454,197)	-	3,822,370

Five funds (as noted above) have been corrected for an error in the balances for these funds per the FY24 accounts. This error was due to the fact that the 1 July 2023 figures for these funds per Note 15 to the FY24 accounts did not include adjustments made to these funds at the end of FY23. However, these adjustments were reflected in the total restricted fund balance and so a corresponding alteration has been made to the figures for 'other projects' (ie those not individually listed).

16. ALLOCATION OF NET ASSETS BETWEEN FUNDS

Group	Unrestricted funds £	Restricted funds £	2025 Total £
Fixed assets	80,758	0	80,758
Current assets	2,114,201	3,687,026	5,801,227
Current liabilities	(501,468)	(2,406,117)	(2,907,585)
Total funds	1,693,491	1,280,909	2,974,400

Charity	Unrestricted funds £	Restricted funds £	2025 Total £
Fixed assets	56,122		56,122
Current assets	1,744,442	3,856,832	5,601,274
Current liabilities	(414,532)	(2,308,325)	(2,722,857)
Total funds	1,386,032	1,548,507	2,934,539

2024 Comparative Group	Restricted funds £	Unrestricted funds £	2024 Total £
Fixed assets	72,360	-	72,360
Current assets	2,626,936	4,624,777	7,251,713
Current liabilities	(566,388)	(2,935,313)	(3,501,702)
Total funds	2,132,908	1,689,464	3,822,371

2024 Comparative Charity	Restricted funds £	Unrestricted funds £	2024 Total £
Fixed assets	60,211	-	60,211
Current assets	2,223,502	4,694,656	6,918,158
Current liabilities	(482,487)	(2,841,412)	(3,323,899)
Total funds	1,801,225	1,853,244	3,654,469

17. OPERATING LEASES

At 30 June 2025 the Charity had total commitments under non-cancellable operating leases as set out below:

	Group 2025 £ Land & Buildings	Charity 2025 £ Land & Buildings	Group 2024 £ Land & Buildings	Charity 2024 £ Land & Buildings
Payment due:				
Within one year	74,920	50,382	118,674	70,942
Within two to five years	6,413	6,412	27,767	17,839
	81,333	56,794	146,441	88,781

18. RELATED PARTY TRANSACTIONS

The following transactions took place between the TRAFFIC International and its wholly owned subsidiaries - TRAFFIC International Southeast Asia, TRAFFIC International Tanzania and TRAFFIC International Europe:
Transfer of project income of £1,441,651 (2024: £1,862,615) and core income of £152,726 (2024: £147,147) from the parent undertaking to the subsidiaries.
Service support charges of £310,598 (2024: £159,773) were made by the parent undertaking to the subsidiaries.
Grants of £nil (2024: £nil) were transferred from the subsidiary to the parent undertaking.
At the year end, the parent undertaking was owed £81,099 (2024: £33,977) by the subsidiary undertakings.
There were no other related party transactions in the current or previous year.

19. TAXATION

The Charity is exempt from corporation tax as all of its income is charitable and is applied for charitable purposes.

20. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES (YEAR ENDED 30 JUNE 2024)

	Notes	Unrestricted Funds £	Restricted Funds £	2024 Total £
Income from:				
Donations		931,601	-	931,601
Charitable activities		39,008	11,252,766	11,291,774
Investments		3,660	-	3,660
Other		25,240	1,972	27,212
		-	-	-
Total	5	999,509	11,254,738	12,254,247
Expenditure on:				
Raising funds – grant and contract proposal development		261,439	-	261,439
Charitable activities		1,272,400	11,920,358	13,192,758
Total	6	1,533,839	11,920,358	13,454,197
Net income/(expenditure)		(534,330)	(665,620)	(1,199,950)
Transfers between funds		302,491	(302,491)	-
Net movement in funds		(231,839)	(968,111)	(1,199,950)
Reconciliation of funds:				
Total funds brought forward		2,364,745	2,657,575	5,022,320
Total funds carried forward		2,132,906	1,689,464	3,822,370

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TRAFFIC INTERNATIONAL

England & Wales - Charity number 1076722

Accounts



TRAFFIC

TRAFFIC FY24

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ABOUT US

TRAFFIC is a leading non-governmental organisation working globally to ensure that trade in wild species is legal and sustainable, for the benefit of the planet and people.

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PUBLISHED BY:

TRAFFIC International, Cambridge, United Kingdom.

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TRAFFIC International is a UK Registered Charity No. 1076722, Registered Limited Company No. 3785518

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MESSAGE FROM THE CHAIR OF TRUSTEES AND EXECUTIVE DIRECTOR



JUSTIN MUNDY
Chair of the Board



RICHARD SCOBEY
Executive Director

The fiscal year ending June 2024 (FY24) marked the first full year of implementation of TRAFFIC's ambitious 2030 Strategy. Through a diverse portfolio of projects managed by our strong leadership team, we tackled pressing issues of trade of wild species around the world. From highlighting findings on the burgeoning illegal trade in fisheries and timber in Africa to supporting sustainable wild plant and fungi harvesting in the High Himalayas, our work spanned continents, sectors, and species, traversing supply chains from source to consumer.

Throughout FY24, we reinforced global policy frameworks, furthering our commitment to core areas of expertise. We helped strengthen the effectiveness and accountability of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) processes by conducting studies on high-risk species like sharks, big cats, and rosewood timber species, as well as hosting demand reduction workshops. Our work also enhanced the Elephant Trade Information System (ETIS) and contributed to essential discussions on CITES and One Health. Additionally, we provided support to the African Union Commission in their engagement with the Convention on Biological Diversity and CITES, to develop the African Biodiversity Strategy and Action Plan. Crucially, in various fora, we have been working to develop and strengthen policy guidance and regulations on wildlife trade and zoonotic disease risk through strategic partnerships.

TRAFFIC's work supporting the implementation of national laws continued to expand in FY24. Our Trade in Wildlife Information eXchange (TWIX) platforms fostered critical information-sharing in multiple regions, leading to arrests and significant cross-border law enforcement collaboration. In Cameroon and the Democratic Republic of Congo, we assisted governments in developing and implementing wildlife stockpile management systems, while in China, our efforts in countering wildlife-linked money laundering enhanced financial approaches to combat illegal trade. In Latin America, where TRAFFIC reestablished a presence after a decade, we are focusing initially on strengthening collaboration between the air transport sector and law enforcement.

In partnership with indigenous peoples and local communities, we continue to empower sustainable, rights-based approaches to wildlife trade that improve livelihoods. This year, our initiatives in Madagascar, Malawi, and Nepal empowered community harvesters to engage in legal and sustainable trade with promising outcomes.

The private sector is a crucial partner in combatting illegal wildlife trade and promoting sustainable practices. In FY24, 868 business professionals completed TRAFFIC-supported training on wildlife trade, regulations, human rights issues, and best practices, and we look to build further public-private partnerships in the year to come. Notably, in Malaysia, we organised a major conference for Traditional Chinese Medicine practitioners and traders, raising awareness and encouraging behaviour change.

As a global thought leader in championing social and behaviour change (SBC), TRAFFIC has continued to broaden our support for programmes that reduce the demand for consumption of threatened wild species products. Our work on understanding and influencing SBC linked to the trade in wild species delivered strong results in FY24, and 12 initiatives were delivered or supported by TRAFFIC to influence consumer behaviour.

Operationally, the organisation continued to ensure a large and diverse portfolio in FY24 supported the implementation of the 2030 Strategy. FY24 represents the fifth successive year of steady growth in income and expenditure. There was a renewed focus across the entire organisation for the development of new sources of unrestricted funding to diversify our income streams. We continued to strengthen the assessment, monitoring, and results reporting of the project portfolio to further enhance fiduciary oversight in compliance with statutory requirements

for transparent and accountable financial management. There were process and policy reviews across core human resources, information technology and risk management functions to facilitate future growth.

Our work is made possible through valued partnerships with a diverse range of stakeholders and partners, which we are committed to strengthening in the year ahead. This progress would not be achievable without the dedication of our staff and the support of government partners, intergovernmental organisations, communities, businesses, and the many stakeholders who amplify TRAFFIC's impact.

We are grateful for the strategic guidance of our Trustees and continued support and collaboration of our founding partners, IUCN and WWF.

Finally, the progress we achieved in FY24 would not have been possible without the generous financial contributions of numerous organizations, foundations, and individuals, to whom we extend our deepest thanks.

Together, we're building a nature-positive future, securing lasting change for biodiversity, communities, and future generations.





THE TRUSTEES, WHO ARE ALSO DIRECTORS OF THE CHARITABLE COMPANY, PRESENT THEIR ANNUAL REPORT (INCLUDING THE STRATEGIC REPORT) ON THE AFFAIRS OF THE CHARITY, TOGETHER WITH THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 30 JUNE 2024.

INTRODUCTION

The commercial use of wild animal and plant resources - "wildlife trade" - is an issue at the very heart of the tension between biodiversity conservation and human development. Human beings around the world directly depend on wild species as sources of food, medicines, construction materials, and many other items, as well as for income. Although the impact of this trade on the status and security of species and ecosystems is clear, the trade in wild species also makes a significant contribution to human wellbeing.

TRAFFIC International (hereafter referred to as TRAFFIC) is a leading non-governmental organisation working globally to address biodiversity conservation and sustainable development priorities linked to the trade in wild species. TRAFFIC was established in 1976 by IUCN and WWF to respond to the growing threats posed by illegal wildlife trade and overexploitation. We have maintained our unique role as a global wildlife trade specialist, combining original research, sound and impartial analysis, and collaboration with a range of partners to reduce illegal wildlife trade and enhance benefits from sustainable and legal trade.

TRAFFIC delivered its work in FY24 (July 2023 – June 2024) through a team of approximately 180 staff based in Asia, Africa, Europe and South America. TRAFFIC's global office, based in Cambridge, UK, delivered global leadership, technical expertise, and support functions to the organisation. Our long-standing expertise, combined with an evidence-based and flexible approach to problem-solving, has given TRAFFIC a strong and respected reputation, allowing us to achieve an influence disproportionate to our size.

This report presents TRAFFIC's financial accounts and highlights some of our achievements during FY24. To find out more about TRAFFIC's work, please visit **www.traffic.org.**

PROGRAMME OBJECTIVES AND FOCUS

The Charity's objectives, set out in its Articles of Association, are to promote for the public benefit the conservation and protection of nature and natural resources worldwide through helping to ensure that trade in wild animals and plants is at sustainable levels and in accordance with domestic and international laws and agreements.

TRAFFIC's **mission**, as outlined in its 2030 Strategy, is to ensure that trade in wild species is legal and sustainable, for the benefit of the planet and people. TRAFFIC's vision is aligned with the long-term vision of the Kunming-Montreal Global Biodiversity Framework: a world living in harmony with nature where, by 2050, biodiversity is valued, conserved, restored, and wisely used, maintaining ecosystem services, sustaining a healthy planet and delivering benefits essential for all people.

To further its mission and Charity **objectives**, TRAFFIC supports the implementation of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and other international agreements and national-level wildlife trade controls. TRAFFIC also supports wider public and private sector efforts to eliminate illegal wildlife trade and promote sustainable management and trade of fisheries, timber, non-timber forest products, and other wild-sourced commodities.

TRAFFIC informs, promotes, facilitates, and otherwise supports action to address wildlife trade issues in wildlife trade hotspots worldwide, including producer, trading and consumer countries. To successfully engage its target stakeholders, TRAFFIC takes an Evidence to Influence approach, ensuring that the actions it promotes are informed by rigorous research into the wildlife trade issues as well as the opportunities available and the needs and motivations of those target stakeholders.

TRAFFIC's FY24 workplan was the first to deliver against the new 2030 Strategy, which aims to achieve two Goals:

1. By 2030, illegal and unsustainable trade in wild species will be significantly reduced; and
2. By 2030, legal and sustainable trade in wild species will provide significantly increased social, economic and environmental benefits to people.

We are focusing our work to give stronger emphasis to the concepts of sustainable use, social impacts, and rights-based approaches, in addition to our core focus on reducing threats to wild species.

TRAFFIC has revised its theory of change through to 2030 to define how the Strategy will deliver impact towards the two ambitious and inspiring Goals. Over the next six years, the Strategy will focus on five Priority Areas, each with a defined Objective to be achieved by 2030. The five Priority Areas focus on achieving ambitious and long-term change among intergovernmental agreements, national governments, communities, businesses, and consumers, demonstrating a comprehensive approach to achieving the two Goals.

PROGRAMME DELIVERY - ACTIVITIES AND HIGHLIGHTS

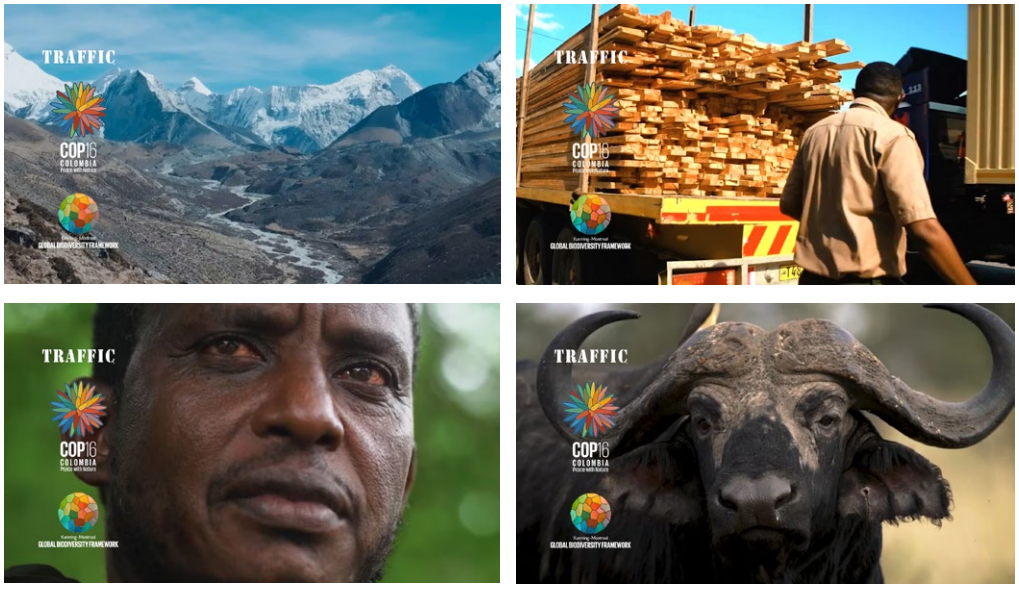
A selection of highlights of TRAFFIC's achievements during FY24 are provided below. Project activities were typically delivered in partnership with other organisations, including government agencies, intergovernmental and civil society organisations, and businesses. In many cases, the work built on efforts that have gained momentum over multiple years.

HIGHLIGHTS FROM FY24

STRENGTHENING GLOBAL POLICY FRAMEWORKS - PRIORITY AREA 1

TRAFFIC has continued to work in its core areas of expertise, including supporting and enhancing the effectiveness and accountability of CITES processes; and championing One Health policy issues within CITES, the Convention on Biological Diversity (CBD), the Collaborative Partnership on Sustainable Wildlife Management (CPW) and other intergovernmental bodies.

In FY24, TRAFFIC produced and submitted **34 outputs to intergovernmental meetings** and bodies to strengthen the implementation or effectiveness of international agreements. Six of these outputs were then successfully incorporated into intergovernmental decision-making, resulting in **three intergovernmental agreements being successfully influenced** by TRAFFIC (the Central Africa Wildlife Law Enforcement Action Plan "PAPECALF II", CPW and CITES).



A set of TRAFFIC films produced for CBD CoP16 showing examples of Targets 5 and 9 of the Global Biodiversity Framework in pratice.



TRAFFIC staff attend a legal resident hunting trip in Tanzania to assess compliancy with the country's new Game Meat Selling Regulations

Wildlife trade, One Health and zoonotic disease risk management

Since the onset of the COVID-19 pandemic in 2020, TRAFFIC has been working to reduce zoonotic disease risks linked to wildlife trade, including through improved policy and regulations and encouraging multi-sectoral collaborations. Crucial to this has been to develop strategic partnerships linking TRAFFIC's wildlife trade expertise with veterinary and public health practitioners to identify where risk mitigation efforts should be focused to prevent future zoonotic spillover potential associated with trade in wild animals.

TRAFFIC participated in the **CITES Standing Committee Working Group on the Role of CITES in Reducing Risk of Future Zoonotic Disease Emergence Associated with International Wildlife Trade**, continued its active membership of the International Alliance Against Health Risks in Wildlife Trade, and contributed to the evolving work of the CPW. TRAFFIC also exhibited at the UK Mission to the **EU's One Health Fair** on mitigating against potential risks of legality, sustainability and zoonotic diseases in traditional medicine supply chains, reaching representatives from the EU institutions, the UK and other private sector stakeholders.

TRAFFIC was a member of the World Organisation for Animal Health (WOAH) Ad hoc Group of experts which prepared the "Guidelines for Addressing Disease Risks in Wildlife Trade", published in May 2024, which highlighted a systems-based approach to assess and manage disease risks in wild animal trade. TRAFFIC was invited by WOAH to join the technical team that helped to pilot the Guidelines in Thailand to ensure that the risk analysis approach was practical and fit for purpose. TRAFFIC is now collaborating with WOAH, including through the CPW 2022-2025 Workplan priorities, to explore opportunities to implement the Guidelines in interested countries.

Additionally, TRAFFIC co-convened a side event on 'Practical Tools and Guidance for Parties to Integrate Disease Risk Reduction and One Health Approaches into Biodiversity Protection' at SBSTTA-26 in May with IUCN, WOAH, World Health Organisation (WHO), and EcoHealth Alliance. TRAFFIC's work in Tanzania on reducing risks in the game meat industry was showcased, highlighting links to Target 5 of the Kunming-Montreal Global Biodiversity Framework (KMGBF). TRAFFIC's insights on wildlife trade and disease risk reduction contributed to the side-event's focus on integrating One Health approaches into National Biodiversity Strategies and Action Plans (NBSAPs) to meet biodiversity targets, with links to Targets 5, 9 and 14 under the KMGBF.

Ensuring conservation outcomes are achieved for priority species at CITES

At the start of FY24, much of TRAFFIC's global policy work focused on preparations and advocacy for the **77th meeting of the CITES Standing Committee**, which was held in November 2023. The meeting resulted in many successful outcomes that further strengthened the Convention's approaches, including those related to sustainability and non-detriment findings; compliance with CITES commitments; information for CITES decision-making and addressing strategic issues such as linkages with the Global Biodiversity Framework, demand reduction, communities and livelihoods. TRAFFIC's work was recognised as contributing to many of these outcomes, including TRAFFIC's studies related to **sharks**, big cats and rosewood timber species, demand reduction workshops and strengthening of **TRAFFIC's Elephant Trade Information System (ETIS)** processes. TRAFFIC also organised a side event, in collaboration with the Secretariat and four Parties, on the capabilities of ETIS Online as a law enforcement tool and introduced its new alerts feature which was very well received by the Parties.

TRAFFIC staff played an active role in the **CITES Workshop on Non-Detriment Findings (NDFs)**, which took place in Nairobi in December. TRAFFIC's previous work exploring the links between CITES and voluntary certification standards for medicinal and aromatic plants was influential at this event, being reflected in draft outputs. In addition, **TRAFFIC's Rosewood study**, developed in collaboration with the CITES Secretariat, and the **9-Step NDF Guidance**, co-created with BfN, served as foundational resources for the discussions in the tree species and perennials working groups, with both being prominently incorporated into the workshop's outputs.

At the **CITES Technical Workshop on songbird trade and conservation management** held in Bangkok in December, TRAFFIC staff presented an **analysis of Southeast Asia songbird seizures**, providing the context to discuss songbird trade among Parties and experts and to contribute towards a Document to be finalised and presented by the CITES Secretariat at the 33rd CITES Animals Committee (AC33) in July 2024.

Shark species were first included in the CITES appendices in 2003, and since then, the number of species listed has increased significantly. However, there were concerns that trade data reported by Parties did not match expert expectations and that international trade in CITES-listed sharks may be going undetected and unreported. Following the publication of an initial report in 2022, to investigate the mismatch in reporting, at the 19th Conference of Parties, CITES Parties adopted a decision which requested a further examination of the mismatch in data. TRAFFIC was commissioned by the CITES Secretariat to conduct this next stage of review. TRAFFIC conducted an analysis of Elasmobranchii species listed on the CITES Appendices prior to and during the 17th meeting of the Conference of Parties and of the two Isurus species listed at the 18th meeting of the Conference of Parties, and identified what the possible sources of mismatch were.

The review was published on the CITES website as an agenda document for the CITES Animals Committee in July 2024. The review will be used to catalyse action at CITES for better reporting of catch and trade, greater implementation of CITES by Parties to ensure they are limiting catches and trade to be traceable, sustainable and legal.

Supporting the African Union Commission's engagement in the CBD and CITES

In 2022, Conferences of Parties (COPs) were held on biodiversity, wildlife trade and climate change. To enhance synergies and effectiveness across these multi-lateral agreement (MEA) negotiating processes, within the African Union Commission (AUC), discussions took place on developing an overarching document that brings together the key outcomes of CBD COP15 (the KMGBF) and the relevant CITES COP19 decisions to guide their implementation in a coordinated manner.

TRAFFIC has been providing technical support to the AUC for nearly a decade, having been actively involved in the development of the AUC's African Strategy on Combatting Illegal Exploitation and Illegal Trade in Wild Fauna and Flora in Africa in 2015 and its implementation since its adoption by the commission. TRAFFIC's technical support to and engagement with the AUC was further strengthened and formalised through an MOU that was signed by the two organisations in 2021. TRAFFIC provided support to the AUC in organising a pan-African Conference that informed the development of the "African Biodiversity Strategy and Action Plan (ABSAP) 2023-2030" through the provision of technical leadership in drafting the conference concept note and related agenda, facilitating of the conference sessions and finalising the conference outcome report that formed the basis for the development of the ABSAP. In February 2024, the ABSAP was endorsed at the highest level during the African Heads of States and Governments Summit, having passed through the various levels of the AUC approval process.



IMPROVING EFFECTIVENESS OF NATIONAL POLICIES AND REGULATIONS - PRIORITY AREA 2

TRAFFIC continued to undertake research and data analyses on trade in wild species, as well as assess the need to strengthen national legislation and regulation; support capacity building; and develop and roll out training, tools and approaches to support law enforcement and anti-corruption efforts.

In FY24, TRAFFIC developed 85 new tools, resources and collaboration mechanisms, including four national laws, regulations or policies that have been adopted or strengthened with TRAFFIC's support. Twenty national agencies have taken action informed or supported by these resources. A total of 2,511 government staff members have successfully completed TRAFFIC supported training on wildlife trade, relevant international and national policies and regulations, best practice measures, and other relevant issues. As of the end of FY24, 10 countries have national agencies implementing new best practice or strengthened measures that are influenced by TRAFFIC.

Facilitating law enforcement collaboration

An ongoing challenge facing law enforcement is ensuring smooth and timely communication between nations when dealing with transnational wildlife smuggling networks. In 2005, TRAFFIC, with the Belgian Federal Police and the advice of the Belgian CITES Management Authority and Customs, developed the EUrope Trade in Wildlife Information eXchange (EU-TWIX) platform with two main components: a centralised website which holds records on national, regional, and international wildlife seizures, and a mailing list which allows enforcement officials to communicate, seek assistance and alert one another about relevant enforcement actions.

Through regular input of law enforcement data into the EU-TWIX platform, supported by countries' reporting to TRAFFIC, TRAFFIC provides continuous support to more than 1,450 officials from 39 governments and international organisations by providing a platform for exchanging information on wildlife products in trade, trade routes, modus operandi, and trader/smuggler profiles. During FY24, 281 messages were exchanged on the platform between 30 different countries and seven international organisations. Numerous tools including ID guides, training materials, breeding potentials of reptiles, and emergency contact lists of European airports and seaports, are available for use by officials via EU-TWIX, thereby improving the effectiveness of implementation of national policies and regulations. The tool has since been replicated for Central Africa, Eastern Africa, Southern Africa and West Africa.

The Eastern Africa-TWIX (EA-TWIX), launched in 2020, currently connects 350 enforcement officials from Djibouti, Ethiopia, Kenya, Tanzania including Zanzibar, and Uganda. Following two cross-border EA - TWIX trainings in Kitendeni transboundary landscape between Amboseli and Kilimanjaro National Parks in Tanzania and Kenya in October 2023, information was shared by Tanzania National Parks (TANAPA) officials on the EA -TWIX mailing list about one trafficker crossing from Rombo (Tanzania) to Loitokitok (Kenya). A joint Amboseli National Park Intelligence Investigation and Loitokitok team picked up the information and managed to arrest two suspects in Kajiado County while illegally in possession of seven pieces of elephant tusks weighing 22kg and recovered a motorcycle. As of now, 232 messages have been exchanged on the mailing list, including seizure alerts, triggered investigations and success stories in combatting IWT. The EA-TWIX website consists of resourceful materials that have been accessed by officials on a daily basis, including species ID tools, training materials, shared documents, and based on the needs from users, plans are underway to add new IT developments such as rescue centres for seized specimens, a list of experts in fauna and flora and develop the TWIX App.



Tanzanian law enforcement, judiciary members, and users of EA-TWIX attend a field trip during a TRAFFIC workshop

Strengthening government stockpile management

Wildlife products are often accumulated by government authorities worldwide. The development of effective stockpile management systems is imperative, for both legal and illegal specimens, to support and verify legal trade, and prevent illegal trade, or leakage of seized specimens. TRAFFIC has been supporting governments develop stockpile systems and implement them for a range of products.

As part of an MoU agreed between TRAFFIC and Cameroon's Ministry of Forestry and Wildlife (MINFOF) in July 2023, in April 2024, TRAFFIC and M INFOF formed a team to collect seized ivory from different storage facilities across two regions of Cameroon and move them to a central depot in the capital city, Yaounde, for more efficient monitoring and security, to avoid leakages of seized products and to ensure the products are secured at the correct agency (MINFOF). A total of 231 specimens were moved, altogether weighing 300kg.

In the Democratic Republic of Congo (DRC), TRAFFIC also developed a Standard Operating Procedure (SOP) for stockpile management of seized wildlife products and live specimens confiscated from illegal trade in (DRC). This SOP will be used by the Congolese National Institution for Nature Conservation (ICCN) to increase transparency and accountability by reducing corruption in DRC stockpile management systems.

Enhancing awareness and capacity to apply financial approaches to combat IWT

Wildlife crime is intrinsically linked with money laundering and, in 2019, the United Nations (UN) adopted two resolutions calling upon UN members to recognise illegal wildlife trade (IWT) as a predicate offence for money laundering. In November 2023, TRAFFIC coordinated the first-ever NGO-led Anti-Money Laundering (AML) Forum in China, with nearly 70 participants from the National Forestry and Grassland Administration (NFGA), the Anti-Money Laundering Bureau of the People's Bank of China (AMLB of PBOC), the Anti-Smuggling Bureau of the General Administration of China Customs (ASB of GACC), financial institutions, anti-money laundering, and legal experts, as well as international organisations. The forum provided stakeholders from diverse sectors a platform to enhance awareness and capacity to apply financial approaches to combat IWT. It also presented a distinct opportunity to foster connections and explore prospects for future cooperation.

EMPOWERING COMMUNITIES - PRIORITY AREA 3

TRAFFIC has continued to support and empower local communities to improve their livelihoods through participating in legal and sustainable wild species trade.

In FY24, in South Africa harvesting guidelines for Pelargonium sidoides were developed with input from the community. Globally a total of 4,274 community representatives have successfully completed TRAFFIC-supported capacity building training in sustainable harvesting and CITES. A survey of 35 community members from Nepal's Himalaya region that received TRAFFIC-supported training on topics such as resource management, FairWild and organic standards, and sustainable harvesting indicated that income from non-timber forest products (NTFP) harvesting increased by over 5% after the training.

Supporting communities to implement harvest management systems

In Malawi, poverty and lack of employment opportunities and land drive deforestation and degradation in and around Mount Mulanje Biosphere Reserve as communities try to reduce their livelihood deficits using mountain resources. Firewood collection and charcoal production have been driving largescale woodland removal on the mountain.

While community engagement and capacity building has been led by local partner, Mount Mulanje Conservation Trust (MMCT), project partners FairWild Foundation and TRAFFIC have been supporting the development of a wild collection operation management plan for the social enterprise Inde Mulanje Ltd. A field visit by technical experts supported the development of the management plan using the FairWild template and provided guidance to the enterprise on how to establish harvest management systems, facilitate community groups, provide training and register collectors.

TRAFFIC also worked with industry and communities to update the sustainable harvesting guidelines for Pelargonium sidoides. The guidelines represent the best practice harvesting methods for the species and will promote sustainable utilisation, and in South Africa, 56 harvesters from one Pelargonium sidoides industry company have received training on the application of the guidelines.

Addressing inequity in communities' participation in decision-making processes and implementation of CITES

In Madagascar, baseline assessments had revealed that local communities are often employed to catch CITES-listed species targeted for export, but they were not implementing sustainable practices. Concurrently, the decisions on quotas and other conservation measures were affecting their livelihoods but they were not aware of the motivation for the measures.

Community capacity building on CITES was conducted in June for 44 community members from the Alaotra Mangoro region in Madagascar, which is the main harvest area of CITES-listed chameleon and gecko species, and the Menabe region, which is the main habitat for the baobab species Adansonia grandidieri. Community members were trained on CITES procedures, developing non-detriment findings (NDFs), setting quotas, and the legal right of local communities to participate in decision making processes on natural resources management. The training will enable the communities to defend this right, but also to participate actively in national and international discussions on CITES.



ENABLING RESPONSIBLE SUPPLY CHAINS - PRIORITY AREA 4

TRAFFIC has continued to encourage and empower action by priority businesses across the world, while developing new private sector partnerships across the 'enabling sectors' (finance, transport and e-commerce).

In FY24, TRAFFIC developed 48 new tools, resources and collaboration mechanisms, with 10 priority businesses having then taken action informed or supported by these resources. A total of 868 business staff members have successfully completed TRAFFIC-supported training on wildlife trade, regulations, human rights issues, and best practice measures. As of the end of FY24, 275 businesses involved in and facilitating wildlife trade are implementing new or strengthened best practice measures as a direct result of TRAFFIC's work.

Strengthening the ability of the transport sector to prevent wildlife trafficking

The transport sector has an important role to play in combating wildlife trafficking. Traffickers use air transport as a relatively low risk, high profit means of illegally transporting wildlife (particularly live specimens) from source to consumer. Though the interception and arrest of wildlife traffickers is the responsibility of law enforcement, the many thousands of air transport staff operating along the supply chain (e.g. cabin crew, baggage screeners, and others), with the proper means, are uniquely placed to support law enforcement by identifying and reporting any wildlife trafficking suspicions.

In FY24 TRAFFIC developed and delivered bespoke training on wildlife trafficking to airport personnel at four subsidiary international airports within Tanzania and Kenya. Following that, there was an unprecedented increase in seizure incidents at Kilimanjaro International Airport. Within a span of about 30 days, authorities intercepted seven incidences of smuggling involving wildlife products, including ostrich eggshells, antelope horns, and hippo tusks. All confiscated items were forfeited as government property.

TRAFFIC's air transport-focused project operating in Ecuador and Colombia launched its activities in FY24. In Colombia, TRAFFIC has been actively collaborating with key stakeholders, including the Ministry of Environment, the Secretariat of the Environment of Bogotá (SDA), the UK Embassy in Colombia (in coordination with the United for Wildlife programme), Wildlife Conservation Society (WCS) Colombia, and airport authorities, to support their existing efforts against wildlife trafficking with additional tools.

In Ecuador, TRAFFIC has engaged with the Environmental Police (UPMA), United Nations Office on Drugs and Crime (UNODC), WCS Ecuador, the Ministry of Environment (MAATE), and Galapagos Ecological Airport to adapt and enhance the national Protocol for Chain of Custody to the Galapagos' context to strengthen law enforcement action against wildlife trafficking incidents.

Raising awareness and shifting behaviour of Traditional Chinese Medicine (TCM) practitioners and traders

TRAFFIC Southeast Asia's trade monitoring in Malaysia has found that many TCM shops still sell medicine containing ingredients from endangered or protected species, and that many TCM traders and practitioners harboured confusion regarding the use of protected wildlife. This led to a project where TRAFFIC aimed to raise awareness and shift the behaviour of TCM practitioners and traders to avoid the use of protected and threatened wildlife ingredients.

The key to success was backing from two major industry associations – the Federation of Chinese Physicians and Medicine Dealers Associations of Malaysia (FCPMDAM), an

umbrella federation consisting of 44 TCM associations, with more than 7,000 TCM practitioner and trader members throughout Malaysia, and the Malaysia-China Chamber of Commerce for Traditional Medicines and Health Products (MCMH), who counts over 100 traders, manufacturers, and distributors among its members. In December 2023, TRAFFIC was invited by MCMH to set up an awareness raising booth in a three-day TCM trade fair - the first time a wildlife NGO was ever invited. This built trust with the industry and enabled us to engage directly with hundreds of traders and consumers.

Building on this, in May 2024, TRAFFIC organised a TCM Conference to promote legal practices and sustainable ingredient use, clarify laws on wildlife ingredients, share resources and foster industry networking. Over 100 key TCM industry players attended, participating in talks and exhibitions by government representatives on Malaysia's wildlife and health laws. A dynamic panel discussion with government agencies clarified questions from the industry about the law, and talks were held by TCM experts about the use of legal and sustainable ingredients. The conference provided additional opportunities to introduce the TCM project website and disseminate the flagship resource of the project, the TCM Handbook. Positive feedback was received from the attendees - over 95% were satisfied or very satisfied with the event, and 94% found it relevant and helpful to their work. Strong interest and support for the project was received from influential players who attended the conference, including a large retail chain who have requested additional outreach materials for internal distribution.

The health and wildlife regulatory agencies' prominent presence at the conference was due to TRAFFIC's proactive engagement. In October 2023, for the first time, the Department of Wildlife and National Park Peninsular Malaysia (PERHILITAN), the Ministry of Natural Resources, Energy and Climate Change (NRECC) and health ministry departments (National Pharmaceutical Regulatory Agency (NPRA), Pharmacy Enforcement Division (PED), and Traditional & Complimentary Medicine (T&CM) Division), came together with TRAFFIC to discuss this issue. Various legislative loopholes were identified regarding the regulation of the import, sale, advertisement and possession of protected wildlife ingredients in TCM. The outcome of the meeting included improved coordination between the agencies, and a thorough review by NPRA of registered wildlife-based products which still contain ingredients from Totally Protected species.



A TCM workshop in Malaysia where 94% of attendees gave positive feedback on the relevance of content

CATALYSING RESPONSIBLE CONSUMPTION - PRIORITY AREA 5

TRAFFIC deepened its support for rights-based approaches, inclusive processes, and participatory multi-stakeholder engagement for community-led resource management and sustainable supply chains.

In FY24, 12 initiatives were delivered or supported by TRAFFIC to influence target consumer behaviour. For three of these initiatives, a decrease in the intention to purchase or consume target commodities by the target audience was observed at a project level.

Social and Behaviour Change (SBC) initiatives curb illegal wildlife product demand in Viet Nam

TRAFFIC Viet Nam, in collaboration with various stakeholders, continued its focus on reducing the demand for rhinos, elephants, pangolins, freshwater turtles, and tortoises, including by carrying out online and direct interventions targeting users, domestic and international tourists and traditional medicine (TM) individuals. SBC posters and messages addressing the benefits of sourcing and using legal and sustainable ingredients were placed in traditional medicine hospitals and integrated into master trainer materials for the TM network. These resources are expected to reach over 500 TM practitioners, students and patients. SBC posters were also shown in Viet Nam's three largest commercial malls and over 200 residential buildings in Hanoi, Ho Chi Minh, and Da Nang, reaching an estimated 5 million shoppers and residents.

To address the persistent belief in Viet Nam of rhino horn's medicinal properties, TRAFFIC, in partnership with Google Viet Nam, launched a campaign to promote legal traditional medicine ingredients and discourage rhino horn use. Social and Behaviour Change (SBC) banners were displayed on 30+ health and traditional medicine-related websites in Google's network, reaching 2 million viewers. To complement the advertisement placements, the campaign used advanced search engine optimisation techniques. A dedicated landing page with the domain "rhino horn is not used for medicinal treatments" was created and optimised to appear in the top five search results for rhino horn-related keywords. The page provided information on the illegality and ineffectiveness of rhino horn and received over 28,000 clicks. Notably, 25% of visitors showed deeper engagement by exploring additional information, indicating a willingness to consider legal TM ingredients. By meeting target audiences in their online spaces and providing easily accessible, factual information, TRAFFIC effectively challenged long-held beliefs about rhino horn use.

In September, TRAFFIC Viet Nam completed a project to **reduce the demand for tiger products** in Viet Nam, with reach to 7,000 individuals, including government staff, businesses, traditional medicine (TM) practitioners, lecturers and students. The project initiated a positive change of attitude and intention amongst target audience groups; for example, among engaged TM practitioners, there was a self-reported reduced likelihood that they would recommend tiger bone to their patients (compared to a control group of practitioners).

In Viet Nam, where Buddhism is the predominate religion, illegal wildlife products are also used for spiritual motivation (such as the belief that individuals will receive merit if they release animals into the natural environment or hold any products from wild and endangered species), despite the Buddhist values of compassion and non-harming. To reduce the demand for illegal wildlife products among the Vietnamese Buddhist community, TRAFFIC, in collaboration with the Vietnam Central Buddhist Association and the Pagoda network, used one of the fundamental principles of Buddhism – the Law of Cause and Effect (karma) – to design an SBC campaign, illustrating the consequences of consuming illegal wildlife products in their current and future lives. During FY24, the images were distributed to six pagodas across three regions

of Viet Nam and were shared on Buddhist social media. During ceremonies, the monks at the pagodas would tell the visitors about the images. By using the voice of respected Buddhist leaders, and following traditional teaching approaches, it is expected that over 5,000 Buddhists visiting the pagodas per year will be reached, building their awareness, and influencing their behaviour around the consumption of illegal wildlife products.



A frame from an SBC video in Viet Nam on illegal Tiger product consumption

PROGRAMME COORDINATION AND LEADERSHIP

The main activities of TRAFFIC's global office, based in Cambridge, fell within the following areas: strategic direction and leadership; programme development and evaluation; funding development; programme delivery (covered in the preceding section); communications; and operations management.

STRATEGIC DIRECTION AND LEADERSHIP

Across the organisation staff engaged in the first full year of implementation of TRAFFIC's 2030 Strategy, providing evidence, solutions and influence to galvanise change. This included building cohesion across thematic leadership functions and programmes of work. A very successful Global Programme Meeting in May 2024 brought over 140 staff together online to advance the implementation of strategy and collectively plan programmes and develop new project ideas.

Throughout the year, we strengthened our Monitoring, Evaluation and Learning approach to results based management with an increased focus on measuring impact of outputs to drive outcomes and longer term impact.

The Conservation Initiative (CCI), a unique collaboration between the University of Cambridge and eleven leading internationally focused biodiversity conservation organisations clustered in and around Cambridge. TRAFFIC has supported CCI activities in various ways, including governance support and lectures to students pursuing the CCI-affiliated MPhil in Conservation Leadership.

PROGRAMME DEVELOPMENT AND EVALUATION

In order to strengthen achievement of our 2030 Goals and Objectives, TRAFFIC has adopted a results-based management (RBM) approach to the implementation of its strategy, meaning that strategic and management decisions are made based on the results that are being achieved rather than just on the activities that are implemented. For each of the five Priority Areas (PAs) a detailed results chain has been developed, with a set of indicators designed to monitor progress against each key result along the chain.

A new Monitoring, Evaluation and Learning team has been established to implement and build organisational capacity in Results Based and adaptive management.

TRAFFIC is also working to prioritise its investment in those areas most likely to yield the greatest benefits for both people and wild species. In FY24 TRAFFIC conducted a quantitative analysis using globally available datasets to identify key geographies and species for its work on National policies and regulations, Community empowerment, and Responsible consumption. The key geographies and species identified are undergoing a qualitative review involving expert input from TRAFFICs global network to validate the findings.

TRAFFIC created a 'selectivity lens' tool to support the internal assessment of project concepts and ensure that they are strategic, feasible, and most likely to achieve impact. The assessment is based on a set of criteria within the categories of impact potential, enabling environment, TRAFFIC's comparative advantage, and potential risks. The prioritisation process and the selectivity lens will together ensure that TRAFFIC's resources are allocated optimally for achieving its 2030 Goals.

FUNDING DEVELOPMENT

An updated fundraising strategy has been approved in June 2024 and will frame our efforts to steward donors, as well as to guide us in our efforts to diversify our portfolio of supporters. TRAFFIC's need to diversify and secure new sources of unrestricted/lightly-restricted funding remains. Additionally, a new set of philanthropic fundraising policies have been approved and disseminated to all members of the organisation which will allow the organisation to standardise cultivation and stewardship of donors as well as to protect TRAFFIC's reputation through the process of prospect due diligence.

The Development Team have sought to cultivate Trusts & Foundations to fund capacity building and provide capital investment to update operations functions. The team have continued to target donors with an interest in marine conservation, One Health, behaviour change and empowering communities to strengthen funding of all Priority Areas of the 2030 Strategy.

The majority of applications in FY24 were developed in response to government calls for proposals such as the UK Illegal Wildlife Trade Challenge Fund, Darwin Initiative, notices of funding opportunities issued by the US Bureau of International Narcotics and Law Enforcement Affairs (INL) and tenders issued by GIZ, European Commission and BMUV. In addition, to diversify TRAFFIC's funding base, the Development Team have increased efforts to cultivate funding from Trusts and Foundations and Individuals. This resulted in the start of a review of TRAFFIC's data-management tools, research tools, tax-efficient international channels and processes to receive and acknowledge donations which will conclude next financial year. The team anticipates running several online fundraising appeals in the coming year to increase flexible funding. This will be done in collaboration with TRAFFIC's communication team who are ensuring that TRAFFIC's messaging is updated making it accessible to a wider public audience.

Staff have worked together during the year along with Trustees external reviewers to assess how TRAFFIC can present impact in a more effective way to prospective donors both through conversation and written or visual content.

Funding received in FY24 enabled TRAFFIC to take a major step forward in its programme development through the re-establishment of a presence in the Latin American & Caribbean (LAC) region. The project funded by US State Department INL aims to strengthen collaboration to interdict illegal wildlife trade at key airports in the region. This is building directly upon the work undertaken through the USAID ROUTES partnership. The Development Team will continue its efforts to explore new donors with an interest in combatting illegal trade in LAC to help build our team and project portfolio in the region.

COMMUNICATIONS

1. HARNESSING TRAFFIC.ORG AS OUR SHOP WINDOW

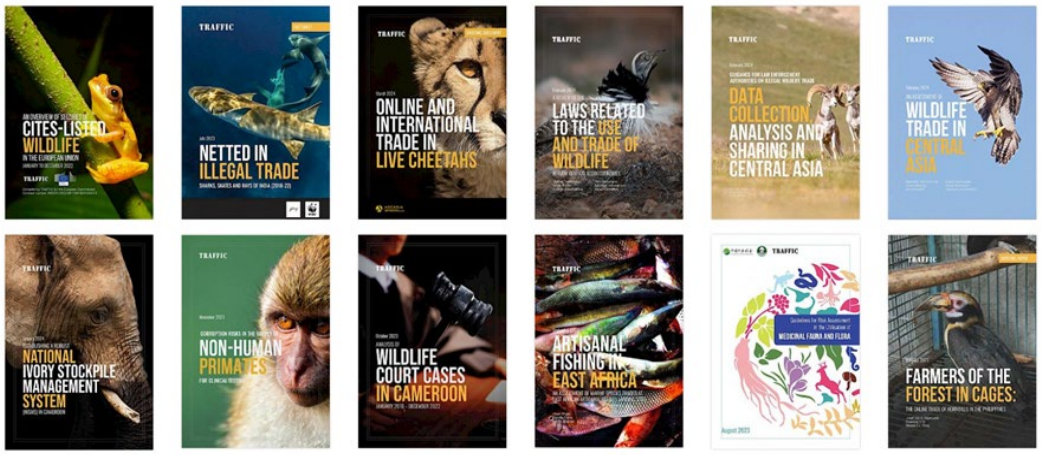
The TRAFFIC International website remains the primary platform for hosting our external publications and news, with our four social media channels helping to drive visitor traffic towards key outputs and priority web stories.

The site has seen a substantial increase in users since the last reporting period with **260,000 active users in total**. This has resulted in **360,000 sessions** culminating in almost **600,000 page views**, up from 470,000 during the previous period.

Reports

Some of TRAFFIC's flagship reports produced in FY24 included **Corruption risks in the supply of non-human primates for clinical testing**, **Artisanal fishing in East Africa**, **CITES-listed seizures in the European Union**, and **The Online Trade in Live Cheetahs**.

TRAFFIC continues to see a preference for shorter, visual, and summary information for its publications, demonstrated by 90,000 views of our 'brief' report webpages, averaging 90 seconds of screen time.



News pages

Significantly increasing the reach and accessibility of TRAFFIC's website remains a strategic communications priority. A total of **85 news stories were published on our website** during FY24, receiving over 145,000 views by over 92,000 unique users, with individual news items averaging roughly 1,200 views each.

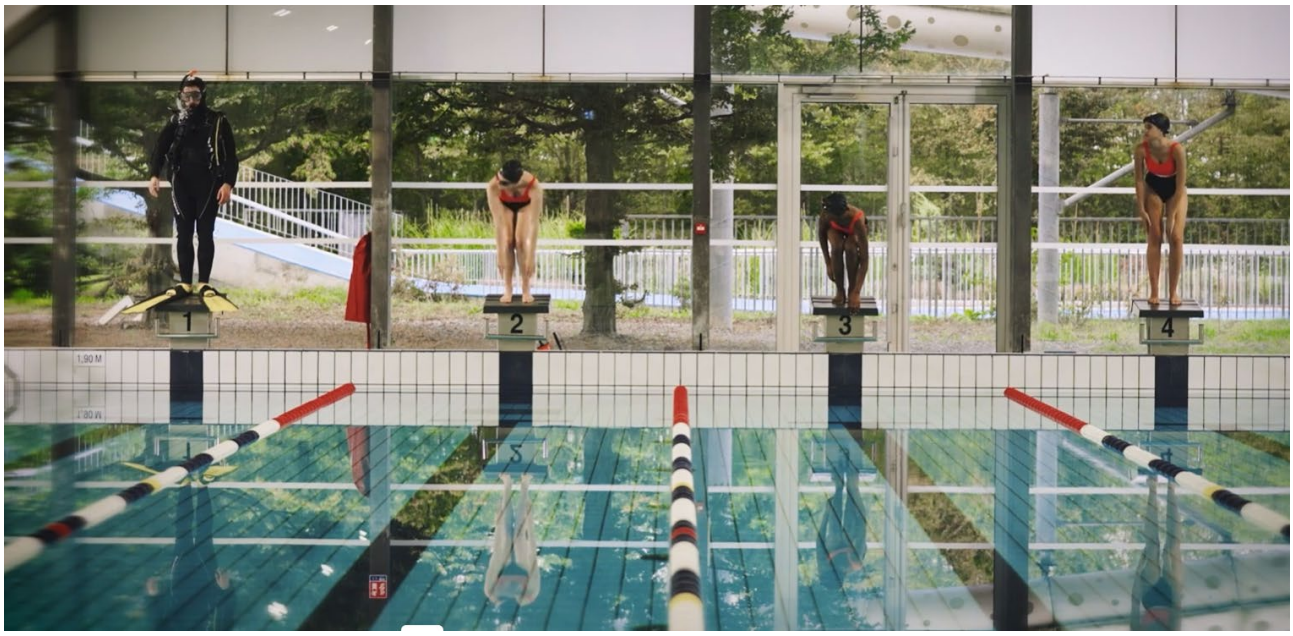
2. LEVERAGING EXTERNAL INFLUENCE FROM OUR OUTPUTS, EVENTS, AND STORIES

The Communications Department has prioritised proactive audience-focused mini-campaigns to push key stories and content out to new audiences and platforms. The campaigns use non-technical language and tell stories which highlight the impact of TRAFFIC's work on people, wild species, and ecosystems.

Social media

The organic growth of our social media accounts has been bolstered by targeted engagement with partners and alignment with topical media cycles. In November 2023, in collaboration with European WWF offices, TRAFFIC ran a highly successful Facebook campaign targeting **buyers of exotic pets in EU Member States.**

To mark World Pangolin Day 2024, TRAFFIC launched an **"Astounding pangolins" children's book and associated animated video** to educate children and their families on the threats facing Pangolins. Our associated Facebook post performed over 450% better than average, reaching and engaging six times our usual audience.



A TRAFFIC and WWF SBC Campaign video highlighting the need to know the rules when considering purchasing an exotic pet

Media / partner platforms

The Communications team are seeking to place TRAFFIC's stories on external platforms in addition to its website, in order to increase reach and raise awareness of our work.

Significant work has been conducted to nurture relationships with high-profile media outlets, which will be significantly expanded.

Events

Targeted communications supported TRAFFIC's effective contribution to many high-level international conferences in FY24, including the 25th meeting of the CBD's Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA-25) in November 2023. TRAFFIC had presented its positions on the sustainable wildlife management agenda item at the meeting of European Parties prior to the event, which contributed to the adoption of CBD decisions calling for the development of further guidance for Parties on the sustainable use of wild species.

In September 2023, through a panel discussion at a European Commission conference discussing the enforcement challenges and opportunities of the EU Wildlife Trafficking Action Plan, TRAFFIC spotlighted the fundamental role of scientific behavioural change approaches, addressing the motivations that drive the demand for illegal exotic pets in Europe – an issue of growing concern.

3. STRENGTHENING OUR NARRATIVE AND STORY-TELLING CAPACITY

TRAFFIC has been developing a new narrative approach to support TRAFFIC's communications, fundraising, and wider engagement strategies. Parallel work is being conducted to update our Communications Strategy. This will harness lessons learned from our Narrative work, assess and streamline existing publication processes, and venture into enhanced media and partner communications that leverage media cycles and international news arenas to draw focus to TRAFFIC's work and exploit online fundraising opportunities.

The profiling of flagship stories and archetypal narratives is contributing to a broader re-prioritisation of communications efforts to better engage, inform, and influence donors, partners, and global media to elevate TRAFFIC's profile and reach new audiences. A pivotal component is identifying and collecting on-the-ground stories across our project locations that demonstrate the success of our interventions and the issues we work to address.

This will help communicate the tangible benefits of our conservation Strategy and engage new audiences including wealthy individuals and philanthropic donors. Importantly, it will also enable us to use communications itself as a mechanism for change, through highlighting pockets of behaviour change on the periphery of networks, bringing new norms around sustainable and legal use of wild species to wider audiences, thereby encouraging wider adoption.

OPERATIONS MANAGEMENT

As in recent years, TRAFFIC's global structure continues to evolve as the organisation grows. No new entities were established during FY24, but TRAFFIC entities registered in Belgium, China, Malaysia, Tanzania, and Viet Nam fully met their national statutory requirements and continued to strengthen their institutional presences during the course of the year.

However, FY24 did see some significant changes to the Operations team with the creation of a new Chief Operating Officer (COO) post, filled in January 2024. Two additional senior managers joined in January 2024 so onboarding sessions with the new managers, new trustees (3) and a new Chair of the Board's Operations Committee were important elements of TRAFFIC's governance process.

A major initiative involving Operations staff across the organisation, particularly Finance and Project Support, was started during the financial year, the introduction of a new financial system, Aqilla, to replace TRAFFIC's existing system which is no longer adequate. With the addition of a project position to support the development and implementation of Aqilla, the team has begun to build the basic corporate, financial and project structures for the new package.

Related actions included an organisation-wide scoping exercise, and transition to a new project data management tool, or 'Project Registry', for better management and handling of project data and easier integration of project information with Aqilla when the new system goes live. All of these activities were facilitated by various systems workshops and the first face-to-face global Operations team meeting held since Covid, in May 2024. On-going design and implementation work will continue into FY25.

TRAFFIC's IT department initiated a substantial new stream of work, continuing the rollout of Intune to regional offices, but also initiating plans for standardisation and centralisation of IT systems and security, including changes to TRAFFIC's SharePoint architecture and necessary responses to current cybersecurity risks. An important element of planned IT development is the centralisation of user support across all TRAFFIC offices globally. The first phase of this process was initiated in FY24, but the majority of the work will be done in FY25 and early FY26.

Staff development continued to be a major focus during the financial year with an updated Recognition Policy rolled out together with workshops for managers and staff on the process. DEI initiatives continued with Diversity Surveys and workshops to raise awareness and gather feedback held throughout the organisation. Safeguarding, both internal and external, continued to be part of this staff focus with various outputs planned for FY25.

Project portfolio

One hundred and eight (108) projects were active at some point during the financial year, with 72 projects active as of 30 June 2024. During the year, 25 new contracts or contract extensions were issued and 36 projects completed. 52 funding proposals were submitted to various donors during the year and, at the time of reporting, 25 of the proposals submitted subsequently were confirmed or contracted.

Human resources

Human Resources (HR) directly supported 18 recruitments across the organisation during the year with 19 new starters in the organisation and 18 leavers processed during the period. This brings the average number of staff employed by the charity to 182 Individuals, excluding staff at affiliated offices. One volunteer contributed approximately 35 hours of work in the TRAFFIC Global office.

Plans for the year ahead

During the coming financial year, improvement to systems for monitoring overall financial performance, the status of the organisation's combined project portfolio, and compliance with local statutory requirements in all registered offices will continue.

Additional key activities planned for FY25 as referenced above include: transition to the new Aqilla accounting software package; phase two of rolling out standard user IT support globally; circulation of a revised code of conduct and professional ethics to all staff; review of TRAFFIC's risk management and safeguarding regimes and continued refinements to both. The Operations team will continue to support the Executive Director in implementing the operational elements underpinning TRAFFIC's 2030 Strategy and to support the Trustees through its Operations Committee and with the induction of a new Chairman and incoming Treasurer of the Board. This support includes organization-wide capacity building on TRAFFIC's business model and cost recovery methodology to aid in proposal development and project implementation.

Financial review

TRAFFIC saw modest growth in income and expenditure during the year, continuing an upward trend for the fourth consecutive year. In FY24, group income once again saw an increase from £12.1m to £12.3m, as a result of an increase in project restricted funding. Group expenditure has also gone up from £13m to £13.5m. TRAFFIC's free reserves were £2.1m, a decrease of £300k compared to the previous financial year.

Income

During the year, TRAFFIC received income totalling £12.3m, an increase of £0.2m compared to the previous year. The percentage of income from Charitable Activities remained stable and constituted 92% of total income (FY23 91%).

Unrestricted income for the year remained stable at £1m, with the movements in different types of income being negligible.

Restricted income in FY24 increased slightly by £0.3m to £11.3m from £11m in the previous year. The donor mix in FY24 was similar to FY23 with the highest proportion being from Government Agency funding. Grants from this source tend to be larger and multi-year so they constitute a valuable source of income. As noted in the funding development section, TRAFFIC acknowledges the need to diversify its income streams and this will form the basis of the funding strategy for the coming years.

One hundred and eight (108) projects were active during the year, a decrease of 18 from the previous year. Reliance on government-

funded projects has continued this year. US Government agencies continued to be the main donor with the funding constituting more than 50% of the total income (FY23 47%).

One of TRAFFIC's management KPIs (Key Performance Indicators) for financial performance is that no single donor contributes more than 25% of total income. During the year, one donor (INL) directly and indirectly contributed 26% of total project income, across 13 active projects. This level is slightly above the 25% target.

Expenditure

Expenditure during FY24 was £13.5m which is £0.5m higher than in FY23. Of the FY24 expenditure, 98% related to expenditure on Charitable Activities and 2% on raising funds, the same ratio as in the previous year.

Unrestricted expenditure increased by £350k compared to FY23. This represents a 23% increase. This increase in Core expenditure was budgeted expenditure in the programme offices, not in the Cambridge headquarters.

In FY24, there was a £120k unrestricted foreign exchange loss (FY23 £128k gain). The majority of TRAFFIC's income is received in foreign currencies, namely US Dollar, Euro, Norwegian Krone and Swiss Franc. Where those funds are yet to be expended, the balances are held in foreign currency bank accounts. TRAFFIC regularly reviews its foreign currency management to mitigate foreign exchange risk where possible and considers foreign exchange risk when setting its reserve policy.

Restricted fund expenditure increased by a modest £0.1m to £11.9m. The increase in restricted expenditure this year was consistent with the increase in the restricted income.

Funds

The net movement in group funds for the year was a deficit of £1.2m compared to a deficit of £0.9m in the previous year. This deficit includes net movements in both unrestricted and restricted funds, with the latter being primarily a cashflow issue. The distribution between unrestricted and restricted funds is as follows.

The net movement in unrestricted group funds was a deficit of £232k, compared to a surplus of £43k in the previous year. Unrestricted funds held at the year-end were £2.1m.

The net movement in group restricted funds was a deficit of £968k and restricted funds held at the year- end were £1.7m. This is related in part to the timing of income and income recognition rules for restricted funds.

Non-adjusting post balance sheet event

Following US President Trump's Executive Order on 20 January 2025 and US Secretary of State Rubio's Memo of 24 January 2025, TRAFFIC received on 25 January 2025 a series of "Notice of Suspension" from the US Government notifying the organisation that their funding had been immediately suspended and ordering TRAFFIC to stop work on all of their projects. These actions have significant implications for TRAFFIC and its project portfolio. Senior management and the Trustees are in the process of assessing various scenarios regarding US government funding and the appropriate responses. Due to the level of uncertainty with these actions, management is unable to reliably estimate the impact, if any, on these financial statements. However, TRAFFIC has done sufficient analysis to confirm that it can remain a going concern whatever the outcome regarding US government funding.

Risk management

The Trustees recognise their role in the management and administration of the Charity and that directorship carries legal responsibilities and duties including a responsibility to assess potential risks facing the Charity. The Trustees note that the major potential risks in the areas of governance and management, operations, and finance are reviewed on a periodic basis and that systems have been put in place to minimise these risks both in the UK and overseas.

The nature of TRAFFIC's conservation programme means that the bulk of funding dispersed through TRAFFIC's UK office is subcontracted to TRAFFIC branch and subsidiary offices to implement conservation activities overseas. TRAFFIC has well-established guidelines on financial policies and procedures which are followed by TRAFFIC offices globally, including regular review of budgets, financial performance, and related financial management. In addition, TRAFFIC has an established monitoring and evaluation system in place which looks at overall programme delivery and individual project implementation against contracted project budgets and deliverables.

TRAFFIC received an inquiry from the UK Charity Commission regarding specific funding received overseas. In response to the recommendations from a Charity Commission monitoring visit in January 2024, the trustees and management read and considered the Office of Financial Sanctions Implementation's charity sector guidance regarding financial sanctions, and regularly checked for news of any emerging threats in countries of operations ahead of agreeing to undertake new projects.

TRAFFIC's risk framework focuses on the following key risk areas:

- Strategic risks which influence TRAFFIC's long-term strategic objectives, including governance issues, partner relations, and stakeholders including donors and the public. The Senior Leadership Team meets on a bi-weekly basis to discuss such issues and the wider management have an annual week-long meeting covering areas of risk as well as the topic of risk management itself;
- TRAFFIC recognises that the increased focus on engagement with local communities embedded in our 2030 Strategy comes with increased responsibility towards those impacted by our work and is taking steps to bolster implementation and monitoring of TRAFFIC's safeguarding framework;
- Operational risks which arise from day-to-day issues that TRAFFIC faces as it delivers its conservation programme. These include areas such as project management, office facilities, and human resource management. To minimise these risks, Finance and Operations manuals have been produced, project steering groups are set up for major projects, staff undergo an induction process and appropriate training, and regular team meetings are held;
- Financial risks related to TRAFFIC's effective management and control of its finances including internal controls, monitoring of funding development, and the effects of external factors such as foreign exchange rates. TRAFFIC produces and reviews quarterly financial reports, as well as annual budgets and quarterly reforecasts, to allow potential financial risks to be identified on a timely basis. There is an up-to-date Finance Manual subject to regular review. Monies are kept in major donor currencies to minimise the effects of any exchange rate fluctuations;
- Knowledge management risks related to TRAFFIC's effective management and control of its knowledge resources, including communications materials, intellectual property rights, and system malfunctions. To minimise these risks, some controls include protocols for handling sensitive data, communications policies, cybersecurity measures, and regular backups of data;
- Compliance with laws and regulations related to issues such as health & safety, data protection, employment practices, safeguarding, and other regulatory issues. As well as employing appropriately professionally qualified staff we hold regular meetings with professional advisors both in the UK and in locations where we have offices overseas;
- External risks which may be beyond TRAFFIC's ability to influence, including changes in the physical environment, and in the global economic or political environment, including the continuing conflict in Ukraine and tensions in the Middle East escalating since 2023. To minimise the effects of these risks to the extent possible, staff monitor analysis circulated in the charity community and more broadly and attend external specialist seminars to ensure knowledge in the Charity of possible external risks.

Any "high" risks identified, and the actions taken to mitigate them, are brought to the attention of the Board of Trustees. The Board's Operations Committee review the risk register on a bi-annual basis and the Board of Trustees on an annual basis. The Board reviewed and updated the organisation's overall risk policy in January 2022.

Safeguarding

TRAFFIC International takes very seriously its responsibility to protect people, including our staff, volunteers, partners, consultants, contractors, trustees and others affected by our work, from any harm that may result from coming into contact with our organisation.

As a wildlife conservation charity primarily involved in researching legal and illegal wildlife trade globally, and encouraging necessary action by governments, businesses, and others, TRAFFIC does not usually work directly with children or with adults who could be seen as at risk, nor do we carry out aid-funded relief work. Nevertheless, TRAFFIC employs around 180 staff globally and cooperates with a wide

range of public and private sector partner organisations to carry out work related to people and their use of natural resources.

We recognise the importance of ensuring that our work does not have adverse social or environmental impacts at any level, and the need to incorporate these considerations both into the design and implementation of our activities and into the conduct of our staff and implementing partners.

TRAFFIC is aware that it is bound by the laws of the UK in respect of conduct both at home and abroad. We are committed to acting professionally, fairly, and with integrity in our business dealings and relationships wherever we operate. This includes implementing and enforcing effective systems through a framework of policies including professional conduct, sensitive activity management, anti-bribery, and whistleblowing. TRAFFIC's safeguarding statement can be found on our website. TRAFFIC continues improvements to its sensitive activity and local community engagement processes.
No reportable issues were raised or identified during the financial year.

Environmental sustainability

TRAFFIC operates in multiple locations across several continents, managed from the global office in Cambridge, UK. TRAFFIC staff work under a variety of conditions in these strategic locations, from single individuals to larger groups, often hosted within an external organisation's office.

TRAFFIC is a key member of the Cambridge Conservation Initiative (CCI) including as an active participant in CCI's Sustainability Working Group with the 2020-2025 David Attenborough Building Sustainability Strategy and Environmental Sustainability Policy providing the basis for TRAFFIC's Environmental Sustainability Policy (2021). Global application of the TRAFFIC policy, which includes a number of elements (carbon reduction and energy efficiency; purchasing and procurement; travel and transport; waste management; biodiversity and ecology; water use; and host collaboration and reporting), continues to progress slowly, both because of the ongoing impact of the COVID pandemic and difficulties in capturing and consolidating consumption data from offices in different countries (including the UK) to establish base-line data.

CCI tenants in the David Attenborough Building (DAB) have set themselves the same carbon reduction target (absolute zero by 2048) as the University of Cambridge for Scope 1 and 2 emissions, which relate to energy purchased for the building. In FY22, TRAFFIC and other CCI members began exploring ways to calculate Scope 3 carbon emissions generated indirectly by a range of operational requirements in the DAB, e.g. waste, water, procurement, travel and transport, and how to use carbon offsetting as an option to mitigate the building's carbon footprint.

Investment policy

Under the Articles of Association, the Charity has the power to make any investment the Trustees see fit. The investment policy, as approved by the Trustees on 16th February 2005, is that funds will be invested in cash, bank current accounts, and bank deposits. The Charity currently holds no investments aside from its cash holdings. The Trustees will consider possible amendments to this investment policy on a periodic basis.

Reserves policy

TRAFFIC'S Trustees recognise the importance of establishing reserves to allow the Charity to respond to future opportunities and current global economic challenges, particularly for an organisation with levels of restricted funding significantly higher than unrestricted. The Trustees have set TRAFFIC's general reserve fund target based on the following range: the equivalent of four months of the Charity's planned annual Core expenditure to be maintained at all times and a maximum amount equivalent to six months of the Charity's planned annual core expenditure.

TRAFFIC routinely models various scenarios to help evaluate the level of reserves that should be put aside to protect against risks such as drops in income, unexpected increases in costs, or, more positively, to allow the organisation to take advantage of new opportunities.

At year-end, the group had free reserves of £2.1m, factoring in unrealised exchange rate losses. The amount is equivalent to only 86% of target (four months of planned FY25 core expenditure, before allocations to restricted projects). Free reserves are defined as unrestricted reserves less fixed assets.

Both the amount of free reserves held and the target itself are reviewed on a regular basis. An in-depth review was carried out in 2021, and a more light-touch review in 2023 found the reserve target to still be appropriate. While this gap does not pose any immediate problem for the organisation, the Trustees are aware of the need to rebuild Core reserve levels and, together will senior management, will take appropriate steps.

Fundraising

TRAFFIC does not actively fundraise from the public, although there is the facility to donate on the TRAFFIC website. TRAFFIC does not engage in face-to-face fundraising, telephone fundraising, or direct mail campaigns. There were no licensed street collections in the reporting period. We do not use commercial participators.

All Trustees are aware of the CC20 guidance from the Charity Commission and any future fundraising will be conducted in line with CC20. TRAFFIC contributed to the Fundraising Regulator during the year in support of the Fundraising Code of Conduct.

There have been no formal complaints concerning our fundraising practice during the reporting period.

Statement of Trustees' responsibilities

The Trustees (who are also directors of TRAFFIC International for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the surplus or deficit of the charitable company and group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the Trustees at the date of approval of this report confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the Charity's auditor is unaware; and
- The Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Structure, governance and management

TRAFFIC was established in 1976 by the Species Survival Commission of IUCN (the International Union for Conservation of Nature), largely to support the implementation of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). CITES is an international agreement between more than 180 governments that aims to ensure international trade in specimens of wild animals and plants does not threaten their survival. Over its first two decades of operation, TRAFFIC developed as a network of offices supported by IUCN and WWF and operated as a joint conservation programme of these two international conservation organisations. TRAFFIC International was established in the UK and registered with the Charity Commission on 23rd July 1999 to provide a base for TRAFFIC's global co-ordinating office.

In 2017, a decision was made by WWF, IUCN and TRAFFIC International to consolidate governance and management of TRAFFIC operations worldwide under the UK Charity. New Articles of Association were adopted in June 2017, providing for an increased number of nine Trustees; up to three each appointed by WWF and IUCN as founder members, and up to another three independent Trustees. Subsequently, in June 2018, the Trustees agreed to merge five overseas offices into the UK charity as branches from 1st July 2018.

Since FY19, the TRAFFIC International accounts thus have incorporated Central Africa, East Africa, Southern Africa, China, Southeast Asia, and Viet Nam as branch or subsidiary offices. With Board approval, a China representative office was established in FY20 as was a Malaysian company registered by guarantee. Again with Board approval, registered offices were established in Belgium and Tanzania in FY22. The registered offices in Belgium, Malaysia and Tanzania are treated as subsidiaries in the organisation's UK charity accounts. All seven TRAFFIC entities are located in countries of key importance to wildlife trade and biodiversity conservation.

Affiliated offices in India and Japan continued to operate as internal divisions of their respective WWF hosts and are not incorporated into the charity in a legal sense.

The Board delegates day-to-day management of the Charity to Richard Scobey, Executive Director and Chief Executive Officer, who appoints the Senior Leadership Team, who, for the purposes of regulatory reporting, are collectively the Key Management Personnel along with the Trustees. The Senior Leadership Team develops strategies and plans for the Board to scrutinise and approve. It subsequently monitors and reports on performance against targets.

As provided for under TRAFFIC International's Articles of Association, the Board has established an Operations Committee chaired by a Trustee with the delegated responsibility to review information on budgets, financial performance, organisational development and business risk and to provide advice and recommendations to TRAFFIC management and the Board of Trustees.

Trustees

The Trustees who served during the year, unless otherwise stated, were as follows:

- Justin Mundy, current Chair (appointed August 2024)
- Mark Halle, previous Chair (completion of term July 2024)
- Pam Davis (appointed May 2023)
- Jeremy Eppel (completion of term August 2023)
- Viviana Figueroa (appointed November 2023)
- Ginette Hemley (completion of term July 2023)
- Jonathan Hutton
- Aban Marker Kabraji
- Jennifer Mohammed-Katerere (resigned September 2023)
- Alistair Monument (appointed August 2023)
- Jacque Pitteloud (appointed January 2023; resigned August 2023)
- Kavita Prakesh-Mani (appointed August 2023)
- Heather Sohl

Members of the Board of Trustees are directors for the purpose of company law and Trustees for the purpose of charity law. The company is limited by guarantee. Therefore, no Trustee had any beneficial interest.

Appointment of Trustees

The role of the Trustees is collectively, as a board, to ensure delivery of the Charity's objectives, set its strategic direction, and uphold its values. Trustees have a fundamental and legal obligation to act in the best interests of the Charity, and in accordance with the Charity's governing documents. The Trustees oversee the management and operation of the Charity subject to the provisions of the relevant acts (Charities Act 2011; Companies Act 2006 and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" second edition issued in January 2019) and the Memorandum and Articles of Association, and any directions given by special resolution. TRAFFIC's Trustees are drawn from within the broad umbrella of its partner organisations as well as the wider conservation community and bring together an extensive range of expertise in terms of programmatic, technical, financial and administrative skills. Terms of reference for the Board of Trustees (Directors) describe the responsibilities of the board and the role of key officers.

TRAFFIC's conflict of interest policy notes that Trustees have a fundamental and legal obligation to act in the best interests of the Charity, and in accordance with the Charity's governing documents. Trustees who are employees of WWF and IUCN are further bound by the undertaking dated 17 September 1999 made on behalf of the two founding members of the Charity. This document, addressed to the Charity Commission, states on behalf of both organisations that TRAFFIC will function as an autonomous body and that neither WWF or IUCN will be able to define or restrict the activities of the Charity. Legally and professionally, Trustees therefore serve in a personal and voluntary capacity and not as representatives of their organisations. Trustees may serve for a maximum of two consecutive three-year terms, then must step down. Due to the number of trustees whose terms were coming to an end in 2022/2023, the Trustees agreed, on an exceptional basis, to a one-year extension of the previous Board Chair's term which ended in July 2024.

Trustees' induction and training

When an individual accepts an invitation to become a Trustee, as part of the induction process, he or she receives an initial induction pack and meets with a senior manager of TRAFFIC to review the contents of the induction pack and supplementary materials; review responsibilities of Trustees; review current financial situation and general funding sources; review TRAFFIC's organizational chart, and the Charity's role in the larger TRAFFIC organisation; and review planned future projects and activities. They are regularly provided with financial and programmatic information as well as updates on relevant developments in the UK charity sector. Key documents are provided through a comprehensive governance manual.

Remuneration of key management personnel

The Trustees consider the Board of Trustees and the Senior Leadership Team comprise the Key Management Personnel of the Charity in charge of directing, controlling, and operating the Charity on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in either year. Details of Trustees' expenses and related party transactions are disclosed in Note 6 to the accounts. The Charity benchmarks remuneration of its Senior Leadership Team against comparable roles in other charities of a similar size and complexity, within a specified pay band. Each member of the Senior Leadership Team receives an annual cost of living salary increase, which takes into account inflation, changes in national average earnings and pay awards elsewhere in the charity or public sector. The award is made subject to affordability and is paid at the same rate as applied to all other eligible staff in the Charity. Increases to the Executive Director's salary that are above the annual cost-of-living salary increase are reviewed and approved by the Board of Trustees.

Public benefit

TRAFFIC is a wildlife conservation charity whose vision is of a world where wildlife trade is managed in a way that maintains healthy wildlife populations and ecosystems; contributes to meeting human needs; supports local and national economies; and helps motivate commitments to conserve wild species and habitats.

The organisation's efforts are therefore focused not only on conserving biological diversity but also on protecting and maintaining the many "ecosystem goods and services" that are or may be threatened by unsustainable or illegal wildlife trade.

In reviewing TRAFFIC's charitable objects and as part of planning and implementing our programme of work, the Trustees, have taken account of the Charity Commission's guidance on public benefit. The Trustees have considered how TRAFFIC's work will consistently contribute to the Charity's aims and objectives. TRAFFIC's main areas of charitable activity are detailed throughout this report.

The Trustees' report (which incorporates the requirements of the Strategic Report) was approved by the board on ..31st March 2025.....and signed on its behalf by:

Justin Mundy
Chair



ADMINISTRATIVE INFORMATION

TRUSTEES:

(As of 30 June 2024)

Mark Halle, Chair
Aban Marker Kabraji
Pam Davis
Viviana Figueroa
Jon Hutton
Alistair Monument
Kavita Prakash-Mani
Heather Sohl

REGISTERED OFFICE:

David Attenborough Building
Pembroke Street
Cambridge
CB2 3QZ
United Kingdom

COMPANY SECRETARY:

Mr R Scobey

EXECUTIVE DIRECTOR:

Mr R Scobey

SOLICITORS:

Mills and Reeve
Botanic House
98–100 Hills Rd
Cambridge
CB2 1PH

COMPANY REGISTERED NUMBER:

3785518

CHARITY REGISTERED NUMBER:

1076722

STATUTORY AUDITOR:

HaysMac LLP
10 Queen Street Place
London
EC4R 1AG

BANKERS:

Barclays Bank
Bene't Street
Cambridge
CB2 3PZ

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAFFIC INTERNATIONAL: YEAR ENDED 30 JUNE 2024

OPINION

We have audited the financial statements of TRAFFIC International for the year ended 30 June 2024 which comprise Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 30 June 2024 and of the group and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial

statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES FOR THE FINANCIAL STATEMENTS

As explained more fully in the trustees' responsibilities statement set out on pages 29 and 30, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Company and Charity law applicable in England and Wales, and overseas branches and subsidiaries complying with local legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and consider other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to the posting of inappropriate or improper journal entries and the manipulation of accounting judgements and estimates, including the recognition of income at the year-end. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing minutes of trustees meeting during the year
- Identifying and testing journals, in particular journal entries posted around year end; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Steven Harper (Senior Statutory Auditor)

For and on behalf of
HaysMac LLP,
Statutory Auditors

10 Queen Street Place
London, EC4R 1AG

10 April 2025

TRAFFIC INTERNATIONAL FINANCIAL STATEMENTS: YEAR ENDED 30 JUNE 2024

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT: YEAR ENDED 30 JUNE 2024

	Notes	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Income from:					
Donations		931,601	-	931,601	1,034,262
Charitable activities		39,008	11,252,664	11,291,672	10,959,396
Investments		1	102	103	103
Other		28,899	1,972	30,871	23,815
Donated services		-	-	-	48,806
Total	5	999,509	11,254,738	12,254,247	12,066,382
Expenditure on:					
Raising funds – grant and contract proposal development		261,439	-	261,439	246,766
Charitable activities		1,272,400	11,920,358	13,192,758	12,715,639
Total	6	1,533,839	11,920,358	13,454,197	12,962,405
Net (expenditure)/income		(534,330)	(665,620)	(1,199,950)	(896,023)
Transfers between funds		302,491	(302,491)	-	-
Net movement in funds		(231,839)	(968,111)	(1,199,950)	(896,023)
Reconciliation of funds:					
Total funds brought forward		2,364,745	2,657,575	5,022,320	5,918,343
Total funds carried forward		2,132,906	1,689,464	3,822,370	5,022,320

All activities in both years arise from continuing activities. There were no other recognised gains or losses other than those shown in the statement above and the net income for the year.

The notes on pages 42 to 63 form an integral part of these financial statements.

Full comparative figures for the year ended 30 June 2023 are shown in note 20.

BALANCE SHEETS: AS AT 30 JUNE 2024

	Notes	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Fixed Assets					
Intangible fixed assets	10	-	-	990	990
Tangible fixed assets	11	72,360	60,211	41,170	38,080
		72,360	60,211	42,160	39,070
Current Assets					
Debtors	12	4,043,879	3,924,026	5,702,942	5,280,453
Cash at bank and in hand		3,207,834	2,994,132	3,362,293	2,991,868
		7,251,713	6,918,158	9,065,235	8,272,321
Liabilities					
Creditors: amounts falling due within one year	13	3,501,701	3,323,898	4,085,075	3,454,517
Net current assets		3,750,012	3,594,258	4,980,160	4,817,804
Total assets less current liabilities being net assets		3,822,370	3,654,470	5,022,320	4,856,874
The funds of the Charity					
Restricted funds		1,689,464	1,853,244	2,657,575	2,836,944
Unrestricted		2,132,906	1,801,226	2,364,745	2,019,930
Total Charity funds	16	3,822,370	3,654,470	5,022,320	4,856,874

The deficit of the Charity before consolidation was £1,202,404 (2023: deficit £789,197). Further details are presented in note 3.

The financial statements of TRAFFIC International (company number 3785518) were approved by the Board of Trustees and authorised for issue on 31st March 2025 and signed on its behalf by:

Justin Mundy
Chair

The notes on pages 42 to 63 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT: YEAR ENDED 30 JUNE 2024

	2024 Total £	2023 Total £
Cash flows from operating activities:		
Net cash flows from operating activities	(86,829)	(376,150)
Cash flows from investing activities:		
Dividends, interest and rents from investments	103	103
Transfer of assets	-	-
Purchase of fixed assets	(67,733)	(29,314)
Net cash outflow from investing activities	(67,630)	(29,211)
Net increase/(decrease) in cash and cash equivalents	(154,459)	(405,361)
Cash and cash equivalents at 1 July 2023	3,362,293	3,767,654
Cash and cash equivalents at 30 June 2024	3,207,834	3,362,293
Reconciliation of net cash flows from operating activities:		
Net income	(1,199,950)	(869,023)
Depreciation and amortisation	34,846	33,459
Loss on fixed asset disposal	2,686	471
Investment income	(103)	(103)
Decrease/(increase) in debtors	1,659,064	33,797
Increase/(decrease) in creditors	(583,373)	452,249
Net cash flows from operating activities	(86,829)	(376,150)

The notes on pages 41 to 62 form an integral part of these financial statements.
Cash and cash equivalents are represented by cash at bank and in hand.

NOTES TO THE ACCOUNTS: YEAR ENDED 30 JUNE 2024

1. Accounting policies

TRAFFIC International is a company limited by guarantee and registered in England and Wales (3785518), not having a share capital, and as a Registered Charity with the Charity Commission for England and Wales (1076722). The Charity is not liable to corporation tax on its charitable activities and further details are shown above within the Reference and Administrative details on page 34.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Charity's financial statements.

a) Accounting conventions

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (Second Edition effective 1 January 2019)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2019; and the Companies Act 2006. The Charity meets the definition of a public benefit entity under FRS 102. The financial statements are prepared in Pounds Sterling rounded to the nearest Pound.

b) Going concern

The Trustees are reasonably confident that there are no material uncertainties in TRAFFIC's ability to continue as a going concern and the Group is well placed to manage its business risks successfully. TRAFFIC regularly monitors its pipeline of projects to ensure its conservation objectives and operational needs are met. The Group has significant cash resources and a significant level of net assets. Accordingly, the Trustees continue to adopt the going concern basis. In carrying out this assessment, the Group has also considered the impact of the recent developments in the world and the related political and economic uncertainty.

c) Consolidation

These financial statements consolidate the results of TRAFFIC International Southeast Asia, TRAFFIC International East Africa and TRAFFIC International Europe on a line-by-line basis. TRAFFIC International Southeast Asia is incorporated in Malaysia, East Africa in Tanzania and Europe in Belgium. Transactions and balances between charitable company and its subsidiaries have been eliminated from the consolidated financial statements. There are no significant differences between the accounting policies of the parent charitable company and its subsidiaries. In addition to the subsidiary undertakings, the charitable company has a number of branches which are treated as being part of the results of the charitable company in line with section 25 of the Statement of Recommended Practice. As permitted by Section 408 of Companies Act 2006, no separate Statement of Financial Activities for the Charity has been presented. However, the results of the Charity before consolidation are summarised in note 3.

d) Income

Income is recognised and included in the statement of financial activities when the Charity has entitlement to the income, it is probable that the income will be received, and the amount can be reliably measured. Income received relating to future accounting periods is deferred and recognised as a creditor within the balance sheet.

Donated services are recognised based on the best estimate of the value to the charity, having made the assessment of what the charity would be prepared to pay.

e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. VAT cannot be recovered and is reported as part of the expenditure to which it relates.

Costs of raising funds:
These represent costs of internal allocations for staff involvement in implementation of the Charity's funding strategy, donor liaisons and assistance with proposal development and submission.

Charitable activities:
This includes expenditure incurred in the fulfilment of the objectives of the charitable company including allocated overheads.

Support costs:
Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the Charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. Support costs are allocated on a pro-rata basis according to the total cost of activities undertaken directly and grant funding of activities.

Governance costs:
This includes expenditure incurred in the general running and administering of the charitable company. These costs include external audit, legal advice for Trustees and costs associated with constitutional and statutory requirements.

f) Tangible fixed assets
Tangible fixed assets are shown at cost less accumulated depreciation. Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful lives of three years on a straight-line basis. The current capitalisation policy is £400.

Impairment reviews are conducted when events and changes in circumstances indicate that an impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, it is written down accordingly.

g) Intangible fixed assets
Intangible assets are shown at cost less accumulated amortisation. Amortisation is calculated on a straight-line basis to allocate the assets value evenly over a three-year period. The current capitalisation threshold is £400.

Impairment reviews are conducted when events and changes in circumstances indicate that an impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, it is written down accordingly.

h) Funds
The Charity records two categories of income—unrestricted and restricted funds.

Unrestricted funds
Unrestricted funds can be used for any purpose approved by the Trustees within the objects of the Charity. Funds that are received without external restriction, and for use in any of the Charity's activities including operational and establishment costs are treated as unrestricted funds and may be designated by the Trustees for particular purposes as deemed appropriate.

Restricted funds
Resources are allocated to restricted funds according to the limitations on their use specified by the donors or other providers.

Restricted funds are allocated to specific activities and outputs usually under the terms of a project contract accompanying the grant. Detailed accounts are maintained for restricted projects including income, expenditure and fund balances by donor. The majority of projects are short-term in nature with grants being expended between one and five years. Deficits within restricted project funds which occur when income is not entitled to be recognised in the current financial period are carried forward to the next period. Where further funding is not anticipated, a transfer is made from unrestricted funds to cover the deficit.

The Charity does not have any endowment funds.

i) Cash and cash equivalents

Cash at bank and in hand includes interest and non-interest-bearing accounts which are highly liquid.

j) Employee benefits – Pensions

The Charity operates a defined contribution scheme, the assets of which are held separately from those of the Charity. The Charity's contributions are charged to expenditure in the year they are incurred.

k) Foreign exchange

Transactions denominated in foreign currencies are recorded at the daily rate of exchange. Assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the year end. Gains and losses on re-translation are dealt with as part of the deficit or surplus on ordinary activities for the financial year.

l) Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

m) Financial instruments

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

3. Result of the charity

	2024 £	2023 £
Income		
Donations	857,831	1,005,427
Charitable activities	10,948,130	10,805,941
Other income	41,418	77,567
	11,847,379	**11,888,935**
Expenditure		
Charitable activities and raising funds	13,049,783	12,678,132
Funds transferred to subsidiary undertaking		
	13,049,783	**12,678,130**
Net income	**-1,202,404**	**-789,197**
Funds brought forward	**4,856,874**	**5,646,071**
Funds carried forward	**3,654,470**	**4,856,874**

4. Result of subsidiary undertakings

TRAFFIC International Southeast Asia is a company incorporated in Malaysia and is a wholly owned subsidiary of TRAFFIC International. It was incorporated in January 2021 and carries out the activities of the charity in the region. Prior to incorporation, the activities in the region were run as a branch of TRAFFIC International. On 1 February 2021, the activities and net assets of the branch were transferred to the new company. The results have been included in these financial statements from that date, a summary of which is provided below.

	2024 £	2023 £
Income		
Charitable activities	1,033,931	629,360
	1,033,931	**629,360**
Expenditure		
Charitable activities	887,906	782,933
	887,906	**782,933**
Net income	**146,025**	**(153,573)**
Funds brought forward	(913)	152,661
Funds carried forward	**145,112**	**(912)**
Funds		
Total assets	216,648	102,178
Total liabilities	(71,536)	(103,090)
	145,112	**(912)**

TRAFFIC International East Africa is a company incorporated in Tanzania and is a wholly owned subsidiary of TRAFFIC International. It was incorporated in December 2021 and carries out the activities of the charity in the region. Prior to incorporation, the activities in the region were run as a branch of TRAFFIC International. On 1 January 2022, the activities and net assets of the branch were transferred to the new company. The results have been included in these financial statements from that date, a summary of which is provided below.

	2024 £	2023 £
Income		
Charitable activities	1,047,795	1,480,581
Net assets transferred from parent undertaking upon incorporation	-	-
	1,480,581	**1,480,581**
Expenditure		
Charitable activities	1,210,070	1,391,503
	1,210,070	**1,391,503**
Net income	**(162,275)**	**89,078**
Funds brought forward	139,283	50,205
Funds carried forward	**(22,992)**	**139,283**
Funds		
Total assets	101,754	175,453
Total liabilities	(124,746)	(36,170)
	(22,992)	**139,283**

TRAFFIC International Europe is a company incorporated in Belgium and is a wholly owned subsidiary of TRAFFIC International. It was incorporated in December 2021 and carries out the activities of the charity in the region. Prior to incorporation, the activities in the region were run by TRAFFIC International.

	2024 £	2023 £
Income		
Charitable activities	225,532	214,009
	225,532	**214,009**
Expenditure		
Charitable activities	207,966	166,102
	207,966	**166,102**
Net income	**17,566**	**47,907**
Funds brought forward	28,215	(19,692)
Funds carried forward	**45,781**	**28,215**
Funds		
Total assets	22,903	17,807
Total liabilities	22,879	10,408
	45,782	**28,215**

5. Income

All of TRAFFIC International's activity relates to ensuring that trade in wild species is legal and sustainable, for the benefit of the planet and people.

	Unrestricted £	Restricted £	2024 Total £
Donations			
IUCN, WWF & other TRAFFIC entities	919,076	-	919,076
Corporate and Individuals	12,525	-	12,525
	931,601	-	931,601
Charitable activities			
IUCN, WWF & other TRAFFIC entities	39,132	1,738,329	1,777,461
Governments	0	7,130,274	7,130,274
Multilaterals	0	544,747	544,747
Foundations and charities	(124)	1,628,538	1,628,414
Corporate and Individuals	0	210,878	210,878
	39,008	11,252,766	11,291,774
Other income	25,240	1,972	27,212
Bank interest	3,660	0	3,660
Donated services	-	-	-
	999,509	11,254,738	12,254,247

2023 Comparative	Unrestricted £	Restricted £	2023 Total £
Donations			
IUCN, WWF & other TRAFFIC entities	1,001,816	-	1,001,816
Corporate and Individuals	32,446	-	32,446
	1,034,262	-	1,034,262
Charitable activities			
IUCN, WWF & other TRAFFIC entities			
Governments	49,546	2,475,754	2,525,300
Multilaterals	-	5,499,004	5,499,004
Foundations and charities	-	479,645	479,645
Corporate and Individuals	1,522	1,639,903	1,641,425
	-	814,125	814,125
	51,068	10,908,431	10,959,499
Other income	23,258	-	23,258
Bank interest	557	-	557
Donated services	-	48,806	48,806
	1,109,145	10,957,237	12,066,382

Donated services in FY23 relate to pro bono legal advice received for the purposes of project delivery from various legal advisors through a relationship with International Lawyers Project, a registered charity co-ordinating provision of free legal advice to the not-for-profit sector.

6. Expenditure

All of TRAFFIC International's activity relates to ensuring that trade in wild species is legal and sustainable, for the benefit of the planet and people.

	Direct costs £	Support costs £	2024 Total £
Costs of raising funds	-	261,439	261,439
Charitable activities	11,249,809	1,942,949	13,192,758
	11,249,809	2,204,388	13,454,197

2023 Comparative

	Direct costs £	Support costs £	2023 Total £
Costs of raising funds	-	246,766	246,766
Charitable activities	10,964,014	1,751,625	12,715,639
	10,964,014	1,998,391	12,962,405

Analysis of expenditure:

	Unrestricted £	Restricted £	2024 Total £
Costs of raising funds			
Staff costs	232,365	0	232,365
Operational	3,931	0	3,931
Establishment	3,041	0	3,041
Travel	5,848	0	5,848
Depreciation	1,089	0	1,089
Foreign exchange gain	3,990	0	3,990
Governance	11,175	0	11,175
	261,439	0	261,439
Charitable activities			
Staff costs	386,120	6,609,772	6,995,892
Operational	118,366	2,101,443	2,219,809
Establishment	91,549	1,068,894	1,160,443
Professional fees	0	103,268	103,268
Project sub-contracts	0	1,223,389	1,223,389
Travel	176,083	831,547	1,007,630
Depreciation and amortisation	33,766	0	33,766
Foreign exchange (gain)/loss	120,130	(17,955)	102,175
Governance	346,386	0	346,386
	1,272,400	11,920,358	13,192,758
Total expenditure	1,533,839	11,920,358	13,454,197

2023 Comparative

Analysis of expenditure:

	Unrestricted £	Restricted £	2023 Total £
Costs of raising funds			
Staff costs	226,523	-	226,523
Operational	5,268	-	5,268
Establishment	3,572	-	3,572
Travel	4,760	-	4,760
Depreciation	1,051	-	1,051
Foreign exchange gain	(4,190)	-	(4,190)
Governance	9,782	-	9,782
	246,766	-	246,766
Charitable activities			
Staff costs	271,463	6,641,147	6,912,610
Operational	160,762	2,267,677	2,428,439
Establishment	109,004	871,496	980,500
Professional fees	-	89,045	89,045
Project sub-contracts	7,500	864,036	871,536
Travel	145,257	800,545	945,802
Depreciation and amortisation	32,842	-	32,842
Foreign exchange (gain)/loss	(127,870)	276,981	149,111
Governance	305,754	-	305,754
	904,712	11,810,927	12,715,639
Total expenditure	1,151,478	11,810,927	12,962,405

7. Support costs

	Support £	Governance £	2024 £
Professional fees	(0)	83,489	83,489
Auditor's remuneration	0	37,488	37,488
Other audits	0	15,157	15,157
Staff costs	1,581,391	206,489	1,787,880
Operational	0	3,494	3,494
Establishment costs	222,691	2,702	225,393
Travel	42,745	5,197	47,942
Foreign exchange gain		3,546	3,546
Total	1,846,827	357,562	2,204,389

2023 Comparative

	Support £	Governance £	2023 £
Professional fees	-	97,278	97,278
Auditor's remuneration	-	28,054	28,054
Other audits	-	15,157	15,157
Staff costs	1,465,771	168,066	1,633,837
Operational	-	3,909	3,909
Establishment costs	183,792	2,650	186,442
Travel	33,292	3,531	36,823
Foreign exchange gain		(3,109)	(3,109)
Total	1,682,855	315,536	1,998,391

Support costs are allocated on a pro-rata basis according to the total cost of activities undertaken directly and grant funding of activities. Fees payable to the Charity's auditor are for the audit of the charity's annual financial statements.

8. Employee and Trustee Information

		2024	2023
		£	£
a)	Staff costs:		
	Wages and salaries	5,586,049	5,522,518
	Social security costs	1,029,142	1,035,132
	Pension costs	609,158	559,885
	Other benefits	110,768	88,785
	Other staff costs	99,627	100,879
		7,434,744	7,307,199

Other staff costs include an accrual for untaken annual leave outstanding at the year end, in line with the requirements of FRS102.

		2024	2023
b)	The average number of persons, employed during the year was:		
	Management and Administration	77	71
	Programme and Research	105	131
		182	202

The above numbers do not include Trustees who are not permitted to receive remuneration for their duties. Six trustees received payments for expenses during 2024 totalling £6,568 (2023 – £5,306).

		2024	2023
c)	Employees with emoluments over £60,000 were:		
	£60,001 – £70,000	7	7
	£70,001 – £80,000	4	1
	£80,001 – £90,000	3	4
	£90,001 – £100,000	0	4
	£100,001 - £110,000	1	
	£110,001 – £120,000	1	1
	£120,001 – £130,000	0	1
		16	18

d) Senior leadership team

Total remuneration of the Key Management Personnel (the Trustees with the Senior Leadership Team comprising the Executive Director and other senior managers), including pension contributions excludi social security costs, was £649,612 (2023: £754,377) for eleven (2023: ten) staff members. No Trustee received nor waived any remuneration.

9. Employee benefits - Pension costs

The Charity's pension contributions are made to defined contribution schemes. The assets of the schemes are held separately from those of the Charity in independently administered funds. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £469,800 (2023: corrected to £401,912 from £559,885).

10. Intangible fixed assets

GROUP	Computer Software £
Cost:	
At 1 July 2023	94,174
Additions	-
Disposals	-
At 30 June 2024	94,175
Amortisation:	
At 1 July 2023	93,185
Additions	990
Eliminated on disposals	-
At 30 June 2024	94,175
Net book value:	
At 30 June 2024	-
At 30 June 2023	990

CHARITY	Computer Software £
Cost:	
At 1 July 2023	94,175
Additions	-
At 30 June 2024	94,175
Amortisation:	
At 1 July 2023	93,185
Charge for year	990
At 30 June 2024	94,175
Net book value:	
At 30 June 2024	-
At 30 June 2023	990

11. Tangible fixed assets

GROUP	Leasehold improvements £	Fixtures & Fittings £	Vehicles £	Computer Equipment £	Total £
Cost:					
At 1 July 2023	-	38,097	55,208	225,435	318,740
Additions	1,847	15,807		50,079	67,733
Disposals		(485)		(9,484)	(9,969)
At 30 June 2024	**1,847**	**53,419**	**55,208**	**266,030**	**376,504**
Depreciation:					
At 1 July 2023	-	32,043	55,208	190,319	277,570
Charge for year	406	6,787		26,664	33,857
Released on disposals		(431)		(6,852)	(7,283)
At 30 June 2024	**406**	**38,399**	**55,208**	**210,131**	**304,144**
Net book value:					
At 30 June 2024	**1,441**	**15,020**	**0**	**55,899**	**72,360**
At 30 June 2023	-	6,054	-	35,116	41,170

CHARITY	Leasehold improvements £	Fixtures & Fittings £	Vehicles £	Computer Equipment £	Total £
Cost:					
At 1 July 2023	-	36,529	55,208	211,988	303,725
Additions	-	8,102		47,228	55,330
Disposals		(485)		(5,750)	(6,235)
At 30 June 2024	**0**	**44,146**	**55,208**	**253,466**	**352,820**
Depreciation:					
At 1 July 2023	-	31,130	55,208	179,307	265,645
Charge for year	-	4,985		25,528	30,513
Released on disposals	-	(431)		(3,118)	(3,549)
At 30 June 2024	**-**	35,684	55,208	201,717	292,609
Net book value:					
At 30 June 2024	**-**	8,462	-	51,749	60,211
At 30 June 2023	-	5,399	-	32,681	38,080

12. Debtors: amounts falling within one year

	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Trade debtors	3,010,435	3,008,944	668,044	629,286
Other debtors	351,078	304,836	153,628	45,232
Amounts held by hosts	122,911	75,726	518,608	271,318
Prepayments	149,479	124,544	111,616	91,731
Accrued income	409,976	409,976	4,251,046	4,242,886
	4,043,879	3,924,026	5,702,942	5,280,453

Amounts held by host relates to cash amounts held by hosts on behalf of branches.

13. Creditors: falling due within one year

	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Trade creditors	103,389	96,892	219,131	213,445
Other creditors	82,150	61,325	65,330	28,337
Accruals	1,720,892	1,648,110	1,451,138	1,386,638
Salary and tax creditors	33,635	30,853	34,539	25,948
Amounts owed to hosts	25,026	25,026	497,969	39,775
Amounts owed to subsidiary undertakings	0	(33,977)	-	48,056
Deferred income	1,536,609	1,495,669	1,816,968	1,712,318
	3,501,701	3,323,898	4,085,075	3,454,517

Amounts owed to hosts relate to cash balances owed to hosts by branches.

14. Deferred income

	2024 Total £	2023 Total £
Balance at the beginning of the year	1,816,968	1,930,142
Amount released to income in the year	(1,816,968)	(1,930,142)
Amount deferred in the year	1,536,609	1,816,968
Balance at the end of the year	1,536,609	1,816,968

Deferred income represents income received from donors in advance of contracted activity.

15. Analysis of charitable funds

	1 July 2023	Income	Expenditure	Transfers	30 June 2024
	£	£	£	£	£
Unrestricted funds	2,364,745	999,509	(1,533,839)	302,491	2,132,906
Restricted funds					
Major projects:					
Postcode Lottery TRACE	161,739	336,685	(263,716)	-	234,708
Countering Wildlife Trafficking in Angola	203,583	114,298	(310,986)	-	6,895
CITES Elephant Trade Information System	(7,540)	145,577	(197,776)	-	(59,739)
WTRAPS	356,036	309,524	(714,366)	(15,427)	(64,233)
Reducing Trade Threats to Wild Species and Ecosystems Through Strengthened Knowledge in Africa	177,369	481,288	(454,119)	-	204,538
Law Enforcement in Madagascar: a United Response to Combating Wildlife Crime	457,170	208,600	(374,187)	-	291,583
OES Crime Convergence Indonesia	(25,181)	453,538	(504,010)	-	(75,653)
Leveraging legality along China's timber supply to reduce deforestation	559,496	838,570	(1,097,321)	12,362	313,107
USAID Saving Threatened Wildlife	124,873	319,496	(506,426)	(3)	(62,060)
RTI Tuhifadhi Maliasili	(131,087)	319,305	(227,238)	-	(39,020)
Strengthening East Africa Wildlife Law Enforcement	196,653	405,913	(506,585)		95,981
Money laundering and the illegal wildlife trade in China	141,788	198,965	(194,990)	-	145,763
USAID West Africa Biodiversity & Low Emissions Development	(3,049)	397,068	(463,543)	-	(69,524)
TNRC Madagascar	155,895	198,030	(361,330)	-	(7,405)
Demand reduction, Enforcement and policies supporting the conservation of Elephants and Rhinos	195,602	648,212	(507,494)	-	336,320
DR China Parrot Trade	34,947	171,557	(145,280)	-	61,224
SA Wildlife Investigator Mentoring Scheme	115,927	358,096	(484,088)	-	(10,065)
INL Strengthening Criminal Justice in Philippines	7,956	164,379	(644,767)	-	(472,432)
USAID Forestry and Biodiversity Support	23,575	166,282	(158,932)	-	30,925
INL Cameroon	-	297,250	(134,523)	-	162,727
INL LAC	-	397,224	(113,414)	-	283,810
INL Malaysia - Project Catalyse	-	513,283	(85,637)	-	427,646
Darwin Plants & Fungi	-	236,174	(563,224)	-	(327,050)
	2,745,752	7,679,313	(9,013,952)	(3,068)	1,408,045
Other projects	(88,177)	3,575,425	(2,906,406)	(299,423)	281,419
	2,657,575	11,254,738	(11,920,358)	(302,491)	1,689,464
Total funds	**5,022,320**	**12,254,247**	**(13,454,197)**	**0**	**3,822,370**

During the year transfers of £302,491 were made from restricted to unrestricted funds. They were related to the treatment of cost recovery for project staff as well as write-off of foreign exchange variances and project balances allowed by donors.

The negative balances in this note do not represent actual project deficits but relate to required statutory adjustments for income and expenditure recognition (FRS102).

Leveraging legality along China's timber supply to reduce deforestation

Funded by Norwegian Agency for Development Cooperation

The project leverages China's and Vietnam's significant market role in the timber supply chain from source countries in the Congo Basin, to reduce unsustainable forestry operations and illegal timber trade. Along the supply chain, knowledge products, work with the financial sector and support for communication between agencies will increase detection and investigation, further deterring illegality.

Wildlife Trafficking, Response, Assessment and Priority Setting (Wildlife TRAPS) Project

Funded by USAID (United States Agency for International Development) via IUCN

TRAFFIC, in collaboration with IUCN, has devised the Wildlife TRAPS (Wildlife Trafficking, Response, Assessment, and Priority Setting Project) to develop and deliver a suite of ground-breaking partnerships and pioneering approaches to tackle wildlife crime between Africa and Asia. Wildlife TRAPS is building a collective understanding of the true character and scale of the response required through a series of targeted trade assessments looking at specific species and geographic regions.

Law Enforcement in Madagascar: a United Response to Combatting Wildlife Crime (LEMUR.CWC)

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

The goal of LEMUR CWC is to reduce poaching and trafficking of endangered wildlife in Sub-Saharan Africa, with a focus on Madagascar. Progress towards this goal will be achieved through the delivery on three of the four Objectives articulated by the Bureau of International Narcotics and Law Enforcement Affairs (INL), namely: Objective 1: Build interdiction, investigative, and enforcement capacity to stop the transit of protected wildlife; Objective 2: Enhance prosecutorial and judicial capacity to successfully prosecute those illegally transiting wildlife products with adequate sentencing; and Objective 3: Encourage increased cross-border cooperation with neighbouring or source countries to more effectively combat wildlife trafficking.

OES Crime Convergence Indonesia

Funded by the U.S. Department of State's Bureau of Oceans and International Environmental and Scientific Affairs (OES)

The project aims to identify, analyse, and map the illicit networks associated with conservation crimes and understand the links, where they may exist, between the different trafficking networks associated with conservation crimes in Indonesia, Vietnam, Cameroon and Brazil.

Strengthening East Africa Wildlife Law Enforcement

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

The purpose of this project is to address law enforcement capacity shortfalls in East Africa by institutionalising training and providing online resources for critical law enforcement authorities to better address illegal wildlife trade.

Reducing Trade threats in Africa's wild species and ecosystem

Funded by ARCADIA

The purpose of the project is to strengthen actions to conserve and protect wildlife populations, areas of high biodiversity, and communities in Africa threatened by illegal and unsustainable wildlife trade, with a focus on trade to Asia. Building on the successes in the first phase of the ReTTA project, ReTTA Phase II expands the data gathering and analysis of vital wildlife trade knowledge by ourselves, partners and governments on the African continent and following primary trafficking routes into Asia promotes evidence-based solutions with those best placed to take remedial action. The project will continue to develop and promote some of the potentially game-changing solutions that were initiated in the first phase of the project.

Demand reduction, Enforcement and policies supporting The conservation of Elephants and Rhinos - DETER

Funded by the German Agency for International Cooperation (GIZ)

The goal of the project is to support elephant, rhino, and pangolin conservation by driving demand reduction, improved enforcement and increased political will to stop the illegal trade in wildlife products. This will be achieved through reducing consumer demand for elephant and rhino products in China and Viet Nam through providing leadership on demand reduction strategies and engaging key stakeholders to maximise the influence of interventions. The project will also support enforcement against IWT activities in China, selected neighbouring countries, and African countries through capacity building, trans-continental collaboration and improved communications. An enabling policy environment in Africa and China will be supported to facilitate these actions.

Countering Wildlife Trafficking in Angola

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

The goal of this project is to reduce poaching and trafficking of endangered wildlife in Sub-Saharan Africa, with a particular focus on Angola. Progress towards this goal will be achieved through delivering on three of the four Objectives articulated by the Bureau of International Narcotics and Law Enforcement Affairs (INL), namely: Objective 1: Build interdiction, investigative, and enforcement capacity to stop the transit of protected wildlife; Objective 2: Enhance prosecutorial and judicial capacity to successfully prosecute those illegally transiting wildlife products with adequate sentencing; and Objective 4: Encourage increased cross-border cooperation with neighbouring or source countries to more effectively combat wildlife trafficking.

Tackling the Illegal Wildlife Trade through developing forensic capacity in Southern Africa

Funded by the Postcode Animal Trust

The project aims to strengthen our activities relating to reducing illegal wildlife trade in Southern Africa, specifically through the development of wildlife forensic capacity to enhance wildlife law enforcement. The overall goal is to ensure that access to forensic science is available to support wildlife law enforcement in Malawi, Zambia, and Zimbabwe.

Tuhifadhi Maliasili.

Funded by USAID via RTI

The goal of the USAID Tuhifadhi Maliasili (TM) activity is to address dynamics that hinder habitat connectivity and the longterm persistence of biodiversity in Tanzania. RTI subcontracts TRAFFIC to implement activities concerning assessment of trade dynamics of threatened species, behaviour change interventions and strengthening of law enforcement and judicial capacity to combat wildlife crime. Activities help the TM Activity to achieve goal to strengthen policy frameworks for biodiversity conservation, natural resource management, improve sustainable tourism and reduce wildlife crime in Tanzania.

Scaling conservation of Himalayan plants and fungi through sustainable trade

Funded by Defra Darwin Initiative

This project aims to improve local livelihoods, elevate traditional knowledge, and strengthen national and regional approaches to sustainable biodiversity-based trade.

Local livelihoods and biodiversity in the high-alpine Himalaya are threatened by wild plant and fungi overharvesting, climate change, illegal trade and inequitable supply chains. This has an impact across the region. As well as working with local partners to improve local livelihoods this ambitious project aims to amend policies, trade agreements, and legal frameworks along the trade chains from Nepal to consumer countries to include provisions for sustainable, traceable trade in wild plant and fungi ingredients, in line with CBD and CITES commitments.

Money Laundering and the Illegal Wildlife Trade in China.

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

This project aims to contribute to the INL goal of improving China's will and capacity to investigate, arrest, prosecute, convict, and sentence to the fullest extent of the law the perpetrators of wildlife crime, with a focus

on Anti Money Laundering (AML) approaches and anticorruption strategies. The project has developed guidelines for wildlife law enforcement agencies and courts to increase their understanding and implementation for the updated AML regulations in China. Training has been delivered including technical expertise to the Peoples Bank of China. TRAFFIC facilitates regular information sharing between provinces to strengthen law enforcement collaboration against wildlife trafficking.

Anti-Corruption and Combatting Wildlife Trafficking Activity – Madagascar

Funded by USAID via WWF US

The goal of the project is to contribute to a reduction of corruption in natural resources to improve conservation outcomes. Anti-corruption actions are key to the good governance and management of Madagascar's natural resources and biodiversity. To fight against issues posed by corruption, stakeholders and different levels must be engaged. TRAFFIC leads implementation of activities to improve the ability of the Malagasy government to use enforcement of financial crimes as an approach to tackle illegal wildlife trade and corruption. Building on extensive experience implementing court case monitoring programs in Madagascar, TRAFFIC also leads on the further development of court case monitoring efforts.

Development of a Comprehensive Mentoring Program for Junior Wildlife Investigators in South Africa

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

The goal of the project is to reduce poaching and trafficking of endangered wildlife in Sub-Saharan Africa, with a particular focus on South Africa. This is the latest phase of a long term collaboration with INL to support mentoring for wildlife investigators since 2016. The aim is to provide an enhanced mentorship experience for all mentees and to develop tailored mentorship models for each provincial conservation agency and setting out a structure for continued mentoring of junior wildlife investigators beyond the life of the project.

Taking Charge: Strengthening Criminal Justice Response to Wildlife Crime in the Philippines

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

The Philippines is a hotspot for illegal wildlife trade as a source, transit and destination. This project addresses key issues of low levels of arrests and investigations, lack of capacity and tools among law enforcement agencies, airports and ports acting as smuggling hotspots, and an ongoing high number of illegal wildlife sales in-country, particularly online.

Combatting the facilitators of the illegal wildlife trade in Cameroon.

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

This project addresses issues of capacity within the private and public sectors to identify, investigate and prosecute cases of financial crime linked to wildlife trafficking, including money laundering, tax evasion and corruption. It also aims to improve collaboration between the private and public sectors and with law enforcement counterparts in Nigeria.

Proyecto Interdicto: Strengthening Collaboration to Interdict Illegal Wildlife Trade at Key Airports in Latin America

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

With TRAFFIC's expertise in wildlife trade issues and its previous successes in supporting the aviation sector to strengthen their practices against wildlife trafficking, this project will roll out an anonymous IWT reporting app at El Dorado International Airport, Colombia, and investigate automated detection technology solutions for Galapagos Ecological Airport's (Ecuador) screening systems and build the capacity of airport and law enforcement staff at each airport to collaboratively respond to and prevent IWT to ultimately strengthen law enforcement effectiveness and interdiction of IWT at those two airports through improved flow of information between aviation and law enforcement).

Project Catalyse (Catalysing Action in Malaysia to Strengthen Enforcement)

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)
This project addresses persistent key issues, from high trafficking at border checkpoints to low levels of detections, arrests and prosecutions, all largely hinged on a lack of technical competency and tools among law enforcement agencies. The project aims to ensure that law enforcement agencies are: equipped with skills to detect/interdict illegal wildlife at 13 key ports, airports, borders crossings and mail services where a majority of wildlife enters, transits and exits illegally; upskilled to conduct financial investigations, anti-poaching patrols; tackle wildlife cybercrime; boost investigative and prosecutorial functions for wildlife crime through sentencing structures and information sharing nationally and regionally; able to integrate transparency mechanisms to tackle wildlife crime.

West Africa Biodiversity and Low Emissions Development

Funded by USAID via Tetra Tech
The West Africa Biodiversity and Low Emissions Development (WABiLED) Program is a four-year program with 3 core objectives: combat wildlife trafficking and enhance great ape conservation; reduce deforestation, forest degradation, and biodiversity loss in key transboundary forest landscapes; and reduce greenhouse gas emissions and increasing carbon sequestration from land use. TRAFFIC works in partnership with Tetra Tech and others on the first objective.

CITES Elephant Trade Information System (ETIS)

Funded by the European Commission via UNEP
This funding serves to sustain the operational capacity and integrity of ETIS by supporting core fundamentals of data collection, verification and management of the seizure data by the database manager. It also maintains an online ETIS website in three languages for the benefit of the CITES parties. Finally it supports the production of analytical results from the ETIS data. This is instrumental in guiding decision making at CITES meetings.

Saving Threatened Wildlife , Vietnam

Funded by USAID via WWF US
Supports Vietnam to tackle illegal wildlife trafficking. This project focuses on protecting species that are at risk of being trafficked into Vietnam, such as African rhinos, African and Asian elephants, and pangolins, as well as animals that are regularly poached and traded domestically or internationally, such as primates, muntjacs, and big cats.

Forest and Biodiversity Support Activity (FABS)

Funded by USAID via Tetra Tech
FABS assists environmental actors in the Congo Basin to implement strategies and actions that address the large-scale threats to biodiversity conservation and forest management. FABS pursues policy reforms and institutional strengthening objectives related to conservation and forest management while also training and providing tools to government agencies and local organizations to shape issues at a national and regional scale in Central Africa.

Demand reduction and behaviour change along China's parrot supply chains

Funded by Defra IWT Challenge Fund
This project aims to reduce threats to African Grey Parrots (AGP) and other endangered African parrots in Cameroon and the Democratic Republic of the Congo (DRC), and tackle high demand in China. Activities integrate innovative social and behaviour change (SBC) approaches to reduce Chinese consumer demand for these parrots as pets, with corporate engagement and behaviour change targeting Chinese nationals in Cameroon and DRC who are potentially involved in the poaching and trafficking of the target parrots.

Notes to the Accounts: year ended 30 June 2024

Analysis of charitable funds for the year ended 30 June 2023:

	1 July 2022	Income	Expenditure	Transfers	30 June 2023
	£	£	£	£	£
Unrestricted funds	2,321,819	1,109,145	(1,151,478)	85,259	2,364,745
Restricted funds					
Major projects:					
Postcode Lottery TRACE	191,141	300,405	(329,807)	-	161,739
Targeting Natural Resources Corruption	(110,222)	401,199	(265,998)	-	24,979
CONNECT	(78,048)	539,610	(240,905)	-	220,657
Countering Wildlife Trafficking in Angola	135,269	381,294	(312,980)	-	203,583
Removing the Risk of Wildlife Smuggling from Malaysia's International Mail Service	57,589	98,968	(102,156)	-	54,401
WTRAPS	611,522	375,804	(614,108)	(17,182)	356,036
Reducing Trade Threats to Wild Species and Ecosystems in Africa	63,185	535,416	(421,232)	-	177,369
Law Enforcement in Madagascar: A United Response to Combating Wildlife Crime	317,490	390,143	(250,463)		457,170
Strengthening Law Enforcement Capacity and Collaboration to Combat the Illegal Wildlife Trade in Cameroon	137,829	94,667	(202,108)	4,927	35,315
OES Crime Convergence Indonesia	111,553	461,168	(597,902)	-	(25,181)
Leveraging legality along China's timber supply to reduce deforestation	534,892	890,742	(866,138)		559,496
Institutionalise cascaded transboundary, interagency joint law enforcement governance in the Kavango Zambezi (KAZA)	68,228	83,678	(127,325)	-	24,581
Reducing Maritime Trafficking	79,369	107,409	(245,398)	-	(58,620)
Pelargonium sidoides Biodiversity Management Plan	215,997	162,150	(162,923)	-	215,224
RTI Tuhifadhi Maliasili	98,964	83,501	(313,552)	-	(131,087)
Himalayan Plants for People	(58,221)	153,605	(87,130)	-	8,254
Strengthening Wildlife Law Enforcement	172,316	445,248	(420,911)	-	196,653
Money laundering and the illegal wildlife trade in China	74,866	199,108	(132,186)	-	141,788
CWT in sub-Saharan Africa	(24,944)	217,263	(214,845)	-	(22,526)
Anti-Corruption and Combatting Wildlife Trafficking Activity - Madagascar	112,743	211,172	(168,020)	-	155,895
Demand reduction, Enforcement and policies supporting the conservation of Elephants and Rhinos	26,464	645,707	(476,569)	-	195,602
SA Wildlife Investigator Mentoring Scheme	21,850	407,176	(313,099)	-	115,927
	2,759,832	7,185,433	(6,865,755)	(12,255)	3,067,255
Other projects	836,692	3,771,804	(4,945,172)	(73,004)	(409,680)
	3,596,524	10,957,237	(11,810,927)	(85,259)	2,657,575
Total funds	4,917,192	11,361,214	(10,360,063)	-	5,918,343

16. Allocation of net assets between funds

Group	Restricted funds £	Unrestricted funds £	2024 Total £
Fixed assets	72,360	0	72,360
Current assets	2,626,936	4,624,777	7,251,713
Current liabilities	(566,388)	(2,935,313)	(3,501,701)
Total funds	2,132,908	1,689,464	3,822,372

Charity	Restricted funds £	Unrestricted funds £	2024 Total £
Fixed assets	60,211		60,211
Current assets	2,223,502	4,694,656	6,918,158
Current liabilities	(482,487)	(2,841,412)	(3,323,899)
Total funds	1,801,226	1,853,244	3,654,470

2023 Comparative Group	Restricted funds £	Unrestricted funds £	2023 Total £
Fixed assets	-	42,160	42,160
Current assets	6,221,740	2,843,495	9,065,235
Current liabilities	(3,564,165)	(520,910)	(4,085,075)
Total funds	2,657,575	2,364,745	5,022,320

2023 Comparative Charity	Restricted funds £	Unrestricted funds £	2023 Total £
Fixed assets	-	39,070	39,070
Current assets	5,865,004	2,407,317	8,272,321
Current liabilities	(3,028,060)	(426,457)	(3,454,517)

17. Operating leases

At 30 June 2024 the Charity had total commitments under non-cancellable operating leases as set out below:

	Group 2024 £ Land & Buildings	Charity 2024 £ Land & Buildings	Group 2023 £ Land & Buildings	Charity 2023 £ Land & Buildings
Payment due:				
Within one year	118,674	70,942	122,329	61,661
Within two to five years	27,767	17,839	137,413	54,840
	146,441	88,781	259,742	116,501

18. Related party transactions

The following transactions took place between the TRAFFIC International and its wholly owned subsidiaries - TRAFFIC International Southeast Asia, TRAFFIC International Tanzania and TRAFFIC International Europe:

- Transfer of project income of £1,862,615 (2023: £2,098,388) and core income of £147,147 (2023: £190,673) from the parent undertaking to the subsidiary.
- Service support charges of £88,620 (2023: ££88,620) were made by the parent undertaking to the subsidiary.
- Grants of £nil (2023: £nil) were transferred from the subsidiary to the parent undertaking.
- At the year end, the parent undertaking owed £48,056 (2023: £48,056) to the subsidiary undertakings.

There were no other related party transactions in the current or previous year.

19. Taxation

The Charity is exempt from corporation tax as all of its income is charitable and is applied for charitable purposes.

20. Comparative Statement of Financial Activities (Year ended 30 June 2023)

	Notes	Unrestricted Funds £	Restricted Funds £	2023 Total £
Income from:				
Donations		1,034,262	-	1,034,262
Charitable activities		51,068	10,908,328	10,959,396
Investments		-	103	103
Other		23,815	-	23,815
		-	48,806	48,806
Total	5	1,109,145	10,957,237	12,066,382
Expenditure on:				
Raising funds – grant and contract proposal development		246,766	-	246,766
Charitable activities				
Red stream		633,044	8,230,174	8,863,218
Green stream		141,281	1,836,792	1,978,073
Mixed		130,387	1,743,961	1,874,348
Total charitable activity expenditure		904,712	11,810,927	12,715,639
Total	6	1,151,478	11,810,927	12,962,405
Net income/(expenditure)		(42,333)	(853,690)	(896,023)
Transfers between funds		85,259	(85,259)	-
Net movement in funds		42,926	(938,949)	(896,023)
Reconciliation of funds:				
Total funds brought forward		2,321,819	3,596,524	5,918,343
Total funds carried forward		2,364,745	2,657,575	5,022,320

Non-adjusting post balance sheet event

Following US President Trump's Executive Order on 20 January 2025 and US Secretary of State Rubio's Memo of 24 January 2025, TRAFFIC received on 25 January 2025 a series of "Notice of Suspension" from the US Government notifying the organisation that their funding had been immediately suspended and ordering TRAFFIC to stop work on all of their projects. These actions have significant implications for TRAFFIC and its project portfolio. Senior management and the Trustees are in the process of assessing various scenarios regarding US government funding and the appropriate responses. Due to the level of uncertainty with these actions, management is unable to reliably estimate the impact, if any, on these financial statements. However, TRAFFIC has done sufficient analysis to confirm that it can remain a going concern whatever the outcome regarding US government funding.

JANUARY 2025

WORKING TO ENSURE TO ENSURE THAT TRADE IN WILD SPECIES IS LEGAL AND SUSTAINABLE, FOR THE BENEFIT OF THE PLANET AND PEOPLE

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England & Wales - Charity number 1076722

Accounts

TRAFFIC



TRAFFIC FY23

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

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TRAFFIC is a leading non-governmental organisation working globally on trade in wild animals and plants in the context of both biodiversity conservation and sustainable development.

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PUBLISHED BY:

TRAFFIC International, Cambridge, United Kingdom.

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MESSAGE FROM THE CHAIR OF TRUSTEES AND EXECUTIVE DIRECTOR



MARK HALLE
Chair of the Board



RICHARD SCOBEY
Executive Director

TRAFFIC delivered strong programmatic and operational results in the fiscal year to the end of June 2023, covered by this report. This year has seen the launch of our new 2030 Strategy, designed to scale up evidence, solutions, and influence to ensure that trade in wild species is legal and sustainable, for the benefit of the planet and people. At a time of unprecedented biodiversity loss, TRAFFIC has renewed our ambition to drive action to achieve a nature-positive world by 2030.

In FY23, we continued to focus our research and advisory work to strengthen global policy frameworks for legal and sustainable trade of wild species. We provided important contributions for key intergovernmental processes, including the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES CoP19) in November 2022 in Panama, and the Convention on Biological Diversity (CBD CoP15) in December 2022 in Canada. The Kunming-Montreal Global Biodiversity Framework that was negotiated by the global community at CBD COP15 provides the overarching framework for TRAFFIC's work in the coming years.

As noted in this report, TRAFFIC deepened support this year to improve the effectiveness of regional and national policies and regulations. For example, TRAFFIC provided support to the European Union for the revision of the EU Wildlife Action Plan and to the African Union for the finalisation of the African Biodiversity Strategy and Action. Likewise, TRAFFIC also helped strengthen the enforcement of wildlife trade legislation at the national level, which contributed to the disruption of transnational criminal networks in Africa and Asia.

Over the past year, TRAFFIC rolled out a series of interventions to eliminate illegal and unsustainable timber and other forest products trade in Tanzania, Congo Basin, Viet Nam and China – key source to consumer countries of tropical wood. The mobiprint timber tracker for the Tanzania Forestry Agency in Tanzania, co-developed by TRAFFIC, has contributed to a doubling of royalty revenue and reduction in corruption opportunities, following its roll out in 2017-21. In China, a Code of Conduct to verify timber legality for wood processing and trading companies, co-developed by TRAFFIC and the China Timber & Wood Products Distribution Association, was adopted by over 70 companies, with on-the-ground verification conducted in over 40 companies – tangibly influencing overseas operations in Congo Basin.

In FY23, we continued to champion the legal, safe, and sustainable use of wild species to benefit the livelihoods indigenous peoples and local communities around the world. With a strong focus on the 'hidden' non-timber forest products, the WildCheck report co-authored by TRAFFIC, UN FAO, and IUCN, shed light on the wild plant ingredients, with impact including two UK retailers making commitments for responsible sourcing of Brazil nuts.

An important achievement this past year was increased protection and management of trade in sharks and rays. TRAFFIC piloted an innovative digital traceability tool in South Africa called SharkTrace that tags and tracks sharks from the point of capture through to point of consumption, ensuring transparency throughout the supply chain. At CITES CoP19, the Parties adopted new decisions to help identify where there were existing implementation challenges for the management of CITES-listed sharks and rays, explicitly building on the findings of TRAFFIC's research report on 'Missing Sharks.'

TRAFFIC further supported capacity building of 100+ front-line law enforcement officials to identify CITES-listed shark species in trade using the open-access 3D-printed shark fin replica toolkit, with over 120 organisations downloading the 3D fin files, with assistance provided to customs in Tanzania, France and the Netherlands with the identification of shark fins seized at airports.

As part of our growing focus on catalysing new partnerships, TRAFFIC promoted a 'One Health' approach in international and regional processes led by WHO, FAO, WOAH, UNEP, and others, ensuring balanced integration of the benefits and risks of wild species trade in the governance and management of supply chains. Likewise, TRAFFIC joined the Taskforce on Nature Markets as a knowledge partner this year, and produced a joint set of recommendations to reduce the incidence and impact of nature crimes by establishing a requirement for investors and financiers to demonstrate a nature-crime free value chain.

Operationally, the organisation maintained a large and diverse portfolio in FY23 whilst adapting to the launch of the new 2030 Strategy. TRAFFIC has continued to grow in both income and expenditure for the fourth year running. We continue to focus on developing new sources of unrestricted funding to diversify our income stream. Improvement to TRAFFIC's monitoring systems, the status of the combined project portfolio, and compliance with statutory requirements in all registered offices underscore our commitment to transparent and accountable financial management.

Looking forward, our vision for the year ahead is clear. Strengthening global and regional intergovernmental processes, supporting governments in effective policy implementation, and empowering communities in sustainable practices will remain at the forefront of our priorities. Additionally, our focus to work with private sector on verifying responsible wild species supply chains and with consumers to reduce the consumption of illegal and unsustainable wildlife products aligns with our broader goal of harmonizing wildlife trade with the conservation of nature.

As we navigate the complexities of a volatile and changing global landscape, we extend our deep appreciation to our dedicated staff, government partners, intergovernmental organisations, and stakeholders who contribute significantly to TRAFFIC's impact. Special thanks to our Trustees for their strong strategic guidance, our founding partners IUCN and WWF for their continued support and collaboration, and to the organisations who have supported TRAFFIC's mission through their generous support in FY23.

Looking to the future, our commitment to ensuring that trade in wild species remains a force for conservation is unwavering. Together, we will continue to make strides toward a more sustainable and harmonious coexistence between humanity and the natural world.





THE TRUSTEES, WHO ARE ALSO DIRECTORS OF THE CHARITABLE COMPANY, PRESENT THEIR ANNUAL REPORT (INCLUDING THE STRATEGIC REPORT) ON THE AFFAIRS OF THE CHARITY, TOGETHER WITH THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 30 JUNE 2023.

INTRODUCTION

The commercial use of wild animal and plant resources - "wildlife trade" - is an issue at the very heart of the tension between biodiversity conservation and human development. Human beings around the world directly depend on wild species as sources of food, medicines, construction materials, and many other items, as well as for income. Although the impact of this trade on the status and security of species and ecosystems is clear, the trade in wild species also makes a significant contribution to human wellbeing.

TRAFFIC International (hereafter referred to as TRAFFIC) is a leading non-governmental organisation working globally to address biodiversity conservation and sustainable development priorities linked to the trade in wild species. TRAFFIC was established in 1976 by the International Union for the Conservation of Nature (IUCN) and WWF to respond to the growing threats posed by illegal wildlife trade and overexploitation. We have maintained our unique role as a global wildlife trade specialist, combining original research, sound and impartial analysis, and collaboration with a range of partners to reduce illegal wildlife trade and enhance benefits from sustainable and legal trade.

TRAFFIC delivered its work through a team of approximately 180 staff based in Asia, Africa,

the US, and Europe. TRAFFIC's global office, based in Cambridge, UK delivered global leadership, technical expertise, and support functions to the organisation. Our long-standing expertise, combined with an evidence-based and flexible approach to problem-solving, has given TRAFFIC a strong and respected reputation, allowing us to achieve an influence disproportionate to our size.

This report presents TRAFFIC's financial accounts and highlights some of our achievements during FY23 (July 2022 – June 2023). Our combination of original and in-depth research, targeted communications and capacity building, helped governments, businesses, other non-governmental organisations (NGOs) and individuals to take action in line with TRAFFIC's mission to ensure that wildlife trade is not a threat to the conservation of nature. To find out more about TRAFFIC's work, please visit **www.traffic.org**.

PROGRAMME OBJECTIVES AND FOCUS

The Charity's objects, set out in its Articles of Association, are to promote the conservation and protection of nature and natural resources worldwide through helping to ensure that trade in wild animals and plants is at sustainable levels and in accordance with domestic and international laws and agreements.

TRAFFIC's mission is to ensure that trade in wild plants and animals is not a threat to the conservation of nature. This mission is linked to a vision of a world where wildlife trade is managed in a way that maintains healthy wildlife populations and ecosystems; contributes to meeting human needs; supports local and national economies; and helps motivate commitments to conserve wild species and habitats.

To further its mission and Charity objects, TRAFFIC supports the implementation of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and other international agreements and national-level wildlife trade controls. TRAFFIC also supports wider public and private sector efforts to eliminate illegal wildlife trade and promote sustainable management and trade of fisheries, timber, non-timber forest products, and other wild-sourced commodities. TRAFFIC informs, promotes, facilitates, and otherwise supports action to address wildlife trade issues in wildlife trade hotspots worldwide, including producer, trading and consumer countries. TRAFFIC's work is based on a multi-pronged approach created to inform and strengthen the capacity of people and institutions responsible for designing and implementing international, regional and national policies and regulations. This focus is balanced with work to inform and influence the behaviour of businesses and individual consumers as these relate to trade in wild animals, plants, and related products.



IMPROVING BUSINESS PRACTICES: SOURCING



MAKING LAWS WORK: REGULATION



SHAPING MARKETS: PURCHASING



ENSURING EFFECTIVE MULTILATERAL INTERVENTION: COOPERATION

TRAFFIC's FY23 work plan focused on two priority workstreams: 1) Approaches and action to enhance responses to wildlife crime and illegal trade; and 2) Approaches and action to enhance systems for sustainable, legal wildlife trade. Many projects combined elements of work under both workstreams, reflecting the importance of reducing illegal trade to achieve sustainable, legal trade in wildlife resources and the potential for sustainable incomes from legal trade to dissuade illegal activities.

ACTION TO ENHANCE SYSTEMS FOR SUSTAINABLE, LEGAL WILDLIFE TRADE

Work is focused on enhancing benefits from sustainable and legal trade in wildlife resources by increasing incentives and pathways for businesses, communities and consumers to engage in responsible trade practices

ENHANCING RESPONSES TO WILDLIFE CRIME AND ILLEGAL TRADE

Our work is focused on achieving a sustained reduction in illegal wildlife trade by increasing the risks and reducing the rewards associated with trading in wildlife contraband, thereby reducing the criminal motivation and engagement in the illicit trade that is driving the poaching crisis.

The design and delivery of work under these two workstreams were underpinned by a broader programme of strategic research and analysis to produce guidance on wildlife trade issues. Targeted communications, tools and training were used to inform, engage and support positive actions by stakeholders.

EVIDENCE TO INFLUENCE APPROACH

RESEARCH

Market monitoring
Legislative reviews
Behavioural insights
Investigations

01

ANALYSIS

Data mapping
Information systems
Applying context
Academic insights

02

GUIDANCE

Early warning
Threat assessments
Setting standards
Regulatory design

03

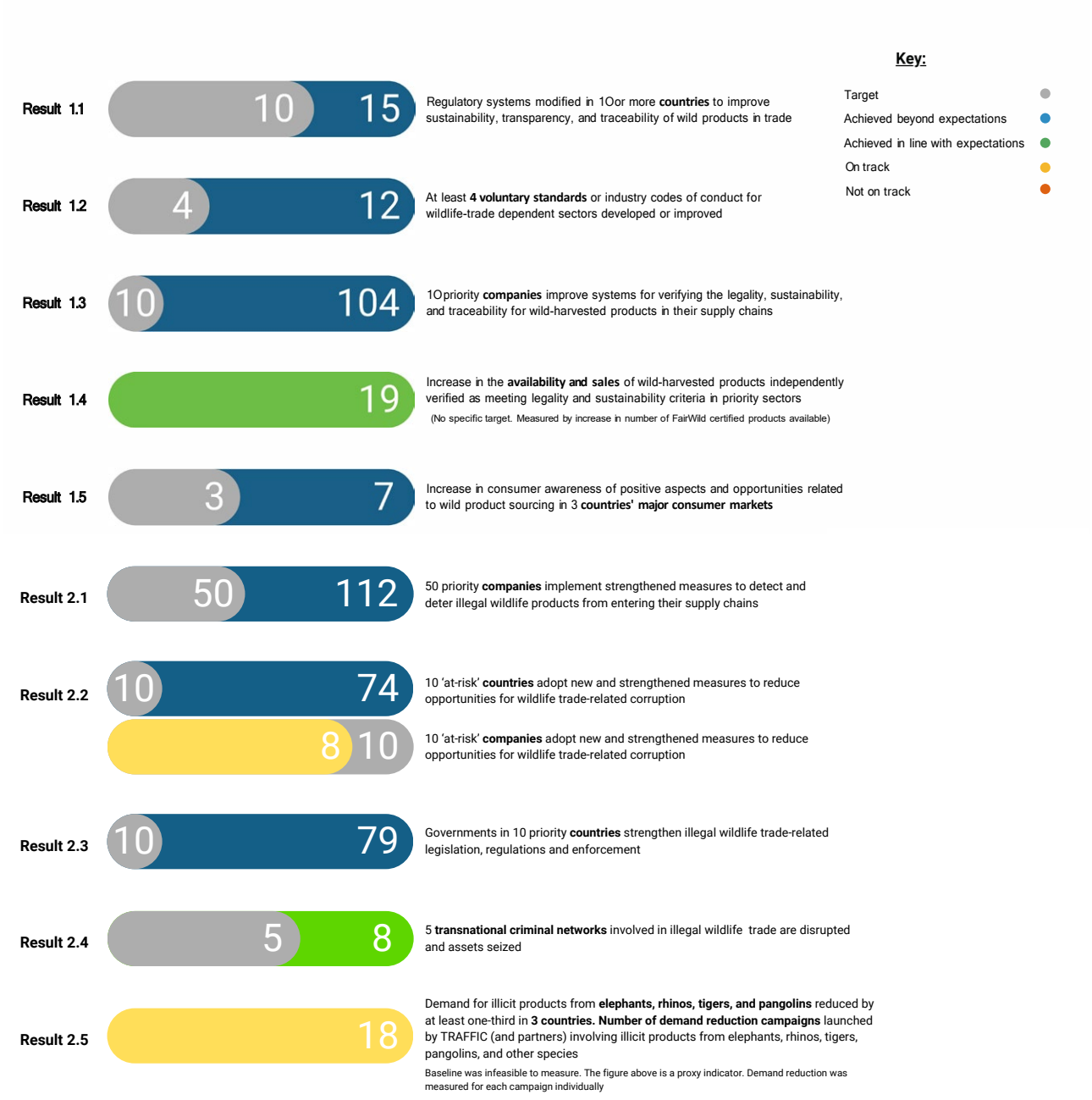
ENGAGEMENT

Enforcement support
Policy advice
Communications
Training

04

PROGRAMME DELIVERY - ACTIVITIES AND HIGHLIGHTS

This reporting period covers the transition from TRAFFIC's 2017-22 Programme Strategy to the new 2030 Strategy, which was approved by the Board in January 2023. See an overview of all TRAFFIC's Programme Results below. The numbers in grey represent the Programme Results targets, and those in colour represent the total achieved by the end of FY23.
A selection of programme highlights during FY23 are provided below, detailing our achievements delivered within each of the two workstreams and some which have a cross-cutting impact. Work was typically delivered in partnership with other organisations, including government agencies, intergovernmental and civil society organisations, and businesses. In many cases, it builds on efforts that have gained momentum and increased impact over multiple years.

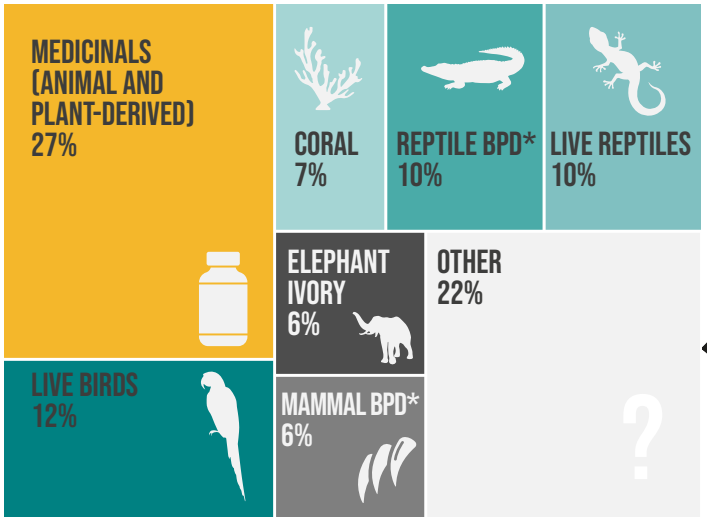


ENHANCING RESPONSES TO WILDLIFE CRIME AND ILLEGAL TRADE

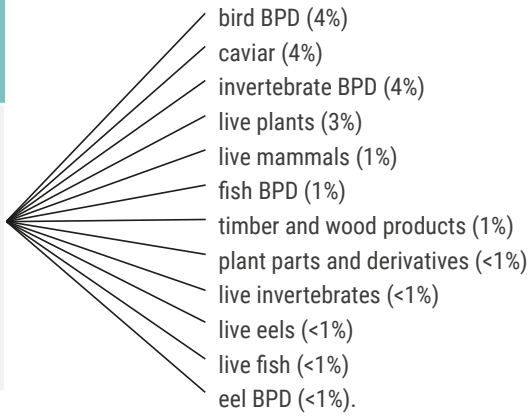
Government and private sector efforts to eliminate illegal wildlife trade have grown in scale and sophistication over the past decade. Inevitably, wildlife traffickers continually adopt new techniques to avoid detection; requiring governments, international agencies, businesses, and consumers worldwide to redouble individual and collective efforts to tackle wildlife crime. TRAFFIC remained at the forefront of these efforts, focusing on providing leadership, insights and tools supporting and strengthening co-operative action by public and private sector stakeholders. Examples of achievements to which TRAFFIC contributed during the year include the following.

TWIX INNOVATION IN SUPPORT OF EFFECTIVE WILDLIFE LAW ENFORCEMENT

Trade in Wildlife Information eXchanges (TWIX) are regional inter-agency platforms enabling public officials to share information on wildlife seizures, smuggling routes, modus operandi, and other IWT-relevant information over a secure mailing list. They also facilitate access to resources such as legislation and guidance, needed by the public sector users. TRAFFIC manages and supports the TWIX systems, starting from 2005 when the **first TWIX was developed in Europe**.



The main commodity groups seized in the EU in 2021 based on the **NUMBER OF RECORDS**



The main commodity groups seized in 2021 based on the **NUMBER OF SPECIMENS**



REPORTED VALUE OF ILLEGAL WILDLIFE SEIZED IN THE EU

based on estimated values reported for only 25% of all records (1036 out of 4137, with no information on value provided for the rest of the seizures)



***BPD Body parts and derviatives**

Following the success in Europe, TWIX systems have been replicated in Central (**AFRICA-TWIX**), Southern (**SADC-TWIX**), and Eastern Africa (**EA-TWIX**). The Eastern Africa TWIX grew to include Ethiopia as a member. This addition solidifies TRAFFIC's formal expansion into the Horn of Africa as Djibouti became a member of the EA TWIX in 2022. As part of scoping the expansion for West Africa, TRAFFIC organised multi-agency, private and public sectors national workshops in Togo, Cote D'Ivoire and Nigeria, bringing together about 200 participants across the sectors, and the West Africa TWIX platform received enthusiastic backing for its development. Scoping for expansion into the ASEAN region is underway.

The EU-TWIX team organised a **training webinar on timber identification**, modus operandi, and smuggling methods, in collaboration with UNODC and WCO, for the benefit of the EU-TWIX network. Eighty-nine officials from 26 European countries and two international organisations attended the webinar and the feedback received was extremely positive. The recording of the webinar was also made available afterwards, to which more than 1,400 officials were given access.

The development of the SADC-TWIX **mobile app** has begun, with initial meetings held with the app software developers and the existing TWIX website host and developer.

DATA UNDERPINNING ACTION AGAINST WILDLIFE CRIME AND ILLEGAL WILDLIFE TRADE: PROGRESS OF THE TRAFFIC'S WILDLIFE TRADE INFORMATION SYSTEM

A total of 5,193 wildlife trade incidents, market monitoring, and actionable information were entered into the **Wildlife Trade Information System (WiTIS)** in FY23. The number of users on the **Wildlife Trade Portal** has also risen to **1,550** and the number of records now stands at over **28,100**.

Several scientific papers were published that made use of Portal data and it was also used in a range of projects by researchers, NGOs and private companies. Western Union's lead analyst on identifying, analysing, and mitigating the company's exposure to exploitation by wildlife trafficking sales, described the Portal as "invaluable to helping the company understand strategic trends that could impact our ability to ensure licit and lawful use of WU services by customers."

TRAFFIC submitted 438 names of known illegal wildlife traders to Refinitiv World Check and Dow Jones Risk and Compliance databases, which are used by 6,000 financial



Cluster map of seizures of sawn or unworked timber, 2011 to 2022. The grey to black circles are timber, while the red circles are instances where other non-timber wildlife products were seized alongside timber (using WiTIS data).

institutions and law enforcement agencies around the world to carry out due diligence in accordance with Anti-Money Laundering 'Know your customer' requirements. TRAFFIC also shared four corruption risk profiles with Financial Investigation Units (FIUs) for further investigation. These risk profiles related to corruption in the forestry sector and were created using a variety of different risk indicators that we compiled using "big data" techniques from 13,500 politically exposed persons (PEPs) in Peru under the Tackling Nature Resource Corruption (TNRC) project. In East Africa, Southern Africa, Southeast Asia and China, over 1,000 new incidences, including domestic wildlife crimes and seizures, were entered into WiTIS. For example, TRAFFIC received information on over 180 court case records involving the poaching or seizure of succulent plants in the Northern Cape Province of South Africa. In Madagascar, to date, a total of 98 individual illegal wildlife trade (IWT) court proceedings have been monitored and data from these cases have been recorded and uploaded. In Southeast Asia, we have developed a guideline for estimated weight and volume of confiscated timber to ensure a more accurate depiction of the seizure, and to more reliably present analysis findings. We are now working with governments of the Kavango–Zambezi Transfrontier Conservation Area (KAZA TFCA) Partner States on data collection and input for the **KAZA Wildlife Crime Portal**, with data submissions from Namibia, Zambia, and Zimbabwe so far.

ONLINE TRADE: STRENGTHENING THE SUCCESSES OF THE COALITION TO END WILDLIFE TRAFFICKING ONLINE

Since its launch by TRAFFIC, WWF and International Fund for Animal Welfare (IFAW) in 2018, members of the Coalition to End Wildlife Trafficking Online continued removing illegal wildlife trade-violating content, expanding automated detection interventions, and securing additional buy-in across the companies. For instance, the Coalition hosted three CyberSpotter Events as company engagement with Pinterest, eBay, and Meta. Thirty-nine employees participated in identifying 500 prohibited wildlife listings for removal between the eBay and Pinterest platforms. In addition, Meta removed 140 violating wildlife trade entities, including 86,000 members and 2,000 followers.

The **Coalition's Online Wildlife Education & Training (OWLET) e-learning training program** was translated into Vietnamese, French, and Spanish, expanding the program's reach to Vietnamese companies, Central African companies, and law enforcement. The programme was also expanded to include a draft stand-alone module for law enforcement officials in Central Africa, based on TRAFFIC Central Africa's "Guide to Online Surveillance, Investigative Techniques and Good Practices in the Fight Against Cybercrime related to wildlife in Central Africa."

Mercado Libre, the largest e-commerce platform in Latin America, joined the **Coalition to End Wildlife Trafficking Online** in September 2022. In just a few months after joining, Mercado Libre updated its prohibited wildlife policies across 18 country platforms and incorporated the full list of Coalition key search terms into block filters for automated detection. In collaboration with WWF Mexico and IFAW Mexico, TRAFFIC continues to advise the formation of a Coalition hub in the Latin America region.

In Viet Nam, we continued engaging the e-commerce association to drive more interactive and collaborative activities with social media platforms, e-commerce and Internet-based companies, such as wildlife-related corporate social responsibility (CSR) coaching and display of warning pop-ups for online users searching for wildlife-related keywords.

Engagement with online companies in **Central Africa** progressed with one of the largest platforms, Alibaba, agreeing to filter and remove IWT adverts. In **Southern Africa**, TRAFFIC has started developing internal and external-facing policies regarding the listing of succulent plant taxa on e-commerce platforms. These will provide guidance to e-commerce platform monitors on how to flag adverts of illegally harvested plants or trade that contravenes international conventions or domestic legislation. TRAFFIC is also

monitoring the listing of CITES Appendix I and II listed succulent plant taxa from South Africa and Namibia on eBay, a potential partner to pilot the engagement of reporting adverts for review.

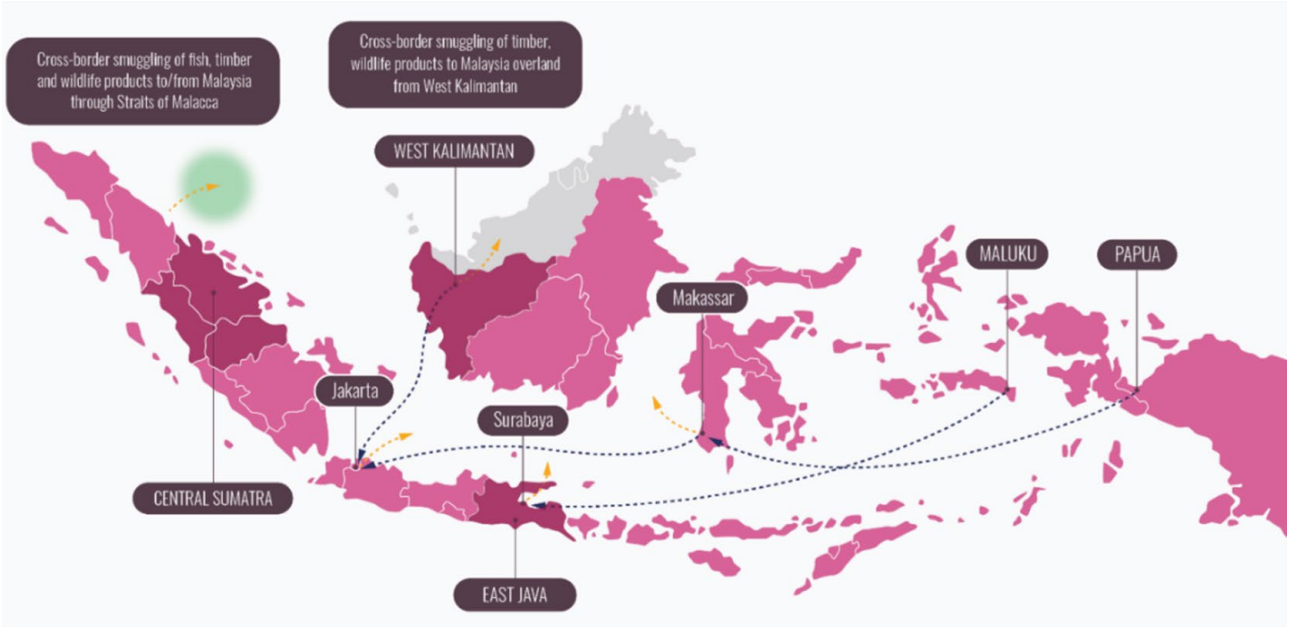
In Europe, TRAFFIC is supporting the German government addressing illegal wildlife trade online through digitalisation. For example, we prepared and distributed a questionnaire about the existing software used, and organised in-depth interviews with organisations that either use or have developed such solutions.

HIGHLIGHTING CRIME CONVERGENCE IN INDONESIA

Examining 'crime convergence', or the overlaps between multiple crimes, can help recognise their collective threat and identify better ways to tackle them. This convergence lens offers the opportunity to improve strategic policy and law enforcement responses by clarifying common locations and points of vulnerability in multiple crimes. In Indonesia, TRAFFIC has built an evidence base of the convergences among nature crimes, leading a team of local and international expert organisations. From collecting the data on different types of crime, we identified a series of case studies and gathered primary data to 'deep dive' into key areas of convergences.

Key findings from the project were presented to West Kalimantan border authorities in March by TRAFFIC's local project partner, Yayasan Planet Indonesia. The objective was to share the project findings and recommendations with a few agencies that were targeted under Phase II of the project (i.e., those interviewed) and gauge their receptiveness to the results and recommendations. The meeting was attended by government agencies, including the Agriculture Quarantine Agency, the District Attorney's Office, the Natural Resources Conservation Agency, and the District Police. Initial feedback from the agencies was positive: they validated some project findings and they broadly agreed with the high-level recommendations proposed by the project.

Lessons learned from the project are being implemented in an expansion project in **Brazil, Cameroon, and Viet Nam**, which employs a similar methodology across two project phases. The work progressed with the development of a local database facilitating data input in Cameroon, with the decision made to link it to WiTIS with local partnership agreements. Local partnership to undertake the work were also identified in Viet Nam.



Geographic and trade route crime convergences at a country level in Indonesia

STRENGTHENING SYSTEMS FOR SUSTAINABLE, LEGAL TRADE IN WILDLIFE RESOURCES

Although the illegal wildlife trade gets most of the headlines, in terms of the number of items in trade and sheer volumes, the majority of wildlife products in trade are from legal sources. This includes many common food products and household items. However, some products in legal trade are also harvested and traded illegally, or illegal products are fed into legitimate supply chains, creating complex grey areas. This undermines sustainable management practices and robs local communities and national governments of wildlife resources and associated revenue. TRAFFIC projects, therefore, focus on increasing access to information, tools, and mechanisms designed to improve systems in place to facilitate legal, sustainable trade while simultaneously reducing opportunities for illegal trade. Examples of achievements to which TRAFFIC contributed during the year are the following.

LEGAL AND TRACEABLE WOOD IN KEY SUPPLY CHAINS



Illegal and unsustainable timber trade threatens essential ecosystem services and sustainable human development in key source countries. We’re continuing our mission to foster sustainable timber trade with the **‘Leveraging legality along China’s timber supply to reduce deforestation**’ project, working in China, Viet Nam, and the Congo Basin – a pivotal supply chain for tropical timber.

Highlighting the success of the mobiprint timber tracker that TRAFFIC developed for the Tanzania Forestry Agency (TFS) in Tanzania, the IT Manager for TFS reported in September 2022 that the royalty revenue more than doubled from 2017 to 2021, which they credit at least in part to the reduced corruption opportunities since the timber tracker’s rollout. The Congo Basin Timber Traceability review has been drafted, assessing the effectiveness of timber traceability tools and recommendations. Consultancies were launched on a new legality framework on timber break-bulk yards and on the Standard Operating Procedures manual of the traceability systems of Cameroon. Timber tracker devices were handed over to the Cameroon government’s Ministry of Forestry and Fauna (MINFOF) for pilot testing in support of the government’s traceability system (SIGIF 2) in one supply chain and at the central IT unit of MINFOF.

TRAFFIC developed a structure for the timber trade statistics discrepancy analysis (TIMBERSTATS) platform, and developed a survey for key stakeholders including customs, forestry officials, and law enforcement agencies, to ensure that this tool and the Wood ID app are designed in a format that is useful for the intended audience.

> **Our association highly appreciates the results that we achieved in the two training courses on the Code of Conduct on timber legality and sustainability for our members. The trainees' awareness was improved, which helped convey awareness to the member enterprises' leaders and collectives. Furthermore, the trainees provided with knowledge and experience exchange can incorporate activities to promote the commitment to protect the environment and wildlife into their work (eg: sales contracts, posters, slogans at the factory...) associated with corporate social responsibility (CSR)**
>
> - Mr. Tran Le Huy, FPA Binh Dinh Deputy Director and General Secretary

In China, the Chinese Academy of Customs Administration (CACA) and TRAFFIC have officially signed an MoU during the 2023 Customs Control Technology Development Forum in Qinhuangdao City, outlining a long-term capacity-building platform for law enforcement and enhanced monitoring of tropical wood trade. The second session of training on Auditing Guidelines on China Environmental Labelling Verification of Sustainable Wood-Based Forest Products was held by the Ministry of Ecology and Environment China Environmental United Certification Centre (MEE-CEC) online. Thirty-three participants – both auditors and private sector, mainly from Zhejiang Province - were involved. Since the initial training in September 2022 all 30 trainees passed the test, and 22 (out of 25) auditors used the Guideline for the auditing work.

TRAFFIC also worked with the China Timber and Wood Products Distribution Association (CTWPDA) and the MEE-CEC to introduce the legal and traceable wood verification scheme at the 2022 Global Timber Trade Conference and on an online green public procurement auditing training.

In Viet Nam, TRAFFIC developed a Code of Conduct (CoC) to verify timber legality for local timber companies, in partnership with the Forest Products Association of Binh Dinh (FPA Binh Dinh). TRAFFIC, FPA Binh Dinh, and The Vietnamese Administration of Forestry (VNFOREST) organised a training course for association members and have been working with 10 enterprises to adopt and implement the CoC. TRAFFIC finalised training modules for law enforcement agencies in Viet Nam focussing on assessing and verifying legal compliance related to the legality of imported timber under Decree 102/2020/ ND -CP. FPA Binh Dinh and TRAFFIC since the training course. Five Vietnamese government officers from the Ministry of Agriculture and Rural Development Vietnamese Customs, working on timber legality and trade, visited Cameroon in an exchange visit in June to share experiences and understanding in verifying timber legality along the Cameroon- Viet Nam timber trade route. Governments agreed to update their MoU on the forestry sector in their commitment to data sharing and engagement.

SHARK TRADE: TACKLING IDENTIFICATION AND TRACING CHALLENGES

FY23 has seen major advances in the protection and management of sharks' trade. At CITES CoP19, decisions were adopted to help Parties identify where there were existing implementation challenges for the management of CITES-listed sharks and rays, explicitly noting the findings of TRAFFIC's review, Missing Sharks, and directing the Parties not meeting their obligations to find adequate solutions. The results of the "Assessing the risk of overexploitation of the most traded species of sharks and rays" (M-Risk) review were used by Panama in the listing proposal of Requiem sharks, and all 54 species are now listed in CITES Appendix II. Other results of M-Risk were evidenced by Sri



3D shark fin training in mauritius

Lanka's support of proposals. Countries such as Papua New Guinea acknowledged at CoP19 the capacity-building provided by TRAFFIC in support of CITES implementation. The review of administering shark fin stockpiles in Hong Kong has been completed and will be considered under the new Decisions adopted by CoP19.

Following CoP19 deliberations, TRAFFIC has been providing support to countries in implementing the decisions, including developing Non-detrimental Findings (NDFs) in South Africa and Vanuatu. Capacity building work continued with a Shark Assessment Report Workshop in Congo, with essential information gathering on sharks and rays management, trade, and a roadmap towards the National Plan of Action (NPOA) drafting. TRAFFIC completed the **Shark Trace digital traceability tool trials in South Africa** at the end of June with testing of the 'At-Sea' component on a pelagic longline vessel. The app was subsequently improved based on recommendations from TRAFFIC.

Relationships were developed with the fishing company and processing factory in Cape Town to allow for testing of the transport and processing components of SharkTrace during the second half of 2023.

The open-access **3D-printed shark fin replica toolkit** was used in several capacity-building

workshops for 100+ frontline officials at various land, sea, and airports in South Africa, East Africa, Central Africa, and Europe. Most trainings were delivered to law enforcement officials connected to the Trade in Wildlife Information eXchange (TWIX) networks (AFRICA, SADC, and EU-TWIX). The shark fin toolkit and contact details for identification experts were shared with frontline officials in several countries. Over 120 organisations have downloaded the 3D fin files worldwide. The toolkit has been adapted to include additional shark names and QR codes that link to TRAFFIC's website for further identification guidance.

Putting the toolkit to direct use, TRAFFIC assisted customs at OR Tambo International Airport in South Africa with the inspection of a consignment of sea cucumbers and shark fin coming from Mozambique. We provided rapid confirmation of CITES-listed species within the consignment which was subsequently seized for further verification through DNA analysis. Following the EU-TWIX webinar on shark trade at the end of 2022, TRAFFIC assisted with the identification of shark fins seized by the French Customs authority and the CITES authority in the Netherlands.

PILOTING TRACEABILITY FOR SAFE, SUSTAINABLE, AND LEGAL WILDLIFE TRADE

TRAFFIC has conducted several activities investigating zoonotic disease risk management options in wild animal trade. On World Zoonoses Day, TRAFFIC launched the Wildlife TRAPS **review of Options for Managing and Tracing Wild Animal Trade Chains to Reduce Zoonotic Risk**. The report was further profiled with a webinar in July 2022. A draft 'Options Paper' was finalised for the Association of Southeast Asian Nations (ASEAN) region, **to inform government-led public and stakeholder engagement strategies to reduce the risk of zoonotic diseases in wildlife trade**. The draft Paper was introduced at the May 2023 meeting of the ASEAN CITES and Wildlife Enforcement Working Group (including all member States) and subsequently shared for circulation by the ASEAN Secretariat. The Paper identifies priority behaviours to target at each stage of wildlife trade routes (sourcing, processing, distribution, sourcing and consumption), plus general behaviours consistent with all stages.

In Cameroon, TRAFFIC and the Network of One Health National Civil Society Organisations in Cameroon (ROOHCAM) discussed and identified synergies in respective activities on advocacy and training on One Health. At a national workshop for several government ministries, TRAFFIC participated in the agreement on the implementation of Cameroon's One Health Joint Plan of Action. TRAFFIC also held a workshop on the research results from conducting a value chain analysis on bushmeat trade in two geographic regions of Cameroon.

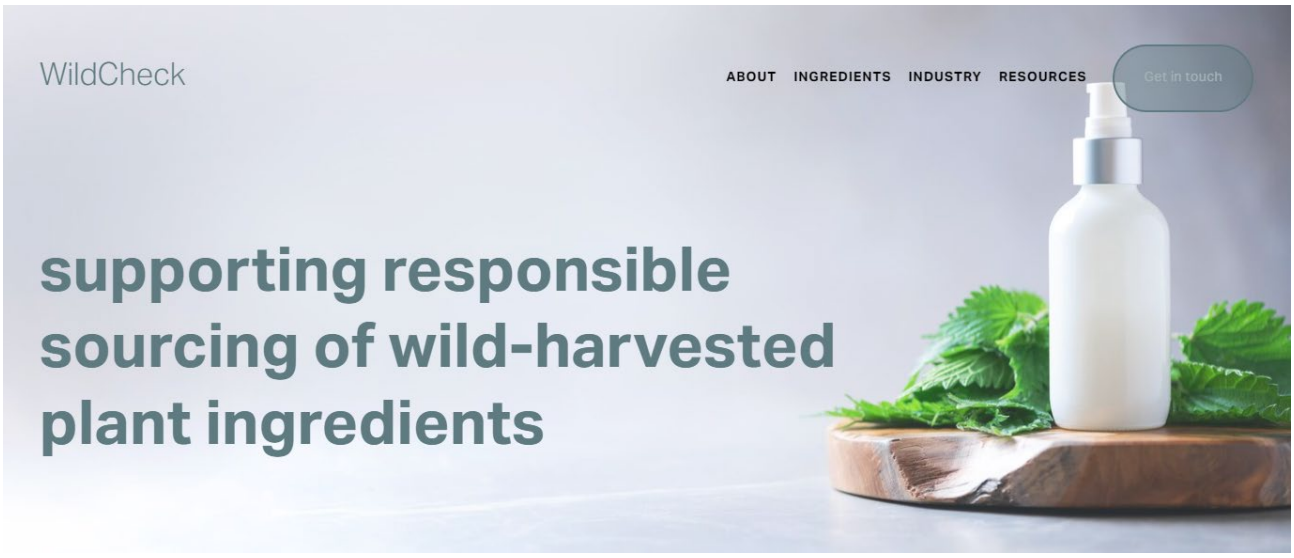
In Viet Nam, TRAFFIC launched a supply chain assessment of the trade in live macaques (dominated by the CITES Appendix II-listed Long-tailed Macaque, *Macaca fascicularis*) for the purposes of scientific research, aiming to document the existing risk management system and ascertain strengths/weaknesses, using disease risk management as the entry point, but also looking at checks for legality and sustainability prior to export.

In China, TRAFFIC organised a **consultation with experts, focusing on preventing and controlling the spread of zoonotic diseases**. TRAFFIC shared international experience in integrated risk management in wildlife trade chains, including the need to incorporate wildlife trade management as part of One Health's collaborative approaches.

In northern Tanzania, gaps in the current management of the game meat industry have been identified alongside critical control points for potential zoonotic risks for both the legal and illegal supply of wild animal meat via Value Chain Analysis (VCA) and Disease Risk Analysis (DRA) of the wild animal trade. A workshop on addressing the regulatory shortfalls was held with multiple agencies; an article on zoonotic diseases and wildlife trade was released garnering widespread interest by the media and stakeholders; and

an MOU between TRAFFIC (East Africa) and the International Livestock Research Institute (ILRI) on collaboration on the wild meat trade was finalised. Impact has been achieved via TRAFFIC convening the Game Meat Advisory Committee meetings to mobilise observations and evidence to catalyse regulatory strengthening and inter-agency collaboration on managing the wild meat trade. This work has helped engage additional agencies including the Tanzanian Wildlife Research Institute (TAWIRI) and the Ministry of Livestock and Fisheries (MLF), which is responsible for meat inspection. This engagement has been essential to reforming the mandate of existing regulations on meat inspection which were previously confined only to livestock. In parallel, TRAFFIC has begun work with TAWIRI to collect biological samples from both legal and illegal segments of the wild meat trade to screen for zoonotic pathogens, which will help in an overall disease risk analysis.

INNOVATIONS FOR THE SUSTAINABLE WILD PLANT INDUSTRY



TRAFFIC continued to support the development of innovative tools for improving the sustainability of supply chains for wild ingredients, by engaging and influencing industry standards and certifications such as the **Global Biodiversity Standard, the FairWild Standard, Union for Ethical Biotrade (UEBT), and Soil Association organic standards**. The UK's Darwin Initiative awarded TRAFFIC funding to test a new multi-stakeholder model for increasing the sustainability of wild harvest enterprise and improving access to certification through the piloting of "Wild Harvest Improvement Projects" - a concept adopted from the fisheries sector.

The **innovative WildCheck platform**, which offers objective insights and advice on sourcing wild ingredients to support business, investment, and policy scoping, and the **We Use Wild Pledge** were formally launched at the TRAFFIC-hosted We Use Wild Forum on Wild Plant Ingredients in October, attended by 43 businesses, standard-holding organisations, NGOs, and other organisations that play an important role in wild plant supply chains.

Two major UK retailers made commitments to the responsible sourcing of Brazil nuts - a wild plant ingredient and one of 12 species prioritised for action. Their commitments were influenced by TRAFFIC and its collaborative **WildCheck report with FAO and IUCN**.

The number of businesses demonstrating sustainability of sourcing and trade practices through formal participation in the FairWild system increased to 77. The numbers were boosted both by newly registering brands and traders, including manufacturers such as Aduna, Gaia Herbs, and Herb Pharm, and by newly certified operators such as Arbor Oils of Kenya and with the issuance of a new group certificate for Martin Bauer under the

recognition agreement for the mabagrown standard. The latter included 19 wild harvesting suppliers –greatly expanding the range and volume of sustainably sourced ingredients available on the market.

In Eastern Africa, TRAFFIC and WWF organised a 3-day forum on non-timber forest products (NTFP), attended by the government forestry departments from six states in East and Southern Africa, and producers and traders. The forum produced an action plan, including the resolutions to use the WildCheck report and platform and engage with FairWild.

In Nepal, TRAFFIC and local partner ANSAB continued supporting the delivery of capacity-building to community forest user groups (CFUGs), with over 5,000 people anticipated to be reached by June 2024. We collaborated with Nepal's government in the development of evidence to underpin the updated Non-detriment findings (NDF) for Jatamansi/ Spikenard (Nardostachys jatamansi), to facilitate legal and sustainable trade. The project case-study was a select topic for TRAFFIC's presentation for the World Wildlife Day in Washington, DC, showcasing partnerships and innovative market-based conservation solutions. The learnings from the project are already being shared through WildCheck. The **Market Access Workshop for Himalayan Medicinal and Aromatic Plants in Kathmandu**, brought together private sector participants, including from the China Association of Traditional Chinese Medicine (TCM), establishing initial contacts between producers in Nepal and the growing market in China. Legal and sustainable trade barriers at the regional and international levels were discussed and Himalayan BioTrade Limited (HBTL) achieved FairWild certification for Jatamansi and Kutki – a first in Nepal and the Himalayas.

In South Africa, TRAFFIC has developed numerous outputs under the UNDP-GEF 6 Pelargonium sidoides project, including a resource assessment, monitoring plan, Non-Detriment Finding, sustainable harvesting guidelines as well as the main product, the Biodiversity Monitoring Plan (BMP), which is now ready for government gazetting. In May, TRAFFIC hosted the final BMP workshop to engage with stakeholders such as local and national government, industry, universities and ecologists to receive input and support for the current BMP draft.

With the focus on key consumer countries for the wild plant industry, under the German BfN project, TRAFFIC has been **engaging with major stakeholders in Germany** including importers, producers, collectors, industry associations and relevant initiatives on the national level. This included the consultations at Biofach Fair 2023 and the "Food for biodiversity" conference. It is anticipated that the draft report, to be produced in FY24, will become an important foundation for stakeholder roundtables in this critical market for the species.

CROSS-CUTTING HIGHLIGHTS

While most of TRAFFIC's work fits into either workstreams, some activities have a cross-cutting impact. Much of TRAFFIC's work on intergovernmental global policy engagement and interventions addressing responsible consumption actions fall into this category. Below are some highlighted achievements in these areas.

GAINING DIRECT ATTENTION TO WILDLIFE TRADE IN GLOBAL POLICY FORA

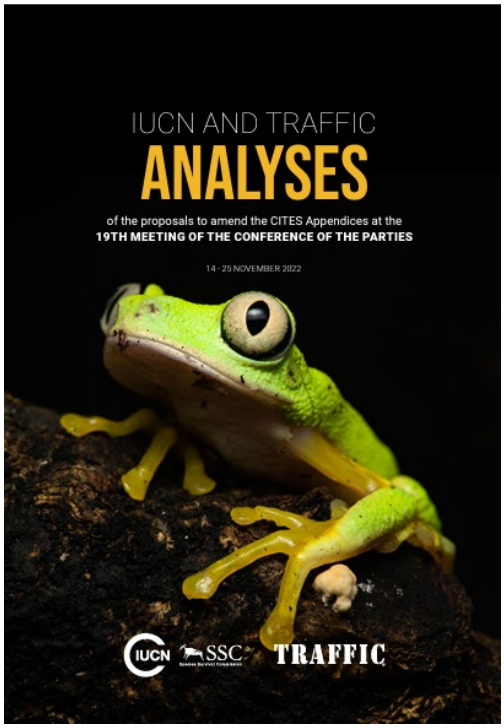
CITES and CBD Conferences played an important anchor in global policy engagement in FY23, starting from the 19th meeting of the Convention on International Trade in Endangered Species of Fauna and Flora (CITES CoP19), in November 2022.

The outcomes of the meeting made it one of the more successful CITES meetings. A series of decisions were adopted to strengthen the treaty's role in strategic global challenges such as the risk of zoonotic disease emergence, and the imperative of the gendered approach to wildlife trade.

TRAFFIC research and analysis provided valuable input into the deliberations at CoP19. TRAFFIC and IUCN jointly developed and published the **Analyses of the proposals to amend the CITES Appendices at CoP19**. Fifty-two proposals – involving around 600 species – were submitted by Parties for consideration at CoP19, and these were analysed against the criteria for amendment of Appendices using the best available scientific and technical information. IUCN/TRAFFIC Analyses and TRAFFIC's Recommendations helped inform the positions of Parties on whether to support or oppose the diverse amendment proposals, with many referring to it in CoP19 interventions. The CITES Secretariat's preliminary assessment of proposals was modified for six proposals and aligned with the conclusions of TRAFFIC's Analyses. As a result, **40 out of 52 conclusions of TRAFFIC-IUCN Analyses matched decisions made by Parties to amend Appendices at CoP19**.

On other high-priority issues, Parties endorsed a review of the **Elephant Trade Information system (ETIS)**, managed by TRAFFIC for CITES, with Parties noting the satisfactory score it received in supporting decision-making. The review concluded that the ETIS analysis is data-driven and quantitative, and TRAFFIC is objective in its use of available data, analysis, and reporting. After CoP19, TRAFFIC continued working closely with the MIKE-ETIS Technical Advisory Group and the CITES Secretariat to **implement these CITES CoP19 Decisions**.

On **Asian big cats**, TRAFFIC's report found that a large proportion of seized tigers in some countries are suspected or confirmed to involve captive-sourced animals, followed by the renewed CoP19 Decisions calling for CITES missions to be undertaken in countries with Asian big cat captive breeding facilities which may be of concern. Parties also noted TRAFFIC's comprehensive report on '**The Legal and Illegal Trade in Big cats**', with Decisions calling for the report to be reviewed by the



Animals Committee and help inform the deliberations of the recently established CITES Big Cats Task Force. TRAFFIC further provided an overview of the findings of the reports at the **CITES Big Cat Task Force Meeting in Uganda in April 2023**.

Steady progress was also made on other strategic issues, such as demand reduction and CITES efforts to counter corruption that facilitates illegal wildlife trade. Parties adopted **CITES guidance on demand-reduction** strategies to combat illegal trade developed by TRAFFIC. Governments have already expressed the need for regional training and capacity building on using the guidance to suit their unique needs and environments. Tools and strategic approaches co-developed by TRAFFIC, including the **9-step NDF Guidance** for timber and perennial plants, the WildCheck platform, and the **Options for Managing and Tracing Wild Animal Trade Chains to Reduce Zoonotic Risk**, were showcased to assist Parties with the implementation of Resolutions and Decisions.



TRAFFIC collaborated with the CITES Secretariat, IUCN and UNEP WCMC to develop the pilot edition of the **World Wildlife Trade Report**, launched at CoP19. The report highlights the socio-economic and conservation benefits of sustainable trade in CITES-listed species. It addresses the linkages between legal and illegal trade, with insights on practical steps to reduce illegal trade. TRAFFIC also launched case studies on CITES and livelihoods at CoP19, focusing on trade in medicinal and aromatic plants, and encouraging CITES Parties to enable the sustainable use of wild species with a positive impact on the livelihoods of indigenous peoples and local communities.

In June 2023, following-up on the CITES CoP19 Decisions, TRAFFIC provided technical and scientific advice to Parties at the 26th meeting of the **CITES Plants Committee and the 32nd meeting of the CITES Animals Committee**, which in turn provided recommendations and guidance to to the next CoP in 2025.

Bridging the link to the **Convention for Biological Diversity, TRAFFIC supported the advocacy towards the development of the Kunming-Montreal Global Biodiversity Framework (GBF),** adopted at the CBD CoP15 in December 2022. The agreed GBF includes targets specific to the management of the trade in wild species and equitable benefits from the sustainable use and trade, as well as a range of targets focussed on the alignment of biodiversity conservation priorities with the mainstream economic activities, financial flows, planning and policies.
TRAFFIC engaged CBD Parties and other collaborators, including WWF, IUCN, and the Collaborative Partnership on Sustainable Wildlife Management (CPW), to ensure the GBF has explicit inclusion of measurable global commitments to address wildlife trade challenges and opportunities. A side-event on the margins of CBD CoP15 brought together CITES and CMS, FAO, and national government representatives to discuss the challenges and opportunities around measuring and adaptively managing the use and trade in wild species, to assist the delivery of global commitments, with TRAFFIC leading the proposal to develop such metrics with collaborators.

Supporting Parties across the implementation of CBD and CITES Decisions, TRAFFIC played an important role in the **Africa, Caribbean and Pacific Conference on the implementation of the outcomes of the CBD COP15 and CITES CoP19** that took place in Addis Ababa, Ethiopia. Participants agreed to a draft African Union Biodiversity Strategy And Action Plan 2023-2030 which will support and drive the effective implementation of the GBF, as well as the National Biodiversity Strategies and Action Plans (NBSAPs) being developed by the African Union Member States.

TRAFFIC continued its long-term support to the **European Commission's Directorate General for the Environment (DG ENV)**, including on developing the M&E framework for the revised EU Action Plan against Wildlife Trafficking. TRAFFIC co-organised with the NGO Fern two hybrid webinars focussing on **civil society organisations (CSOs) in the Congo Basin and in West Africa**. TRAFFIC shared information about EU policies on forest governance and wildlife trade and funding opportunities triggering discussions on better collaboration amongst CSOs and their capacity and capability to influence EU actions. We also organised a workshop with **10 representatives of CSOs in Cameroon**, discussing the new EU Deforestation Regulation; COMIFAC's Sub-regional action plan on the strengthening of enforcement of national legislations on wildlife (PAPECALF); the EU Action Plan Against Wildlife Trafficking; and corresponding EU development and cooperation funding. Meeting with the **Central African Forests Commission (COMIFAC)** led to the agreement for TRAFFIC to support their annual budgeted work plan and joint work on finalising the text of the second edition of PAPECALF.



TRAFFIC/WWF report in 2020 connected the dots between the EU's captive tiger population and the illegal tiger trade, leading to the 2023 EU Guidance on the increase of controls on the trade in captive-born and bred live tigers and their parts and derivatives

DRIVING NATIONAL ACTION FOR DEMAND REDUCTION AND RESPONSIBLE CONSUMPTION OF WILDLIFE PRODUCTS

TRAFFIC advances knowledge and practices around reducing demand for illegal and unsustainable wild species consumption at national and global levels.

In China, TRAFFIC introduced the concept of **Social and Behaviour Change (SBC) to over 100 Chinese government, community members, and NGO stakeholders through a series of Webinars**. Interest was subsequently expressed by the China Wildlife Conservation Association (CWCA) in developing a textbook for Chinese government officials based on the **CITES Guidance on Demand Reduction**. Building on TRAFFIC's SBC expertise, the book 43 Endangered Species across China's Border was co-published with China Customs Press in October. The book highlights 19 of 43 species identified as potentially harbouring pathogens and focuses on practical recommendations to choose legal, sustainable, and safe products/pets. TRAFFIC designed social research focused on the use of exotic pets, in particular African Grey Parrots, to inform consumer engagement strategies, and undertook research around zoonotic risks amongst wildlife couriers and logistics companies.

In Viet Nam, in partnership with WWF, TRAFFIC supported engagements with the Traditional Medicine community, and the Critical Ecosystem Partnership Fund project supported work with tourists. TRAFFIC also provided inputs, including primary research conducted under USAID Saving Threatened Wildlife (STW), by InFocus Mekong and IndoChina research, producing insight into the demand for pachyderm commodities from Chinese tourists, and demand for wildlife used for food and pets by Vietnamese nationals; surveys to assess the impact arising from a DEFRA-funded Tiger social marketing project, in conjunction with the Behavioural Insights Team; and the development of key visuals and

draft creatives featuring threatened wildlife and SBC messaging on postage stamps (in collaboration with Viet Nam Post); and as the main communication assets under STW. TRAFFIC's engagement with Traditional Medicine practitioners has also led to the Viet Nam Central Traditional Medicine Hospital displaying SBC messaging to promote legal, safe, and sustainable ingredients in their official communication channels, reaching 5,000 patients and 500 doctors and nurses

In Malaysia, formative research and a Situation Analysis were finalised using SBC inputs, under a US State Department funded initiative with TCM practitioners, raising awareness and reducing demand for endangered and protected wildlife. TRAFFIC also successfully held a knowledge-sharing session for TCM students at Xiamen University. The event was well-received by the Head of the TCM Program and by the students, with requests for more in-depth sessions and discussions around the topic. The success of this outreach initiative will pave the way for TRAFFIC to carry out more outreach activities at other universities offering TCM courses, and importantly, sensitise future practitioners on what to sell/ prescribe, or avoid.

In Peru, a Briefing Paper on the CITES Guidance on Demand Reduction was produced for discussion at a **two-day in-person Workshop**, delivered by TRAFFIC with representatives from twelve CITES Management Authorities. The Briefing Paper was subsequently published as a **CITES CoP19 Inf.Doc.** The workshop, hosted by the Natural Resources Ministry of Peru, focused on identifying regional priorities and building national capacity to implement demand reduction campaigns, delivering against the Standing Committee recommendations to CITES CoP19.

TRAFFIC successfully **concluded delivery of the South, Central, Latin America and the Caribbean regional pilot of the CITES Guidance on Deman Reduction (DR)**. This involved delivering Steps 1 and 2 of the Five Step Process to DR in the CITES Guidance, and preparing a Research Protocol and report for discussion with SERFOR in Peru and other Parties, to support their DR efforts. Social and market research was conducted entirely virtually (due to a State of Emergency declared in Peru) and focused on the consumption of birds as pets; frogs used for traditional medicine; and tortoises/turtles as pets and food. These reports are now being translated for wider distribution around the region, building on the **Briefing Paper CoP19 Inf.33**.

In Tanzania, input was provided into 12 radio shows broadcast by 'Radio Manyara', a Swahili language station with listeners from 15 villages within the Kwakuchinja Corridor in Babati and Monduli districts, delivering 'edutainment' style content for TRAFFIC as part of SBC initiatives in the region. Campaign creatives were also prepared, pre-tested and finalised, and will soon be rolled out to promote the consumption of safe, sustainable and legal wild and game meat. Meanwhile, in Uganda, Kenya and Rwanda, TRAFFIC delivered training to about 50 media professionals, journalists, editors, and broadcasters, through workshops with InfoNile and the Association of Media Women in Kenya. Both workshops engaged participants from across East Africa in discussions around potential SBC principles for 'Conservation Journalism'.

TRAFFIC led the organisation of a European Commission '**Expert Roundtable**' on 'Awareness-raising and Behaviour Change to Reduce Demand for Illegal Wildlife Products', in Brussels. This was an important milestone in the launch of the updated EU Wildlife Action Plan, which includes focus on reducing demand for illegally traded species within the EU. The event attracted 130 participants online and in person, representing Member State governments and CITES Management Authorities, Pet Trade and Traditional Chinese Medicine industry associations, market research and consumer affairs specialists.

Internationally, we introduced the 'Technical Support Program' on behaviour change and demand reduction in Asia, Anglophone Africa and Latin America, and Francophone Africa, for the 38 countries in the World Bank-GEF 'Global Wildlife Program' (GWP) implementing wildlife conservation for development priorities. TRAFFIC prepared an **'e-Book' database of 50+ SBC Toolkits**, training courses, technical briefing papers and other resources, to help governments overcome stated barriers to implementation of behaviour change.

PRIORITY AREAS FOR WORK DURING FY24:

- Strengthening prioritised global and regional intergovernmental agreements and/or developing new policies to promote legality and sustainability of trade in wild species and discourage illegal and unsustainable trade practices
- Supporting governments in priority geographies to effectively implement regulations and policies for improved governance of trade in wild species and prevention and response to illegal wild species trade
- Enabling communities in prioritised supply chains and geographies to improve livelihoods through their involvement in legal and sustainable harvesting, trade and processing of wild species
- Helping the implementation of new or strengthened best practice to verify responsible wild species supply chains, and deter illegal products from entering supply chains by priority businesses in target sectors involved in or facilitating trade in wild species
- Delivering tools, behavioural change approaches messaging and campaigns to nudge the reduction of the consumption of illegal and unsustainable wild species products among target consumer groups in favour of those linked to legal and sustainable trade (or suitable alternatives)

PROGRAMME COORDINATION AND LEADERSHIP

The main activities of TRAFFIC's global office, based in Cambridge, fell within the following areas: strategic direction and leadership; programme development and evaluation; funding development; programme delivery (covered in the preceding section); communications; and operations management.

STRATEGIC DIRECTION AND LEADERSHIP

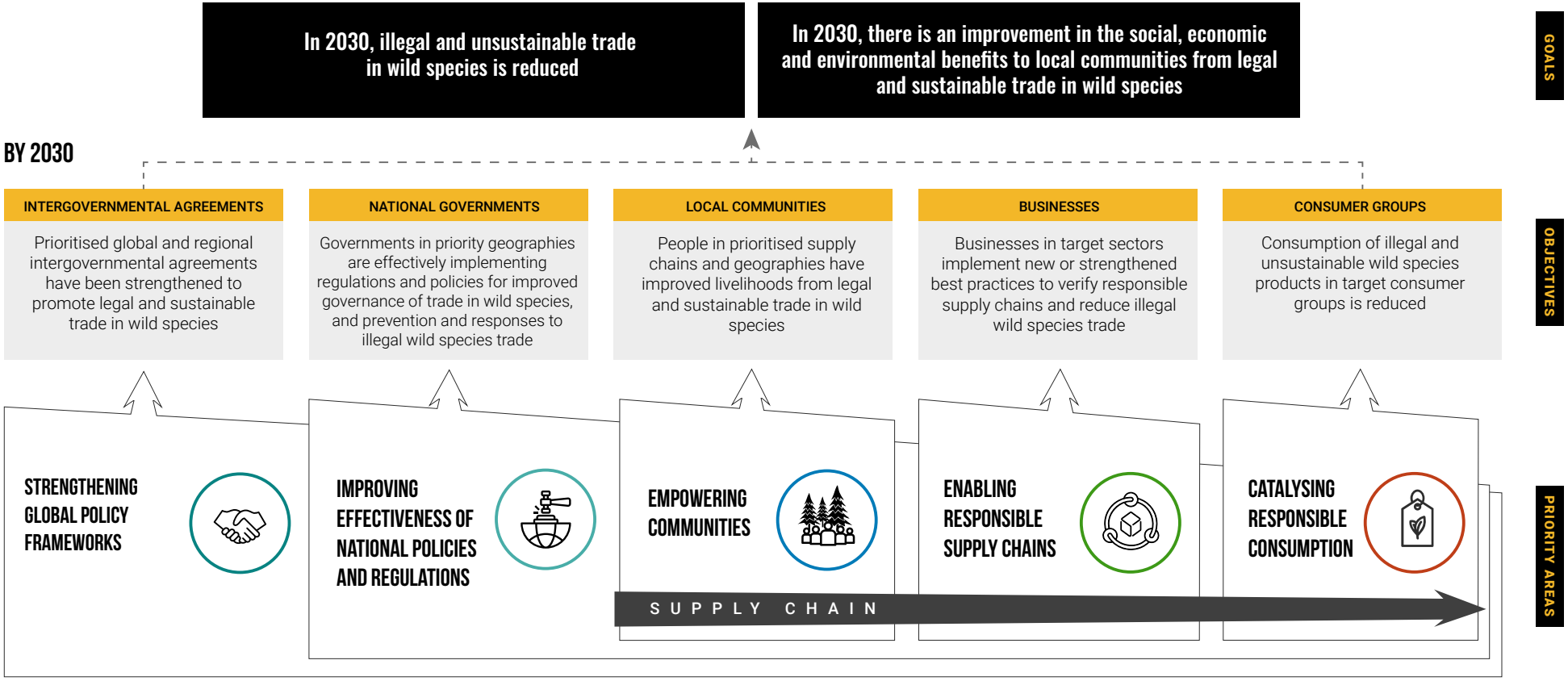
Work during this period coincided with a critical programmatic development period for TRAFFIC. Across the organisation, staff engaged in the development of TRAFFIC's Strategy to 2030, adopted by the Board of Trustees in January 2023. The Strategy reflected on the evolving role of TRAFFIC as the leading global trusted advisor on the complex challenges of trade in wild species and how we can deepen our leadership in providing the evidence, solutions, and influence to galvanise change.

As reviewed in the Strategy (see strategic diagram on next page), we are refocusing TRAFFIC's mission to give stronger emphasis to concepts of sustainable use, social impacts, and rights-based approaches, in addition to our core focus on reducing threats to conservation. In addition to updating our mission statement, TRAFFIC has revised our theory of change to bring out the logic of how our new Strategy will deliver impact towards the two ambitious and inspiring Goals, aligned and supportive of the delivery of the Kunming-Montreal Global Biodiversity Framework.

From October 2023, TRAFFIC's newly appointed Senior Director of the Global Programme Office served on the governing Council of the Cambridge Conservation Initiative (CCI), a unique collaboration between the University of Cambridge and ten leading internationally focused biodiversity conservation organisations clustered in and around Cambridge. TRAFFIC also supported CCI activities in other ways, for example giving lectures on CITES to students pursuing the CCI-affiliated MPhil in Conservation Leadership.

TRAFFIC'S MISSION IS

TO ENSURE TRADE IN WILD SPECIES IS LEGAL AND SUSTAINABLE, FOR THE BENEFIT OF THE PLANET AND PEOPLE



PROGRAMME DEVELOPMENT AND EVALUATION

TRAFFIC's previous Programme Strategy was approved by TRAFFIC's Board of Trustees in October 2017. With our new Strategy approved in January 2023, the FY23 annual work programme – organised in two 'workstreams' - and reporting in FY23 is aligned with the previous Programme Strategy.

Performance and outcomes were assessed at six-monthly intervals, with the year-end assessment reviewing overall progress as initially set out in the FY23 work plan. TRAFFIC has effectively delivered on the priorities of the FY23 Workplan. Delays in funding, political developments, slow official government project approval, and internal staff changes are the main reasons for slow progress on certain approaches.

In FY24, aligned with the commitment in the 2030 Strategy, we are focusing on moving from smaller projects that test new approaches to scaling up proven solutions for larger impact in priority sectors and geographies. Scaling up will be grounded in a strong framework of monitoring, evaluation, and learning, so that we are continually assessing our performance and influence and making the necessary mid-course corrections to achieve our two 2030 goals.

The establishment of the new Strategy, Programme, and Impact team within TRAFFIC will help sharpen our organisation-wide focus on adaptive results-based management and impact assessment. Ongoing projects, aligned with the previous Programme Strategy, will monitor and report against a new set of standard indicators where relevant and feasible; as new projects are developed, they will be designed in line with the results chains of the five Priority Areas and their monitoring and evaluation plans will be based on the standard indicators.

FUNDING DEVELOPMENT

TRAFFIC developed its new fundraising strategy in March of this year, providing a framework and targets for the newly formed Development Unit to seek funding to support TRAFFIC's 2030 Strategy. TRAFFIC, through its objective, solutions-focused approaches to wildlife trade challenges is well poised to continue a positive upward trend in restricted income, building on the growing number of public and private donors that are increasing their funding commitments to halt and reverse the current trends of environmental decline. However, TRAFFIC is faced with an urgent need to diversify and secure new sources of unrestricted/soft funding, and this is the primary focus of the new Funding Development Strategy and the priority for the Development Unit. Involvement from TRAFFIC's board in fundraising efforts to source this softer funding has increased this year particularly when investigating connections to donors where there is no formal application process and unsolicited approaches are not encouraged. TRAFFIC increased efforts to seek funding from Charitable Trusts and Foundations during the year with approaches to new donors for both restricted and unrestricted funding. Initially, the Development Unit focused on TRAFFIC's marine programme where there appears to be a high concentration of funding sources matched with a good network of contacts from TRAFFIC's side. Further applications have focused upon strengthening funding of Priority Area 3 of TRAFFICs 2030 Strategy "Empowering Communities" and core funding to underpin TRAFFICs operations functions.

The majority of applications in FY23 were developed in response to government calls for proposals such as the UK Illegal Wildlife Trade Challenge Fund, Biodiversity Landscapes Fund and Darwin Initiative, notices of funding opportunities issued by the US Bureau of International Narcotics and Law Enforcement Affairs (INL) and USAID. These included several large-scale applications for costed extensions to existing project contracts to further develop work and fund additional activities in China, Tanzania and Central Asia.
TRAFFIC has continued to build partnerships to develop innovative concepts across all

Programme Offices. These collaborations have proved to be invaluable to further diversify TRAFFIC's funding base and to develop relationships in growing areas of interest such as one health, anticorruption and crime convergence. Seeking partnerships and support for TRAFFIC's potential work in Latin America has been a focus this year and specifically targeting donors to build upon activities undertaken under the USAID funded ROUTES partnership which focuses on the aviation sector.

The Development Unit has been working consistently throughout the year to improve systems and tools to support implementation of the fundraising strategy such as the development of a new Case for Support and a review of the website content with a view to increase giving. The team is currently designing a capacity building programme to strengthen skills in raising TRAFFIC's profile and efforts are underway to review current digital fundraising platforms and their effectiveness. A new Director of Development was recruited in FY24 to continue with roll out of TRAFFIC's fundraising efforts to support the new Strategy to 2030.

COMMUNICATIONS

The foundation that drives our communications action is working to ensure that TRAFFIC's wild species trade expertise, research, and data influence global, regional, national, and local decision-making opportunities across global landscapes and policy fora.

In FY23, this has included support to priority events, particularly CITES CoP19, CBD CoP15, the International Anti-Corruption Conference, and the EU Combatting Wildlife Trafficking Action Plan.

Since its launch in early 2023, we prioritised the ongoing communication of our 2030 Strategy, drawing clear links between fieldwork and project activities, strategic priority areas, and major global conferences and events. By harnessing digital storytelling and engagement opportunities, such as the new "Views" and "Learning Centre" sections on our website, and piloting the use of new, tailored publication and communication formats, we have diversified the way we communicate our research and recommendations, elevating the resonance of our strategic objectives and expertise, and the level of influence we achieve among our stakeholder groups.

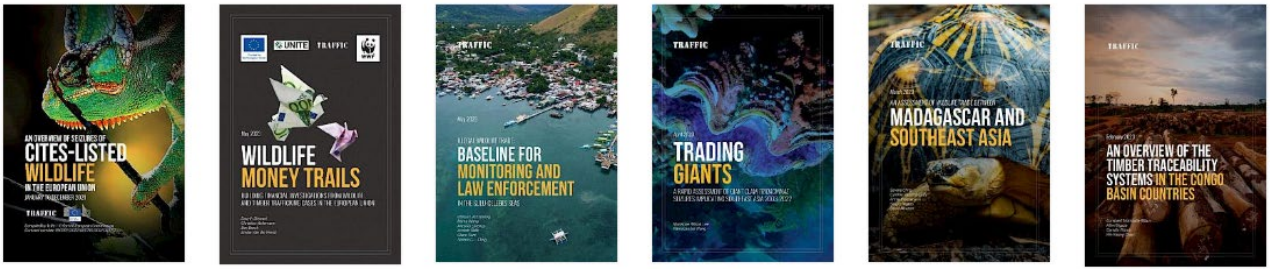
Close to 30 flagship reports were produced between July 2022 and June 2023, with these achieving over 93,000 page views in total. Those which achieved the highest views included **Skin and Bones: Tiger trafficking analysis**, **Visualising the corruption risks in the illegal rhino horn trade**, **Compliance protocol for managing stockpiles of CITES-listed shark fins in Hong Kong SAR**, **In deep water: India's sea cucumbers in IWT**, **Rosewood products and consumption**, and **We use wild – Forum report**.

In addition to these, one of various peaks in website visits was in November, coinciding with CITES CoP19. Website traffic reached over 20,000 users, 46,000 page views and approximately 1,000 report downloads. The communications team designed both the joint IUCN and TRAFFIC Analyses of the Proposals to Amend the CITES Appendices and the TRAFFIC CITES CoP19 Briefing, which were distributed digitally ahead of CoP19 and shared in-person to key stakeholders at the conference. There were 229 communication pieces, 117 directly attributable to CITES CoP19. The top five articles referring to TRAFFIC's contributions to CITES were published in MSN Singapore, BBC, Reuters, The Independent and Investing.com, and featured sharks, songbirds, tigers, rhinos, and the World Wildlife Trade report.

Innumerable other project outputs, varying between awareness-raising and Behavioural Change materials, online capacity-building courses and training videos, interactive data dashboards, apps, websites, and decision trees were either directly developed or supported by the global communications

team. An early example of this and piloting additional communications mechanisms was applied to reporting on the highlights of our FY17-22 Programme cycle in an interactive digital format. Similar approaches will be taken as appropriate with future findings, recommendations, research, and reports. In the coming year and beyond, the communications department will continue to support the delivery, implementation, and expansion of TRAFFIC's 2030 strategy and prioritise the development of a multi-step communications action plan. A new Director of Communications will be in post by January 2024 to lead these efforts.

Concise and tailored knowledge products, underpinned by strong influence plans, that reach and influence their intended audience are a cornerstone on which we work towards achieving the ambitious objectives set out in our workplans. We are disseminating our knowledge in more user-friendly and innovative formats to ensure they are accessible to all those in a position to catalyse the lasting change people and the planet need.



OPERATIONS MANAGEMENT

As in recent years, TRAFFIC's global structure continues to evolve as the organisation grows. While no new entities were established during FY23, subsidiary national entities registered in Belgium and Tanzania successfully completed their first annual statutory audits. Offices in China, Malaysia, and Viet Nam fully met their national statutory requirements and continued to strengthen their institutional presences during the course of the year.

Other significant activities during FY23 included:

- Introduction of a new timesheet software package across the organisation has streamlined monthly staff submissions and has allowed for the creation of various tools to monitor time allocations and utilization levels across the project portfolio.
- Introduction of a new appraisal system across the organisation has improved user accessibility, improving timeliness of completion, and allowing for better monitoring of performance.
- Improved cybersecurity resulting from the introduction of MS inTune software across most of the organisation has improved monitoring of individual mobile devices and their security status.
- Salary benchmarking exercises were initiated or completed in China, Malaysia, Viet Nam and the UK to ensure that staff compensation packages are appropriate and competitive.
- After careful review, a new accounting software package was identified and initial planning was initiated to launch the new package in CY2024.
- Mechanisms supporting delivery of TRAFFIC's conservation objectives through its expanding project portfolio were enhanced during the year through improvements to the existing quarterly portfolio review process, establishment of a project advisory team, and a sensitive-activities working group.
- TRAFFIC's financial reporting framework continues to progress, allowing for better provision of financial management information to the board, the senior management team, and project managers.
- Efforts to refine TRAFFIC's cost recovery framework to prepare for application to the US federal government for an approved negotiated indirect cost rate (NICRA) continued.

PROJECT PORTFOLIO

126 projects were active at some point during the financial year, with 83 projects active as of 30 June 2023. During the year, 39 new contracts or contract extensions were issued and 43 projects completed. Seventy-three funding proposals were submitted to various donors during the year and, at the time of reporting, 37 of the proposals submitted subsequently were confirmed or contracted.

HUMAN RESOURCES

Human Resources (HR) directly supported 68 recruitments across the organisation during the year with 50 new starters in the organisation and 30 leavers processed during the period. This brings the average number of staff employed by the charity to 180 Individuals, excluding staff at affiliated offices which make up an additional 21. Four volunteers contributed approximately 917 hours of work in the TRAFFIC Global office.

PLANS FOR THE YEAR AHEAD

During the coming financial year, improvement to systems for monitoring overall financial performance, the status of the organisation's combined project portfolio, and compliance with local statutory requirements in all registered offices will continue. A key element of this will be launching the new accounting software package and all the administrative changes that entails early in CY2024. Linked to this will be a push to submit a NICRA application to US federal authorities. TRAFFIC will continue its cybersecurity efforts with a view to obtaining Cyber Essentials certification. HR will expand activities related to Diversity, Equity, and Inclusion and rollout salary benchmarking to TRAFFIC's Africa and Asia offices. A new Chief Operating Officer has been recruited to take up post in early 2024. The team will continue to support the Executive Director in implementing the operational elements underpinning TRAFFIC's 2030 Strategy.

FINANCIAL REVIEW

TRAFFIC has seen growth in income and expenditure during the year. The organisation has been growing year on year for the last four years. In FY23, group income once again saw an increase from £11.4m to £12.1m, as a result of an increase in project restricted funding. Group expenditure has also gone up from £10.4m to £13m. TRAFFIC's free reserves were £2.4m, a modest increase of £43k compared to the previous financial year.

INCOME

During the year, TRAFFIC received income totalling £12.1m, an increase of £0.7m compared to the previous year. The percentage of income from Charitable Activities remained stable and constituted 91% of total income (FY22 91%).

Unrestricted income for the year remained stable at £1.1m, with the movements in different types of income being negligible.

Restricted income in FY23 increased by £0.7m to £11m from £10.3m in the previous year. The increase was mainly due to a fact that some large projects were ramping up activity in FY23 (CONNECT, Demand reduction, Enforcement and policies supporting The conservation of Elephants and Rhinos). The donor mix in FY23 was similar to FY22 with the highest proportion being from Government Agency funding.

Grants from this source tend to be larger and multi-year so they constitute a valuable source of income. However, TRAFFIC acknowledges the need to diversify its income streams and this will form the basis of the funding strategy for the coming years.

In FY23 £49K of donated services was recognised in restricted income (previously not recognised based on their immateriality). This was related to pro bono legal services provided to TRAFFIC to support project delivery.

One hundred and twenty-six (126) projects brought in income during the year, an increase of 19 over the previous year. Despite the slight increase in project numbers, reliance on government-funded projects has continued this year. US Government agencies continued to be the main donor with the funding constituting 47% of the total income (FY22 38%).

One of TRAFFIC's management KPIs (Key Performance Indicators) for financial performance is that no single donor contributes more than 25% of total income. During the year, one donor (INL) directly and indirectly contributed 22% of total project income, across ten projects. This is a slight decrease compared to last year where 31% of income was received directly and indirectly from USAID and it is just below the 25% target.

EXPENDITURE

Expenditure during FY23 was £13m which is £2.6m higher than in FY22. Of the FY23 expenditure, 98% related to expenditure on Charitable Activities and 2% on raising funds, ratio the same as previous year's.

Unrestricted expenditure increased by £130k compared to FY22. This represents a 13% increase. There has been a significant reduction in staff costs due to staff changes within senior leadership team which has been offset with an increase in establishment costs as well travel that has now resumed to pre-covid levels. In FY23, there was a £128k unrestricted foreign exchange gain (FY22 £170k). The majority of TRAFFIC's income is received in foreign currencies, namely US Dollar, Euro, Norwegian Krone and Swiss Franc. Where those funds are yet to be expended, the balances are held in foreign currency bank accounts. TRAFFIC regularly reviews its foreign currency management to mitigate foreign exchange risk where possible and considers foreign exchange risk when setting its reserve policy.

Restricted fund expenditure increased by £2.5m to £11.8m. As we mentioned, some large projects were in full operation in FY23. Project spend is largely dependent on project implementation rates each year. Also, project activities are now recovering from the world-wide travel restrictions which were removed later in some countries of our operations e.g. China. The increase this year is consistent with the overall growth of the organisation and the increase in the restricted income.

FUNDS

The net movement in group funds for the year was a deficit of £0.9m compared to a surplus of £1m in the previous year. This is related to restricted funds which related to the timing of income and income recognition rules.

The net movement in unrestricted group funds was a surplus of £43k, compared to £126k in previous year. Unrestricted funds held at the year-end were £2.4m. The net movement in group restricted funds was a deficit of £939k and restricted funds held at the year- end were £2.7m.

RISK MANAGEMENT

The Trustees recognise their role in the management and administration of the Charity and that directorship carries legal responsibilities and duties including a responsibility to assess potential risks facing the Charity. The Trustees note that the major potential risks in the areas of governance and management, operations, and finance are reviewed on a periodic basis and that systems have been put in place to minimise these risks both in the UK and overseas.

The nature of TRAFFIC's conservation programme means that the bulk of funding dispersed through TRAFFIC's UK office is subcontracted to TRAFFIC branch and subsidiary offices to implement conservation activities overseas. TRAFFIC has well-established guidelines on financial policies and procedures which are followed by TRAFFIC offices globally, including regular review of budgets, financial performance, and related financial management. In addition, TRAFFIC has an established monitoring and evaluation system in place which looks at overall programme delivery and individual project implementation against contracted project budgets and deliverables.

KEY RISKS AND UNCERTAINTIES

TRAFFIC's risk framework focuses on the following key risk areas:

- Strategic risks which influence TRAFFIC's long-term strategic objectives, including governance issues, partner relations, and stakeholders including donors and the public. The Senior Leadership Team meets on a bi-weekly basis to discuss such issues and the wider management have an annual week-long meeting covering areas of risk as well as the topic of risk management itself;
- TRAFFIC recognises that the increased focus on engagement with local communities embedded in our 2030 Strategy comes with increased responsibility towards those impacted by our work and is taking steps to bolster implementation and monitoring of TRAFFIC's safeguarding framework;
- Operational risks which arise from day-to-day issues that TRAFFIC faces as it delivers its conservation programme. These include areas such as project management, office facilities, and human resource management. To minimise these risks, Finance and Operations manuals have been produced, project steering groups are set up for major projects, staff undergo an induction process and appropriate training, and regular team meetings are held;
- Financial risks related to TRAFFIC's effective management and control of its finances including internal controls, monitoring of funding development, and the effects of external factors such as foreign exchange rates. TRAFFIC produces and reviews quarterly financial reports, as well as annual budgets and quarterly reforecasts, to allow potential financial risks to be identified on a timely basis. There is an up-to-date Finance Manual subject to regular review. Monies are kept in major donor currencies to minimise the effects of any exchange rate fluctuations;
- Knowledge management risks related to TRAFFIC's effective management and control of its knowledge resources, including communications materials, intellectual property rights, and system malfunctions. To minimise these risks, some controls include protocols for handling sensitive data, communications policies, cybersecurity measures, and regular backups of data;
- Compliance with laws and regulations related to issues such as health & safety, data protection, employment practices, safeguarding, and other regulatory issues. As well as employing appropriately professionally qualified staff we hold regular meetings with professional advisors both in the UK and in locations where we have offices overseas;

- External risks which may be beyond TRAFFIC's ability to influence, including changes in the physical environment, and in the global economic or political environment, including the high levels of inflation, and the conflict in Ukraine since 2022. To minimise the effects of these risks to the extent possible, staff monitor analysis circulated in the charity community and more broadly and attend external specialist seminars to ensure knowledge in the Charity of possible external risks.

Any "high" risks identified, and the actions taken to mitigate them, are brought to the attention of the Board of Trustees. The Board's Operations Committee review the risk register on a bi-annual basis and the Board of Trustees on an annual basis. The Board reviewed and updated the organisation's overall risk policy in January 2022.

SAFEGUARDING

TRAFFIC International takes very seriously its responsibility to protect people, including our staff, volunteers, partners, consultants, contractors, trustees and others affected by our work, from any harm that may result from coming into contact with our organisation.

As a wildlife conservation charity primarily involved in researching legal and illegal wildlife trade globally, and encouraging necessary action by governments, businesses, and others, TRAFFIC does not usually work directly with children or with adults who could be seen as at risk, nor do we carry out aid-funded relief work. Nevertheless, TRAFFIC employs around 180 staff globally and cooperates with a wide range of public and private sector partner organisations to carry out work related to people and their use of natural resources.

We recognise the importance of ensuring that our work does not have adverse social or environmental impacts at any level, and the need to incorporate these considerations both into the design and implementation of our activities and into the conduct of our staff and implementing partners.

TRAFFIC is aware that it is bound by the laws of the UK in respect of conduct both at home and abroad. We are committed to acting professionally, fairly, and with integrity in our business dealings and relationships wherever we operate. This includes implementing and enforcing effective systems through a framework of policies including professional conduct, sensitive activity management, anti-bribery, and whistleblowing. TRAFFIC's safeguarding statement can be found on our website.

In 2023, TRAFFIC formally introduced a safeguarding module as part of its staff induction process, and continued improvements to its sensitive activity and local community engagement processes. No reportable issues were raised or identified during the financial year.

ENVIRONMENTAL SUSTAINABILITY

TRAFFIC operates in multiple locations across several continents, managed from the global office in Cambridge, UK. TRAFFIC staff work under a variety of conditions in these strategic locations, from single individuals to larger groups, often hosted within an external organisation's office.

TRAFFIC is a key member of the Cambridge Conservation Initiative (CCI) including as an active participant in CCI's Sustainability Working Group with the 2020-2025 David Attenborough Building Sustainability Strategy and Environmental Sustainability Policy providing the basis for TRAFFIC's Environmental Sustainability Policy (2021).

Global application of the TRAFFIC policy, which includes a number of elements (carbon reduction and energy efficiency; purchasing and procurement; travel and transport; waste management; biodiversity and ecology; water use; and host collaboration and reporting), continues to progress slowly, both because of the ongoing impact of the COVID pandemic and difficulties in capturing and consolidating consumption data from offices in different countries (including the UK) to establish base-line data.

CCI tenants in the David Attenborough Building (DAB) have set themselves the same carbon reduction target (absolute zero by 2048) as the University of Cambridge for Scope 1 and 2 emissions, which relate to energy purchased for the building. In FY22, TRAFFIC and other CCI members began exploring ways to calculate Scope 3 carbon emissions generated indirectly by a range of operational requirements in the DAB, e.g. waste, water, procurement, travel and transport, and how to use carbon offsetting as an option to mitigate the building's carbon footprint.

In FY23, for the first time, TRAFFIC's Cambridge office began offsetting not only for its energy consumption but, in addition to electric (lighting and plugload consumption), TRAFFIC offset for gas and water consumption. The three components totalled just over 14 metric tonnes. As options are identified and adopted by TRAFFIC's headquarters in the UK, they will be rolled out to TRAFFIC offices in other locations as appropriate. However, with TRAFFIC's varied hosting and rental arrangements globally, it is not always possible to secure similar levels of data in overseas locations.

TRAFFIC has continued to apply technological solutions to reduce its business air travel, but post-pandemic travel has increased with FY23 levels much higher than previously reported at 648 metric tonnes across the entire organisation, which is likely similar to pre-pandemic levels. This figure is more than reported pre-pandemic levels, but a number of factors are at play including a significant increase in total staff numbers since 2020, improved record keeping with the inclusion of overseas offices, and a return to a more 'normal' schedule of international meetings such as the CITES Conference of the Parties, the Convention on Biological Diversity, and a return to face-to-face training and capacity building workshops in all geographic areas. However, as activities go on normalizing, TRAFFIC will continue to develop methods of working to promote lower impact activities and reduce its impact on the natural environment.

TRAFFIC has a long-standing carbon-offset programme currently supporting an organisation called Carbon Tanzania as part of its carbon offset commitment. Based on its FY23 activities, TRAFFIC will contribute £6620 in carbon offset on behalf of its Global Office in the UK and overseas branch offices.

Since the start of the COVID pandemic, TRAFFIC has been donating old laptops that were still usable but determined to be too slow to function effectively as work machines. After machines are wiped of all data and software programmes, and followed by a fresh installation of the Windows operating system, machines are able to provide basic functions such as internet browsing and limited light applications. Since July 2022, 29 laptops have been donated to small local and overseas charities. This activity serves to help reduce digital poverty as well as to reuse old equipment thus reducing waste.
during the financial year.

INVESTMENT POLICY

Under the Articles of Association, the Charity has the power to make any investment the Trustees see fit. The investment policy, as approved by the Trustees on 16th February 2005, is that funds will be invested in cash, bank current accounts, and bank deposits. The Charity currently holds no investments aside from its cash holdings. The Trustees will consider possible amendments to this investment policy on a periodic basis.

RESERVES POLICY

TRAFFIC'S Trustees recognise the importance of establishing reserves to allow the Charity to respond to future opportunities and current global economic challenges, particularly for an organisation with levels of restricted funding significantly higher than unrestricted. The Trustees have set TRAFFIC's general reserve fund target based on the following range: the equivalent of four months of the Charity's planned annual Core expenditure to be maintained at all times and a maximum amount equivalent to six months of the Charity's planned annual core expenditure.

TRAFFIC routinely models various scenarios to help evaluate the level of reserves that should be put aside to protect against risks such as drops in income, unexpected increases in costs, or, more positively, to allow the organisation to take advantage of new opportunities.

At the year-end, the group had free reserves of £2.4m, equivalent to over four months of planned FY24 core expenditure, before allocations to restricted projects. Free reserves are defined as unrestricted reserves less fixed assets.

Both the amount of free reserves held and the target itself are reviewed on a regular basis. An in-depth review was carried out in 2021, and a more light-touch review in 2023 found the reserve target to still be appropriate.

FUNDRAISING

TRAFFIC does not actively fundraise from the public, although there is the facility to donate on the TRAFFIC website. TRAFFIC does not engage in face-to-face fundraising, telephone fundraising, or direct mail campaigns. There were no licensed street collections in the reporting period. We do not use commercial participators.

All Trustees are aware of the CC20 guidance from the Charity Commission and any future fundraising will be conducted in line with CC20. TRAFFIC contributed to the Fundraising Regulator during the year in support of the Fundraising Code of Conduct.

There have been no formal complaints concerning our fundraising practice during the reporting period.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of TRAFFIC International for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the surplus or deficit of the charitable company and group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- State whether applicable UK Accounting

Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITOR

Each of the Trustees at the date of approval of this report confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the Charity's auditor is unaware; and
- The Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

STRUCTURE, GOVERNANCE AND MANAGEMENT

TRAFFIC was established in 1976 by the Species Survival Commission of IUCN (the International Union for Conservation of Nature), largely to support the implementation of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). CITES is an international agreement between more than 180 governments that aims to ensure international trade in specimens of wild animals and plants does not threaten their survival. Over its first two decades of operation, TRAFFIC developed as a network of offices supported by IUCN and WWF and operated as a joint conservation programme of these two international conservation organisations. TRAFFIC International was established in the UK and registered with the Charity Commission on 23rd July 1999 to provide a base for TRAFFIC's global co-ordinating office.

In 2017, a decision was made by WWF, IUCN and TRAFFIC International to consolidate governance and management of TRAFFIC operations worldwide under the UK Charity. New Articles of Association were adopted in June 2017, providing for an increased number of nine Trustees; up to three each appointed by WWF and IUCN as founder members, and up to another three independent Trustees. Subsequently, in June 2018, the Trustees agreed to merge five overseas offices into the UK charity as branches from 1st July 2018.

Since FY19, the TRAFFIC International accounts thus have incorporated Central Africa, East Africa, Southern Africa, China, Southeast Asia, and Viet Nam as branch or subsidiary offices. With Board approval, a China representative office and a Malaysian company registered by guarantee were established in FY20. Registered offices, again with Board approval, were established in Belgium and Tanzania in FY22.

All seven TRAFFIC entities are located in countries of key importance to wildlife trade and biodiversity conservation. The decision to register separately from TRAFFIC's founding partners in four of those locations was influenced by increases in the scale of TRAFFIC's presence and activities in each, an indication of TRAFFIC's growth and maturity as an organisation.

Affiliated offices in India, Japan, and the USA continue to operate as internal divisions of their respective WWF hosts and are not incorporated into the charity in a legal sense.

The Board delegates day-to-day management of the Charity to Richard Scobey, Executive Director and Chief Executive Officer, who appoints the Senior Leadership Team, who, for the purposes of regulatory reporting, are collectively the Key Management Personnel along with the Trustees. The Senior Leadership Team develops strategies and plans for the Board to scrutinise and approve. It subsequently monitors and reports on performance against targets.

As provided for under TRAFFIC International's Articles of Association, the Board has established an Operations Committee chaired by a Trustee with the delegated responsibility to review information on budgets, financial performance, organisational development and business risk and to provide advice and recommendations to TRAFFIC management and the Board of Trustees.

TRUSTEES

The Trustees who served during the year, unless otherwise stated, were as follows:

- Mark Halle, Chair
- Pam Davis (appointed May 2023)
- Jeremy Eppel (completion of term August 2023)
- Joshua Ginsberg (resigned July 2022)
- Viviana Figueroa (appointed November 2023)
- Ginette Hemley (completion of term July 2023)
- Jonathan Hutton
- Aban Marker Kabraji
- Jennifer Mohammed-Katerere (resigned September 2023)
- Alistair Monument (appointed August 2023)
- Jacque Pitteloud (appointed January 2023; resigned July 2023)
- Kavita Prakesh-Mani (appointed July 2023)
- Jane Smart (resigned November 2022)
- Heather Sohl

Members of the Board of Trustees are directors for the purpose of company law and Trustees for the purpose of charity law. The company is limited by guarantee. Therefore, no Trustee had any beneficial interest.

APPOINTMENT OF TRUSTEES

The role of the Trustees is collectively, as a board, to ensure delivery of the Charity's objectives, set its strategic direction, and uphold its values. Trustees have a fundamental and legal obligation to act in the best interests of the Charity, and in accordance with the Charity's governing documents. The Trustees oversee the management and operation of the Charity subject to the provisions of the relevant acts (Charities Act 2011; Companies Act 2006 and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" second edition issued in January 2019) and the Memorandum and Articles of Association, and any directions given by special resolution. TRAFFIC's Trustees are drawn from within the broad umbrella of its partner organisations as well as the wider conservation community and bring together an extensive range of expertise in terms of programmatic, technical, financial and administrative skills. Terms of reference for the Board of Trustees (Directors) describe the responsibilities of the board and the role of key officers.

TRAFFIC's conflict of interest policy notes that Trustees have a fundamental and legal

obligation to act in the best interests of the Charity, and in accordance with the Charity's governing documents. Trustees who are employees of WWF and IUCN are further bound by the undertaking dated 17 September 1999 made on behalf of the two founding members of the Charity. This document, addressed to the Charity Commission, states on behalf of both organisations that TRAFFIC will function as an autonomous body and that neither WWF or IUCN will be able to define or restrict the activities of the Charity. Legally and professionally, Trustees therefore serve in a personal and voluntary capacity and not as representatives of their organisations.

Trustees may serve for a maximum of two consecutive three-year terms, then must step down. Due to the number of trustees whose terms were coming to an end in 2022/2023, the Trustees agreed, on an exceptional basis, to a one-year extension of the Board Chair's term to August 2024.

TRUSTEES' INDUCTION AND TRAINING

When an individual accepts an invitation to become a Trustee, as part of the induction process, he or she receives an initial induction pack and meets with a senior manager of TRAFFIC to review the contents of the induction pack and supplementary materials; review responsibilities of Trustees; review current financial situation and general funding sources; review TRAFFIC's organizational chart, and the Charity's role in the larger TRAFFIC organisation; and review planned future projects and activities. They are regularly provided with financial and programmatic information as well as updates on relevant developments in the UK charity sector. Key documents are provided through a comprehensive governance manual.

REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees consider the Board of Trustees and the Senior Leadership Team comprise the Key Management Personnel of the Charity in charge of directing, controlling, and operating the Charity on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in either year. Details of Trustees' expenses and related party transactions are disclosed in Note 6 to the accounts. The Charity benchmarks remuneration of its Senior Leadership Team against comparable roles in other charities of a similar size and complexity, within a specified pay band. Each member of the Senior Leadership Team receives an annual cost of living salary increase, which takes into account inflation, changes in national average earnings and pay awards elsewhere in the charity or public sector. The award is made subject to affordability and is paid at the same rate as applied to all other eligible staff in the Charity. Increases to the Executive Director's salary that are above the annual cost-of-living salary increase are reviewed and approved by the Board of Trustees.

PUBLIC BENEFIT

TRAFFIC is a wildlife conservation charity whose vision is of a world where wildlife trade is managed in a way that maintains healthy wildlife populations and ecosystems; contributes to meeting human needs; supports local and national economies; and helps motivate commitments to conserve wild species and habitats.

The organisation's efforts are therefore focused not only on conserving biological diversity but also on protecting and maintaining the many "ecosystem goods and services" that are or may be threatened by unsustainable or illegal wildlife trade.

In reviewing TRAFFIC's charitable objects and as part of planning and implementing our programme of work, the Trustees, have taken account of the Charity Commission's

guidance on public benefit. The Trustees have considered how TRAFFIC's work will consistently contribute to the Charity's aims and objectives. TRAFFIC's main areas of charitable activity are detailed throughout this report.

The Trustees' report (which incorporates the requirements of the Strategic Report) was approved by the board on 10 January 2024 and signed on its behalf by:



Mark Halle
Chair

ADMINISTRATIVE INFORMATION

TRUSTEES:

(As of 30 June 2023)

Ginette Hemley
Aban Marker Kabraji
Jennifer Mohamed-Katerere
Jeremy Eppel
Mark Halle
Heather Sohl
Jon Hutton
Pam Davis
Jacque Pitteloud

REGISTERED OFFICE:

David Attenborough Building
Pembroke Street
Cambridge
CB2 3QZ
United Kingdom

COMPANY SECRETARY:

Mr R Scobey

EXECUTIVE DIRECTOR:

Mr R Scobey

SOLICITORS:

Mills and Reeve
Botanic House
98–100 Hills Rd
Cambridge
CB2 1PH

COMPANY REGISTERED NUMBER:

3785518

CHARITY REGISTERED NUMBER:

1076722

STATUTORY AUDITOR:

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

BANKERS:

Barclays Bank
Bene't Street
Cambridge
CB2 3PZ

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAFFIC INTERNATIONAL: YEAR ENDED 30 JUNE 2023

OPINION

We have audited the financial statements of TRAFFIC international for the year ended 30 June 2023 which comprise Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2023 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial

statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- tthe information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES FOR THE FINANCIAL STATEMENTS

As explained more fully in the trustees' responsibilities statement set out on pages 34 and 35, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Company and Charity law applicable in England and Wales , and overseas branches and subsidiaries complying with local legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and consider other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to the posting of inappropriate or improper journal entries and the manipulation of accounting judgements and estimates, including the recognition of income at the year-end. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing minutes of trustees meetings during the year
- Identifying and testing journals, in particular journal entries posted around the year end; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Steven Harper (Senior Statutory Auditor
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London, EC4R 1AG
Date: 31 January 2024

TRAFFIC INTERNATIONAL FINANCIAL STATEMENTS: YEAR ENDED 30 JUNE 2023



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT: YEAR ENDED 30 JUNE 2023

	Notes	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Income from:					
Donations		1,034,262	-	1,034,262	1,045,681
Charitable activities		51,068	10,908,328	10,959,396	10,306,741
Investments		-	103	103	106
Other		23,815	-	23,815	8,686
Donated services		-	48,806	48,806	-
Total	5	1,109,145	10,957,237	12,066,382	11,361,214
Expenditure on:					
Raising funds – grant and contract proposal development		246,766	-	246,766	220,661
Charitable activities					
Red stream		633,044	8,230,174	8,863,218	7,475,516
Green stream		141,281	1,836,792	1,978,073	1,573,233
Mixed		130,387	1,743,961	1,874,348	1,090,653
Total charitable activity expenditure		904,712	11,810,927	12,715,639	10,139,402
Total	6	1,151,478	11,810,927	12,962,405	10,360,063
Net (expenditure)/income		(42,333)	(853,690)	(896,023)	1,001,151
Transfers between funds		85,259	(85,259)	-	-
Net movement in funds		42,926	(938,949)	(896,023)	1,001,151
Reconciliation of funds:					
Total funds brought forward		2,321,819	3,596,524	5,918,343	4,917,192
Total funds carried forward		2,364,745	2,657,575	5,022,320	5,918,343

All activities in both years arise from continuing activities. There were no other recognised gains or losses other than those shown in the statement above and the net income for the year.

The notes on pages 46 to 68 form an integral part of these financial statements.

Full comparative figures for the year ended 30 June 2022 are shown in note 20.

BALANCE SHEETS: AS AT 30 JUNE 2023

	Notes	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Fixed Assets					
Intangible fixed assets	10	990	990	3,192	3,071
Tangible fixed assets	11	41,170	38,080	43,584	39,119
		42,160	39,070	46,776	42,190
Current Assets					
Debtors	12	5,702,942	5,280,453	5,736,739	5,542,931
Cash at bank and in hand		3,362,293	2,991,868	3,767,654	3,566,759
		9,065,235	8,272,321	9,504,393	9,109,690
Liabilities					
Creditors: amounts falling due within one year	13	4,085,075	3,454,517	3,632,826	3,505,809
Net current assets		4,980,160	4,817,804	5,871,567	5,603,881
Total assets less current liabilities being net assets		5,022,320	4,856,874	5,918,343	5,646,071
The funds of the Charity					
Restricted funds		2,657,575	2,836,944	3,596,524	3,601,405
Unrestricted		2,364,745	2,019,930	2,321,819	2,044,666
Total Charity funds	16	5,022,320	4,856,874	5,918,343	5,646,071

The deficit of the Charity before consolidation was £789,197 (2022: surplus £828,751). Further details are presented in note 3.

The financial statements of TRAFFIC International (company number 3785518) were approved by the Board of Trustees and authorised for issue on 10 January 2024 and signed on its behalf by:



Mark Halle
Chair

The notes on pages 46 to 68 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT: YEAR ENDED 30 JUNE 2023

	2023 Total £	2022 Total £
Cash flows from operating activities:		
Net cash flows from operating activities	(376,150)	892,636
Cash flows from investing activities:		
Dividends, interest and rents from investments	103	106
Transfer of assets	-	-
Purchase of fixed assets	(29,314)	(26,268)
Net cash outflow from investing activities	(29,211)	(26,162)
Net increase/(decrease) in cash and cash equivalents	(405,361)	866,474
Cash and cash equivalents at 1 July 2022	3,767,654	2,901,180
Cash and cash equivalents at 30 June 2023	3,362,293	3,767,654
Reconciliation of net cash flows from operating activities:		
Net income	(869,023)	1,001,151
Depreciation and amortisation	33,459	64,184
Loss on fixed asset disposal	471	481
Investment income	(103)	(106)
Decrease/(increase) in debtors	33,797	(1,267,558)
Increase/(decrease) in creditors	452,249	1,117,821
Net cash flows from operating activities	(376,150)	892,636

The notes on pages 46 to 68 form an integral part of these financial statements.

Cash and cash equivalents are represented by cash at bank and in hand.

NOTES TO THE ACCOUNTS: YEAR ENDED 30 JUNE 2023

1. Accounting Policies

TRAFFIC International is a company limited by guarantee and registered in England and Wales (3785518), not having a share capital, and as a Registered Charity with the Charity Commission for England and Wales (1076722). The Charity is not liable to corporation tax on its charitable activities and further details are shown above within the Reference and Administrative details on page 38.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Charity's financial statements.

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a) Accounting conventions

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (Second Edition effective 1 January 2019)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2019; and the Companies Act 2006. The Charity meets the definition of a public benefit entity under FRS 102. The financial statements are prepared in Pounds Sterling rounded to the nearest Pound.

b) Going concern

The Trustees are reasonably confident that there are no material uncertainties in TRAFFIC's ability to continue as a going concern and the Group is well placed to manage its business risks successfully. TRAFFIC regularly monitors its pipeline of projects to ensure its conservation objectives and operational needs are met. The Group has significant cash resources and a significant level of net assets. Accordingly, the Trustees continue to adopt the going concern basis. In carrying out this assessment, the Group has also considered the impact of the recent developments in the world and the related political and economic uncertainty.

c) Consolidation

These financial statements consolidate the results of TRAFFIC International Southeast Asia, TRAFFIC International East Africa and TRAFFIC International Europe on a line-by-line basis. TRAFFIC International Southeast Asia is incorporated in Malaysia, East Africa in Tanzania and Europe in Belgium. Transactions and balances between charitable company and its subsidiaries have been eliminated from the consolidated financial statements. There are no significant differences between the accounting policies of the parent charitable company and its subsidiaries. In addition to the subsidiary undertakings, the charitable company has a number of branches which are treated as being part of the results of the charitable company in line with section 25 of the Statement of Recommended Practice. As permitted by Section 408 of Companies Act 2006, no separate Statement of Financial Activities for the Charity has been presented. However, the results of the Charity before consolidation are summarised in note 3.

d) Income

Income is recognised and included in the statement of financial activities when the Charity has entitlement to the income, it is probable that the income will be received, and the amount can be reliably measured. Income received relating to future accounting periods is deferred and recognised as a creditor within the balance sheet.

Donated services are recognised based on the best estimate of the value to the charity, having made the assessment of what the charity would be prepared to pay.

e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. VAT cannot be recovered and is reported as part of the expenditure to which it relates..

Costs of raising funds:
These represent costs of internal allocations for staff involvement in implementation of the Charity's funding strategy, donor liaisons and assistance with proposal development and submission.
Charitable activities:
This includes expenditure incurred in the fulfilment of the objectives of the charitable company including allocated overheads.

Support costs:
Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the Charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. Support costs are allocated on a pro-rata basis according to the total cost of activities undertaken directly and grant funding of activities.

Governance costs:
This includes expenditure incurred in the general running and administering of the charitable company. These costs include external audit, legal advice for Trustees and costs associated with constitutional and statutory requirements.

f) **Tangible fixed assets**
Tangible fixed assets are shown at cost less accumulated depreciation. Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful lives of three years on a straight-line basis. The current capitalisation policy is £400.

Impairment reviews are conducted when events and changes in circumstances indicate that an impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, it is written down accordingly.

g) **Intangible fixed assets**
Intangible assets are shown at cost less accumulated amortisation. Amortisation is calculated on a straight-line basis to allocate the assets value evenly over a three-year period. The current capitalisation threshold is £400.

Impairment reviews are conducted when events and changes in circumstances indicate that an impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, it is written down accordingly.

h) **Funds**
The Charity records two categories of income—unrestricted and restricted funds.

Unrestricted funds
Unrestricted funds can be used for any purpose approved by the Trustees within the objects of the Charity. Funds that are received without external restriction, and for use in any of the Charity's activities including operational and establishment costs are treated as unrestricted funds and may be designated by the Trustees for particular purposes as deemed appropriate.

Restricted funds
Resources are allocated to restricted funds according to the limitations on their use specified by the donors or other providers.

Restricted funds are allocated to specific activities and outputs usually under the terms of a project contract accompanying the grant. Detailed accounts are maintained for restricted projects including income, expenditure and fund balances by donor. The majority of projects are short-term in nature with grants being expended between one and five years. Deficits within restricted project funds which occur when income is not entitled to

be recognised in the current financial period are carried forward to the next period. Where further funding is not anticipated, a transfer is made from unrestricted funds to cover the deficit.

The Charity does not have any endowment funds.

i) **Cash and cash equivalents**

Cash at bank and in hand includes interest and non-interest-bearing accounts which are highly liquid.

j) **Employee benefits – Pensions**

The Charity operates a defined contribution scheme, the assets of which are held separately from those of the Charity. The Charity's contributions are charged to expenditure in the year they are incurred.

k) **Foreign exchange**

Transactions denominated in foreign currencies are recorded at the daily rate of exchange. Assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the year end. Gains and losses on re-translation are dealt with as part of the deficit or surplus on ordinary activities for the financial year.

l) **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

m) **Financial instruments**

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

3. Result of the charity

	2023 £	2022 £
Income		
Donations	1,005,427	997,364
Charitable activities	10,805,941	9,995,669
Other income	77,567	14,016
	11,888,935	**11,007,049**
Expenditure		
Charitable activities and raising funds	12,678,132	10,178,298
Funds transferred to subsidiary undertaking		-
	12,678,130	**10,178,298**
Net income	**(-789,197)**	**828,751**
Funds brought forward	**5,646,071**	**4,817,320**
Funds carried forward	**4,856,874**	**5,646,071**

4. Result of subsidiary undertakings

TRAFFIC International Southeast Asia is a company incorporated in Malaysia and is a wholly owned subsidiary of TRAFFIC International. It was incorporated in January 2021 and carries out the activities of the charity in the region. Prior to incorporation, the activities in the region were run as a branch of TRAFFIC International. On 1 February 2021, the activities and net assets of the branch were transferred to the new company. The results have been included in these financial statements from that date, a summary of which is provided below.

	2023 £	2022 £
Income		
Charitable activities	629,360	749,068
	629,360	**749,068**
Expenditure		
Charitable activities	782,933	681,891
	782,933	**681,891**
Net income	**(153,573)**	**67,177**
Funds brought forward	152,661	85,484
Funds carried forward	**(912)**	**152,661**
Funds		
Total assets	102,178	187,298
Total liabilities	(103,090)	(34,637)
	(912)	**152,661**

TRAFFIC International East Africa is a company incorporated in Tanzania and is a wholly owned subsidiary of TRAFFIC International. It was incorporated in December 2021 and carries out the activities of the charity in the region. Prior to incorporation, the activities in the region were run as a branch of TRAFFIC International. On 1 January 2022, the activities and net assets of the branch were transferred to the new company. The results have been included in these financial statements from that date, a summary of which is provided below.

	2023 £	2022 £
Income		
Charitable activities	1,480,581	383,835
Net assets transferred from parent undertaking upon incorporation	-	(8,859)
	1,480,581	**374,976**
Expenditure		
Charitable activities	1,391,503	324,771
	1,391,503	**324,771**
Net income	**89,078**	**50,205**
Funds brought forward	50,205	-
Funds carried forward	**139,283**	**50,205**
Funds		
Total assets	175,453	236,992
Total liabilities	(36,170)	(186,787)
	139,283	**50,205**

TRAFFIC International Europe is a company incorporated in Belgium and is a wholly owned subsidiary of TRAFFIC International. It was incorporated in December 2021 and carries out the activities of the charity in the region. Prior to incorporation, the activities in the region were run by TRAFFIC International.

	2023 £	2022 £
Income		
Charitable activities	214,009	-
	214,009	**-**
Expenditure		
Charitable activities	166,102	19,692
	166,102	**19,692**
Net income	**47,907**	**(19,692)**
Funds brought forward	(19,692)	-
Funds carried forward	**28,215**	**(19,692)**
Funds		
Total assets	17,807	-
Total liabilities	10,408	(19,692)
	28,215	**(19,692)**

5. Income

All of TRAFFIC International's activity relates to ensuring that trade in wild plants and animals is not a threat to the conservation of nature.

	Unrestricted £	Restricted £	2023 Total £
Donations			
IUCN, WWF & other TRAFFIC entities	1,001,816	-	1,001,816
Corporate and Individuals	32,446	-	32,446
	1,034,262	-	1,034,262
Charitable activities			
IUCN, WWF & other TRAFFIC entities	49,546	2,475,754	2,525,300
Governments	-	5,499,004	5,499,004
Multilaterals	-	479,645	479,645
Foundations and charities	1,522	1,639,903	1,641,425
Corporate and Individuals	-	814,125	814,125
	51,068	10,908,431	10,959,499
Other income	23,258	-	23,258
Bank interest	557	-	557
Donated services	-	48,806	48,806
	1,109,145	10,957,237	12,066,382

2022 Comparative	Unrestricted £	Restricted £	2022 Total £
Donations			
IUCN, WWF & other TRAFFIC entities	1,005,252	-	1,005,252
Corporate and Individuals	40,430	-	40,430
	1,045,682	-	1,045,682
Charitable activities			
IUCN, WWF & other TRAFFIC entities	12,171	2,099,714	2,111,885
Governments	10,000	5,938,636	5,948,636
Multilaterals	-	841,933	841,933
Foundations and charities	9,290	1,381,387	1,390,677
Corporate and Individuals	-	13,712	13,712
	31,461	10,275,382	10,306,843
Other income	5,855	2,540	8,395
Bank interest	20	274	294
	1,083,018	10,278,196	11,361,214

Donated services relate to pro bono legal advice received for the purposes of project delivery from various legal advisors through a relationship with International Lawyers Project, a registered charity co-ordinating provision of free legal advice to the not-for-profit sector.

6. Expenditure

All of TRAFFIC International's activity relates to ensuring that trade in wild plants and animals is not a threat to the conservation of nature.

	Direct costs £	Support costs £	2023 Total £
Costs of raising funds	-	246,766	246,766
Charitable activities			
Addressing Wildlife crime & illegal trade	7,637,573	1,225,645	8,863,218
Sustainable legal trade	1,704,537	273,536	1,978,073
Mixed stream	1,621,904	252,444	1,874,348
	10,964,014	1,751,625	12,715,639
	10,964,014	1,998,391	12,962,405

2022 Comparative

	Direct costs £	Support costs £	2022 Total £
Costs of raising funds	-	220,661	220,661
Charitable activities			
Addressing Wildlife crime & illegal trade	6,399,141	1,076,375	7,475,516
Sustainable legal trade	1,346,708	226,525	1,573,233
Mixed stream	933,614	157,039	1,090,653
	8,679,463	1,459,939	10,139,402
	8,679,463	1,680,600	10,360,063

Analysis of expenditure:

	Unrestricted £	Restricted £	2023 Total £
Costs of raising funds			
Staff costs	226,523	-	226,523
Operational	5,268	-	5,268
Establishment	3,572	-	3,572
Travel	4,760	-	4,760
Depreciation	1,051	-	1,051
Foreign exchange gain	(4,190)	-	(4,190)
Governance	9,782	-	9,782
	246,766	-	246,766
Charitable activities			
Staff costs	271,463	6,641,147	6,912,610
Operational	160,762	2,267,677	2,428,439
Establishment	109,004	871,496	980,500
Professional fees	-	89,045	89,045
Project sub-contracts	7,500	864,036	871,536
Travel	145,257	800,545	945,802
Depreciation and amortisation	32,842	-	32,842
Foreign exchange (gain)/loss	(127,870)	276,981	149,111
Governance	305,754	-	305,754
	904,712	11,810,927	12,715,639
Total expenditure	1,151,478	11,810,927	12,962,405

2022 Comparative

Analysis of expenditure:

	Unrestricted £	Restricted £	2022 Total £
Costs of raising funds			
Staff costs	191,867	-	191,867
Operational	4,824	-	4,824
Establishment	18,706	-	18,706
Travel	1,809	-	1,809
Depreciation	1,307	-	1,307
Foreign exchange gain	(5,583)	-	(5,583)
Governance	7,731	-	7,731
	220,661	-	220,661
Charitable activities			
Staff costs	441,778	5,412,644	5,854,422
Operational	147,187	1,793,882	1,941,069
Establishment	37,084	792,544	829,628
Professional fees	-	16,350	16,350
Project sub-contracts	7,500	871,777	879,277
Travel	55,192	391,740	446,932
Depreciation and amortisation	40,855	-	40,855
Foreign exchange (gain)/loss	(170,357)	59,555	(110,802)
Governance	241,671	-	241,671
	800,910	9,338,492	10,139,402
Total expenditure	1,021,571	9,338,492	10,360,063

7. Support costs

	Support £	Governance £	2023 £
Professional fees	-	97,278	97,278
Auditor's remuneration	-	28,054	28,054
Other audits	-	15,157	15,157
Staff costs	1,465,771	168,066	1,633,837
Operational	-	3,909	3,909
Establishment costs	183,792	2,650	186,442
Travel	33,292	3,531	36,823
Foreign exchange gain		(3,109)	(3,109)
Total	1,682,855	315,536	1,998,391

2022 Comparative

	Support £	Governance £	2022 £
Professional fees	-	69,411	69,411
Auditor's remuneration	-	7,142	7,142
Other audits	-	15,157	15,157
Staff costs	1,255,634	142,972	1,398,606
Operational	-	3,594	3,594
Establishment costs	162,627	13,939	176,566
Travel	12,936	1,348	14,284
Foreign exchange gain	-	(4,160)	(4,160)
Total	1,431,197	249,403	1,680,600

Support costs are allocated on a pro-rata basis according to the total cost of activities undertaken directly and grant funding of activities. Fees payable to the Charity's auditor are for the audit of the charity's annual financial statements.

8. Employee and Trustee Information

		2023	2022
		£	£
a)	Staff costs:		
	Wages and salaries	5,522,518	4,815,124
	Social security costs	1,035,132	704,177
	Pension costs	559,885	473,111
	Other benefits	88,785	72,549
	Other staff costs	100,879	124,300
		7,307,199	6,189,261

Other staff costs include an accrual for untaken annual leave outstanding at the year end, in line with the requirements of FRS102.

		2023	2022
b)	The average number of persons, employed during the year was:		
	Management and Administration	75	74
	Programme and Research	112	95
		187	169

The above numbers do not include Trustees who are not permitted to receive remuneration for their duties. Five trustees received payments for expenses during 2023 totalling £5,306 (2022 – £6,292).

		2023	2022
c)	Employees with emoluments over £60,000 were:		
	£60,001 – £70,000	7	3
	£70,001 – £80,000	1	5
	£80,001 – £90,000	4	-
	£90,001 – £100,000	4	2
	£110,001 – £120,000	1	1
	£120,001 – £130,000	1	-
		18	11

d) Senior leadership team

Total remuneration of the Key Management Personnel (the Trustees with the Senior Leadership Team comprising the Executive Director and other senior managers), including pension contributions excludi social security costs, was £754,377 (2022: £772,426) for ten (2022: nine) staff members. No Trustees received nor waived any remuneration.

9. Employee benefits - Pension costs

The Charity's pension contributions are made to defined contribution schemes. The assets of the schemes are held separately from those of the Charity in independently administered funds. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £559,885 (2022: £473,111).

10. Intangible fixed assets

GROUP	Computer Software £
Cost:	
At 1 July 2022	94,624
Additions	-
Disposals	(449)
At 30 June 2023	94,175
Amortisation:	
At 1 July 2022	91,432
Additions	2,202
Eliminated on disposals	(449)
At 30 June 2023	93,185
Net book value:	
At 30 June 2023	990
At 30 June 2022	3,192

CHARITY	Computer Software £
Cost:	
At 1 July 2022	94,175
Additions	-
At 30 June 2023	94,175
Amortisation:	
At 1 July 2022	91,104
Charge for year	2,081
At 30 June 2023	93,185
Net book value:	
At 30 June 2023	990
At 30 June 2022	3,071

11. Tangible fixed assets

GROUP	Leasehold improvements £	Fixtures & Fittings £	Vehicles £	Computer Equipment £	Total £
Cost:					
At 1 July 2022	10,861	54,930	55,208	197,253	318,252
Additions	-	1,132	-	28,182	29,314
Disposals	(10,861)	(17,965)	-	-	(28,826)
At 30 June 2023	**-**	**38,097**	**55,208**	**225,435**	**318,740**
Depreciation:					
At 1 July 2022	10,054	44,186	55,208	165,221	274,669
Charge for year	808	5,351	-	25,098	31,257
Released on disposals	(10,862)	(17,494)	-	-	(28,356)
At 30 June 2023	**-**	**32,043**	**55,208**	**190,319**	**277,570**
Net book value:					
At 30 June 2023	**-**	**6,054**	**-**	**35,116**	**41,170**
At 30 June 2022	807	10,744	-	32,033	43,584

CHARITY	Leasehold improvements £	Fixtures & Fittings £	Vehicles £	Computer Equipment £	Total £
Cost:					
At 1 July 2022	-	36,158	55,208	185,923	277,289
Additions	-	1,132	-	26,065	27,197
Disposals	-	(761)	-	-	(761)
At 30 June 2023	**-**	**36,529**	**55,208**	**211,988**	**303,725**
Depreciation:					
At 1 July 2022	-	26,636	55,208	156,325	238,169
Charge for year	-	4,754	-	22,982	27,736
Released on disposals	-	(260)	-	-	(260)
At 30 June 2022	**-**	**31,130**	**55,208**	**179,307**	**265,645**
Net book value:					
At 30 June 2023	**-**	**5,399**	**-**	**32,681**	**38,080**
At 30 June 2022	-	9,521	-	29,598	39,119

12. Debtors: amounts falling within one year

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Trade debtors	668,044	629,286	479,036	450,312
Other debtors	153,628	45,232	83,041	17,066
Amounts held by hosts	518,608	271,318	326,749	271,903
Prepayments	111,616	91,731	99,188	76,687
Accrued income	4,251,046	4,242,886	4,748,725	4,726,963
	5,702,942	5,280,453	5,736,739	5,542,931

Amounts held by host relates to cash amounts held by hosts on behalf of branches.

13. Creditors: falling due within one year

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Trade creditors	219,131	213,445	207,169	164,963
Other creditors	65,330	28,337	87,540	85,327
Accruals	1,451,138	1,386,638	1,205,412	1,007,361
Salary and tax creditors	34,539	25,948	32,765	19,352
Amounts owed to hosts	497,969	39,775	169,798	169,798
Amounts owed to subsidiary undertakings	-	48,056	-	144,116
Deferred income	1,816,968	1,712,318	1,930,142	1,914,892
	4,085,075	3,454,517	3,632,826	3,505,809

Amounts owed to hosts relate to cash balances owed to hosts by branches.

14. Deferred income

	2023 Total £	2022 Total £
Balance at the beginning of the year	1,930,142	573,184
Amount released to income in the year	(1,930,142)	(573,184)
Amount deferred in the year	1,816,968	1,930,142
Balance at the end of the year	1,816,968	1,930,142

Deferred income represents income received from donors in advance of contracted activity.

15. Analysis of charitable funds

	1 July 2022	Income	Expenditure	Transfers	30 June 2023
	£	£	£	£	£
Unrestricted funds	2,321,819	1,109,145	(1,151,478)	85,259	2,364,745
Restricted funds					
Major projects:					
Postcode Lottery TRACE	191,141	300,405	(329,807)	-	161,739
Targeting Natural Resources Corruption	(110,222)	401,199	(265,998)	-	24,979
CONNECT	(78,048)	539,610	(240,905)	-	220,657
Countering Wildlife Trafficking in Angola	135,269	381,294	(312,980)	-	203,583
Removing the Risk of Wildlife Smuggling from Malaysia's International Mail Service	57,589	98,968	(102,156)	-	54,401
WTRAPS	611,522	375,804	(614,108)	(17,182)	356,036
Reducing Trade Threats to Wild Species and Ecosystems in Africa	63,185	535,416	(421,232)	-	177,369
Law Enforcement in Madagascar: A United Response to Combating Wildlife Crime	317,490	390,143	(250,463)		457,170
Strengthening Law Enforcement Capacity and Collaboration to Combat the Illegal Wildlife Trade in Cameroon	137,829	94,667	(202,108)	4,927	35,315
OES Crime Convergence Indonesia	111,553	461,168	(597,902)	-	(25,181)
Leveraging legality along China's timber supply to reduce deforestation	534,892	890,742	(866,138)		559,496
Institutionalise cascaded transboundary, interagency joint law enforcement governance in the Kavango Zambezi (KAZA)	68,228	83,678	(127,325)	-	24,581
Reducing Maritime Trafficking	79,369	107,409	(245,398)	-	(58,620)
Pelargonium sidoides Biodiversity Management Plan	215,997	162,150	(162,923)	-	215,224
RTI Tuhifadhi Maliasili	98,964	83,501	(313,552)	-	(131,087)
Himalayan Plants for People	(58,221)	153,605	(87,130)	-	8,254
Strengthening Wildlife Law Enforcement	172,316	445,248	(420,911)	-	196,653
Money laundering and the illegal wildlife trade in China	74,866	199,108	(132,186)	-	141,788
CWT in sub-Saharan Africa	(24,944)	217,263	(214,845)	-	(22,526)
Anti-Corruption and Combatting Wildlife Trafficking Activity - Madagascar	112,743	211,172	(168,020)	-	155,895
Demand reduction, Enforcement and policies supporting the conservation of Elephants and Rhinos	26,464	645,707	(476,569)	-	195,602
SA Wildlife Investigator Mentoring Scheme	21,850	407,176	(313,099)	-	115,927
	2,759,832	7,185,433	(6,865,755)	(12,255)	3,067,255
Other projects	836,692	3,771,804	(4,945,172)	(73,004)	(409,680)
	3,596,524	10,957,237	(11,810,927)	(85,259)	2,657,575
Total funds	5,918,343	12,066,382	(12,962,405)	-	5,022,320

During the year a transfers of £85,259 were made from restricted to unrestricted funds. They were related to the write off of foreign exchange variances as well as small surpluses allowed by donors.

The negative balances in this note do not represent project deficits but relate to statutory adjustments. For these projects, income was received in advance and spent on project activities, but a proportion of income was deferred in line with the project contracts and income recognition rules.

Leveraging legality along China's timber supply to reduce deforestation

Funded by Norwegian Agency for Development Cooperation

The project leverages China's and Vietnam's significant market role in the timber supply chain from source countries in the Congo Basin, to reduce unsustainable forestry operations and illegal timber trade. Along the supply chain, knowledge products, work with the financial sector and support for communication between agencies will increase detection and investigation, further deterring illegality.

Wildlife Trafficking, Response, Assessment and Priority Setting (Wildlife TRAPS) Project

Funded by USAID (United States Agency for International Development) via IUCN

TRAFFIC, in collaboration with IUCN, has devised the Wildlife TRAPS (Wildlife Trafficking, Response, Assessment, and Priority Setting Project) to develop and deliver a suite of ground-breaking partnerships and pioneering approaches to tackle wildlife crime between Africa and Asia. Wildlife TRAPS is building a collective understanding of the true character and scale of the response required through a series of targeted trade assessments looking at specific species and geographic regions. .

Law Enforcement in Madagascar: a United Response to Combatting Wildlife Crime (LEMUR.CWC)

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

The goal of LEMUR CWC is to reduce poaching and trafficking of endangered wildlife in Sub-Saharan Africa, with a focus on Madagascar. Progress towards this goal will be achieved through the delivery on three of the four Objectives articulated by the Bureau of International Narcotics and Law Enforcement Affairs (INL), namely: Objective 1: Build interdiction, investigative, and enforcement capacity to stop the transit of protected wildlife; Objective 2: Enhance prosecutorial and judicial capacity to successfully prosecute those illegally transiting wildlife products with adequate sentencing; and Objective 3: Encourage increased cross-border cooperation with neighbouring or source countries to more effectively combat wildlife trafficking..

OES Crime Convergence Indonesia

Funded by the U.S. Department of State's Bureau of Oceans and International Environmental and Scientific Affairs (OES)

The project aims to identify, analyse, and map the illicit networks associated with conservation crimes and understand the links, where they may exist, between the different trafficking networks associated with conservation crimes in Indonesia, Vietnam, Cameroon and Brazil.

Strengthening Law Enforcement Capacity and Collaboration to Combat Illegal Wildlife Trade in Cameroon

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

The project addresses INL Sub-Objectives 3.1 – 3.4, and supports Cameroon's efforts to reduce illegal wildlife trafficking by building capacity of wildlife law enforcement officials and judiciary across all sectors, improving communication and coordination skills between the different agencies, both nationally and cross-border. Combined, these efforts will result in a greater number of interdictions, prosecutions and successful, deterrent convictions.

Strengthening Wildlife Law Enforcement

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

The purpose of this project is to address law enforcement capacity shortfalls in East Africa by institutionalising training and providing online resources for critical law enforcement authorities to better address illegal wildlife trade.

Reducing Trade threats in Africa's wild species and ecosystem

Funded by the ARCADIA Foundation

The purpose of the project is to strengthen actions to conserve and protect wildlife populations, areas of high biodiversity, and communities in Africa threatened by illegal and unsustainable wildlife trade, with a focus on trade to Asia. Building on the successes in the first phase of the ReTTA project, ReTTA Phase II expands the data gathering and analysis of vital wildlife trade knowledge by ourselves, partners and governments on the African continent and following primary trafficking routes into Asia promotes evidence-based solutions with those best placed to take remedial action. The project will continue to develop and promote some of the potentially game-changing solutions that were initiated in the first phase of the project.

Demand reduction, Enforcement and policies supporting The conservation of Elephants and Rhinos - DETER

Funded by the German Agency for International Cooperation (GIZ)

The goal of the project is to support elephant, rhino, and pangolin conservation by driving demand reduction, improved enforcement and increased political will to stop the illegal trade in wildlife products. This will be achieved through reducing consumer demand for elephant and rhino products in China and Viet Nam through providing leadership on demand reduction strategies and engaging key stakeholders to maximise the influence of interventions. The project will also support enforcement against IWT activities in China, selected neighbouring countries, and African countries through capacity building, trans-continental collaboration and improved communications. An enabling policy environment in Africa and China will be supported to facilitate these actions.

Countering Wildlife Trafficking in Angola

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

The goal of this project is to reduce poaching and trafficking of endangered wildlife in Sub-Saharan Africa, with a particular focus on Angola. Progress towards this goal will be achieved through delivering on three of the four Objectives articulated by the Bureau of International Narcotics and Law Enforcement Affairs (INL), namely: Objective 1: Build interdiction, investigative, and enforcement capacity to stop the transit of protected wildlife; Objective 2: Enhance prosecutorial and judicial capacity to successfully prosecute those illegally transiting wildlife products with adequate sentencing; and Objective 4: Encourage increased cross-border cooperation with neighbouring or source countries to more effectively combat wildlife trafficking.

Tackling the Illegal Wildlife Trade through developing forensic capacity in Southern Africa

Funded by the Postcode Animal Trust

The project aims to strengthen our activities relating to reducing illegal wildlife trade in Southern Africa, specifically through the development of wildlife forensic capacity to enhance wildlife law enforcement. The overall goal is to ensure that access to forensic science is available to support wildlife law enforcement in Malawi, Zambia, and Zimbabwe.

CONNECT

Funded by USAID (United States Agency for International Development) via IUCN

The Conserving Natural Capital and Enhancing Collaborative Management of Transboundary Resources in East Africa (CONNECT) project aims to 1) strengthen regional policy dialogue, learning and decision-making on management of transboundary resources, 2) Improve sustainable management of key transboundary landscapes, 3) increase awareness of the economic and intrinsic value of living wildlife, 4) reduce demand for illicit wildlife products, and 5) improve regional and bilateral collaboration on enforcement and prosecution.

Targeting Natural Resource Corruption (TNRC)

Funded by USAID via WWF US.

TRAFFIC works as part of a consortium led by WWF US to better understand corruption and how to best address it. The consortium provides expertise on corruption both within and outside the field of conservation. By bringing collective expertise and operational capacities, the project helps USAID achieve its key objectives of gaining insight into corruption from sources outside the conservation arena; developing and building cross-sectoral coalitions and using the insights gained to better develop context-specific solutions to natural resource corruption. Collective global networks are leveraged to develop new thought leadership and research for USAID on how to approach anti-corruption issues in the NRM sector.

Removing the Risk of Wildlife Smuggling from Malaysia's International Mail Service.

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

The purpose of the project is to improve the interdiction of wildlife products trafficked through international mail in Malaysia and to reduce the ability of criminal groups to profit from trafficking of wildlife, their parts and products. Activities are focused on the Pos Malaysia International Hub (PMIH), the central handling point and gateway for all international mail, small packets and parcels arriving and leaving the country. Activities involve building capacity and empowering staff with the right information, skills and tools to enable action against wildlife trafficking via international mail. Interventions are designed to lead to improved identification, interception and reporting of packages containing wildlife prohibited from trade.

Institutionalise cascaded transboundary, interagency joint law enforcement governance in the Kavango Zambezi (KAZA) Transfrontier Conservation Area (TFCA) to decrease the poaching and trafficking of at-risk wildlife.
Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL) via Peace Parks Foundation.
Implementing activities alongside Peace Parks Foundation to reduce the ability of criminal groups to carry out and profit from poaching and trafficking of protected animals and their body parts originating from or transiting Africa and in particular: - Giving effect to the Southern African Development Community (SADC) and KAZA Law Enforcement and Anti-Poaching strategies, inhibit the ability of criminal groups to poach and traffic wildlife products, forestry, and other natural resources through within, between and from the KAZA Partner States through building and strengthening joint governance systems and developing capacity, synergy and effectiveness of law enforcement agencies.

Reducing Maritime Trafficking of Wildlife between Africa and Asia.
Funded by USAID via UNDP
This initiative is part of the global coordination child project of the Global Wildlife Program (GEF Global Partnership on Wildlife Conservation and Crime Prevention for Sustainable Development; Coordinate Action and Learning to Combat Wildlife Crime Project. Project goal is to reduce maritime trafficking of wildlife (including elephant, rhinoceros and pangolin) between Africa and Asia through strengthening of capacity at ports and improving South-South cooperation to control wildlife trafficking. The project will contribute to enhanced collaboration among concerned stakeholders to prevent wildlife trafficking.

Pelargonium sidoides Biodiversity Management Plan.
Funded by GEF via UNDP
TRAFFIC's activities are part of the wider project "Development of Value Chains for Products derived from Genetic Resources in Compliance with the Nagoya Protocol on Access and Benefit Sharing (ABS) and the National Biodiversity Economy Strategy (NBES)"
TRAFFIC's role is focused upon Pelargonium sidoides, including the development of the current Biodiversity Management Plan, research into resource recovery in South Africa and Lesotho, harvest methodologies and activities with the Pelargonium Working Group.

Tuhifadhi Maliasili.
Funded by USAID via RTI
The goal of the USAID Tuhifadhi Maliasili (TM) activity is to address dynamics that hinder habitat connectivity and the long-term persistence of biodiversity in Tanzania. RTI subcontracts TRAFFIC to implement activities concerning assessment of trade dynamics of threatened species, behaviour change interventions and strengthening of law enforcement and judicial capacity to combat wildlife crime. Activities help the TM Activity to achieve goal to strengthen policy frameworks for biodiversity conservation, natural resource management, improve sustainable tourism and reduce wildlife crime in Tanzania.

Himalayan plants for people: sustainable trade for biodiversity and development.
Funded by Defra Darwin Initiative
This project aims to secure local incomes and healthcare, threatened by declining biodiversity and natural resource access, linked to overharvest of medicinal species in Nepal's high Himalayas. It scales up a market-based model for sustainable, equitable trade across high-priority plant species and districts, while driving integration of non-timber forest products (NTFPs) into Community Forestry nationally.
Locally-led activities include participatory inventories of NTFPs; training >5,000 harvesters/processors; enhancing Community Forest management and trade; and policy engagement to incentivise sustainable local biodiversity management.

Money Laundering and the Illegal Wildlife Trade in China.
Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)
This project aims to contribute to the INL goal of improving China's will and capacity to investigate, arrest, prosecute, convict, and sentence to the fullest extent of the law the perpetrators of wildlife crime, with a focus on Anti Money Laundering (AML) approaches and anticorruption strategies. The project has developed guidelines for wildlife law enforcement agencies and courts to increase their understanding and implementation for the updated AML regulations in

China. Training has been delivered including technical expertise to the Peoples Bank of China. TRAFFIC facilitates regular information sharing between provinces to strengthen law enforcement collaboration against wildlife trafficking.

Automated X-ray Scanner Image Detection to Counter Wildlife Trafficking.
*Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL) via WWF U*S
This project aims to operationalize an automated system for detecting rhino horn in baggage screening systems without compromising the security of the air transport supply chain and support interception by enforcement agencies at OR Tambo International Airport (ORTIA),
South Africa. Uptake of the technology is promoted to stakeholders in Namibia and Kenya, and feasibility assessed, to increase the capacity of law enforcement to detect and intercept trafficked rhino horn in air transport in Africa. TRAFFIC is a sub grantee under this INL award and plays a key role in leading on the engagement and activities in South Africa in coordinating efforts to apply the x-ray detection technology at ORTIA and build capacities and awareness.

Anti-Corruption and Combatting Wildlife Trafficking Activity – Madagascar.
Funded by USAID via WWF US
The goal of the project is to contribute to a reduction of corruption in natural resources to improve conservation outcomes. Anti-corruption actions are key to the good governance and management of Madagascar's natural resources and biodiversity. To fight against issues posed by corruption, stakeholders and different levels must be engaged. TRAFFIC leads implementation of activities to improve the ability of the Malagasy government to use enforcement of financial crimes as an approach to tackle illegal wildlife trade and corruption. Building on extensive experience implementing court case monitoring programs in Madagascar, TRAFFIC also leads on the further development of court case monitoring efforts.

Development of a Comprehensive Mentoring Program for Junior Wildlife Investigators in South Africa
Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)
The goal of the project is to reduce poaching and trafficking of endangered wildlife in Sub-Saharan Africa, with a particular focus on South Africa. This is the latest phase of a long term collaboration with INL to support mentoring for wildlife investigators since 2016. The aim is to provide an enhanced mentorship experience for all mentees and to develop tailored mentorship models for each provincial conservation agency and setting out a structure for continued mentoring of junior wildlife investigators beyond the life of the project.

Analysis of charitable funds for the year ended 30 June 2022:

	1 July 2021	Income	Expenditure	Transfers	30 June 2022
	£	£	£	£	£
Unrestricted funds	2,183,791	1,083,018	(1,021,571)	76,581	2,321,819
Restricted funds					
Major projects:					
Leveraging legality along China's timber supply to reduce deforestation	183,799	1,040,985	(689,892)	-	534,892
WTRAPS	548,826	572,857	(475,515)	(34,647)	611,521
Law Enforcement in Madagascar: a United Response to Combating Wildlife Crime	37,475	422,300	(345,883)	-	113,892
OES Crime Convergence Indonesia	13,498	411,448	(341,731)		83,215
Strengthening Law Enforcement Capacity and Collaboration to Combat the Illegal Wildlife Trade in Cameroon	75,201	394,312	(331,684)	-	137,829
WABiLED	-	385,658	(55,989)	-	329,669
Saving Threatened Wildlife	-	383,829	(143,836)	-	239,993
Reducing Trade Threats to Wild Species and Ecosystems Through Strengthened Knowledge in Africa	190,503	335,026	(437,707)	(24,636)	63,186
Strengthening Wildlife Law Enforcement	-	332,472	(160,156)	-	172,316
Combatting Illegal Wildlife Trade, focusing on Ivory, Rhino Horn, Tiger and Pangolin in Thailand	91,154	217,630	(423,470)	-	(114,686)
The Combating Wildlife Crime Project	423,467	215,845	(368,476)	-	270,836
Demand reduction, Enforcement and policies supporting The conservation of Elephants and Rhinos	-	140,423	(106,797)	(7,162)	26,464
Countering Wildlife Trafficking in Angola	165,619	124,470	(188,009)	-	102,080
South Africa Wildlife Investigator Mentoring Scheme	266,688	77,036	(395,368)	-	(51,644)
Postcode Lottery TRACE	248,205	50,037	(107,101)	-	191,141
CONNECT	92,937	41,544	(320,125)	-	(185,644)
	2,337,372	5,145,872	(4,891,739)	(66,445)	2,520,060
Other projects	396,029	5,132,324	(4,446,753)	(10,136)	1,071,464
	2,733,401	10,278,196	(9,338,492)	(76,581)	3,596,524
Total funds	4,917,192	11,361,214	(10,360,063)	-	5,918,343

16. Allocation of net assets between funds

Group	Restricted funds £	Unrestricted funds £	2023 Total £
Fixed assets	-	42,160	42,160
Current assets	6,221,740	2,843,495	9,065,235
Current liabilities	(3,564,165)	(520,910)	(4,085,075)
Total funds	2,657,575	2,364,745	5,022,320

Charity	Restricted funds £	Unrestricted funds £	2023 Total £
Fixed assets	-	39,070	39,070
Current assets	5,865,004	2,407,317	8,272,321
Current liabilities	(3,028,060)	(426,457)	(3,454,517)
Total funds	2,836,944	2,019,930	4,856,874

2022 Comparative Group	Restricted funds £	Unrestricted funds £	2022 Total £
Fixed assets	-	46,776	46,776
Current assets	6,639,761	2,864,632	9,504,393
Current liabilities	(3,043,237)	(589,589)	(3,632,826)
Total funds	3,596,524	2,321,819	5,918,343

2022 Comparative Charity	Restricted funds £	Unrestricted funds £	2022 Total £
Fixed assets	-	42,190	42,190
Current assets	6,652,373	2,457,318	9,109,691
Current liabilities	(3,050,968)	(454,842)	(3,505,810)
Total funds	3,601,405	2,044,666	5,646,071

17. Operating leases

At 30 June 2023 the Charity had total commitments under non-cancellable operating leases as set out below:

	Group 2023 £ Land & Buildings	Charity 2023 £ Land & Buildings	Group 2022 £ Land & Buildings	Charity 2022 £ Land & Buildings
Payment due:				
Within one year	122,329	61,661	87,496	58,663
Within two to five years	137,413	54,840	93,077	93,077
	259,742	116,501	180,573	151,740

18. Related party transactions

The following transactions took place between the TRAFFIC International and its wholly owned subsidiaries - TRAFFIC International Southeast Asia, TRAFFIC International Tanzania and TRAFFIC International Europe:

Transfer of project income of £2,098,383 (2022: £1,069,522) and core income of £190,673 (2022: £79,403) from the parent undertaking to the subsidiary.

Service support charges of £88,620 (2022: £57,934) were made by the parent undertaking to the subsidiary.

Grants of £nil (2022: £nil) were transferred from the subsidiary to the parent undertaking.

At the year end, the parent undertaking owed £48,056 (2022: £31,569) to the subsidiary undertakings.

There were no other related party transactions in the current or previous year.

19. Taxation

The Charity is exempt from corporation tax as all of its income is charitable and is applied for charitable purposes.

20. Comparative Statement of Financial Activities (Year ended 30 June 2022)

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total £
Income from:				
Donations		1,045,681	-	1,045,681
Charitable activities		31,461	10,275,280	10,306,741
Investments		4	102	106
Other		5,872	2,814	8,686
Total	5	1,083,018	10,278,196	11,361,214
Expenditure on:				
Raising funds – grant and contract proposal development		220,661	-	220,661
Charitable activities				
Red stream		590,490	6,885,026	7,475,516
Green stream		124,269	1,448,964	1,573,233
Mixed		86,151	1,004,502	1,090,653
Total charitable activity expenditure		800,910	9,338,492	10,139,402
Total	6	1,021,571	9,338,492	10,360,063
Net income/(expenditure)		61,447	939,704	1,001,151
Transfers between funds		76,581	(76,581)	-
Net movement in funds		138,028	863,123	1,001,151
Reconciliation of funds:				
Total funds brought forward		2,183,791	2,733,401	4,917,192
Total funds carried forward		2,321,819	3,596,524	5,918,343

IMAGE CREDITS

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JANUARY 2023

WORKING TO ENSURE THE TRADE IN WILD PLANTS AND ANIMALS IS NOT A THREAT TO THE CONSERVATION OF NATURE

TRAFFIC

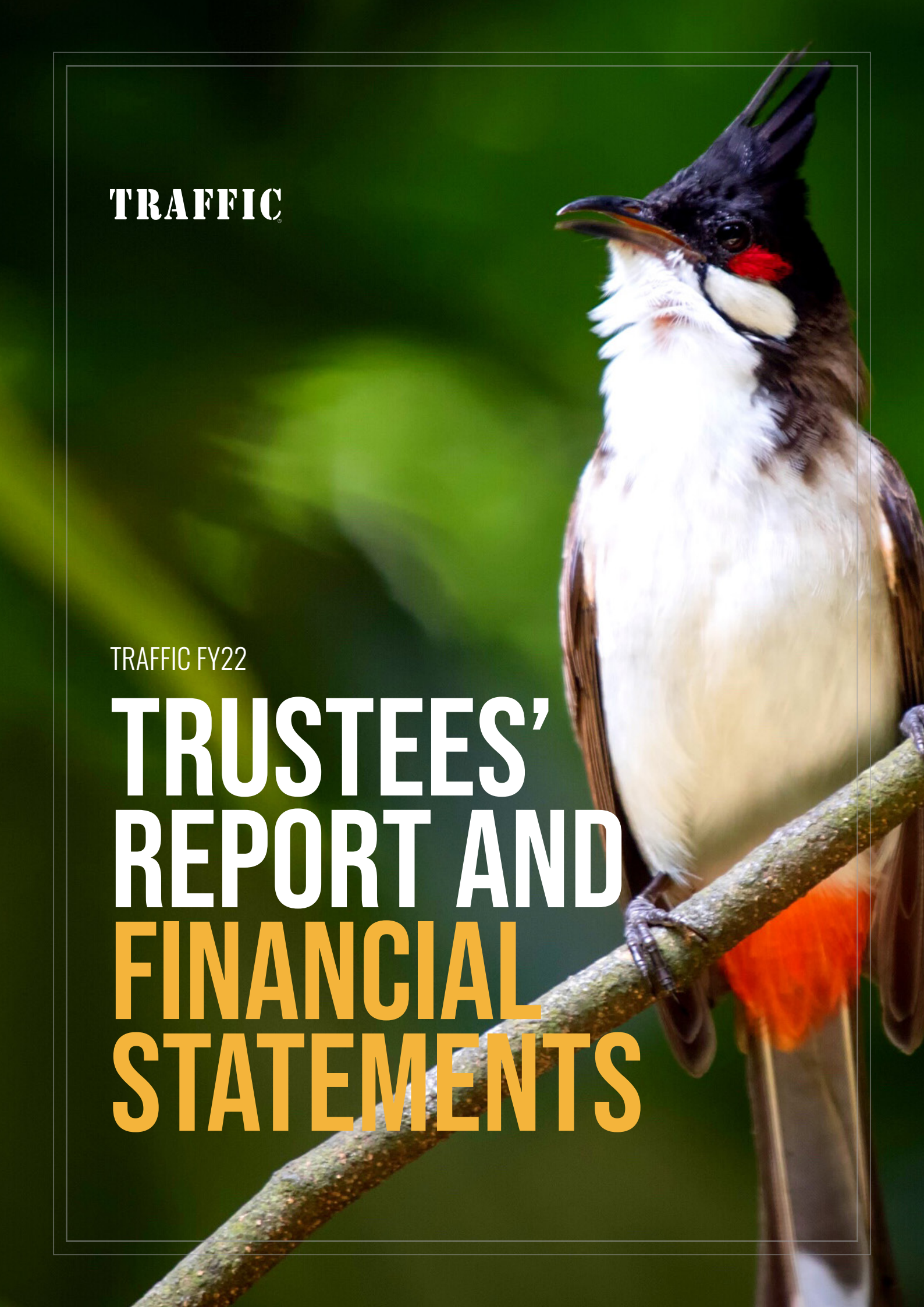
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TRAFFIC INTERNATIONAL

England & Wales - Charity number 1076722

Accounts

TRAFFIC



TRAFFIC FY22

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ABOUT US

TRAFFIC is a leading non-governmental organisation working globally on trade in wild animals and plants in the context of both biodiversity conservation and sustainable development.

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PUBLISHED BY:

TRAFFIC International, Cambridge, United Kingdom.

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MESSAGE FROM THE CHAIR OF TRUSTEES AND EXECUTIVE DIRECTOR



MARK HALLE
Chair of the Board



RICHARD SCOBEY
Executive Director

TRAFFIC's year to the end of June 2022, covered by this report, has seen the successful delivery of an ambitious operational and programmatic agenda. As the global climate continues to be marked by uncertainty, we are pleased to report that TRAFFIC has exceeded the majority of its programme targets and effectively delivered on the priorities of the FY22 Workplan.

In FY22, we have continued to adapt to the long-term challenges of the COVID-19 pandemic. TRAFFIC's engagement with governments and through various partnerships has helped to inform global action on the One Health agenda, recognising the essential relationship between human, animal and environmental health. We have analysed the relative risks posed by wildlife trade in zoonotic disease transmission and spill-over events, and defined new avenues of collaboration in many global fora. Most recently, TRAFFIC made an ambitious contribution to the CITES CoP19 in November as well as CBD CoP15 (Part II) where the Global Biodiversity Framework is to be finalised in December.

In addition to our global intergovernmental presence and activity, TRAFFIC continued its core business of responding to illegal wildlife trade and crime by providing leadership, insights, and tools to support and strengthen cooperative action by public and private sector stakeholders. As an example, we are developing tools to tackle cybercrime across different regions and TRAFFIC's global leadership and its targeted action in major consumer markets continue to improve demand reduction and other behaviour changes.

At the same time, it is pleasing to note that sustainable, legal trade in wildlife and wild products remains at the core of TRAFFIC's broad portfolio of work. Focus is being shifted to putting a stop to illegal harvest and to products entering trade in ways that undermine sustainable practices and rob communities and national governments of wildlife resources and associated revenues. By increasing access to information, tools, and mechanisms designed to improve systems in place, TRAFFIC strives to facilitate legal and sustainable trade, and also, enhance the social, economic and environmental benefits that such trade can provide to communities.

The increasing emphasis on sustainable trade is also a key feature of the next TRAFFIC strategy to 2030. This strategy will be launched in early 2023 to guide TRAFFIC's work for the decade to come.

Operationally, TRAFFIC completed the registration of national entities in Tanzania and Belgium during the financial year, thus expanding our institutional presence. This is despite continued challenges in the wake of COVID-19, which has often delayed fieldwork and project start-up. Cost recovery has been affected in some areas as a result, and we have had to show considerable nimbleness not to lose staff or valuable activities. We are pleased to note that overall income and expenditure have both increased this year as we seek to diversify our income streams. Some organisational restructuring has also helped to redefine key areas of focus for the future.

These achievements are a direct result of the hard work, creativity, and impressive commitment of our staff in all parts of the organisation. We extend our sincere gratitude to them as well as to the partners, organisations and other stakeholders who support and enable our work. We also thank the Trustees for their steady navigation and our founding partners WWF and the IUCN for their continued collaboration. Finally, we would like to express our gratitude to the institutions and individuals who have provided funding support and put their trust in TRAFFIC's work and vision this year.



THE TRUSTEES, WHO ARE ALSO DIRECTORS OF THE CHARITABLE COMPANY, PRESENT THEIR ANNUAL REPORT (INCLUDING THE STRATEGIC REPORT) ON THE AFFAIRS OF THE CHARITY, TOGETHER WITH THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 30 JUNE 2022.

INTRODUCTION

The commercial use of wild animal and plant resources - "wildlife trade" - is an issue at the very heart of the tension between biodiversity conservation and human development. Human beings around the world directly depend on wild species as sources of food, medicines, construction materials, and many other items, as well as for income. Although the sometimes negative impact of this trade on the status and security of species and ecosystems is clear, the trade in wild species also makes a significant contribution to human wellbeing.

TRAFFIC International (hereafter referred to as TRAFFIC) is a leading non-governmental organisation working globally to address biodiversity conservation and sustainable development priorities linked to the trade in wild species. TRAFFIC was established in 1976 by IUCN and WWF to respond to the growing threats posed by illegal wildlife trade and overexploitation. We have maintained our unique role as a global wildlife trade specialist, combining original research, sound and impartial analysis, and collaboration with a range of partners to reduce illegal wildlife trade and enhance benefits from sustainable and legal trade.

TRAFFIC delivered its work through a team of approximately 170 staff based in Asia, Africa, and Europe. TRAFFIC's global office, based in Cambridge, UK delivered global leadership, technical expertise, and support functions to the organisation. Our long-standing expertise, combined with an evidence-based and flexible approach to problem-solving, has given TRAFFIC a strong and respected reputation, allowing us to achieve an influence disproportionate to our size.

This report presents TRAFFIC's financial accounts and highlights some of our achievements during FY22 (July 2021 – June 2022). Our combination of original and in-depth research, targeted communications, and capacity building helped governments, businesses, other non-governmental organisations (NGOs) and individuals to take action in line with TRAFFIC's mission to ensure that wildlife trade is not a threat to the conservation of nature. To find out more about TRAFFIC's work, please visit www.traffic.org.

PROGRAMME OBJECTIVES AND FOCUS

The Charity's objects, set out in its Articles of Association, are to promote the conservation and protection of nature and natural resources worldwide through helping to ensure that trade in wild animals and plants is at sustainable levels and in accordance with domestic and international laws and agreements.

TRAFFIC's mission is to ensure that trade in wild plants and animals is not a threat to the conservation of nature. This mission is linked to a vision of a world where wildlife trade is managed in a way that maintains healthy wildlife populations and ecosystems; contributes to meeting human needs; supports local and national economies; and helps motivate commitments to conserve wild species and habitats.

To further its mission and Charity objects, TRAFFIC supports the implementation of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and other international agreements and national-level wildlife trade controls. TRAFFIC also supports wider public and private sector efforts to eliminate illegal wildlife trade and promote sustainable management and trade of fisheries, timber, non-timber forest products, and other wild-sourced commodities.

TRAFFIC informs, promotes, facilitates, and otherwise supports action to address wildlife trade issues in wildlife trade hotspots worldwide, including producer, trading and consumer countries. TRAFFIC's work is based on a multi-pronged approach created to ensure effective multilateral intervention through cooperation and strengthen the capacity of people and institutions responsible for designing and implementing regional/national regulations. This focus is balanced with work to inform and improve business practices (especially around sourcing of wild products) as well as influence the behaviour and purchasing of consumers related to markets for wild animals, plants, and related products.



IMPROVING BUSINESS PRACTICES: SOURCING



MAKING LAWS WRK: REGULATION



SHAPING MARKETS: PURCHASING



ENSURING EFFECTIVE MULTILATERAL INTERVENTION: COOPERATION

TRAFFIC's FY22 work plan focused on two priority workstreams: 1) Approaches and action to enhance responses to wildlife crime and illegal trade; and 2) Approaches and action to enhance systems for sustainable, legal wildlife trade. Many projects combined elements of work under both workstreams, reflecting the importance of reducing illegal trade to achieve sustainable, legal trade in wildlife resources and the potential for sustainable incomes from legal trade to dissuade illegal activities.

ACTION TO ENHANCE SYSTEMS FOR SUSTAINABLE, LEGAL WILDLIFE TRADE

Work is focused on enhancing benefits from sustainable and legal trade in wildlife resources by increasing incentives and pathways for businesses, communities and consumers to engage in responsible trade practices

ENHANCING RESPONSES TO WILDLIFE CRIME AND ILLEGAL TRADE

Our work is focused on achieving a sustained reduction in illegal wildlife trade by increasing the risks and reducing the rewards associated with trading in wildlife contraband, thereby reducing the criminal motivation and engagement in the illicit trade that is driving the poaching crisis.

The design and delivery of work under these two workstreams were underpinned by a broader programme of strategic research and analysis to produce guidance on wildlife trade issues. Targeted communications, tools and training were used to inform, engage and support positive actions by stakeholders.

EVIDENCE TO INFLUENCE APPROACH

RESEARCH

Market monitoring
Legislative reviews
Behavioural insights
Investigations

01

ANALYSIS

Data mapping
Information systems
Applying context
Academic insights

02

GUIDANCE

Early warning
Threat assessments
Setting standards
Regulatory design

03

ENGAGEMENT

Enforcement support
Policy advice
Communications
Training

04



PROGRAMME DELIVERY - ACTIVITIES AND HIGHLIGHTS

In the wake of the COVID-19 pandemic and its unprecedented consequences, TRAFFIC embarked upon a new financial year in a climate filled with uncertainty. Political interest in wildlife trade issues was even more evident than it had been before, fueled by the strong perceived link to the pandemic. TRAFFIC played a critical role in helping national governments strengthen existing policies and legislation to face this new threat while also developing action plans to effectively implement the One Health approach, established by the World Health Organization (WHO) to address human, animal, and environmental health.

In the private sector, disruptions of traditional transport, logistical, and supply chains due to economic lockdowns saw new modalities evolve and a variety of responses from businesses and customers to these changes in the evolution of existing or new supply chains. TRAFFIC was well-placed to monitor and analyse these changes in supply chains and worked with stakeholders to implement responses.

An overview of all TRAFFIC's Programme Results is shown on the following page. The numbers in grey represent the Programme Results targets for 2022, and those in colour represent the total achieved by the end of FY22.

RESULT 1.1

10 — Regulatory systems modified in 10 or more **countries** to improve sustainability, transparency, and traceability of wild products in trade — 15

RESULT 1.2

4 — At least 4 **voluntary standards** or industry codes of conduct for wildlief-trade dependent sectors developed or improved — 10

RESULT 1.3

10 — 10 priority **companies** improve systems for verifying the legality, sustainability, and traceability for wild-harvested products in their supply chains — 80

RESULT 1.4

Increase in the **availability and sales** of wild-harvested products independently verified as meeting legality and sustainability criteria in priority sectors — 21

(No specific target. Measured by increase in number of FairWild certified products available)

RESULT 1.5

3 — Increase in consumer awareness of positive aspects and opportunities related to wild product sourcing in 3 **major consumer markets** — 6

(Baselines for Result 1.5 were infeasible to measure. The figure above is a proxy indicator. Instead of measuring increase in consumer awareness, the number of major consumer markets reached by TRAFFIC awareness raising initiatives was measured)

RESULT 2.1

50 — 50 priority **companies** implement strengthened measures to detect and deter illegal wildlife products from entering their supply chains — 111

RESULT 2.2

10 — 10 'at-risk' **countries** adopt new or strengthened measures to reduce opportunities for wildlife trade-related corruption — 71

10 'at-risk' **companies** adopt new or strengthened measures to reduce opportunities for wildlife trade-related corruption — 8 / 10

RESULT 2.3

10 — Governments in 10 priority **countries** strengthen illegal wildlife trade-related legislation, regulations and enforcement — 73

RESULT 2.4

5 **transnational criminal networks** involved in illegal wildlife trade are disrupted and assets seized — 5 / 8

RESULT 2.5 Demand for illicit products from **elephants**, **rhinos**, **tigers**, and **pangolins** reduced by at least one-third in 3 **countries**

Number of demand reduction campaigns launched by TRAFFIC (and partners) involving illicit products from elephants, rhinos, tigers, pangolins, and other species — 16

(Baselines for Result 2.5 were infeasible to measure. The figure above is a proxy indicator. Demand reduction was measured for each campaign individually)

Programme results progress

- Achieved beyond expectations
- Achieved in line with expectations
- Some progress, not yet achieved
- Not on track to achieve

A selection of programme highlights during FY22 is provided below, detailing our achievements delivered within each of the two workstreams and some which have a cross-cutting impact. Work was typically delivered in partnership with other organisations, including government agencies, intergovernmental and civil society organisations, and businesses. In many cases, it builds on efforts that have gained momentum and increased impact over multiple years.

ENHANCING RESPONSES TO WILDLIFE CRIME AND ILLEGAL TRADE

Government and private sector efforts to eliminate illegal wildlife trade have grown in scale and sophistication over the past decade. Inevitably, wildlife traffickers continually adopt new techniques to avoid detection, requiring governments, international agencies, businesses, and consumers worldwide to redouble individual and collective efforts to tackle wildlife crime. TRAFFIC remained at the forefront of these efforts, focusing on providing leadership, insights and tools supporting and strengthening co-operative action by public and private sector stakeholders. Examples of achievements to which TRAFFIC contributed during the year include the following.

KEEPING INTERNATIONAL INTER-AGENCY ENFORCEMENT INFO FLOWING AND AIDING WILDLIFE CRIME PROSECUTIONS

Trade in Wildlife Information eXchanges (TWIX) are regional inter-agency platforms enabling public officials to share information on wildlife seizures, smuggling routes, modus operandi, and other illegal wildlife trade (IWT) relevant information over a secure mailing list. They also facilitate access to resources such as legislation and guidance, needed by the public sector users. TRAFFIC has managed and supported the TWIX systems since 2005 when the first TWIX was developed in Europe. As of June 2022, EU-TWIX had approximately 1300 users from 39 different European countries and over 81,000 seizure records. Communications facilitated by EU-TWIX supported/triggered eight Europol investigations from July 2021 – June 2022. Following the success in Europe, TWIX systems have been replicated in Central (AFRICA-TWIX), Southern (SADC-TWIX), and Eastern Africa (EA-TWIX). Plans to scope potential expansion for West Africa and the ASEAN region are also underway.

TRAFFIC has organised **training sessions for enforcement officers and prosecutors**, such as the online illegal wildlife trade workshop with the Ministry of Forestry and Wildlife (MINFOF) in Cameroon. This workshop led to the inclusion of online wildlife-crime-related modifications to a draft wildlife legislation at the National Assembly. In December 2021, the Kisutu Resident Magistrate's Court in Tanzania re-sentenced the leader of one of Africa's biggest ivory smuggling rings, 'the Ivory Queen,' and her accomplices to 15 years of imprisonment for their role in trafficking ivory worth over USD 5.5 million. The prosecutors were state attorneys who had attended and then delivered TRAFFIC's training on countering IWT over several years.

TRAFFIC facilitated the establishment of a **Wildlife and Environmental Crimes Prosecutors Forum (WEPF)**, a regional forum of the East African Association of Prosecutors (EAAP). Through the WEPF, the EAAP conference was held in September 2021. Six resolutions were passed regarding improved collaborations among the prosecuting authorities against transnational wildlife crimes and harmonisation of laws on investigating and prosecuting wildlife crimes. Since the Conference, five countries' prosecutors have joined the EAAP, bringing the total member countries to 11. Subsequently, TRAFFIC supported capacity-building for 35 prosecutors

from the EAAP member countries on asset recovery, money laundering, and regional collaboration to prosecute transnational crimes. As a result, the EAAP member countries pledged to deepen their cooperation on this issue.

Further highlighting the importance of effective wildlife crime prosecutions, TRAFFIC produced a report in collaboration with the Targeting Natural Resource Corruption (TNRC) programme on *Identifying Corruption by Reviewing Wildlife Crime Court Cases in Southern Africa*.

Building on the ongoing work to understand **environmental crimes convergence** in Indonesia and to provide helpful information on conservation crimes to law enforcement officials, data from multiple sources related to the convergences of different areas of crime in Viet Nam have been collected since May 2022. This database will be analysed and spatially mapped to improve monitoring and prosecution of the illicit activities of a variety of different actors. Interviews were conducted with law enforcement agencies and other stakeholders, forming the framework for replication in Brazil, Cameroon and Viet Nam.



Technical Committee Meeting of the EAAP, March 2022

FINANCIAL SECTOR ENGAGEMENT

TRAFFIC's work to target the financial flows that motivate and facilitate the illegal wildlife trade has delivered a range of successes.

In **South Africa**, TRAFFIC's Case Digest on financial flows and payment mechanisms behind wildlife and forest crime has been routinely cited as a critical document for private and public sector stakeholders. It was a central reference document used in the design and focus of the South African Anti-Money Laundering Integrated Task Force (SAMLIT) and assisted financial institutions internally with refining their intelligence systems and algorithms to identify suspicious transactions. TRAFFIC and the Association of Certified Anti-Money Laundering Specialists (ACAMS) continue to engage financial investigative units (FIUs) through their online training platform that has been used by a total of 10,000 private sector financial institution staff since its launch in 2020.

TRAFFIC worked with the UK government to launch a Chinese version of the IWT financial toolkit on World Wildlife Day, 3 March 2022, along with an English and Arabic version. The ACAMS -TRAFFIC IWT Certificate was also developed in Chinese, including lecture presentations, reading materials, speech scripts, course videos, and exam questions. TRAFFIC also engaged Standard Chartered Bank in China to initiate enhanced due diligence investigation into clients who might directly/indirectly be involved in IWT.

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TRANSPORT SECTOR ACTION BEARING RESULTS

Illegal timber, ivory, and other types of wildlife contraband are often concealed in shipping containers and smuggled by sea for offloading and sale in foreign ports. Traffickers exploit the large scale of maritime shipping to circumvent customs, CITES, and other trade controls. Similarly, air transportation and courier/ logistics companies are also vulnerable to this exploitation. TRAFFIC has been working with the transport sector to mitigate this risk for several years.

The final impact report of the six-year-long Reducing Opportunities for Unlawful Transport of Endangered Species (ROUTES) Partnership programme (and collaboration between TRAFFIC, WWF, and other partners) was published in January 2022. This innovative partnership of transport and logistics companies, government agencies, development groups, law enforcement, conservation organisations and donors was developed to disrupt wildlife trafficking activities. It achieved impacts in knowledge generation, training, tools, and inspiration. The partnership has yielded lasting impacts on stakeholders within the aviation industry, with several airlines investing time and effort to train trainers and adapt their IWT policies in line with best practice recommendations from TRAFFIC and partners.

TRAFFIC – through the ROUTES Partnership - supported Airports Council International (ACI) and the International Air Transport Association (IATA) to put forward a proposal to **the International Civil Aviation Organization (ICAO)** to adopt a recommended practice on wildlife trafficking, which the Facilitation Panel unanimously endorsed. In May, the practice was formally adopted by the ICAO Council (effective on 18 July 2022). This is the first time that IWT has been addressed at this policy level in the aviation industry.

"Contracting States should ensure that procedures are in place to combat wildlife trafficking, including clear reporting systems and relevant competent authorities' points of contact for airport and airline operators."

- The International Civil Aviation Organization (ICAO) Council

TRAFFIC, WWF, UNDP, and others have been working with the Government of Kenya to develop the Guidelines supporting the maritime sector and relevant agencies preventing wildlife trafficking, to be adopted by **the International Maritime Organisation**. At the IMO 46th Facilitation Panel in May 2022, the guidelines were reviewed and formally adopted – first time IWT has been addressed at this level in the maritime industry. Since then, Belgium has already integrated the guidelines into its national legislation.

Training and knowledge-sharing for transport sector stakeholders continued. In March 2022, 78 participants representing **Uganda's transport sector institutions**, such as Uganda's Freight Forwarders Association, came together for a TRAFFIC-led workshop on 'Countering Wildlife Trafficking and Other Illicit Trade through Uganda's Dry Ports and Containerised Supply Chains'. In June 2022, over 40 representatives from the government and private sector attended the workshop on the 'Authorised Economic Operator (AEO)' programme.

In Viet Nam, TRAFFIC maintains regular communication with the **Vietnam Automobile Transportation Association (VATA)**. We plan future work with VATA and others to design strategic intervention plans to engage the transport sector and disrupt IWT within trade chains.

In Malaysia, TRAFFIC's worked with the postal sector on a series of awareness campaigns and trainings at Malaysia's main postal hub **(Pos Malaysia International Hub)**. The trainings also developed in-house training capacity, and the training materials have been integrated into the company's online learning platform to carry on capacity-building for the future. Detection of parcels containing illegal wildlife and wildlife products has increased seven-fold since the campaign was implemented. Because of this positive result, the campaign is now being expanded from Peninsular Malaysia to Sabah and Sarawak to



Malaysia Pos frontliners test their knowledge during a training day

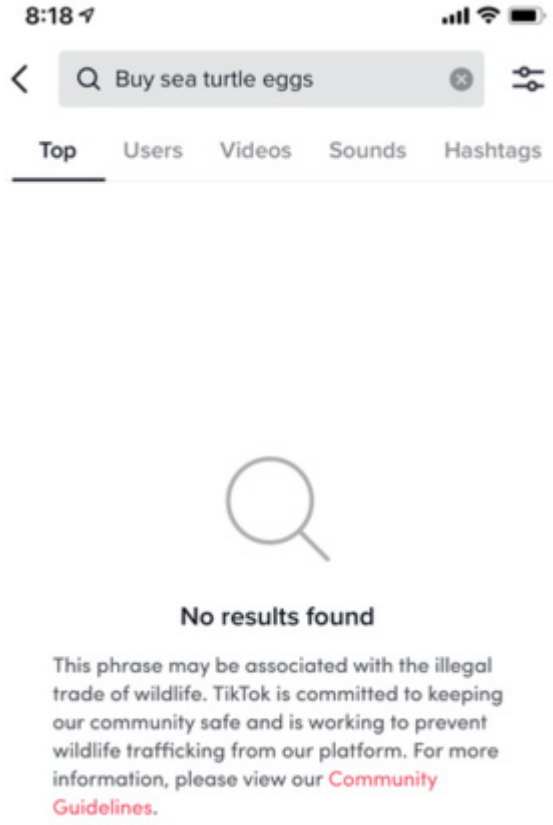
BUILDING PRIVATE AND PUBLIC SECTOR EFFORTS TO FIGHT WILDLIFE CYBERCRIME

Since its launch by TRAFFIC, WWF and IFAW in 2018 **members of the Coalition to End Wildlife Trafficking Online have blocked or removed over 11.6 million posts/listings of illegal wildlife for sale**. Membership doubled from 21 companies to 47, with coverage extending to over 11 billion user accounts worldwide. Online user engagement and impressions on social media topped one billion.

In April 2022, Coalition member **TikTok**, released a blog post on their work to date with the Coalition. TikTok also launched a reporting pathway specifically for wildlife and a public service announcement to educate users about IWT. Nearly four hundred keywords and hashtags related to wildlife trafficking have been incorporated into block filters on their platform.

Coalition member **Huya**, launched the 'Protect Our Home Planet' Campaign, partnering with TRAFFIC, IFAW, and the China Wildlife Conservation Association (CWCA). Huya has stated its aim to use its status and platform as a digital hub to promote wildlife conservation and reduce illegal online trade during the Year of the Tiger.

TRAFFIC and WWF established a regional Coalition hub for **Southeast Asia**, which has been actively monitoring online platforms through project activities in Southeast Asian countries (the Philippines, Indonesia and Malaysia) and the Cyber Spotter program,



and leading the engagement with Lazada, a key e-commerce platform in the region. Coordination with Meta has resulted in the deactivation of 106 Facebook groups from the Philippines and 55 groups, and 16 user accounts from Indonesia with IWT activity, affecting hundreds of thousands of users.

TRAFFIC, alongside partners, is advising the formation of a Coalition Hub in **Latin America**. Engagement began with Mercado Libre, the

largest classifieds platform in the region, which is keen to collaborate through the Coalition. TRAFFIC will support the roll-out of the Coalition and broader activities in **Europe** by engaging with three EU-based online platforms, fostering collaboration between platforms and law enforcement agencies, and encouraging advances in automated software development.

TRAFFIC has organised dialogues about adapting the approach in **Africa**, noting that many companies went bankrupt due to COVID or did not have the capacity to address IWT issues at this time. However, in **Central Africa**, TRAFFIC successfully engaged with Afribobo to commit to removing illegal wildlife products from its platform – the first Central African e-commerce company to take such action. A tailored Coalition strategy for Africa-based companies is currently underway.

DRIVING NATIONAL ACTION TO REDUCE DEMAND FOR ILLEGAL PRODUCTS

TRAFFIC's global leadership and targeted approaches in major consumer markets maintained momentum for demand reduction and other behaviour change initiatives.

TRAFFIC's Situation Analysis on Social and Behavioural Change Messaging on Wildlife Trade and Zoonotic Disease, published in December 2021, provided a benchmark synthesis of insights and lessons learned from social and behavioural change (SBC) efforts since the emergence of COVID-19. The analysis will guide development of related TRAFFIC SBC pilot projects and inform future collaborations, e.g. with USAID Stop the Spillover and USAID Reducing Demand for Wildlife.

As a result of TRAFFIC's support and activities in **Thailand**, consumers of illegal wild meat have successfully been encouraged to shift their attitudes and behaviour. During the reporting period, TRAFFIC concluded the second of two campaigns under the GEF6-supported work in Thailand.

CITES Guidance on Demand Reduction, drafted by TRAFFIC, was fully endorsed by the 74th meeting of the CITES Standing Committee (SC) along with associated amendments to Resolution Conf. 17.4. The subsequent report prepared by the Secretariat (CoP19 Doc 38) recommends Parties adopt Resolution Conf 17.4 amendments, which include explicit mention of the Guidance and encourage its use.

At the global level, TRAFFIC successfully concluded a short-term engagement supporting the **World Bank-GEF Global Wildlife Program (GWP)** Core Team to **'scale-up efforts to reduce demand for illegal species.'** In addition to advising on a 'Barriers Analysis' conducted through nineteen surveys and six follow-up qualitative interviews, TRAFFIC also led the delivery of a workshop to discuss findings. This event attracted fifty registrants from twenty-two organisations in twenty-one countries, and 100% of survey respondents rated the event as either 'excellent' (60%) or 'very good' (40%). The final 'Strategy' will be presented to the GWP Project Steering Committee in the next period.

PRIORITY AREAS FOR WORK DURING FY23 WILL BE FOCUSED AROUND:

- Engaging and supporting preventative action by transport, logistics, e-commerce, social media, finance, and other companies
- Supporting uptake of tools and approaches that help undermine corruption in the natural resource sector
- Motivating, informing and supporting strengthened legislation and regulatory approaches
- Motivating, informing and supporting enforcement actions and prosecutions
- Informing, catalysing and supporting social and behavioural change interventions in the marketplace
- Informing and motivating inter-governmental policy interventions, evaluating progress and ensuring accountability.

STRENGTHENING SYSTEMS FOR SUSTAINABLE, LEGAL TRADE IN WILDLIFE RESOURCES

Although the illegal wildlife trade attracts most of the headlines, in terms of the number of items in trade and sheer volumes, the majority of wildlife products in trade are from legal sources. This includes many common food products and household items. However, some products in legal trade are also harvested and traded illegally, or illegal products are fed into legitimate supply chains, creating complex grey areas. This undermines sustainable management practices and robs local communities and national governments of wildlife resources and associated revenue. TRAFFIC projects, therefore, focus on increasing access to information, tools, and mechanisms designed to improve systems in place to facilitate legal, sustainable trade while simultaneously reducing opportunities for illegal trade. Examples of achievements to which TRAFFIC contributed during the year are the following.

LEGAL AND TRACEABLE WOOD IN KEY SUPPLY CHAINS

Illegal and unsustainable timber trade threatens essential ecosystem services and sustainable human development; the industry needs to shift to legal, sustainable practices. TRAFFIC has been helping to catalyse and inform sustainable timber trade with a new project working in **China, Viet Nam, and the Congo Basin – a pivotal supply chain for tropical timbe**r.

In China, **four new timber importing and processing companies** have adopted and commenced implementation of the Code of Conduct on timber legality, created by the China Timber and Wood Product Distribution Association (CTWPDA) and supported by TRAFFIC. In total, **74 have adopted the Code** to date and **37 of these have verified its implementation** in FY22. TRAFFIC helped CTWPDA to update a compliance requirements guideline and corresponding checklist for the Code of Conduct.

Through similar work in **Viet Nam**, TRAFFIC is developing a Code of Conduct for importing timber enterprises of the Forest Products Association of Binh Dinh, one of the leading participants in the Viet Nam timber and timber products association (ViFOREST).

TRAFFIC has also started mapping **the financial sector in Viet Nam, Cameroon, and Congo** to underpin an implementation plan for improving best practice related to timber trade in the financial sector.

Strengthening understanding of timber legality for the sector, TRAFFIC updated national legality frameworks for timber trade in Cameroon and Congo, and finalised a report on the Framework for Assessing Legality of Forestry Operations, Timber Processing and Trade in Tanzania.

SHARKS TRADE: IDENTIFICATION AND TRACING CHALLENGES TACKLED

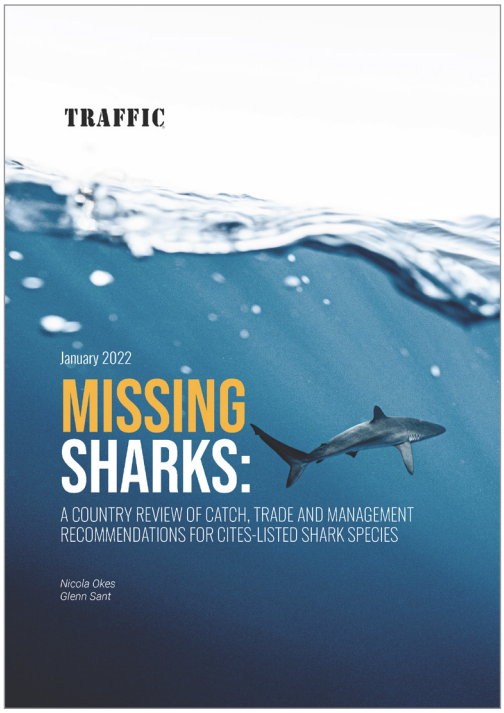
TRAFFIC's report, Missing Sharks, launched in 2022, was well-received by the CITES Secretariat and the UN FAO for its potential to improve data collection and CITES implementation. The report highlighted CITES Parties which appear not to be meeting their obligations and should result in further scrutiny by the CITES Standing Committee.

As a result, **the agenda documents for CITES CoP19 contain recommendations for further consideration of the findings of this work**.

The project Assessing the risk of overexploitation of the most traded species of sharks and rays (M-Risk) ended during the reporting period. This work initially looked at

designing a method for determining aquatic species in trade at risk of overexploitation. Some **countries have already been using it to assist with NDF development**, and the EU proposed it for the Convention on Migratory Species (CMS) MoU Sharks to be considered a vital way of determining 'Species of concern' for the consideration of listing.

Following the successful piloting of the technology in Australia, TRAFFIC launched SharkTrace, an innovative digital traceability tool that tags and tracks sharks from the point of capture through to point of consumption, and subsequently commenced the trial period in South Africa. The tool's user-friendly and cost-effective apps are available to fishing vessels, processing plants, transport companies, and others seeking to ensure transparency throughout the supply chain.



TRAFFIC has also delivered capacity building of front-line law enforcement officials in the South Africa to identify CITES-listed shark species in trade using TRAFFIC's novel 3D-printed replica fin toolkit. Complete fin sets were also disseminated to Tanzania, Congo, and Mozambique. Over 75 institutions have downloaded the printer files to produce these 3D replica shark fins.

INNOVATIONS FOR THE SUSTAINABLE WILD PLANT INDUSTRY

In close partnership with the FairWild Foundation, FAO, IUCN Species Survival Commission (SSC) Medicinal Plant Specialist Group, TRAFFIC helped expand industry and consumer awareness of wild sourcing and opportunities to improve outcomes for both plant species and producers.

The WildCheck report, a reference for **risks and opportunities assessment of flagship wild-harvested plant ingredients**, was published in April with partners FAO and IUCN Medicinal Plant Specialist Group. The first of its kind, this report contains risk and opportunity profiles for 12 well-known wild ingredients in trade, the 'Wild Dozen', alongside a review of the state of wild plants trade.

The report has already shown early signs of influence: over **900 viewers of the launch webinar** co-hosted with the Sustainable Herbs Program. The report authors contributed to a Human Rights Impact Assessment on Brazil nuts conducted by Aldi Sud, which has since been published. This is the earliest example of a major retailer highlighting how wild-harvesting of an ingredient can impact workers' rights.

FairWild Week 2022 took place from 20-24 June, promoting the sustainable use of wild plants and the WildCheck report to industry partners. '**Wild Plants Are Our Business**' was the key message from supporting industry participants. As a result, the engagement surrounding the week increased **significantly (x12.5 times) from the previous FairWild week; the reach on social media alone was >360,000.** Aiming at wider public engagement, TRAFFIC's partner Cambridge University Botanic Garden hosted a wild plants event. The event encouraged finding wild plant ingredients in everyday products in March/April for the annual Cambridge Festival focusing on consumer education.

The pace of new FairWild registrations and certifications has continued to gain momentum. By June, **53 companies** were certified or registered in the scheme. These included **new certification sites in Honduras,**

Ghana, and Burkina Faso, thus further expanding the number of countries with certified operations to 17. The goal of achieving the first FairWild certification **in China** was met in and was formally communicated to industry stakeholders. A French cosmetics company's commitment to buy FairWild-certified Schisandra will contribute to the conservation of Panda habitat and community development and provide a new model for managing trade in this major source, consumer, and trading country. TRAFFIC also researched improved management of Pelargonium trade from South Africa, including ethnobotanical studies to support the establishment of trading systems that respect the rights of traditional knowledge holders and supply chain analysis in Europe, the leading consumer market.

Also significant to note is that the FairWild Foundation concluded a recognition agreement with Martin Bauer Group for the mabagrown© standard in the reporting period, which has now been formally communicated to industry stakeholders. This represents new and innovative approaches to auditing sustainability practices based on company standards and



is also anticipated to significantly expand the potential supply of FairWild-certified material to the market.

INCREASING CAPACITY FOR SUSTAINABLE TRADE

TRAFFIC has continued to provide training and facilitate increased CITES implementation capacity for Parties (governments). This included training on how to make CITES' non-detriment (sustainability) findings for plant species in South Africa; advice on CITES implementation for sharks to CITES Parties in general and further support to six countries in Oceania; and guidance on sustainable management for a wider array of marine species during a CITES/FAO training workshop.

A series of consultations with Madagascar's Ministry of Environment, including the CITES Management Authority (MA), have been conducted by TRAFFIC. From this, a scoping mission on the feasibility of an eCITES permitting system was completed. TRAFFIC then supported the development of the eCITES blueprint, which the government and MA will use.

PRIORITY AREAS FOR WORK DURING FY23 WILL BE FOCUSED AROUND:

- Developing and supporting management and regulation systems that facilitate responsible trade
- Supporting the development of good business practices and voluntary standards and certification systems
- Engaging and supporting responsible wildlife sourcing and trade practices by businesses
- Informing the design of, catalysing and supporting market behaviour change interventions
- Informing and motivating inter-governmental policy interventions that facilitate responsible trade

CROSS-CUTTING HIGHLIGHTS

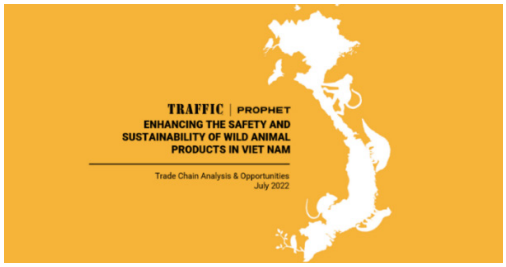
While most of the TRAFFIC's work fits into either workstreams, some activities have a cross-cutting impact. Much of TRAFFIC's work on zoonotic disease risks and intergovernmental global policy engagement fall into this category. Below are some highlighted achievements in these areas.

INFORMING DEBATE AND ACTION ON WILDLIFE TRADE AND DISEASE RISKS:

Concerns regarding potential risks to human health associated with wildlife markets and trade remained high. TRAFFIC continued to nurture partnerships with the health, veterinary science, and other sectors to develop a comprehensive approach to understanding and reducing potential risks. TRAFFIC engagement has helped to inform global action on One Health and the relative risks posed by wildlife trade in zoonotic disease transmission and spillover events in the following global fora and partnerships in FY22:

- **The World Organisation for Animal Health (WOAH)** Ad-Hoc Group, to finalise Guidelines on reducing the risk of disease spill-over events at markets and along wildlife supply chains;
- **The International Alliance Against Health Risks in Wildlife Trade**, to which TRAFFIC re-iterated its commitment;
- **The Collaborative Partnership on Sustainable Wildlife Management (CPW)**, by supporting the 3rd CPW Wildlife Forum and the 2022 Annual Meeting;
- **The Convention on Biological Diversity (CBD)**, supporting the Action Plan on Biodiversity and Health and input to the Subsidiary Body on Scientific, Technical, and Technological Advice (SBSTTA) debates on the development of Target 5 and 9 of the post-2020 Global Biodiversity Framework (GBF);
- **The CITES Standing Committee (SC) Working Group** on the ***Role of CITES in reducing the risk of future zoonotic disease emergence associated with international wildlife trade***, where TRAFFIC supported the debate of a working group report at SC74, led to the tabling of the final output for CoP19;
- **The UN Food and Agriculture Organisation (FAO), Texas A&M University, and the University of Minnesota**, with which TRAFFIC contributed to content development for a One Health in-service training course for environmental professionals.

At the recommendation of TRAFFIC and other Pandemic Prevention Task Force members, Viet Nam's multi-agency One Health Partnership established a Technical Working Group on Wildlife and Pandemic Prevention, with inputs from China, Cameroon, and the US expected to yield positive policy outcomes. Due to changes in government staff and post-COVID priorities, the Working Group remained slightly dormant during the first half of 2022.



In **Tanzania**, TRAFFIC has commenced a set of supply chain management pilot interventions focused on the strengthened implementation of the Game Meat Selling Regulations (2020) in terms of legality, sustainability, and safety from zoonotic disease risk. To the latter point, parallel funding from the German development agency (GIZ) has allowed for hiring an animal health focal point into the TRAFFIC team, leading a disease risk analysis exercise over the next 12-18 months.

TRAFFIC's publication of a *Situation Analysis on Social and Behavioural Change Messaging on Wildlife Trade and Zoonotic Disease* and

a *Viet Nam wildlife trade chain analysis* have provided fundamental references for further partnership and development for rolling out social and behavioural change (SBC) pilots in both Tanzania and Viet Nam in FY23.

In **China**, the China Association of Traditional Chinese Medicine, with the China Wildlife Conservation Association, the National Forest and Grassland Administration, and other government partners, has drafted a ***Risk Management Guide for the TCM industry with inputs from TRAFFIC.*** The guide clarifies the risks to legality, sustainability and safety associated with TCM ingredients procurement, trade, and use in China. China's central government also invited comments on a draft regulation on Measures for the Quarantine of Wild Animals. TRAFFIC provided detailed comments to the government on scope, forms of wildlife, range of diseases, agency accountability, and the practical application of these guidelines.

GAINING DIRECT ATTENTION TO WILDLIFE TRADE IN GLOBAL POLICY FORA

Multi-lateral environmental and trade agreements underpin national policies, shaping the commitments of governments and influencing businesses and individuals towards sustainable wildlife trade and away from illegal wildlife trafficking. TRAFFIC continued to engage with Parties and other stakeholders of key inter-governmental trade and environmental agreements at the global and regional levels to present relevant research and data, analyse issues and options and find common solutions.

UNEA/UNEP: TRAFFIC provided input through statements and the NGO Major Group to the inter-sessional meetings of the United Nations Environment Assembly's (UNEA) Committee of Permanent Representatives in February 2022. As a member of this group, TRAFFIC also contributed to the extensive preparation of a statement for the **Stockholm Plus 50 meeting** in June, where UN member states came together to discuss issues of global environmental significance. In preparation for the **UNEA 5.2,** TRAFFIC also attended the **UNEP-accredited Major Groups and Stakeholders preparatory meeting**. Our contributions to UNEA 5.2 focused on the ongoing negotiations of the CBD Post-2020 GBF.

CBD: In October 2021, Parties to the first phase of CBD CoP15 adopted a high-level declaration providing much of the political momentum needed to support the implementation of the targets of the Post-2020 GBF. The Declaration was in line with TRAFFIC positions communicated during the 3rd Meeting of the Open-Ended Working Group on the GBF. Subsequent engagement with the CBD Secretariat laid the ground for **TRAFFIC to lead collaborative development of the headline indicator for GBF Target 5 (on sustainable use of wild species)**. TRAFFIC then participated in the March CBD (SBSTTA-24, SBI-3 and WG2020-3) meetings in Geneva, Switzerland. These in-person negotiations provided opportunities to influence the headline indicator and the language of Targets 5 and 9 (among others). However, these meetings and the 4th OEWG meeting in June disagreed on the final text of targets. These discussions will be held in a new OEWG meeting in early December 2022, preceding the second phase of CBD CoP15.

Regional and species-specific issues: The 4th Asia Ministerial Conference on Tiger Conservation (AMC) held in January 2022 adopted the Kuala Lumpur Joint Statement. The Statement lists 14 commitments to address the continued threat to wild tigers in the region and set out a series of actions to ensure the recovery of wild tiger populations within their historical range. TRAFFIC contributed to the deliberations of the Conference, including through the moderation of a side event. As the Year of the Tiger began in February, a coalition of six top NGOs committed to a cooperative approach to save the iconic big cat, arguing that ambition must increase and that funders must support collaborative efforts, contributing to the next phase of the **Global Tiger Initiative**. With TRAFFIC's support, EU Member States have agreed to adopt an EU Guidance Document to

restrict trade in captive-born and bred tigers. The intention is to ensure that the EU tiger trade is not contributing to the risk of live tigers and their parts and derivatives from captive-born and bred tigers entering legal and illegal trade.

Engagement on EU-Africa cooperation was also strengthened during this reporting period. TRAFFIC submitted **recommendations to the next EU Action Plan against Wildlife Trafficking** and published a statement on the Corporate Sustainability Due Diligence Directive. These two policy opportunities will contribute to driving national action to reduce illicit wildlife trade. TRAFFIC collaborated with WWF and IUCN to input into the guidance on future EU wildlife-related funding in Eastern and Southern Africa.

In collaboration with WWF, TRAFFIC organised and delivered a **pan-African webinar in June that looked at the key outcome documents of the Forum on China-Africa Cooperation (FOCAC) Ministerial Conference** held in November 2021. The webinar drew the interest of several conservation organisations, such as the African Wildlife Foundation (AWF), the Pan African Climate Justice Alliance (PACJA), and ACBA. TRAFFIC and WWF commissioned a professional review of the key documents from the FOCAC Ministerial Conference to identify essential entry points for follow-up work.



PROGRAMME COORDINATION AND LEADERSHIP

The main activities of TRAFFIC's global office, based in Cambridge, fell within the following areas: strategic direction and leadership; programme development and evaluation; funding development; programme delivery (covered in the preceding section); communications; and operations management.

STRATEGIC DIRECTION AND LEADERSHIP

Work during this period coincided with a critical programmatic development period for TRAFFIC. Staff took time out of their busy schedules to contribute to thematic briefing papers, which, along with internal and external stocktaking exercises and consultations, have been critical to taking lessons learned from the current programme cycle and guiding the design of TRAFFIC's Strategy to 2030.

TRAFFIC's Executive Director continues to serve on the Council of the Cambridge Conservation Initiative (CCI), a unique collaboration between the University of Cambridge and nine leading internationally focused biodiversity conservation organisations clustered in and around Cambridge. TRAFFIC also supported CCI activities in other ways, for example giving lectures on CITES and social and behaviour change in conservation to students pursuing the CCI-affiliated MPhil in Conservation Leadership.

PROGRAMME DEVELOPMENT AND EVALUATION

TRAFFIC's current Programme Strategy was finalised and approved by TRAFFIC's Board of Trustees in October 2017. The Strategy builds on four decades of specialised knowledge and experience while emphasising new learning, innovation, and expanded partnerships. It is designed to drive positive change in wildlife trade management in a rapidly evolving world of globalised commerce, connectivity, and geo-political change. A monitoring and evaluation framework is used as the basis for assessing progress against the Strategy at the outcome (Results) level. Given the extraordinary circumstances of the COVID-19 pandemic, the Board of Trustees decided to extend the Strategy for another year, to the 30 June 2022.

TRAFFIC's Programme Strategy provided the overarching framework for TRAFFIC's work, with a more detailed annual work plan organised in two "workstreams" identifying priorities for the year.

Performance and outcomes were assessed at six-monthly intervals, with the year-end assessment reviewing overall progress as initially set out in the FY22 work plan. TRAFFIC has delivered effectively the priorities of the FY22 Workplan, with room for additional efforts to meet our ambitious targets. Delays in funding and some project activities due to residual COVID-19 restrictions are the main reasons for slow progress on particular approaches and adaptive management. Many of the planned achievements in the FY22 work plan will be carried over and built upon going forward. Emphasis will be placed on ensuring that adequate resourcing is available for the ambitious FY23 work plan.

FUNDING DEVELOPMENT

TRAFFIC staff led or supported the development of over 70 wildlife trade-related funding proposals during FY22. The majority were developed in response to government calls for proposals such as the UK Illegal Wildlife Trade Challenge Fund and Darwin Initiative, notices of funding opportunities issued by the US Bureau of International Narcotics and Law Enforcement Affairs (INL), USAID, US Fish and Wildlife Service and German government aid agencies. These included several large-scale costed extensions to existing project contracts to further develop work and fund additional activities in Angola, Madagascar, and South Africa.

During the year, TRAFFIC has also invested in time to pursue efforts to secure funding for work in countries where there is not a permanent TRAFFIC presence or Programme Office, such as Nepal, the Philippines, Ethiopia, and the DRC. These opportunities present additional challenges due to working with local partners and mitigating risks associated with establishing new operational arrangements to carry out activities.

Efforts were made to pursue research new opportunities and build consortia under the EU Horizon Programme with one of the proposals focusing on pandemic prevention submitted (led by Swedish University of Agricultural Sciences (SLU)) being successful.

TRAFFIC upscaled efforts to seek funding from Charitable Trusts and Foundations during the year with approaches to new donors but also reigniting interest from those donors who have been dormant to TRAFFIC for some time. A high level of effort is required from the Programme and Project Development Teams for those funding sources which do not accept unsolicited applications where time is needed to build relations and have multiple conversations to find common interests or motivations.

In FY22, successful proposals have increased to strengthen conditions for legal, sustainable trade, resulting from developing these concepts and strong relationships with partners, such as IIED and Botanic Gardens Conservation International, during the

preceding year. These collaborations have proved fruitful, with TRAFFIC involved in several successful applications during the year.

Significant and much-needed funding was raised to sustain long-standing projects of Trade in Wildlife Information Exchange (TWIX) and ETIS platforms, as well as funds to support technical expertise on marine, timber, anticorruption, and combatting financial crime. During the final quarter of this financial year efforts were concentrated on seeking funding to support work underpinning TRAFFIC's inputs to the CITES Conference of the Parties to be held in November 2022.

A new post for the Director of Development has been established. The position will be filled in FY23 to build on these foundations and to develop and roll out TRAFFIC's fundraising strategy in support of the new Strategy to 2030.

COMMUNICATIONS

Significant strides made in the last 12 months in the way TRAFFIC communicates its evidence on its website are beginning to pave the way for increasing the organisation's impact.

The team successfully developed and launched a Learning Centre to house an array of training courses and tools for government, enforcement officials and other users. The benefit of this Learning Centre is that our trainings are now available as interactive tools for a variety of target audiences, and they can be adapted or developed at any time to respond to new information or data.

As an extension of exploring interactivity, the team collated TRAFFIC's marine work into a consolidated page for World Oceans Day where maps, text, photos, videos are displayed in an increasingly interactive way that promotes users to explore the content, not simply to view it. This opens the door to how we can display our evidence in future and tell the story of our research in more engaging ways. This early example from our Cracking the Code report demonstrates the potential to spotlight our recommendations and findings like never before.

Throughout the year, 19 reports were published and downloaded more than 5,600 times and included research on social and behaviour change approaches to zoonoses such as COVID-19 and Southeast Asia's online trade in birds among others. Our communications team also designed and published a high-level document outlining TRAFFIC's recommendations on the post-2020 Global Biodiversity Framework to support the organisation's policy work on the targets and indicator development.

The website now contains a series of important policy documents and published 1,126 news items in the last year. These news items were covered by Forbes, BBC, The Independent, Khaleej Times, The Malay Mail and MSN India. Aside from promoting our research, TRAFFIC's communications team continues to routinely respond to media enquiries regarding an array of wildlife trade issues and pitch stories to help increase our sphere of influence, including supporting outlets with their story development – such as this BBC Earth Youtube Channel series.

OPERATIONS MANAGEMENT

As in recent years, TRAFFIC's global structure continues to evolve as the organisation grows and local legislative and administrative requirements change. With Board approval, TRAFFIC completed registration of national entities in Belgium and Tanzania during the financial year. Offices in China, Malaysia, and Viet Nam continued to strengthen their institutional presences and fully met their statutory requirements during the course of the year.

Other significant activities during FY22 included:

- Establishment of a new position, Senior Risk and Compliance Officer, creating more capacity to address Environment, Social, and Governance issues (ESG)
- Introduction of a more formalised external complaints mechanism via the organisation's website with public-facing information available in Chinese, English, French, Spanish and Vietnamese
- Updating of various policies including the Board-approved Risk Management Policy/ Risk Appetite statement and the senior management-approved IT Policy
- Finalisation of an external review of TRAFFIC's business model and cost recovery framework carried out by Moore Kingston Smith (MKS) presented to Board and senior management
- Improved cybersecurity resulting from the introduction of multi-factor authentication (MFA) across the organisation
- The trialling and background preparations for the launch of a new timesheet software package (Beebole) for introduction organisation-wide from 1 July 2022
- Increased skills development for senior managers through a management development programme and for line managers through an essential management skills training programme
- Facilitation of a flexible working policy and concurrent safe and effective return-to-the-office measures across all locations globally.

PROJECT PORTFOLIO

Approximately 100 projects were active at some point during the financial year, with 71 projects active as of 30 June 2022. During the year, 42 new contracts or contract extensions were issued and 40 projects completed. Seventy-three funding proposals were submitted to various donors during the year and, at the time of reporting, 37 of the proposals submitted subsequently were confirmed or contracted.

The impact of COVID continued to make itself felt during FY22, with field work in several countries curtailed, project contracting and start-up activities delayed, and recruitment of project staff taking longer than anticipated. TRAFFIC also initiated work in several new locations where it did not have an institutional presence, which further impacted the start-up phase for several projects. However, TRAFFIC continued to adaptively manage its project portfolio and to deliver high-quality outcomes. TRAFFIC again expresses its appreciation to many of its donors and implementing partners for their collaborative approach to developing effective responses to the pandemic environment.

As noted under the annual financial review, the various delays referenced above had an impact on cost recovery in several offices, most notably the Global office. TRAFFIC has strengthened its quarterly review of its project portfolio and has made a number of improvements to its forecasting tools to ensure that forecasting of the financial element of project implementation management is more robust.

HUMAN RESOURCES

Human Resources (HR) directly supported 64 recruitments across the organisation during the year with 43 new starters in the organisation and 22 leavers processed during the period. This brings the average number of staff employed by the charity to 168 Individuals, excluding staff at affiliated offices which make up an additional 20. Three volunteers contributed approximately 1,236 hours of work in the TRAFFIC Global office.

PLANS FOR THE YEAR AHEAD

During the coming financial year, the Operations team will continue to develop its systems for monitoring of local compliance for registered offices in Belgium, China, Malaysia, Tanzania, and Viet Nam. The team will support the Executive Director and new Director of Funding Development in preparing an operational development plan and a funding development plan to underpin the new organisational Strategy to 2010. These efforts will be reinforced by management responses to an organisation-wide Operations survey carried out in the first half of 2022. As part of its cybersecurity efforts, TRAFFIC will roll out MS Intune across the organisation to improve management of mobile devices. HR will complete a series of salary benchmarking exercises for the UK and other locations. Supporting logistical arrangements for TRAFFIC's delegation to the CITES Conference of the Parties in Panama in November 2022 will also be a significant focus.

FINANCIAL REVIEW

TRAFFIC has seen a growth in income and expenditure during the year. The organisation has been growing year on year for the last three years. In FY22, group income once again saw an increase from £10.1m to £11.4m, as a result of an increase in project restricted funding. Group expenditure has also gone up from £9.6m to £10.4m. TRAFFIC's free reserves were £2.3m, an increase of £138k compared to the previous financial year, largely as a result of foreign exchange gains.

INCOME

During the year, TRAFFIC received income totalling £11.4m, an increase of £1.3m compared to the previous year. The percentage of income from Charitable Activities remained relatively stable and constituted 91% of total income (FY21 88%).

Unrestricted income for the year reduced from £1.2m to £1.1m, with the main movement being a £148k decrease in income from partners WWF and IUCN.

Restricted income in FY22 increased by £1.3m to £10.3m from £9m in the previous year. The increase was mainly due to a rise in income for projects funded via Government Agencies and partners WWF and IUCN of £576k and £844k respectively. £1m of income was also received under the NORAD (the Norwegian Agency for Development Cooperation) project which started in the previous year and which is due to end in December 2025. There were reductions in income from some other sources. However, the donor mix is similar to FY21 with the highest proportion being from Government Agency funding. Grants from this source tend to be larger and multi-year so they constitute a valuable source of income. However, TRAFFIC acknowledges the need to diversify its income streams and this will form the basis of the funding strategy for the coming years.

One hundred and seven (107) projects brought in income during the year, an increase of four over the previous year. Despite the slight increase in project numbers, reliance on government-funded projects has continued this year. Out of the ten biggest projects, eight were funded by various US Government agencies and constituted 38% of income (FY21 36%).

One of TRAFFIC's management KPIs (Key Performance Indicators) for financial performance is that no single donor contributes more than 25% of total income. During the year, one donor (USAID) directly and indirectly contributed 31% of total project income, across ten projects. This is a slight decrease compared to last year where 34% of income was received directly and indirectly from USAID. These projects are embedded in different funding streams within USAID which lowers the overall risk factor. To mitigate potential risks further, TRAFFIC commits to expenditure related to these grants for one-year periods only.

EXPENDITURE

Expenditure during FY22 was £10.4 which is £0.8m higher than in FY21. Of the FY22 expenditure, 98% related to expenditure on Charitable Activities and 2% on raising funds, ratio similar to previous year (FY21 97% and 3% respectively).

Unrestricted expenditure decreased by £525k compared to FY21. This represents a 34% drop and is attributable primarily to foreign exchange gains. FY22 saw unrestricted foreign exchange gains of £180K, largely due to revaluations of foreign currency bank accounts held in the UK and some element of

revaluations on consolidation. In FY21, there was a £373k unrestricted foreign exchange loss. The majority of TRAFFIC's income is received in foreign currencies, namely US Dollar, Euro and Swiss Franc. Where those funds are yet to be expended, the balances are held in foreign currency bank accounts. The fluctuations in currency rates during FY21, particularly in USD, which caused high level of foreign exchange losses, have partly reversed in FY22. TRAFFIC regularly reviews its foreign currency management to mitigate foreign exchange risk where possible and considers foreign exchange risk when setting its reserve policy.

Restricted fund expenditure increased by £1.3m to £9.4m. One of the contributing factors was a £0.7m spend under the NORAD project. Expenditure was also higher for two other large projects, RETTA (up £290K on FY21) and TRAPS (up £218K). Project spend is largely dependent on project implementation rates each year. The increase this year is consistent with the overall growth of the organisation and the increase in the restricted income.

FUNDS

The net movement in group funds for the year was a surplus of £1m compared to a surplus of £565k in the previous year.

The net movement in unrestricted group funds was a surplus of £138k, as a result of the aforementioned foreign exchange gains.

Unrestricted funds held at the year-end were £2.3m. The net movement in group restricted funds was a surplus of £863k and restricted funds held at the year- end were £3.6m.

RISK MANAGEMENT

The Trustees recognise their role in the management and administration of the Charity and that directorship carries legal responsibilities and duties including a responsibility to assess potential risks facing the Charity. The Trustees note that the major potential risks in the areas of governance and management, operations, and finance are reviewed on a periodic basis and that systems have been put in place to minimise these risks both in the UK and overseas.

The nature of TRAFFIC's conservation programme means that the bulk of funding dispersed through TRAFFIC's UK office is subcontracted to TRAFFIC branch offices to implement conservation activities overseas. TRAFFIC has well-established guidelines on financial policies and procedures which are followed by TRAFFIC offices globally, including regular review of budgets, financial performance, and related financial management. In addition, TRAFFIC has an established monitoring and evaluation system in place which looks at overall programme delivery and individual project implementation against contracted project budgets and deliverables.

KEY RISKS AND UNCERTAINTIES

TRAFFIC's risk framework focuses on the following key risk areas:

- Strategic risks which influence TRAFFIC's long-term strategic objectives, including governance issues, partner relations, and stakeholders including donors and the public. The Senior Leadership Team meets on a bi-weekly basis to discuss such issues and the wider management have an annual week-long meeting covering areas of risk as well as the topic of risk management itself;
- Operational risks which arise from day-to-day issues that TRAFFIC faces as it delivers its conservation programme. These include areas such as project management, office facilities, and human resource management. To minimise these risks, Finance and Operations manuals have been produced, project steering groups are set up for major projects, staff undergo an induction process and appropriate training, and regular team meetings are held;
- Financial risks related to TRAFFIC's effective management and control of its finances including internal controls, monitoring of funding development, and the effects of external factors such as foreign exchange rates. TRAFFIC produces and reviews quarterly financial reports, as well as annual budgets and quarterly reforecasts, to allow potential financial risks to be identified on a timely basis. There is an up-to-date Finance Manual subject to regular review. Monies are kept in major donor currencies to minimise the effects of any exchange rate fluctuations;
- Knowledge management risks related to TRAFFIC's effective management and control of its knowledge resources, including communications materials, intellectual property rights, and system malfunctions. To minimise these risks, some controls include protocols for handling sensitive data, communications policies and regular backups of data;
- Compliance with laws and regulations related to issues such as health & safety, data protection, employment practices, safeguarding, and other regulatory issues. As well as employing appropriately professionally qualified staff we hold regular meetings with professional advisors both in the UK and in locations where we have offices overseas;
- External risks which may be beyond TRAFFIC's ability to influence, including changes in the physical environment, and in the global economic or political environment, including the high levels of inflation and the conflict in Ukraine seen in 2022. To minimise the effects of these risks to the extent possible, staff monitor analysis circulated in the charity community and more broadly and attend external specialist seminars to ensure knowledge in the Charity of possible external risks.

Any "high" risks identified, and the actions taken to mitigate them, are brought to the attention of the Board of Trustees. The Board's Operations Committee review the risk register on a bi-annual basis and the Board of Trustees on an annual basis. The Board reviewed and updated the organisation's overall risk policy in January 2022.

SAFEGUARDING

TRAFFIC International takes very seriously its responsibility to protect people, including our staff, volunteers, partners, consultants, contractors, trustees and others affected by our work, from any harm that may result from coming into contact with our organisation.

As a wildlife conservation charity primarily involved in researching legal and illegal wildlife trade globally, and encouraging necessary action by governments, businesses, and others, TRAFFIC does not usually work directly with children or with adults who could be seen as at risk, nor do we carry out aid-funded relief work. Nevertheless, TRAFFIC employs around 170 staff globally and cooperates with a wide range of public and private sector partner organisations to carry out work related to people and their use of natural resources.

We recognise the importance of ensuring that our work does not have adverse social or environmental impacts at any level, and the need to incorporate these considerations both into the design and implementation of our activities and into the conduct of our staff and implementing partners.

TRAFFIC is aware that it is bound by the laws of the UK in respect of conduct both at home and abroad. We are committed to acting professionally, fairly, and with integrity in our business dealings and relationships wherever we operate. This includes implementing and enforcing effective systems through a framework of policies including professional conduct, sensitive activity management, anti-bribery, and whistleblowing. TRAFFIC's safeguarding statement can be found on our website.

In 2022, TRAFFIC formalised its External Complaints mechanism via its web site with guidance notes issued in English, French, Spanish, Chinese and Vietnamese. No reportable issues were raised or identified during the financial year.

ENVIRONMENTAL SUSTAINABILITY

TRAFFIC operates in 15 locations across five continents, managed from the global office in Cambridge, UK. TRAFFIC staff work under a variety of conditions in these strategic locations, from single individuals to larger groups, often hosted within an external host's office.

TRAFFIC is a key member of the Cambridge Conservation Initiative (CCI) including as an active participant in CCI's Sustainability Working Group with the 2020-2025 David Attenborough Building Sustainability Strategy and Environmental Sustainability Policy providing the basis for TRAFFIC's 2021 Environmental Sustainability Policy. Global application of the TRAFFIC policy, which includes a number of elements (carbon reduction and energy efficiency; purchasing and procurement; travel and transport; waste management; biodiversity and ecology; water use; and host collaboration and reporting), continues to progress slowly, both because of the ongoing impact of the COVID pandemic and difficulties in capturing and consolidating consumption data from offices in different countries (including the UK) to establish base-line data.

CCI tenants in the David Attenborough Building (DAB) have set themselves the same carbon reduction target (absolute zero by 2048) as the University of Cambridge for Scope 1 and 2 emissions, which relate to energy purchased for the building. In FY22, the Cambridge office began offsetting for its energy consumption with 2.6 metric tonnes recorded (lighting and plugload consumption) offset at £26.

TRAFFIC and other CCI members are exploring ways to calculate Scope 3 carbon emissions generated indirectly by a range of operational requirements in the DAB, e.g. waste, water, procurement, travel and transport, and how to use carbon offsetting as an option to mitigate the building's carbon footprint. As options are identified and adopted by TRAFFIC's headquarters in the UK, they will be rolled

out to TRAFFIC offices in other locations as appropriate.

TRAFFIC already has a well-established carbon-offset programme for its business air travel, currently supporting an organisation called Carbon Tanzania as part of its carbon offset commitment. In FY22, TRAFFIC recorded £1100 in carbon offset, representing 110 tonnes of carbon compared to £30 (2.8tonnes) in FY 21, £2,832 (365 tonnes) in FY20, and £3,403 (439 tonnes) in FY19. The FY22 figures include data from TRAFFIC's Global Office in the UK and overseas branch offices. This offsetting mechanism will be expanded to include other Scope 3 emissions as reliable data become available.

As COVID-restrictions relax globally and activities go on normalizing, TRAFFIC will continue to develop methods of working, including the use of new technologies, to promote lower impact activities and reduce its impact on the natural environment.

INVESTMENT POLICY

Under the Articles of Association, the Charity has the power to make any investment the Trustees see fit. The investment policy, as approved by the Trustees on 16th February 2005, is that funds will be invested in cash, bank current accounts, and bank deposits.

The Charity currently holds no investments aside from its cash holdings. The Trustees will consider possible amendments to this investment policy on a periodic basis.

RESERVES POLICY

TRAFFIC'S Trustees recognise the importance of establishing reserves to allow the Charity to respond to future opportunities and current global economic challenges, particularly for an organisation with levels of restricted funding significantly higher than unrestricted. The Trustees have set TRAFFIC's general reserve fund target based on the following range: the equivalent of four months of the Charity's planned annual Core expenditure to be maintained at all times and a maximum amount equivalent to six months of the Charity's planned annual core expenditure.

TRAFFIC routinely models various scenarios to help evaluate the level of reserves that should be put aside to protect against risks such as drops in income, unexpected increases in costs, or, more positively, to allow the organisation to take advantage of new opportunities. This review was carried out in 2021 and will be carried out again in 2023 to ensure that the reserve target is still appropriate.

At the year-end, the group had free reserves of £2.3m, equivalent to over four months of planned FY23 core expenditure, before allocations to restricted projects. Free reserves are defined as unrestricted reserves less fixed assets.

Both the amount of free reserves held and the target itself are reviewed on a regular basis.

FUNDRAISING

TRAFFIC does not actively fundraise from the public, although there is the facility to donate on the TRAFFIC website. TRAFFIC does not engage in face-to-face fundraising, telephone fundraising, or direct mail campaigns. There were no licensed street collections in the reporting period. We do not use commercial participators.

All Trustees are aware of the CC20 guidance from the Charity Commission and any future fundraising will be conducted in line with CC20. TRAFFIC contributed to the Fundraising Regulator during the year in support of the Fundraising Code of Conduct.

There have been no formal complaints concerning our fundraising practice during the reporting period.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of TRAFFIC International for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the surplus or deficit of the charitable company and group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITOR

Each of the Trustees at the date of approval of this report confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the Charity's auditor is unaware; and
- The Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

STRUCTURE, GOVERNANCE AND MANAGEMENT

TRAFFIC was established in 1976 by the Species Survival Commission of IUCN (the International Union for Conservation of Nature), largely to support the implementation of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). CITES is an international agreement between more than 180 governments that aims to ensure international trade in specimens of wild animals and plants does not threaten their survival. Over its first two decades of operation, TRAFFIC developed as a network of offices supported by IUCN and WWF and operated as a joint conservation programme of these two international conservation organisations. TRAFFIC International was established in the UK and registered with the Charity Commission on 23rd July 1999 to provide a base for TRAFFIC's global co-ordinating office.

In 2017, a decision was made by WWF, IUCN and TRAFFIC International to consolidate governance and management of TRAFFIC operations worldwide under the UK Charity. New Articles of Association were adopted in June 2017, providing for an increased number of nine Trustees; up to three each appointed by WWF and IUCN as founder members, and up to another three independent Trustees. Subsequently, in June 2018, the Trustees agreed to merge five overseas offices into the UK charity as branches from 1st July 2018.

Since FY19, the TRAFFIC International accounts thus have incorporated Central Africa, East Africa, Southern Africa, China, Southeast Asia, and Viet Nam as branch or subsidiary offices. With Board approval, a China representative office and a Malaysian company registered by guarantee were established in FY20. Registered offices, again with Board approval, were established in Belgium and Tanzania in FY22.

Affiliated offices in India, Japan, and the USA continue to operate as internal divisions of their respective WWF hosts and are not incorporated into the charity in a legal sense.

The Board delegates day-to-day management of the Charity to Richard Scobey, Executive Director and Chief Executive Officer, who appoints the Senior Leadership Team, who, for the purposes of regulatory reporting, are collectively the Key Management Personnel along with the Trustees. The Senior Leadership Team develops strategies and plans for the Board to scrutinise and approve. It subsequently monitors and reports on performance against targets.

As provided for under TRAFFIC International's Articles of Association, the Board has established an Operations Committee chaired by a Trustee with the delegated responsibility to review information on budgets, financial performance, organisational development and business risk and to provide advice and recommendations to TRAFFIC management and the Board of Trustees.

TRUSTEES

The Trustees who served during the year, unless otherwise stated, were as follows:

- Mark Halle, Chair
- Jeremy Eppel
- Joshua Ginsberg (resigned July 2022)
- Ginette Hemley
- Aban Marker Kabraji
- Jonathan Hutton (appointed October 2021)
- Margaret Kinnaird (resigned October 2021)
- Jennifer Mohammed-Katerere (appointed October 2021)
- Jon Paul Rodriguez (resigned October 2021)
- Jane Smart
- Heather Sohl

Members of the Board of Trustees are directors for the purpose of company law and Trustees for the purpose of charity law. The company is limited by guarantee. Therefore, no Trustee had any beneficial interest.

APPOINTMENT OF TRUSTEES

The role of the Trustees is collectively, as a board, to ensure delivery of the Charity's objectives, set its strategic direction, and uphold its values. Trustees have a fundamental and legal obligation to act in the best interests of the Charity, and in accordance with the Charity's governing documents. The Trustees oversee the management and operation of the Charity subject to the provisions of the relevant acts (Charities Act 2011; Companies Act 2006 and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" second edition issued in January 2019) and the Memorandum and Articles of Association, and any directions given by special resolution. TRAFFIC's Trustees are drawn from within the broad umbrella of its partner organisations as well as the wider conservation community and bring together an extensive range of expertise in terms of programmatic, technical, financial and administrative skills. Terms of reference for the Board of Trustees (Directors) describe the responsibilities of the board and the role of key officers.

TRAFFIC's conflict of interest policy notes that Trustees have a fundamental and legal obligation to act in the best interests of the Charity, and in accordance with the Charity's governing documents. Trustees who are employees of WWF and IUCN are further bound by the undertaking dated 17 September 1999 made on behalf of the two founding members of the Charity. This document, addressed to the Charity Commission, states on behalf of both organisations that TRAFFIC will function as an autonomous body and that neither WWF or IUCN will be able to define or restrict the activities of the Charity. Legally and professionally, Trustees therefore serve in a personal and voluntary capacity and not as representatives of their organisations.

TRUSTEES' INDUCTION AND TRAINING

When an individual accepts an invitation to become a Trustee, as part of the induction process, he or she receives an initial induction pack and meets with a senior manager of TRAFFIC to review the contents of the induction pack and supplementary materials; review responsibilities of Trustees; review current financial situation and general funding sources; review TRAFFIC's organizational chart, and the Charity's role in the larger TRAFFIC organisation; and review planned future projects and activities. They are regularly provided with financial and programmatic information as well as updates on relevant developments in the UK charity sector. Key documents are provided through a comprehensive governance manual.

REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees consider the Board of Trustees and the Senior Leadership Team comprise the Key Management Personnel of the Charity in charge of directing, controlling, and operating the Charity on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in either year. Details of Trustees' expenses and related party transactions are disclosed in Note 6 to the accounts. The Charity benchmarks remuneration of its Senior Leadership Team against comparable roles in other charities of a similar size and complexity, within a specified pay band. Each member of the Senior Leadership Team receives an annual cost of living salary increase, which takes into account inflation, changes in national average earnings and pay awards elsewhere in the charity or public sector. The award is made subject to affordability and is paid at the same rate as applied to all other eligible staff in the Charity. Increases to the Executive Director's salary that are above the annual cost-of-living salary increase are reviewed and approved by the Board of Trustees.

PUBLIC BENEFIT

TRAFFIC is a wildlife conservation charity whose vision is of a world where wildlife trade is managed in a way that maintains healthy wildlife populations and ecosystems; contributes to meeting human needs; supports local and national economies; and helps motivate commitments to conserve wild species and habitats.

The organisation's efforts are therefore focused not only on conserving biological diversity but also on protecting and maintaining the many "ecosystem goods and services" that are or may be threatened by unsustainable or illegal wildlife trade.

In reviewing TRAFFIC's charitable objects and as part of planning and implementing our programme of work, the Trustees, have taken account of the Charity Commission's guidance on public benefit. The Trustees have considered how TRAFFIC's work will consistently contribute to the Charity's aims and objectives. TRAFFIC's main areas of charitable activity are detailed throughout this report.

The Trustees' report (which incorporates the requirements of the Strategic Report) was approved by the board on 12 January 2023 and signed on its behalf by:



Mark Halle
Chair



ADMINISTRATIVE INFORMATION

TRUSTEES:

Ginette Hemley
Aban Marker Kabraji
Jennifer Mohamed-Katerere
Jeremy Eppel
Joshua Ginsberg
Mark Halle
Jane Smart
Heather Sohl
Jon Hutton

REGISTERED OFFICE:

David Attenborough Building
Pembroke Street
Cambridge
CB2 3QZ
United Kingdom

COMPANY SECRETARY:

Mr R Scobey

EXECUTIVE DIRECTOR:

Mr R Scobey

SOLICITORS:

Mills and Reeve
Botanic House
98–100 Hills Rd
Cambridge
CB2 1PH

COMPANY REGISTERED NUMBER:

3785518

CHARITY REGISTERED NUMBER:

1076722

STATUTORY AUDITOR:

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

BANKERS:

Barclays Bank
Bene't Street
Cambridge
CB2 3PZ

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAFFIC INTERNATIONAL: YEAR ENDED 30 JUNE 2022

OPINION

We have audited the financial statements of TRAFFIC International for the year ended 30 June 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 30 June 2022 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES FOR THE FINANCIAL STATEMENTS

As explained more fully in the trustees' responsibilities statement set out on page 30, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of Company and Charity Law applicable in England and Wales, and overseas branches and subsidiaries complying with local legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, payroll taxes, and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and the manipulation of accounting judgements and estimates, including the recognition of income at the year-end. Audit procedures performed by the engagement team included:

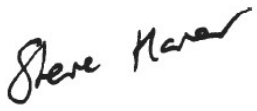
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing minutes of Trustee meetings during the year;
- Identifying and testing journals, in particular journal entries posted around the year-end; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Steven Harper (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP,
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 27 February 2023



TRAFFIC INTERNATIONAL FINANCIAL STATEMENTS: YEAR ENDED 30 JUNE 2022

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT: YEAR ENDED 30 JUNE 2022

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Income from:					
Donations		1,045,681	-	1,045,681	1,158,062
Charitable activities		31,461	10,275,280	10,306,741	8,951,114
Investments		4	102	106	1,823
Other		5,872	2,814	8,686	6,318
Total	5	1,083,018	10,278,196	11,361,214	10,117,317
Expenditure on:					
Raising funds – grant and contract proposal development		220,661	-	220,661	264,844
Charitable activities					
Red stream		590,490	6,885,026	7,475,516	5,876,024
Green stream		124,269	1,448,964	1,573,233	865,894
Mixed		86,151	1,004,503	1,090,653	2,545,959
Total charitable activity expenditure		800,910	9,338,492	10,139,402	9,287,877
Total	6	1,021,571	9,338,492	10,360,063	9,552,721
Net income/(expenditure)		61,447	939,704	1,001,151	564,596
Transfers between funds		76,581	(76,581)	-	-
Net movement in funds		138,028	863,123	1,001,151	564,596
Reconciliation of funds:					
Total funds brought forward		2,183,791	2,733,401	4,917,192	4,352,596
Total funds carried forward		2,321,819	3,596,524	5,918,343	4,917,192

All activities in both years arise from continuing activities. There were no other recognised gains or losses other than those shown in the statement above and the net income for the year. The notes on pages 44 to 65 form an integral part of these financial statements.
Full comparative figures for the year ended 30 June 2021 are shown in note 20.

BALANCE SHEETS: AS AT 30 JUNE 2022

	Notes	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Fixed Assets					
Intangible fixed assets	10	3,192	3,071	9,724	9,458
Tangible fixed assets	11	43,584	39,119	52,112	44,100
		46,776	42,190	61,836	53,558
Current Assets					
Debtors	12	5,736,739	5,542,931	4,469,180	4,421,261
Cash at bank and in hand		3,767,654	3,566,759	2,901,180	2,820,803
		9,504,393	9,109,690	7,370,360	7,242,064
Liabilities					
Creditors: amounts falling due within one year	13	3,632,826	3,505,809	2,515,004	2,478,302
Net current assets		5,871,567	5,603,881	4,855,356	4,763,762
Total assets less current liabilities being net assets		5,918,343	5,646,071	4,917,192	4,817,320
The funds of the Charity					
Restricted funds		3,596,524	3,601,405	2,733,401	2,381,026
Unrestricted		2,321,819	2,044,666	2,183,791	2,436,294
Total Charity funds	16	5,918,343	5,646,071	4,917,192	4,817,320

The surplus of the Charity before consolidation was £828,751 (2021: £759,140). Further details are presented in note 3.

The financial statements of TRAFFIC International (company number 3785518) were approved by the Board of Trustees and authorised for issue on 12 January 2023 and signed on its behalf by:



Mark Halle
Chair

The notes on pages 44 to 65 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT: YEAR ENDED 30 JUNE 2022

	2022 Total £	2021 Total £
Cash flows from operating activities:		
Net cash flows from operating activities	892,636	(313,959)
Cash flows from investing activities:		
Dividends, interest and rents from investments	106	1,823
Transfer of assets	-	-
Purchase of fixed assets	(26,269)	(26,843)
Net cash outflow from investing activities	(26,163)	(25,020)
Net increase/(decrease) in cash and cash equivalents	866,474	(338,979)
Cash and cash equivalents at 1 July 2021	2,901,180	3,240,159
Cash and cash equivalents at 30 June 2022	3,767,654	2,901,180
Reconciliation of net cash flows from operating activities:		
Net income	1,001,151	564,596
Depreciation and amortisation	40,848	64,184
Loss on fixed asset disposal	481	-
Investment income	(106)	(1,823)
(Increase)/decrease in debtors	(1,267,558)	(163,110)
Increase/(decrease) in creditors	1,117,821	(777,806)
Net cash flows from operating activities	892,636	(313,959)

The notes on pages 34 to 55 form an integral part of these financial statements.
Cash and cash equivalents are represented by cash at bank and in hand.

NOTES TO THE ACCOUNTS: YEAR ENDED 30 JUNE 2022

1. Accounting Policies

TRAFFIC International is a company limited by guarantee and registered in England and Wales (3785518), not having a share capital, and as a Registered Charity with the Charity Commission for England and Wales (1076722). The Charity is not liable to corporation tax on its charitable activities and further details are shown above within the Reference and Administrative details on page 35.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Charity's financial statements.

a) **Accounting conventions**

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (Second Edition effective 1 January 2020)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2019; and the Companies Act 2006. The Charity meets the definition of a public benefit entity under FRS 102. The financial statements are prepared in Pounds Sterling rounded to the nearest Pound.

b) **Going concern**

The Trustees are reasonably confident that there are no material uncertainties in TRAFFIC's ability to continue as a going concern and the Group is well placed to manage its business risks successfully. TRAFFIC regularly monitors its pipeline of projects to ensure its conservation objectives and operational needs are met. The Group has significant cash resources and a significant level of net assets. Accordingly, the Trustees continue to adopt the going concern basis. In carrying out this assessment, the Group has also considered the impact of the recent developments in the world and the related political and economic uncertainty.

c) **Consolidation**

These financial statements consolidate the results of TRAFFIC International Southeast Asia, TRAFFIC International East Africa and TRAFFIC International Europe on a line-by-line basis. TRAFFIC International Southeast Asia is incorporated in Malaysia, East Africa in Tanzania and Europe in Belgium. Transactions and balances between charitable company and its subsidiaries have been eliminated from the consolidated financial statements. There are no significant differences between the accounting policies of the parent charitable company and its subsidiaries. In addition to the subsidiary undertakings, the charitable company has a number of branches which are treated as being part of the results of the charitable company in line with section 25 of the Statement of Recommended Practice. As permitted by Section 408 of Companies Act 2006, no separate Statement of Financial Activities for the Charity has been presented. However, the results of the Charity before consolidation are summarised in note 3.

d) **Income**

Income is recognised and included in the statement of financial activities when the Charity has entitlement to the income, it is probable that the income will be received, and the amount can be reliably measured. Income received relating to future accounting periods is deferred and recognised as a creditor within the balance sheet.

e) **Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. VAT cannot be recovered and is reported as part of the expenditure to which it relates.

Costs of raising funds:

These represent costs of internal allocations for staff involvement in implementation of the Charity's funding strategy, donor liaisons and assistance with proposal development and submission.

Charitable activities:
This includes expenditure incurred in the fulfilment of the objectives of the charitable company including allocated overheads.

Support costs:
Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the Charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. Support costs are allocated on a pro-rata basis according to the total cost of activities undertaken directly and grant funding of activities.

Governance costs:
This includes expenditure incurred in the general running and administering of the charitable company. These costs include external audit, legal advice for Trustees and costs associated with constitutional and statutory requirements.

f) Tangible fixed assets

Tangible fixed assets are shown at cost less accumulated depreciation. Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful lives of three years on a straight-line basis. The current capitalisation policy is £400.

Impairment reviews are conducted when events and changes in circumstances indicate that an impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, it is written down accordingly.

g) Intangible fixed assets

Intangible assets are shown at cost less accumulated amortisation. Amortisation is calculated on a straight-line basis to allocate the assets value evenly over a three-year period. The current capitalisation threshold is £400.

Impairment reviews are conducted when events and changes in circumstances indicate that an impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, it is written down accordingly.

h) Funds

The Charity records two categories of income—unrestricted and restricted funds.

Unrestricted funds
Unrestricted funds can be used for any purpose approved by the Trustees within the objects of the Charity. Funds that are received without external restriction, and for use in any of the Charity's activities including operational and establishment costs are treated as unrestricted funds and may be designated by the Trustees for particular purposes as deemed appropriate.

Restricted funds
Resources are allocated to restricted funds according to the limitations on their use specified by the donors or other providers.

Restricted funds are allocated to specific activities and outputs usually under the terms of a project contract accompanying the grant. Detailed accounts are maintained for restricted projects including income, expenditure and fund balances by donor. The majority of projects are short-term in nature with grants being expended between one and five years. Deficits within restricted project funds which occur when income is not entitled to be recognised in the current financial period are carried forward to the next period. Where further funding is not anticipated, a transfer is made from unrestricted funds to cover the deficit.

The Charity does not have any endowment funds.

i) **Cash and cash equivalents**

Cash at bank and in hand includes interest and non-interest-bearing accounts which are highly liquid.

j) **Employee benefits – Pensions**

The Charity operates a defined contribution scheme, the assets of which are held separately from those of the Charity. The Charity's contributions are charged to expenditure in the year they are incurred.

k) **Foreign exchange**

Transactions denominated in foreign currencies are recorded at the daily rate of exchange. Assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the year end. Gains and losses on re-translation are dealt with as part of the deficit or surplus on ordinary activities for the financial year.

l) **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

m) **Financial instruments**

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

3. Result of the charity

	2022 £	2021 £
Income		
Donations	997,364	1,101,829
Charitable activities	9,995,669	8,838,625
Other income	14,016	3,071
	11,007,049	**9,943,525**
Expenditure		
Charitable activities and raising funds	10,178,298	9,184,385
Funds transferred to subsidiary undertaking	-	-
	10,178,298	**9,184,385**
Net income	**828,751**	**759,140**
Funds brought forward	**4,817,320**	**4,058,180**
Funds carried forward	**5,646,071**	**4,817,320**

4. Result of subsidiary undertakings

TRAFFIC International Southeast Asia is a company incorporated in Malaysia and is a wholly owned subsidiary of TRAFFIC International. It was incorporated in January 2021 and carries out the activities of the charity in the region. Prior to incorporation, the activities in the region were run as a branch of TRAFFIC International. On 1 February 2021, the activities and net assets of the branch were transferred to the new company. The results have been included in these financial statements from that date, a summary of which is provided below.

	2022 £	2021 £
Income		
Funds transferred from parent undertaking	-	-
Charitable activities	749,068	564,921
	749,068	**564,921**
Expenditure		
Charitable activities	681,891	773,854
	681,891	**773,854**
Net income	**67,177**	**(208,933)**
Funds brought forward	85,484	294,417
Funds carried forward	**152,661**	**85,484**
Funds		
Total assets	187,298	109,697
Total liabilities	(34,637)	(24,213)
	152,661	**85,484**

TRAFFIC International East Africa is a company incorporated in Tanzania and is a wholly owned subsidiary of TRAFFIC International. It was incorporated in December 2021 and carries out the activities of the charity in the region. Prior to incorporation, the activities in the region were run as a branch of TRAFFIC International. On 1 January 2022, the activities and net assets of the branch were transferred to the new company. The results have been included in these financial statements from that date, a summary of which is provided below.

	2022 £
Income	
Funds transferred from parent undertaking	(8,859)
Charitable activities	383,835
	374,976
Expenditure	
Charitable activities	324,771
	324,771
Net income	50,205
Funds brought forward	-
Funds carried forward	50,205
Funds	
Total assets	236,992
Total liabilities	(186,787)
	50,205

TRAFFIC International Europe is a company incorporated in Belgium and is a wholly owned subsidiary of TRAFFIC International. It was incorporated in December 2021 and carries out the activities of the charity in the region. Prior to incorporation, the activities in the region were run by TRAFFIC International.

	2022 £
Expenditure	
Charitable activities	19,692
	19,692
Net income	(19,692)
Funds brought forward	-
Funds carried forward	(19,692)
Funds	
Total assets	-
Total liabilities	(19,692)
	(19,692)

5. Income

All of TRAFFIC International's activity relates to ensuring that trade in wild plants and animals is not a threat to the conservation of nature.

	Unrestricted £	Restricted £	2022 Total £
Donations			
IUCN, WWF & other TRAFFIC entities	1,005,252	-	1,005,252
Corporate and Individuals	40,430	-	40,430
	1,045,682	-	1,045,682
Charitable activities			
IUCN, WWF & other TRAFFIC entities	12,171	2,099,714	2,111,885
Governments	10,000	5,938,636	5,948,636
Multilaterals	-	841,933	841,933
Foundations and charities	9,290	1,381,387	1,390,677
Corporate and Individuals	-	13,712	13,712
	10,701	10,275,382	10,306,843
Other income	5,855	2,540	8,395
Bank interest	20	274	294
	1,083,018	10,278,196	11,361,214

2021 Comparative	Unrestricted £	Restricted £	2021 Total £
Donations			
IUCN, WWF & other TRAFFIC entities	1,109,129	-	1,109,129
Corporate and Individuals	26,433	22,500	48,933
	1,135,562	22,500	1,158,062
Charitable activities			
IUCN, WWF & other TRAFFIC entities	6,233	1,262,465	1,268,698
Governments	886	5,362,357	5,363,343
Multilaterals	-	551,124	551,124
Foundations and charities	3,317	1,620,482	1,623,799
Corporate and Individuals	265	143,985	144,250
	10,701	8,940,413	8,951,114
Other income	5,751	567	6,318
Bank interest	2,920	(1,097)	1,823
	1,154,934	8,962,383	10,117,317

6. Expenditure

All of TRAFFIC International's activity relates to ensuring that trade in wild plants and animals is not a threat to the conservation of nature.

	Direct costs £	Support costs £	2022 Total £
Costs of raising funds	-	220,661	220,661
Charitable activities			
Addressing Wildlife crime & illegal trade	6,399,141	1,076,375	7,475,516
Sustainable legal trade	1,346,708	226,525	1,573,233
Mixed stream	933,613	157,040	1,090,653
	8,679,463	1,459,939	10,139,402
	8,679,463	1,680,600	10,360,063

2021 Comparative

	Direct costs £	Support costs £	2021 Total £
Costs of raising funds	-	264,84	264,844
Charitable activities			
Addressing Wildlife crime & illegal trade	5,015,159	860,864	5,876,023
Sustainable legal trade	739,037	126,857	865,894
Mixed stream	2,172,965	372,995	2,545,960
	7,927,161	1,360,716	9,287,877
	7,927,161	1,625,560	9,552,721

Analysis of expenditure:

	Unrestricted £	Restricted £	2022 Total £
Costs of raising funds			
Staff costs	191,867	-	191,867
Operational	4,824	-	4,824
Establishment	18,706	-	18,706
Travel	1,809	-	1,809
Depreciation	1,307	-	1,307
Foreign exchange gain	(5,583)	-	(5,583)
Governance	7,731	-	7,731
	220,661	-	220,661
Charitable activities			
Staff costs	441,778	5,412,644	5,854,422
Operational	147,187	1,793,882	1,941,069
Establishment	570,788	258,840	829,628
Professional fees	-	16,350	16,350
Project sub-contracts	7,500	871,777	879,277
Travel	55,192	391,740	446,932
Depreciation and amortisation	40,855	-	40,855
Transfer of costs to projects	(533,704)	533,704	-
Foreign exchange (gain)/loss	(170,357)	59,555	(110,802)
Governance	241,671	-	241,671
	800,910	9,338,492	10,139,402
Total expenditure	1,021,571	9,338,492	10,360,063

2021 Comparative

Analysis of expenditure:

	Unrestricted £	Restricted £	2021 Total £
Costs of raising funds			
Staff costs	210,368	-	210,368
Operational	6,373	-	6,373
Establishment	20,300	-	20,300
Travel	1,657	-	1,657
Depreciation and amortisation	2,471	-	2,471
Foreign exchange gain	15,313	-	15,313
Governance	8,362	-	8,362
	264,844	-	264,844
Charitable activities			
Staff costs	447,432	4,681,175	5,128,607
Operational	155,373	1,344,506	1,499,879
Establishment	494,907	271,515	766,422
Professional fees	0	17,668	17,668
Project sub-contracts	0	895,736	895,736
Travel	40,402	244,007	284,409
Depreciation and amortisation	61,713	0	61,713
Transfer of costs to projects	(499,962)	499,962	0
Foreign exchange loss/(gain)	373,331	51,281	424,612
Governance	208,831	0	208,831
	1,282,027	8,005,850	9,287,877
Total expenditure	1,546,871	8,005,850	9,552,721

7. Support costs

	Support £	Governance £	2022 £
Professional fees	-	69,411	69,411
Auditor's remuneration	-	7,142	7,142
Other audits	-	15,157	15,157
Staff costs	1,255,634	142,972	1,398,606
Operational	-	3,594	3,594
Establishment costs	162,627	13,939	176,566
Travel	12,937	1,348	14,285
Foreign exchange gain	-	(4,160)	(4,160)
Total	1,431,197	249,403	1,680,600

2021 Comparative

	Support £	Governance £	2021 £
Professional fees	-	36,641	36,641
Auditor's remuneration	-	14,308	14,308
Other audits	-	15,157	15,157
Staff costs	1,229,988	125,128	1,355,116
Operational	-	3,791	3,791
Establishment costs	167,848	12,075	179,923
Travel	10,529	986	11,515
Foreign exchange gain	-	9,109	9,109
Total	1,408,365	217,195	1,625,560

Support costs are allocated on a pro-rata basis according to the total cost of activities undertaken directly and grant funding of activities. Fees payable to the Charity's auditor are for the audit of the charity's annual financial statements.

8. Employee and Trustee Information

	2022 £	2021 £
a) Staff costs:		
Wages and salaries	4,815,124	4,331,590
Social security costs	704,177	512,482
Pension costs	473,111	468,050
Other benefits	72,549	63,774
Other staff costs	124,300	88,208
	6,189,261	5,464,104

Other staff costs include an accrual for untaken annual leave outstanding at the year end, in line with the requirements of FRS102.

	2022	2021
b) The average number of persons, employed during the year was:		
Management and Administration	74	63
Programme and Research	95	90
	169	153

The above numbers do not include Trustees who are not permitted to receive remuneration for their duties. Five trustees received payments for expenses during 2022 totalling £6,292 (2021 – £nil).

	2022	2021
c) Employees with emoluments (emoluments include salaries and taxable benefits, but not employer pension costs or employer's national insurance) over £60,000 were:		
£60,001 – £70,000	3	3
£70,001 – £80,000	5	4
£80,001 – £90,000	-	1
£90,001 – £100,000	2	-
£110,001 – £120,000	1	1
	11	9

d) Senior leadership team

Total remuneration of the Key Management Personnel (the Trustees with the Senior Leadership Team comprising the Executive Director and other senior managers), including pension contributions excluding social security costs, was £772,426 (2021: £666,990) for nine (2021: ten) staff members. No Trustees received nor waived any remuneration.

9. Employee benefits - Pension costs

The Charity's pension contributions are made to defined contribution schemes. The assets of the schemes are held separately from those of the Charity in independently administered funds. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £473,111 (2021: £468,051).

10. Intangible fixed assets

GROUP	Computer Software £
Cost:	
At 1 July 2021	94,624
Additions	-
At 30 June 2022	94,624
Amortisation:	
At 1 July 2021	84,900
Additions	6,532
At 30 June 2022	91,432
Net book value:	
At 30 June 2022	3,192
At 30 June 2021	9,724

CHARITY	Computer Software £
Cost:	
At 1 July 2021	94,175
Additions	-
At 30 June 2022	94,175
Amortisation:	
At 1 July 2021	84,717
Charge for year	6,387
At 30 June 2022	91,104
Net book value:	
At 30 June 2022	3,071
At 30 June 2021	9,458

11. Tangible fixed assets

GROUP	Leasehold improvements £	Fixtures & Fittings £	Vehicles £	Computer Equipment £	Total £
Cost:					
At 1 July 2021	10,861	51,553	55,208	177,875	295,497
Additions	-	6,891	-	19,378	26,269
Disposals	-	(3,514)	-	-	(3,514)
At 30 June 2022	**10,861**	**54,930**	**55,208**	**197,252**	**318,252**
Depreciation:					
At 1 July 2021	8,293	41,248	51,742	142,102	243,385
Charge for year	1,761	5,970	3,466	23,118	34,316
Released on disposals	-	(3,032)	-	-	(3,032)
At 30 June 2022	**10,054**	**44,186**	**55,208**	**165,220**	**274,669**
Net book value:					
At 30 June 2022	**807**	**10,744**	**-**	**32,033**	**43,584**
At 30 June 2021	2,568	10,305	3,466	35,773	52,112

CHARITY	Leasehold improvements £	Fixtures & Fittings £	Vehicles £	Computer Equipment £	Total £
Cost:					
At 1 July 2021	-	30,841	55,208	167,823	253,872
Additions	-	5,317	-	18,100	23,416
At 30 June 2022	-	**36,158**	**55,208**	**185,923**	**277,288**
Depreciation:					
At 1 July 2021	-	21,271	51,742	136,759	209,772
Charge for year	-	5,365	3,466	19,566	28,397
At 30 June 2022	**-**	**26,636**	**55,208**	**156,325**	**238,179**
Net book value:					
At 30 June 2022	**-**	**9,521**	**-**	**29,598**	**39,119**
At 30 June 2021	-	9,570	3,466	31,064	44,100

12. Debtors: amounts falling within one year

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Trade debtors	479,036	450,312	213,039	212,577
Other debtors	83,041	17,066	67,155	24,400
Amounts held by hosts	326,749	271,903	362,686	362,686
Prepayments	99,188	76,687	40,846	36,550
Accrued income	4,748,726	4,726,963	3,785,454	3,785,048
	5,736,739	5,542,931	4,469,180	4,421,261

Amounts held by host relates to cash amounts held by hosts on behalf of branches.

13. Creditors: falling due within one year

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Trade creditors	207,169	164,963	158,230	150,313
Other creditors	87,539	85,329	50,642	20,109
Accruals	1,205,412	1,007,361	1,464,608	1,437,237
Salary and tax creditors	32,765	19,352	32,408	23,070
Amounts owed to hosts	169,798	169,798	235,932	235,932
Amounts owed to subsidiary undertakings	-	144,116	-	38,457
Deferred income	1,930,142	1,914,892	573,184	573,184
	3,632,825	3,505,810	2,515,004	2,478,302

Amounts owed to hosts relate to cash balances owed to hosts by branches.

14. Deferred income

	2022 Total £	2021 Total £
Balance at the beginning of the year	573,184	849,826
Amount released to income in the year	(573,184)	(849,826)
Amount deferred in the year	1,930,142	573,184
Balance at the end of the year	1,930,142	573,184

Deferred income represents income received from donors in advance of contracted activity.

15. Analysis of charitable funds

	1 July 2021	Income	Expenditure	Transfers	30 June 2022
	£	£	£	£	£
Unrestricted funds	2,183,791	1,083,018	(1,021,571)	76,581	2,321,819
Restricted funds					
Major projects:					
Leveraging legality along China's timber supply to reduce deforestation	183,799	1,040,985	(689,892)	-	534,892
WTRAPS	548,826	572,857	(475,515)	(34,647)	611,522
Law Enforcement in Madagascar: a United Response to Combating Wildlife Crime	37,475	422,300	(345,883)	-	111,708
OES Crime Convergence Indonesia	13,498	411,448	(341,731)		83,215
Strengthening Law Enforcement Capacity and Collaboration to Combat the Illegal Wildlife Trade in Cameroon	75,201	394,312	(331,684)	-	137,829
WABiLED	-	385,658	(55,989)	-	329,669
Saving Threatened Wildlife	-	383,829	(143,836)	-	239,994
Reducing Trade Threats to Wild Species and Ecosystems Through Strengthened Knowledge in Africa	190,503	335,026	(437,707)	(24,636)	63,185
Strengthening Wildlife Law Enforcement	-	332,472	(160,156)	-	172,316
Combatting Illegal Wildlife Trade, focusing on Ivory, Rhino Horn, Tiger and Pangolin in Thailand	91,154	217,630	(423,470)	-	(114,687)
The Combating Wildlife Crime Project	423,467	215,845	(368,476)	-	270,836
Demand reduction, Enforcement and policies supporting The conservation of Elephants and Rhinos	-	140,423	(106,797)	(7,162)	26,464
Countering Wildlife Trafficking in Angola	165,619	124,470	(188,009)	-	102,080
South Africa Wildlife Investigator Mentoring Scheme	266,688	77,036	(395,368)	-	(51,644)
Postcode Lottery TRACE	248,205	50,037	(107,101)	-	191,141
CONNECT	92,937	41,544	(320,125)	-	(185,644)
	2,335,187	5,145,872	(4,891,740)	(66,445)	2,522,874
Other projects	398,214	5,132,324	(4,446,752)	(10,136)	1,073,649
	2,733,401	10,278,196	(9,338,492)	(76,581)	3,596,524
Total funds	4,917,192	11,361214	(10,360,063)	-	5,918,343

During the year transfers of £76,581 were made from restricted to unrestricted funds. They were related to the write off of foreign exchange variances as well as small surpluses allowed by donors.

Leveraging legality along China's timber supply to reduce deforestation

Funded by Norwegian Agency for Development Cooperation

The project leverages China's and Vietnam's significant market role in the timber supply chain from source countries in the Congo Basin, to reduce unsustainable forestry operations and illegal timber trade. Along the supply chain, knowledge products, work with the financial sector and support for communication between agencies will increase detection and investigation, further deterring illegality.

Wildlife Trafficking, Response, Assessment and Priority Setting (Wildlife TRAPS) Project

Funded by USAID (United States Agency for International Development) via IUCN

TRAFFIC, in collaboration with IUCN, has devised the Wildlife TRAPS (Wildlife Trafficking, Response, Assessment, and Priority Setting Project) to develop and deliver a suite of ground-breaking partnerships and pioneering approaches to tackle wildlife crime between Africa and Asia. Wildlife TRAPS is building a collective understanding of the true character and scale of the response required through a series of targeted trade assessments looking at specific species and geographic regions.

Law Enforcement in Madagascar: a United Response to Combatting Wildlife Crime (LEMUR.CWC)

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

The goal of LEMUR CWC is to reduce poaching and trafficking of endangered wildlife in Sub-Saharan Africa, with a focus on Madagascar. Progress towards this goal will be achieved through the delivery on three of the four Objectives articulated by the Bureau of International Narcotics and Law Enforcement Affairs (INL), namely: Objective 1: Build interdiction, investigative, and enforcement capacity to stop the transit of protected wildlife; Objective 2: Enhance prosecutorial and judicial capacity to successfully prosecute those illegally transiting wildlife products with adequate sentencing; and Objective 3: Encourage increased cross-border cooperation with neighbouring or source countries to more effectively combat wildlife trafficking.

OES Crime Convergence Indonesia

Funded by the U.S. Department of State's Bureau of Oceans and International Environmental and Scientific Affairs (OES)

The project aims to identify, analyse, and map the illicit networks associated with conservation crimes and understand the links, where they may exist, between the different trafficking networks associated with conservation crimes in Indonesia, Vietnam, Cameroon and Brazil.

Strengthening Law Enforcement Capacity and Collaboration to Combat Illegal Wildlife Trade in Cameroon

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

The project addresses INL Sub-Objectives 3.1 – 3.4, and supports Cameroon's efforts to reduce illegal wildlife trafficking by building capacity of wildlife law enforcement officials and judiciary across all sectors, improving communication and coordination skills between the different agencies, both nationally and cross-border. Combined, these efforts will result in a greater number of interdictions, prosecutions and successful, deterrent convictions.

WABiLED

Funded by USAID (United States Agency for International Development) via Tetra Tech

The purpose of this project is to assist Tetra Tech ARD with the implementation of the West Africa Biodiversity and Low Emissions Development (WABiLED) Activity goal to strengthen the capacity of national and regional networks and institutions to enforce and prosecute wildlife trafficking laws; improve regional and transboundary cooperation and conservation strategies that include private sector partnerships and incorporate best practices for sustainable natural resource management (NRM); and improve capacity for economic planning and development of LED strategies including REDD+.

Saving Threatened Wildlife

Funded by USAID (United States Agency for International Development)

The objectives of this project are to engage and develop political and local champions to address illegal wildlife trafficking in Vietnam, strengthen law enforcement, and reduce consumer demand of illegal wildlife products. These objectives are intended to contribute to higher level outcomes of increased arrests and prosecutions for illegal wildlife trafficking and reduced consumer demand for illegal wildlife products. The primary biodiversity targets include: African rhinos, African and Asian elephants, pangolins and big cats that are commonly trafficked and traded from abroad into Vietnam. In addition, the

project includes wildlife species that are regularly poached and traded domestically and internationally such as primates, muntjacs, and big cats.

Strengthening Wildlife Law Enforcement

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

The purpose of this project is to address law enforcement capacity shortfalls in East Africa by institutionalising training and providing online resources for critical law enforcement authorities to better address illegal wildlife trade.

Reducing Trade threats in Africa's wild species and ecosystem

Funded by the ARCADIA Foundation

The purpose of the project is to strengthen actions to conserve and protect wildlife populations, areas of high biodiversity, and communities in Africa threatened by illegal and unsustainable wildlife trade, with a focus on trade to Asia. Building on the successes in the first phase of the ReTTA project, ReTTA Phase II expands the data gathering and analysis of vital wildlife trade knowledge by ourselves, partners and governments on the African continent and following primary trafficking routes into Asia promotes evidence-based solutions with those best placed to take remedial action. The project will continue to develop and promote some of the potentially game-changing solutions that were initiated in the first phase of the project.

Combatting Illegal Wildlife Trade, focusing on Ivory, Rhino Horn, Tiger and Pangolin in Thailand

Funded by United Nations Development Programme

The Project Objective is to reduce the trafficking of wildlife (focusing on elephant ivory, rhinoceros horn, tiger and pangolins) in Thailand through enhanced enforcement capacity and collaboration and targeted behaviour change campaigns. To achieve this objective, the project will utilize four strategies or Project Components as follows: Component 1: Improved Cooperation, Coordination and Information Exchange, Component 2: Enhanced Enforcement and Prosecution Capacity, Component 3: Reduced demand for illegal wildlife products and targeted awareness actions to support law enforcement and Component 4: Knowledge Management, Monitoring and Evaluation and Gender Mainstreaming.

The Combating Wildlife Crime Project (CWCP)

Funded by USAID (United States Agency for International Development)

This project seeks to counter growing threats from transnational wildlife crime to globally important populations of rhino and elephant found in Angola, Botswana, Namibia, Zambia and Zimbabwe. CWCP is a multi-country, multi-partner initiative being implemented by a Consortium of 14 organisations, with WWF in Namibia providing the lead management and co-ordination role. The project is fostering improved knowledge on wildlife crime dynamics and impacts, and enhanced sharing of related information and data among law enforcement agencies, civil society, and the private sector within and among countries.

Demand reduction, Enforcement and policies supporting The conservation of Elephants and Rhinos - DETER

Funded by the German Agency for International Cooperation (GIZ)

The goal of the project is to support elephant, rhino, and pangolin conservation by driving demand reduction, improved enforcement and increased political will to stop the illegal trade in wildlife products. This will be achieved through reducing consumer demand for elephant and rhino products in China and Viet Nam through providing leadership on demand reduction strategies and engaging key stakeholders to maximise the influence of interventions. The project will also support enforcement against IWT activities in China, selected neighbouring countries, and African countries through capacity building, trans-continental collaboration and improved communications. An enabling policy environment in Africa and China will be supported to facilitate these actions.

Countering Wildlife Trafficking in Angola

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

The goal of this project is to reduce poaching and trafficking of endangered wildlife in Sub-Saharan Africa, with a particular focus on Angola. Progress towards this goal will be achieved through delivering on three of the four Objectives articulated by the Bureau of International Narcotics and Law Enforcement Affairs (INL), namely: Objective 1: Build interdiction, investigative, and enforcement capacity to stop the transit of protected wildlife; Objective 2: Enhance prosecutorial and judicial capacity to successfully prosecute those illegally transiting wildlife products with adequate sentencing; and Objective 4: Encourage increased cross-border cooperation with neighbouring or source countries to more effectively combat wildlife trafficking.

South Africa Wildlife Investigator Mentoring Scheme

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)

The Goal of this project is to reduce poaching and trafficking of endangered wildlife in Sub-Saharan Africa, with a particular focus on South Africa. Progress towards this goal will be achieved through the delivery of Objective 1 as identified for South Africa by INL:"Build interdiction, investigative and enforcement capacity of junior wildlife investigators to stop the poaching and transit of protected wildlife".

Tackling the Illegal Wildlife Trade through developing forensic capacity in Southern Africa

Funded by the Postcode Animal Trust

The project aims to strengthen our activities relating to reducing illegal wildlife trade in Southern Africa, specifically through the development of wildlife forensic capacity to enhance wildlife law enforcement. The overall goal is to ensure that access to forensic science is available to support wildlife law enforcement in Malawi, Zambia, and Zimbabwe.

CONNECT

Funded by USAID (United States Agency for International Development) via IUCN

The Conserving Natural Capital and Enhancing Collaborative Management of Transboundary Resources in East Africa (CONNECT) project aims to 1) strengthen regional policy dialogue, learning and decision-making on management of transboundary resources, 2) Improve sustainable management of key transboundary landscapes, 3) increase awareness of the economic and intrinsic value of living wildlife, 4) reduce demand for illicit wildlife products, and 5) improve regional and bilateral collaboration on enforcement and prosecution.

Analysis of charitable funds for the year ended 30 June 2021:

	1 July 2020	Income	Expenditure	Transfers	30 June 2021
	£	£	£	£	£
Unrestricted funds	2,435,496	1,154,934	(1,546,871)	140,232	2,183,791
Restricted funds					
Major projects:					
ROUTES	(275,935)	1,070,276	(697,512)	-	96,829
WTRAPS	-	806,972	(258,146)	-	548,826
Partnership against Poaching and Illegal Wildlife Trade	(367,394)	427,188	(255,099)	-	(195,305)
South Africa Wildlife Investigator Mentoring Scheme	-	368,941	(102,253)	-	266,688
Reducing Trade threats in Africa's wild species and ecosystem through	-	338,141	(147,638)	-	190,503
Strengthened Knowledge in Africa Countering Wildlife Trafficking in Angola	154,088	291,939	(280,408)	-	165,619
Combatting Illegal Wildlife Trade, focusing on Ivory, Rhino Horn, Tiger and Pangolin in Thailand	27,750	289,164	(225,760)	-	91,154
Reinforcing Chinese Government and industry action to reduce illegal timber exports from Cameroon, Republic of Congo, Vietnam and other transit countries. Phase II	200,889	278,673	(466,561)	-	13,001
Law Enforcement in Madagascar: a United Response to Combatting Wildlife Crime	-	271,684	(236,393)	-	35,291
Strengthening Law Enforcement Capacity and Collaboration to Combat Illegal Wildlife Trade in Cameroon	-	268,245	(193,044)	-	75,201
Leveraging legality along China's timber supply to reduce deforestation	-	263,462	(79,663)	-	183,799
The Combating Wildlife Crime Project	510,580	261,013	(348,127)	-	423,466
Minimising the Illegal Killing of Elephants and other Endangered Species (MIKES)	2,094	79,147	(90,052)	-	(8,811)
Demand-reduction strategies to combat illegal trade in CITES-listed species	-	10,540	(8,293)	-	2,247
Big Cat Trade Study	-	13,539	-	-	13,539
UNDP Biodiversity Management Plan	-	10,918	(37,684)	-	(26,766)
	252,072	5,049,842	(3,426,634)	-	1,875,281
Other projects	1,665,028	3,912,541	(4,579,217)	(140,232)	858,120
	1,197,100	8,962,383	(8,005,850)	(140,232)	2,733,401
Total funds	4,352,596	10,117,317	(9,552,721)	-	4,917,192

16. Allocation of net assets between funds

Group	Restricted funds £	Unrestricted funds £	2022 Total £
Fixed assets	-	46,776	46,776
Current assets	6,639,761	2,864,632	9,504,393
Current liabilities	(3,043,237)	(589,589)	(3,632,826)
Total funds	3,596,524	2,321,819	5,918,343

Charity	Restricted funds £	Unrestricted funds £	2022 Total £
Fixed assets	-	42,190	42,190
Current assets	6,652,373	2,457,318	9,109,691
Current liabilities	(3,050,968)	(454,842)	(3,505,810)
Total funds	3,601,405	2,044,666	5,646,071

2021 Comparative Group	Restricted funds £	Unrestricted funds £	2021 Total £
Fixed assets	-	61,836	61,836
Current assets	4,957,926	2,412,434	7,370,360
Current liabilities	(2,224,525)	(290,479)	(2,515,004)
Total funds	2,733,401	2,183,791	4,917,192

2021 Comparative Charity	Restricted funds £	Unrestricted funds £	2021 Total £
Fixed assets	-	53,558	53,558
Current assets	4,622,438	4,622,438	7,242,064
Current liabilities	(2,241,412)	(2,241,412)	(2,478,302)
Total funds	2,381,026	2,436,294	4,817,320

17. Operating leases

At 30 June 2021 the Charity had total commitments under non-cancellable operating leases as set out below:

	Group 2022 £ Land & Buildings	Charity 2022 £ Land & Buildings	Group 2021 £ Land & Buildings	Charity 2021 £ Land & Buildings
Payment due:				
Within one year	87,496	58,663	95,491	45,930
Within two to five years	93,077	93,077	148,653	123,873
	180,573	151,740	244,144	169,803

18. Related party transactions

The following transactions took place between the TRAFFIC International and its wholly owned subsidiaries - TRAFFIC International Southeast Asia, TRAFFIC International Tanzania and TRAFFIC International Europe:

Transfer of project income of £1,069,522 (2021: £735,599) and core income of £79,403 (2021: £77,937) from the parent undertaking to the subsidiary.

Service support charges of £57,934 (2021: £50,635) were made by the parent undertaking to the subsidiary.

Grants of £nil (2021: £51,608) were transferred from the subsidiary to the parent undertaking.

At the year end, the parent undertaking owed £31,569 (2020: £28,218) to the subsidiary undertakings.

There were no other related party transactions in the current or previous year.

19. Taxation

The Charity is exempt from corporation tax as all of its income is charitable and is applied for charitable purposes.

20. Comparative Statement of Financial Activities (Year ended 30 June 2021)

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total £
Income from:				
Donations		1,135,562	22,500	1,158,062
Charitable activities		10,701	8,940,413	8,951,114
Investments		2,920	(1,097)	1,823
Other		5,751	567	6,318
Total	5	1,154,934	8,962,383	10,117,317
Expenditure on:				
Raising funds – grant and contract proposal development		264,844	-	264,844
Charitable activities				
Red stream		811,081	5,064,943	5,876,024
Green stream		119,521	746,373	865,894
Mixed		351,425	2,194,534	2,545,959
Total charitable activity expenditure		1,282,027	8,005,850	9,287,877
Total	6	1,546,871	8,005,850	9,552,721
Net income/(expenditure)		(391,937)	956,533	564,596
Transfers between funds		140,232	(140,232)	-
Net movement in funds		(251,705)	816,301	564,596
Reconciliation of funds:				
Total funds brought forward		2,435,496	1,917,100	4,352,596
Total funds carried forward		2,183,791	2,733,401	4,917,192

JANUARY 2023

WORKING TO ENSURE THE TRADE IN WILD PLANTS AND ANIMALS IS NOT A THREAT TO THE CONSERVATION OF NATURE

TRAFFIC

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TRAFFIC INTERNATIONAL

England & Wales - Charity number 1076722

Accounts



TRAFFIC

TRAFFIC FY21

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

MESSAGE FROM THE CHAIR OF TRUSTEES AND EXECUTIVE DIRECTOR

TRAFFIC's year to the end of June 2021, covered by this report, was marked by programmatic and operational success, despite continued uncertainties in the external environment, resulting especially from the Covid-19 pandemic.

As reported last year, the pandemic caused postponement or modification of activities normally at the heart of TRAFFIC's work and this situation carried over into this reporting period. However, the organisation continued to adapt well. Programmatically, it achieved strong, targeted engagement in international events and processes, for example maintaining significant involvement and influence in development of new targets for biodiversity conservation being elaborated by governments worldwide. Moreover, TRAFFIC continued to build its own Covid-focussed work, collaborating with zoonotic disease experts in order to help determine the right responses to health risks from wildlife trade. New opportunities to partner on projects, policy approaches and funding proposals emerged from this.

As noted in this report, the Board of Trustees decided to extend the validity of the overarching framework for TRAFFIC's work, its Programme Strategy, until the end of June 2022, given the extraordinary circumstances of the pandemic. This has allowed time for well-prepared design of TRAFFIC's strategy to 2030. Planning for this next organisational strategy started during the first half of 2021, and under the leadership of the new Executive Director from June.

Operationally, the organisation continued to manage effectively a large and diverse project portfolio during this reporting period, resulting in satisfactory financial performance overall and growth in income and staff numbers projected. Progress was made with registration for TRAFFIC offices in Tanzania and Belgium, such that both entities are likely formally to be registered by the end of 2021. Particularly important in the context of operational expansion, careful attention has been paid to curating and communicating organisational policies and procedures, as exemplified by the launch in January 2021 of a cohesive environmental sustainability policy.

The achievements referred to in this report reflect the hard work and commitment of TRAFFIC staff, government partners and intergovernmental organisations, and other stakeholders who support the implementation of our work. We extend our gratitude to them and likewise thank the Trustees for their oversight and guidance, and our founding partners IUCN and WWF. We also thank the many organisations and partners who have helped to fund TRAFFIC's work during this year and support our long-term goal to ensure that trade in wild plants and animals is not a threat to the conservation of nature. Finally, we thank Steven Broad for his leadership of TRAFFIC for the past 25 years, during which he built the organisation from a relatively small unit into a cutting-edge force in this critical area of conservation.



MARK HALLE
Chair of the Boarrd



RICHARD SCOBEY
Executive Director





THE TRUSTEES, WHO ARE ALSO DIRECTORS OF THE CHARITABLE COMPANY, PRESENT THEIR ANNUAL REPORT (INCLUDING THE STRATEGIC REPORT) ON THE AFFAIRS OF THE CHARITY, TOGETHER WITH THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 30 JUNE 2021.

INTRODUCTION

The commercial use of wild animal and plant resources, more simply "wildlife trade", is an issue at the very heart of the tension between biodiversity conservation and human development. Human beings around the world directly depend on wild species as sources of food, medicines, construction materials and many other items, as well as for income. Although history paints a justifiably negative picture of the impact of this trade on the status and security of species and ecosystems, there is no ignoring the critical contribution that the trade in wild species has made—and continues to make—to human wellbeing.

TRAFFIC International (hereafter referred to as TRAFFIC) is a leading non-governmental organisation working globally to address biodiversity conservation and sustainable development priorities linked to the trade in wild species. TRAFFIC was established in 1976 by IUCN and WWF to respond to the growing threats posed by illegal wildlife trade

and overexploitation. We have maintained our unique role as a global wildlife trade specialist, combining original research, sound and impartial analysis, and collaboration with a wide range of partners to reduce illegal wildlife trade and enhance benefits from sustainable, legal trade in wildlife resources.

TRAFFIC delivered its work through a team of approximately 160 staff based in Asia, Africa, and Europe. Global leadership, technical expertise and support functions to the organisation as a whole were delivered through TRAFFIC's global office, which is based in Cambridge, UK. Our long-standing expertise, combined with an evidence-based and flexible approach to problem-solving, has given TRAFFIC a strong and respected reputation in an often contentious and fractious field, allowing us to achieve an influence disproportionate to our size. This report presents TRAFFIC's financial accounts and highlights some of our achievements during FY21 (July 2020 – June 2021). Our combination of original and in-depth research, targeted communications and capacity building, helped governments, businesses, other non-governmental organisations (NGOs) and individuals around the world to take action in line with TRAFFIC's mission to ensure that wildlife trade is not a threat to the conservation of nature. Achievements during this time were particularly notable given the travel, meeting and other restrictions posed by the COVID-19 pandemic, and increased attention on wildlife trade and disease risks given speculation about whether there could be links between the COVID-19 outbreak and a market in China where wildlife was being sold.

To find out more about TRAFFIC's work and the difference we make, please visit our website at www.traffic.org.

PROGRAMME OBJECTIVES AND FOCUS

The Charity's objects, set out in its Articles of Association, are to promote the conservation and protection of nature and natural resources worldwide through helping to ensure that trade in wild animals and plants is at sustainable levels and in accordance with domestic and international laws and agreements.

TRAFFIC's mission is to ensure that trade in wild plants and animals is not a threat to the conservation of nature. This mission is linked to a vision of a world where wildlife trade is managed in a way that maintains healthy wildlife populations and ecosystems; contributes to meeting human needs; supports local and national economies; and helps motivate commitments to conserve wild species and habitats.

In furtherance of its mission and Charity objects, TRAFFIC supports implementation of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and other international agreements and national level wildlife trade controls. TRAFFIC also supports wider public and private sector efforts to eliminate illegal wildlife trade and promote sustainable management and trade of fisheries, timber, non-timber forest products, and other wild-sourced commodities.

TRAFFIC informs, promotes, facilitates and otherwise supports action to address wildlife trade issues in wildlife trade hotspots around the world, including producer, trading and consumer countries. TRAFFIC's work is based on a multi-pronged approach to achieving its mission and wider vision, designed to inform and strengthen the capacity of people and institutions responsible for designing and implementing international, regional and national policies and regulations. This focus is balanced with work to inform and influence the behaviour of businesses and individual consumers as these relate to trade in wild animals and plants and related products.

TRAFFIC's FY21 work plan focused on two priority workstreams: Approaches and action to enhance responses to wildlife crime and illegal trade; and Approaches and action to enhance systems for sustainable, legal wildlife trade. Many projects combined elements of work under both workstreams, reflecting the

importance of reducing illegal trade in order to achieve sustainable, legal trade in wildlife resources and the potential for sustainable incomes from legal trade to dissuade illegal activities. A third element was added to the FY21 work plan that focused on exploring and responding to potential links between wildlife trade and zoonotic disease risks to human health in response to potential risks brought to light by the COVID-19 pandemic.

The design and delivery of work under these two workstreams and on responses to the COVID-19 pandemic were underpinned by a broader programme of strategic research and analysis to produce guidance on a range of wildlife trade issues. Targeted communications, tools and training were used to inform, engage and support positive actions by stakeholders.

WORKSTREAMS

ACTION TO ENHANCE SYSTEMS FOR SUSTAINABLE, LEGAL WILDLIFE TRADE

Work is focused on enhancing benefits from sustainable and legal trade in wildlife resources by increasing incentives and pathways for businesses, communities and consumers to engage in responsible trade practices

ENHANCING RESPONSES TO WILDLIFE CRIME AND ILLEGAL TRADE

Our work is focused on achieving a sustained reduction in illegal wildlife trade by increasing the risks and reducing the rewards associated with trading in wildlife contraband, thereby reducing the criminal motivation and engagement in the illicit trade that is driving the poaching crisis.

EVIDENCE TO INFLUENCE APPROACH

RESEARCH

Market monitoring
Legislative reviews
Behavioural insights
Investigations

01

ANALYSIS

Data mapping
Information systems
Applying context
Academic insights

02

GUIDANCE

Early warning
Threat assessments
Setting standards
Regulatory design

03

ENGAGEMENT

Enforcement support
Policy advice
Communications
Training

04

PROGRAMME DELIVERY - ACTIVITIES AND HIGHLIGHTS

The calendar year 2020 was anticipated as a "super year" for shaping and driving forward conservation policy and action on behalf of people and the planet. Governments were set to agree on the post-2020 Global Biodiversity Framework (GBF) during the 15th meeting of the Conference of Parties to the Convention on Biological Diversity (CBD) planned for October 2020, setting out the scope and ambition for the global biodiversity agenda for the next 30 years. Many of the international meetings and events initially planned for the second half of 2020 were postponed to 2021. The pandemic was a major topic on the agendas of those that went ahead and was also the subject of specific events to consider the impacts and responses to COVID-19 in the context of biodiversity, sustainable development, trade, and associated risks.

Instead, 2020 became the year of COVID-19, impacting individuals and institutions the world over, TRAFFIC included. International events were postponed or moved online, physical market monitoring was largely impossible, in-person meetings and workshops were suspended, and staff worked from home.

These conditions persisted in 2021 in many locations where TRAFFIC worked, requiring ongoing adaptive management of project activities and working environments. Although some work had to be postponed, many activities that could not go forward as planned, e.g. in-person workshops, were modified to take place online. The pandemic had particular relevance for TRAFFIC's work: speculation about a potential link between the COVID-19 outbreak and wildlife sold at a market in Wuhan, China threw a spotlight on wildlife trade and its potential as a route for zoonotic disease transmission to humans.

A selection of programme highlights during FY21 are provided below, including COVID-19 specific work and achievements delivered as originally planned. Work was typically delivered in partnership with other organisations including government agencies, intergovernmental and civil society organisations, and businesses, and in many cases built on efforts that have been gaining momentum and growing in impact over multiple years.

ENHANCING RESPONSES TO WILDLIFE CRIME AND ILLEGAL TRADE

Government and private sector efforts to eliminate illegal trade in ivory, rhino horn, timber, wild birds and a vast array of other wildlife and wildlife products have grown in scale and sophistication over the past decade. Unfortunately, wildlife traffickers continually adopt new techniques to avoid detection; requiring governments, international agencies, businesses and consumers around the world to redouble individual and collective efforts to tackle wildlife crime. TRAFFIC remained at the forefront of these efforts, focusing on providing leadership, insights and tools supporting and strengthening co-operative action by public and private sector stakeholders.

Examples of achievements to which TRAFFIC contributed during the year are summarised on the following page.

INCREASING OBSTACLES TO SHIPPING WILDLIFE CONTRABAND BY SEA



Illegal timber, ivory and other types of wildlife contraband are often concealed in shipping containers and smuggled by sea for offloading and sale in foreign ports. The sheer scale of maritime shipping – approximately 800 million containers are shipped worldwide each year - gives traffickers an advantage in circumventing Customs, CITES and other trade controls.

TRAFFIC worked with other institutions to organise a series of multi-stakeholder events to increase awareness and action to reduce wildlife trafficking by sea. In partnership with the International Maritime Organization (IMO), United for Wildlife, UN Development Programme, and WWF, TRAFFIC convened a Webinar "Accelerating action against Wildlife Trafficking in international maritime supply chains" (September 2020). The virtual event, attended by over 200 participants, demonstrated the scale of wildlife trafficking in international maritime transport and introduced a proposal by the Kenya Government for IMO to develop "Guidelines for the prevention and suppression of the smuggling of wildlife on ships engaged in international maritime traffic." TRAFFIC, WWF and the United for Wildlife Transport Taskforce then collaborated again to spread the message in Asia, co-convening the (virtual) Panel discussion "Asia Dialogue on Responses to Wildlife Trafficking in Maritime Transport" (February 2021). Over 150 participants from a wide range of agencies and organisations attended, including Customs agencies and the World Customs Organization, CITES Management Authorities and the CITES Secretariat, freight and logistics companies, and NGOs. Leaders from the shipping industry, TRAFFIC and other NGOs and government stakeholders shared their perspectives on upcoming developments and responses to wildlife trafficking in maritime transport affecting the region.

TRAFFIC, WWF, the UN Office on Drugs and Crime (UNODC), EIA and FIATA co-convened the event "Private sector collaboration to counter IWT in maritime containerised shipping" during the 30th Session of the UN Commission on Crime Prevention and Criminal Justice UN-CCPCJ (May 2021). The event

set the stage for more detailed discussions during a two-day Global Shipping Roundtable. The roundtable, the first of its kind, included representatives from nearly 40 private shipping lines, freight forwarding companies, and port operators, over 15 government agencies, international organisations including the World Customs Organization and International Maritime Organization and NGOs. Participants agreed that more effective use of digital technology to identify suspect shipments, capacity building and stronger government-industry collaboration were critical to reducing wildlife trafficking by sea. Guidance provided in Red flag indicators for wildlife and timber trafficking in containerised sea cargo, co-developed by TRAFFIC and WWF, will also help frontline staff identify suspicious cargo and detect illegal wildlife trade. This guidance, shared during the Roundtable event, was subsequently made available via TRAFFIC's website.

INCREASING OBSTACLES TO SHIPPING WILDLIFE CONTRABAND BY SEA



Despite major declines in air transport during the year, airline and airport associations, as well as individual companies, took important steps to reduce wildlife trafficking. Among achievements under the USAID Reducing Opportunities for Unlawful Transport of Endangered Species (ROUTES) Partnership was the launch of a handbook for Airports Council International (ACI) member airports to take action to combat wildlife trafficking. It became one of the top five downloaded publications on the ACI website in June 2021 within three days. ACI also included wildlife trafficking prevention in training under their Security Management Program, which is available to all ACI members. As of the end of June 2021, 13 airlines had committed to implement the illegal wildlife trade module of the International Air Transport Association's (IATA's) Environmental Assessment (IEnvA), with four passing the assessment so far, thereby demonstrating their delivery of the United for Wildlife Transport Taskforce Buckingham Palace

Declaration (BPD) commitments. IATA also adapted the assessment to be available to all 290+ IATA members, enabling non-IEnvA airlines to also demonstrate their fulfilment of the BPD commitments. Approximately 45 airline and airport representatives helped test a new mobile phone application for reporting wildlife trafficking at airports, co-developed by TRAFFIC, ROUTES partners, and CrimeStoppers International. The App is scheduled for launch in October 2021. Targeted outreach to aviation stakeholders in Latin America and the Caribbean in early 2021 led several Brazilian airlines to establish a Working Group to discuss wildlife trafficking prevention actions.

EXPANDING ACTION AGAINST WILDLIFE CYBERCRIME IN ASIA AND AROUND THE WORLD



> *We are proud to work closely with TRAFFIC Southeast Asia on disrupting local trafficking activities in the Philippines and Indonesia. [TRAFFIC] SEA provides our team with valuable insights that help fuel our fight against online illicit wildlife trade and we look forward to continuing our collaboration in the region and beyond.*
> **— Jan Edward Lim, Public Policy Associate Manager at Facebook**

Three of the world's largest social media companies - TikTok, Douyin and Huya - joined the Coalition to End Wildlife Trafficking Online in early 2021, representing approximately two billion users. These additions expanded Coalition membership to 42 companies, with a collective reach of more than 11 billion user accounts globally. The Coalition is convened by a partnership of TRAFFIC, WWF and the International Fund for Animal Welfare (IFAW). The Coalition celebrated its third anniversary in March 2021 with an online event for US and Europe-based members and identified opportunities for future collaboration. Coalition member Facebook removed nearly 2000 groups linked to prohibited wildlife sales

operating in the Philippines and Indonesia based on near real-time monitoring data provided by TRAFFIC. Groups typically had from a few hundred to tens of thousands of members, with their removal having a considerable reach and effectively disrupting traders' communications channels.

In China, TRAFFIC, IFAW and China Wildlife Conservation Association (CWCA) convened two online meetings to increase awareness of illegal online wildlife trade, improve communications and strengthen relations between tech companies and China's National Forestry and Grassland Administration. Coalition members attending included Alibaba, Baidu, Tencent, and 16 other companies. Information provided by TRAFFIC also supported efforts by Coalition members in China to remove listings of prohibited wildlife.

HELPING TAKE THE PROFIT OUT OF WILDLIFE CRIMES

TRAFFIC ramped up action targeting money laundering and other financial crimes associated with illegal wildlife trade. TRAFFIC's success with working with the financial sector continues to grow, e.g. engagement with the Association of Certified Anti-Money Laundering Specialists (ACAMS), and delivery of capacity-building sessions through the United for Wildlife partnership on the role of financial intelligence in combating wildlife trafficking.

Publication of a comprehensive Case Digest-An Initial Analysis of the Financial Flows and Payment Mechanisms Behind Wildlife and Forest Crime provided a thorough examination of financial data from more than 40 wildlife crime cases from across the globe, including 11 detailed case studies. The report was a product of years of unprecedented collaboration between participating government agencies, financial intelligence units, non-governmental organizations and other sector experts. This was followed by release of The Illegal Wildlife Trade and the Banking Sector in China: The Need for a Zero-Tolerance Approach, providing banks in China, Vietnam and Lao PDR with practical guidance on systems and processes needed to manage business risks associated with illegal wildlife trade. A companion Briefing Note for Institutional Investors - The Illegal Wildlife Trade and the Chinese Banking Sector: The need for a zero-tolerance approach set out the steps that investors can play in encouraging banks to take effective action on illegal wildlife trade. TRAFFIC's success with working with the financial sector continues to grow, e.g. engagement with the Association of Certified Anti-Money Laundering Specialists, and delivery of capacity-building sessions through the United for Wildlife partnership on the role of financial intelligence in combating wildlife trafficking.

> *This book is very welcome, as it starts to demystify how financial crime linked to wildlife and forest operates. It is a useful tool to assist countries and we hope that it serves as a basis for pursuing financial investigations to detect and deter organized criminal groups from engaging in these crimes. We look forward to further publications on similar themes as the extent of knowledge around the world in this vital subject increases.*
> **— Jorge Rios, Chief of UNODC's Global Programme for Combating Wildlife and Forest Crime**

EXPANDING THE USE OF "BEHAVIOUR CHANGE" APPROACHES TO TACKLE WILDLIFE TRADE CHALLENGES



TRAFFIC's global leadership and targeted approaches in major consumer markets, maintained momentum for professionalising demand reduction and other behaviour change initiatives.

Draft CITES Guidance on Demand Reduction, developed by TRAFFIC for CITES Parties, was shared via the CITES website and discussed during a subsequent 'Consultation Workshop' convened by the CITES Secretariat. Feedback on the guidance from the nearly 100 workshop participants, including representatives from 23 CITES Parties, several IGOs, and other observers, was positive, with no substantive changes suggested. Feedback on the workshop was also positive: everyone completing the event evaluation survey assessed it as 'good', 'very good' or 'excellent', with most also indicating that the workshop had strengthened their capacity, knowledge, and skills around behaviour change and demand reduction. The CITES Secretariat had high praise for both the Guidance and the workshop during the event debrief. TRAFFIC also produced a companion/complementary document, A Briefing Paper on Research Methods to Identify the Drivers and Dynamics of Demand and DR Impact Measurement. This user-friendly document sets out the basic principles for conducting research aimed at informing demand reduction efforts.

Contributions to wider calls for using behavioural science to achieve conservation objectives included co-authorship of two 'nudging for nature' papers, Biodiversity conservation as a promising frontier for behavioural science (in Nature) and 'Making more effective use of behavioural science in conservation interventions' (in Biological Conservation). Membership in the UN Consumer Information Programme on Biodiversity Communications provided a further platform to promote effective behaviour change communications, as well as to elevate wildlife trade in the UN Sustainable Development Goals/Sustainable Consumption

and Production agendas. This complements the recent publication of Guidance Note on Behavioural Science by the UN Secretary General (here), and a call for all UN Agencies to embed behavioural science more thoroughly in their work.

Global guidance on applying Social and Behavioural Change Communication (SBCC) approaches was adapted to take into account specific cultural considerations and practical needs for application in China. The online SBCC Toolkit and Training for Chinese Government Officials set out the strategic case for SBCC and provided step-by-step guidance on how to use SBCC approaches to achieve conservation impact. A quiz was included in the toolkit to assess learning by toolkit users. TRAFFIC and the China Wildlife Conservation Association (CWCA) introduced the toolkit during workshop focused on using SBCC approaches to increase understanding of national policies and laws among potential wildlife consumers.

Phase III of the Chi Initiative, a social marketing programme initiated in 2014 to reduce rhino horn consumption among affluent, urban businessmen in Viet Nam, was concluded in June 2021. Consumer surveys showed lower intentions to buy rhino horn and perceptions that such purchases were socially acceptable among individuals exposed to Chi messaging. New funding was secured, and work expanded to include other species. On International Tiger Day, the Enterprises Development Foundation, Vietnam Chamber of Commerce and Industry disseminated Traditional Medicine (TM)-oriented SBCC messaging to discourage purchase, use, and gifting of Tiger and similar products. Five TM universities and 25 TM clinics displayed TRAFFIC messaging to discourage the prescription and consumption of rhino horn and other illegal wildlife products. Work to understand and explore ways to reduce motivations for keeping songbirds was presented in Calling for compassion: countering Vietnam's songbird demand with Buddhist philosophy. After listening to regular dharma talks by the Venerable Thich Thanh Huan, 60% of bird keepers no longer wanted to purchase songbirds. Their motivations included avoiding bad karma for confining birds; many said they would advise others against collecting songbirds.

TRAFFIC research drew attention to the need to expand SBCC-based approaches to understanding and reducing involvement in poaching and IWT. The People Beyond the Poaching: Interviews with convicted offenders in South Africa, released in September 2020, detailed the motivations, pathways to criminality and behavioural drivers of people trafficking rhino, abalone and cycad products. This was followed two months later by Insights from the Incarcerated: An assessment of the illicit supply chain in South Africa, which used the social insights arising from the offenders' study to illuminate IWT supply chains and modus operandi. A parallel study in Namibia Trading Years for Wildlife: An investigation into wildlife crime from the perspectives of offenders in Namibia, released in January 2021, provided a complementary analysis for wildlife criminals convicted in the Kavango Zambezi region and incarcerated in Namibia.

FACILITATING INTERNATIONAL ENFORCEMENT COMMUNICATIONS



Trade in Wildlife Information eXchanges (TWIX) are regional multi-government platforms enabling government personnel to share information on wildlife seizures, smuggling routes, modus operandi and other IWT-relevant information over a secure mailing list. A seizures database and an accompanying website, also secure, provide access to related resources, e.g. contact lists to facilitate direct communications (e.g. for sharing case-specific information), identification tools, and other references. TRAFFIC manages and supports the TWIX systems and individual users, including through sharing news, facilitating communications, and undertaking seizure data analyses to illuminate trade patterns.

The idea originated, and the first TWIX was developed in Europe by TRAFFIC and Belgian government agencies in 2005. As of June 2021, EU-TWIX had approximately 1300 users from 39 different European countries. A user survey conducted in late 2020 demonstrated the importance of EU-TWIX to European enforcement personnel, with 90% of respondents noting that EU-TWIX is useful to their work, and 36% knowing of instances where EU-TWIX had assisted with one or more wildlife investigations/cases. EU-TWIX data also supported analyses published in An overview of seizures of CITES-listed Wildlife in the EU in 2019.

Following the success in Europe, TWIX systems have been replicated in Central, Southern and Eastern Africa. Participation in AFRICA-TWIX stood at eight Central African countries, with approximately 300 users from enforcement and other government agencies and inter-governmental organisations. Workshops co-organised for AFRICA-TWIX users strengthened use of this and other tools to support action against illegal wildlife trade in and around the Congo Basin. SADC-TWIX connected nearly 500 users from 12 southern African countries. Unfortunately, ongoing travel restrictions postponed planned scoping missions to Seychelles and Comoros in the

hopes of securing their participation. Support from government members remained strong, and in the case of Namibia, became embedded in national policy, with SADC-TWIX referenced in Namibia's Revised National Strategy on Wildlife Protection and Law Enforcement 2021-2025. The newest member of the TWIX family, Eastern Africa TWIX, was launched during a web-based event for governments in August 2020. Approximately 200 government personnel from Kenya, Uganda and Tanzania were connected by the end of June 2021.

SUPPORTING UK ENFORCEMENT COLLABORATIONS

In the UK, TRAFFIC continued to provide information and advice to the UK's National Wildlife Crime Unit (NWCU) and co-ordinated the UK Partnership for Action Against Wildlife Crime Forensic Working Group (FWG). TRAFFIC organised and co-ordinated FWG meetings (two in FY21). TRAFFIC also participated in the NWCU's Cyber Enabled Wildlife Crime Priority Delivery Group, which facilitates collaboration between government, NGOs and civil society organisations to deliver a cohesive, pro-active approach to identifying and tackling cyber-enabled wildlife crime.

BROADENING THE USE OF AND ACCESS TO ILLEGAL WILDLIFE TRADE INFORMATION

Tools developed by TRAFFIC to support our and others' research and enforcement support efforts continued to gain ground. TRAFFIC's Wildlife Trade Portal, a repository of open-access information on wildlife crimes, had nearly 20,000 records and over 700 users as of the end of June 2021. TRAFFIC developed and launched an Android application (App)for wildlife crime prosecutors and investigators to easily access information in Rapid Reference Guides (RRG) developed for wildlife crime prosecutors and investigators. The first App, for Botswana, was demonstrated to 14 criminal justice staff, with a similar App under development for prosecutors in Namibia. ETIS Online, the online system for CITES Parties to report and access their ivory trade data, gained traction, with nearly 50 data providers from 40 countries making more than 200 data submissions since the November 2020 launch.

PRIORITY AREAS FOR WORK DURING FY22 WILL BE FOCUSED AROUND

- Engaging and supporting preventative action by transport, logistics, e-commerce, social media, finance, and other companies
- Supporting uptake of tools and approaches that help undermine corruption in the natural resource sector
- Motivating, informing and supporting strengthened legislation and regulatory approaches
- Motivating, informing and supporting enforcement actions and prosecutions
- Informing, catalysing and supporting social and behavioural change interventions in the marketplace
- Informing and motivating inter-governmental policy interventions, evaluating progress and ensuring accountability

STRENGTHENING SYSTEMS FOR SUSTAINABLE, LEGAL TRADE IN WILDLIFE RESOURCES

Although illegal wildlife trade gets most of the headlines, in terms of the number of items in trade and sheer volumes, the majority of wildlife products in trade are from legal sources. This includes many common food products and household items, including timber and other wood products, fisheries products, many herbs and spices, shells, reptile skins and other decorative and fashion items, and live plants and animals. Major industries, e.g. the pharmaceutical and food and beverage industries, rely on wild-sourced ingredients, including gums, resins and unique plant compounds with pharmacological properties. However, some products in legal trade are also harvested and traded illegally. This undermines sustainable management practices and robs local communities and national governments of wildlife resources and associated revenue. TRAFFIC projects, therefore, focused on increasing access to information, tools and mechanisms designed to improve systems in place to facilitate legal, sustainable trade while simultaneously reducing opportunities for illegal trade.

Examples of achievements to which TRAFFIC contributed during the year include:

KEEPING SUSTAINABILITY ON THE (POLICY) FRONT BURNER

Concerns regarding illegal wildlife trade, including in relation to potential disease risks, threatened to overshadow policy discussions focusing on legal, sustainable wildlife trade and its role in sustainable development. TRAFFIC's work and contributions to various policy processes helped raise the visibility of these issues.

The revised draft CBD Post-2020 Global Biodiversity Framework (GBF) produced following the CBD's Thematic Consultation on Sustainable Use (July 2020, web-based) strengthened proposed 2030 targets on wildlife trade and sustainable use, including ensuring trade is "safe" as recommended by TRAFFIC. TRAFFIC called for the strengthening of the GBF monitoring mechanism, with robust indicators on wildlife trade and sustainable use during the subsequent Special Virtual Session of the CBD's Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA) (September 2020, web-based). TRAFFIC also advocated for attention to the GBF within CITES processes, drawing the CITES Standing Committee's attention to the draft GBF targets directly addressing wildlife trade, and calling for the development of ambitious but realistic indicators consistent with those to be used by CITES. The Standing Committee requested the CITES Secretariat to engage in GBF negotiations on behalf of CITES Parties, noting the importance of ensuring that CITES aims are reflected in the post-2020 Global Biodiversity Framework due to be agree at COP15 in April/May 2022.

HELPING NEW FAIRWILD BUSINESSES AND PRODUCTS HEAD TO MARKET



Working in close partnership with the FairWild Foundation, TRAFFIC helped expand industry and consumer awareness of wild sourcing and opportunities to improve outcomes for both plant species and producers. Business interest in FairWild-certified ingredients grew steadily, with the number of FairWild certified/licensed companies rising to 38 as of the end of June 2021, including 13 wild-collection operations and 14 traders. FairWild certification of two of Nepal's most commercially important medicinal species, Jatamansi Nardostachys jatamansi and Kutki Neopicrorhiza scrophulariiflora, brought the number of FairWild-certified species to 25. Demand for FairWild-certified liquorice remained high, with the report Sweet Dreams: assessing opportunities and threats in Kazakhstan's wild liquorice root trade highlighting the importance and opportunities for improved management of harvest and trade in this species. Baobab products from Ecoidées SAS and a new tea from Pukka Herbs joined the family of 67 products containing FairWild-certified ingredients. FairWild-labelled products are now sold in 68 countries and on every continent, except Antarctica (although we speculate that some are enjoyed there!).

The pandemic meant that online conferencing remained the primary vehicle for business outreach. FairWild's virtual exhibit at BioFach, the world's largest organic trade fair, led to 19 1:1 meetings with potential prospects and additional leads. A 'Meet the Producers' webinar connected FairWild producers directly with buyers, with NGOs and other interested stakeholders attending as well. Eight companies engaged with the #WeUseWild challenge during FairWild Week 2021, and four spoke about responsible sourcing challenges and opportunities during the FairWild Week Webinar "Wild Plants are our Business" co-hosted with FAO and the US-based Sustainable Herbs Program.

FairWild Week communications also reached wider audiences, with media pickup from TRAFFIC press releases having a potential reach of millions of viewers. Social media posts by FairWild, TRAFFIC, and FairWild partners and supporters (including businesses, producers, and other organisations) had a potential audience estimated in the hundreds of thousands and triggered thousands of 'engagements' (reposts, likes, shares).

PROVIDING INFORMATION AND TOOLS FOR SUSTAINABLE TRADE IN CITES-LISTED PLANT SPECIES

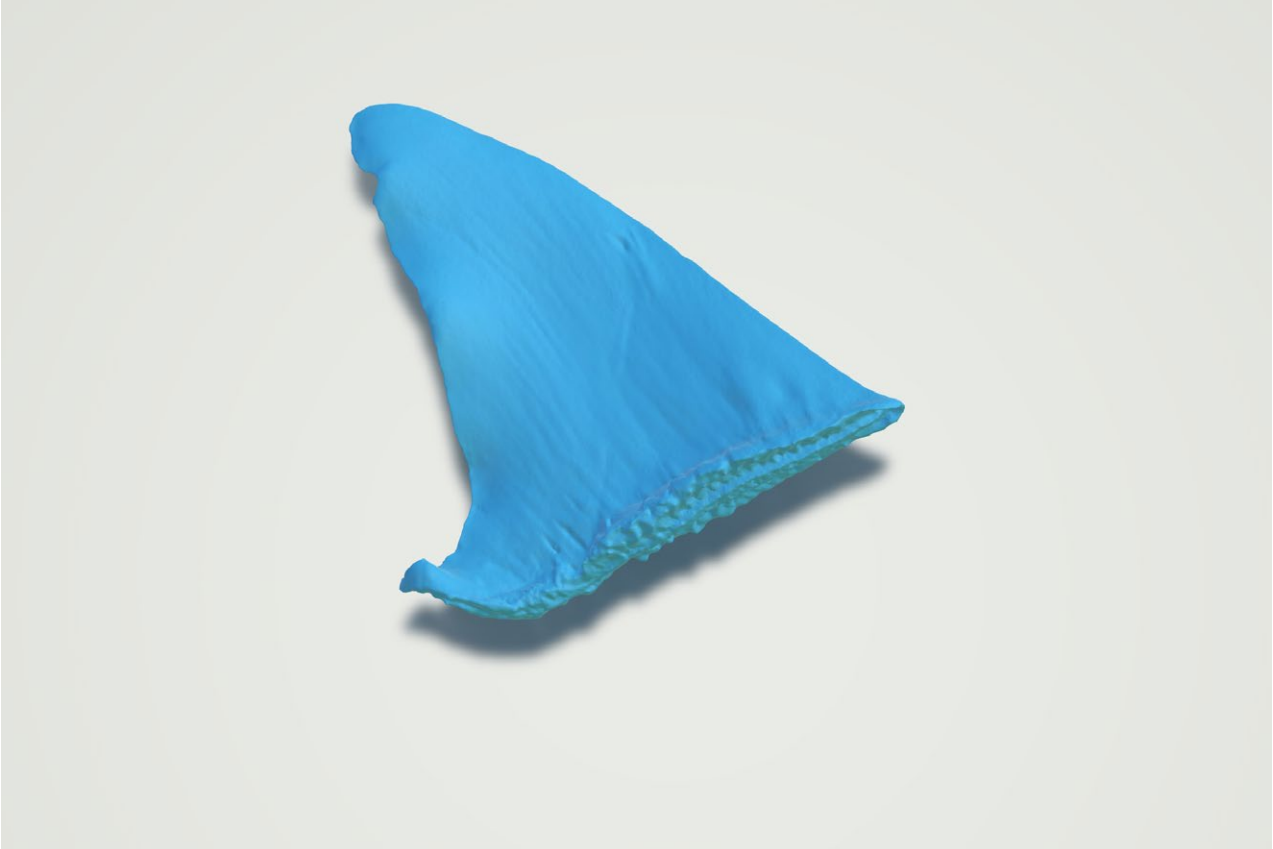


TRAFFIC continued to work to improve the sustainable management of CITES-listed species despite significant constraints on travel and field activities.

Significant progress was made for timber and other perennial plants listed in the CITES appendices. Governments worldwide now have 24/7 access to information and tools for determining sustainable trade levels for timber and other CITES-listed plant species. In collaboration with Germany's Federal Agency for Nature Conservation, TRAFFIC developed two e-learning courses providing step-by-step guidance on making CITES 'non-detriment' (NDF) findings for perennial plants and timber exports. The courses and related information and tools are hosted on a purpose-designed website launched to coincide with the CITES Plants Committee meeting. The website attracted over 350 unique visitors from 53 countries within the first five weeks of going live.

TRAFFIC advised on the development of South Africa's Biodiversity Management Plan (BMP) and CITES non-detriment (sustainability) finding (NDF) for Bitter Aloe Aloe ferox (CITES Appendix II), the extract of which is traded to European markets in large volumes for use in drinks, medicines, gels and creams. Of note is that TRAFFIC's 2006 report on Aloe ferox trade remains a critical reference for the BMP. In Nepal, TRAFFIC supported local teams liaising with the national government to establish the harvest quota for Jatamansi (CITES Appendix II) for the 2020 harvest season.

IMPROVING MANAGEMENT OF SHARK FISHERIES AND TRADEMARKET



Identifying CITES-listed and other protected shark species purely from their fins is enormously challenging. Until now, hands-on ID training was largely impossible, owing to the difficulties of accessing, storing and using real fins. Thanks to TRAFFIC's novel creation, government agencies such as Customs, conservation NGOs and others can produce three-dimensional replica fins for Great Hammerhead, Oceanic Whitetip, Silky and nine other commonly-traded shark species. Instructions (in English, French and Chinese) and templates for 3D printing and painting the fin sets can be downloaded free of charge from TRAFFIC's website. The response has been extremely positive, as has collaborations to get fin sets into the hands of government agencies: UNODC provided funding for two fin sets for Sri Lanka's Customs authority, Oceana Peru was planning to provide several sets to Peru's Customs authority, and WCS to make a set for Customs in Mozambique. Related files have been downloaded from TRAFFIC's website by government agencies and many other actors including universities, tech companies and aquaria.

The CITES Animals Committee agreed numerous recommendations and draft decisions aimed at improving trade monitoring, fisheries management and cooperation with FAO and other inter-governmental organisations. Conservation, Fisheries, Trade and Management Status of CITES-listed Sharks, co-authored by TRAFFIC and tabled during the meeting by Germany, drew attention to opportunities for conserving shark populations, including through harmonising CITES and Regional Fisheries Management Organisation (RFMO) measures.

Important progress was also made at the national level. The Republic of the Congo's General Directorate of Fisheries and Aquaculture committed to developing a National Plan of Action for the conservation and management of sharks (NPOA-Sharks) and implementing CITES requirements. These commitments were a direct response to the findings and recommendations of TRAFFIC research presented in Artisanal Shark Trade in the Republic of the Congo and an

accompanying video released in August 2020 (French and English). TRAFFIC's analysis found that overcapacity and illegal fishing threatens sharks, including the Critically Endangered Scalloped Hammerhead, as well as of the livelihoods of local fishing communities. Although Hong Kong data show the import of over 130 t of dried shark fins from the Republic of Congo from 2005 – 2015, there are no records of trade in Congo's CITES, Customs or fisheries data. The General Directorate welcomed TRAFFIC's collaboration in moving forward, and related funding has been secured. New fisheries regulations introduced in Mozambique established protective measures for shark and ray species, including Whale Sharks and Manta rays. These regulations respond to work by TRAFFIC, in collaboration with WWF and WCS, over several years to catalyse increased action for sharks in Mozambique, including support for NPOA development.

PRIORITY AREAS FOR WORK DURING FY22 WILL BE FOCUSED AROUND

- Developing and supporting management and regulation systems that facilitate responsible trade
- Supporting the development of good business practices and voluntary standards and certification systems
- Engaging and supporting responsible wildlife sourcing and trade practices by businesses
- Informing the design of, catalysing and supporting market behaviour change interventions
- Informing and motivating inter-governmental policy interventions that facilitate responsible trade

SUPPORTING INFORMED RESPONSES TO WILDLIFE TRADE AND DISEASE RISKS IN THE WAKE OF COVID-19

Although the origin of the COVID-19 outbreak remains unknown, concerns regarding potential risks to human health associated with wildlife markets and trade remained high throughout the year. TRAFFIC responded by forging partnerships with the health, veterinary science and other sectors to develop a comprehensive approach to understanding and reducing potential risks. A central focus of this work was finding common ground among different disciplines and exploring and identifying potential solutions and approaches.

As a member of the Collaborative Partnership on Sustainable Wildlife Management (CPW), TRAFFIC contributed to the joint statement on The COVID-19 challenge: Zoonotic diseases and wildlife. The 14 CPW members, which also include the UN Food and Agriculture Organization (FAO), the World Organization for Animal Health (OIE), and the CBD and CITES Secretariats, proposed four principles to guide decision makers and practitioners, focused on reducing the risk of future pandemics originating from wild animals while simultaneously strengthening conservation of wildlife, and respecting livelihoods, food security and cultural diversity.

TRAFFIC was among 20 leading conservation groups - the so-called Wildlife Conservation 20 – issuing a joint declaration to the G20 Leaders Summit in November 2020 calling for urgent action to invest in nature to protect biodiversity and reduce the risk of future pandemics. The declaration focused on opportunities to build long-lasting action to conserve planetary health and reset human interactions with nature into COVID-19 economic recovery plans. TRAFFIC provided input into the negotiation process that led to the G7 Carbis Bay Health Declaration and the G7 2030 Nature Compact adopted in June 2021. Two of the four summit themes were particularly relevant: Building Back Better and leading the global recovery from coronavirus while strengthening resilience against future pandemics; and tackling climate change and preserving the planet's biodiversity. TRAFFIC's interventions highlighted the need for close links between work under these two tracks and urged the adoption of high-level political commitments to address the links between zoonotic disease outbreaks and use and trade in biodiversity.

TRAFFIC was one of only a few organisations to draw attention to the importance of monitoring and responding to the impacts of the pandemic on trade in wild plant ingredients, topics discussed during an FAO-TRAFFIC workshop on "Sustainable health care, well-being and nutrition" (September 2020). Attention was also drawn to the importance of careful stewardship of other critical wild ingredients, including shark squalene (used in vaccine production).

Additional contributions included a TRAFFIC-led Targeting Natural Resource Corruption panel discussion on "The COVID-19 pandemic, corruption, and the socio-economic impacts on local communities" (December 2020). Panellists drew attention to the long-term socio-economic and governance crises faced by local communities and the importance of addressing governance issues, including corruption, in COVID recovery plans.

Priority areas for work to respond to potential disease risks associated with wildlife trade during FY22 have been incorporated within priorities for work under the 'Red' and 'Green' workstreams.

PROGRAMME CO-ORDINATION AND LEADERSHIP

The main activities of TRAFFIC's global office, based in Cambridge, fell within the following areas: strategic direction and leadership; programme development and evaluation; funding development; programme delivery (covered in the preceding section); communications; and operations management.

STRATEGIC DIRECTION AND LEADERSHIP

TRAFFIC's Senior Leadership Team (SLT) supervised and co-ordinated TRAFFIC's programme delivery and related fundraising, monitoring and evaluation functions. This helped maintain the strategic focus within and across different elements of the programme and workplan. The SLT was responsible for oversight of the Programme Coordination Team (PCT), which brought together staff leading and co-ordinating work under TRAFFIC's two workstreams with staff leading cross-programme research, policy, behaviour change and communications efforts. The PCT regularly reviewed programme delivery, advised on programme direction, organised regular Programme Forum meetings with colleagues around the world, and oversaw the development of TRAFFIC's FY22 work plan.

SLT and PCT members advised on TRAFFIC's programmatic responses to the pandemic, including the expansion of existing work priorities and the development of policy responses. Guidance was also provided on management of major partnerships, including ROUTES and the Coalition to End Wildlife Trafficking Online, and on work with businesses connected to wildlife trade chains, for example in the finance, tech and herbal product sectors.

The Business Resources Team promoted connectivity between TRAFFIC's programme strategy, organisational development plan, and business model, ensuring the integration of business considerations into TRAFFIC decision-making at every level. This included supporting the work of other teams, e.g. guiding adaptive management of TRAFFIC's working practices and programme delivery.

TRAFFIC's Executive Director served on the Council of the Cambridge Conservation Initiative (CCI), a unique collaboration between the University of Cambridge and nine leading internationally focused biodiversity conservation organisations clustered in and around Cambridge. TRAFFIC also supported CCI activities in other ways, for example giving a lecture on CITES to students pursuing the CCI-affiliated MPhil in Conservation Leadership and hosting a placement student.

Work during the second half of the year also focused on facilitating a smooth transition as Steven Broad, TRAFFIC's Executive Director for 25 years, moved on from TRAFFIC at the end of May 2021. Richard Scobey assumed the Executive Director position on 1 June 2021. SLT members and other staff worked with both the outgoing and incoming Executive Directors to support the transition process and ensure that programmatic delivery remained on track.

PROGRAMME DEVELOPMENT AND EVALUATION

TRAFFIC's current Programme Strategy was finalised and approved by TRAFFIC's Board of Trustees in October 2017. The strategy builds on four decades of specialised knowledge and experience while emphasising new learning, innovation and expanded partnerships. It is designed to drive positive change in wildlife trade management in a rapidly evolving world of globalised commerce, connectivity and geo-political change. A monitoring and evaluation framework is used as the basis for assessing progress against the Strategy at the outcome (Results) level. Given the extraordinary circumstances of the COVID-19 pandemic, the Board of Trustees decided to extend the strategy for a further year, to the end of June 2022.

TRAFFIC's Programme Strategy provided the overarching framework for TRAFFIC's work, with a more detailed annual work plan identifying priorities for the year. The work plan was organised according to the two "workstreams" mentioned above (one focused on enhancing responses to wildlife crime and illegal trade, and the other on enhancing systems for sustainable, legal wildlife trade). The FY21 work plan also included an additional element framing TRAFFIC's programme response to the COVID-19 pandemic.

The lack of certainty and the variability of rules and guidance on working practices, travel and other operational issues around the world meant ongoing adaptive management of project activities and liaison with donors and partners. At the practical level, offices in some countries were allowed to re-open on a partial basis, enabling some staff to work alongside their colleagues for the first time in a year. However, changing COVID-19 case levels meant that restrictions were frequently reimposed, often at short notice. Restrictions on local, national and international travel continued to fluctuate, as did rules regarding in-person meetings and events. TRAFFIC staff combined flexibility and creativity to adapt to the ever-changing situation, typically having not only a Plan B, but a Plan C in place in case things changed. The majority of TRAFFIC-organised events continued to be held online. In-person events such as a prosecutor training workshop in Angola required additional planning to ensure the health and safety of participants.

Performance and outcomes were assessed at six-monthly intervals, with the year-end assessment reviewing overall progress as initially set out in the FY21 work plan. Delivery of work under TRAFFIC's FY21 work plan remained largely on track despite the ongoing challenges presented by the COVID-19 pandemic, including bans on in-person meetings and travel. This included new areas of work added to the workplan in response to the COVID-19 pandemic, as well as work that had been foreseen in TRAFFIC's original programme design. Less progress was made than anticipated to move forward management and regulations supporting responsible trade, with travel restrictions frustrating some activities, e.g. trialling a new traceability system for shark products, and work on timber trade flows between Central Africa and Asia. Funding secured in the latter part of FY21 will enable prioritised activities to move forward in FY22.

FUNDING DEVELOPMENT

TRAFFIC staff led and/or supported the development of over 60 wildlife trade-related funding proposals during FY21. The majority of proposals were submitted in partnership with one or more other organisations with a view to increasing the effectiveness and impact of funded projects and expanding cross-institutional synergies.

The majority were developed in response to government calls for proposals such as the UK Illegal Wildlife Trade Challenge Fund and Darwin Initiative, notices of funding opportunities issued by the US Bureau of International Narcotics and Law Enforcement Affairs (INL), the US Agency for International Development, US Fish and Wildlife Service and German government aid agencies.

Of particular note were large-scale funding opportunities issued by INL for work to combat illegal wildlife trade, for which TRAFFIC led on five proposals (three of which were successful) and partnered on a further three (two successful, one decision pending). Fewer large-scale funding opportunities were identified relevant to strengthen conditions for legal, sustainable trade, with this area remaining a priority for expanded donor research and fundraising activity. Significant funding was raised to deliver specific programmatic priorities expanding TRAFFIC's geographic reach such as in West Africa (including expansion of the Trade in Wildlife Information Exchange platform - TWIX) and Central Asia (capacity building for law enforcement).

A focus was also placed on securing funding to support innovative solutions to wildlife trade challenges such as automated X-ray scanner detection in airports. Funding was secured to continue pioneering work to tackle corruption linked to wildlife crime, including for work in China and Madagascar. Several foundation donors renewed their investment in TRAFFIC's wider research, policy and communications work.

Investment to enhance TRAFFIC's proposal development process included regular support to Programme Offices to review and strengthen funding proposals and develop concepts to support outreach for new areas of work. Work to expand outreach to new sources of funding included a Marketing Review and establishment of a process for improving identification and communications with potential new donors.

COMMUNICATIONS

Communication of evidence-based, targeted research, analysis and insight into a wide variety of issues concerning wildlife trade is at the heart of TRAFFIC's work. During FY21 TRAFFIC produced numerous publications and other materials to inform and support wildlife-trade related discussions and actions by governments, businesses and individuals.

TRAFFIC published more than 30 research reports during the year, covering topics ranging from why people turn to wildlife trafficking and the financial flows within wildlife crime to publications on Japan's online ivory trade and the songbird trade in Southeast Asia.

One issue of the TRAFFIC Bulletin was published, which featured coverage on COVID-19 and zoonoses, bird singing competitions and the online amphibian trade. Digital copies were distributed to more than 1,000 online subscribers in Europe, Asia, Africa, Oceania, and the Americas.

TRAFFIC's website is responsible for publicising news and publications with more than 110 news items, including report launches, posted on the site throughout the year. These publications drew attention to an array of wildlife trade developments, including successful wildlife enforcement actions. Meanwhile, our website hosts a dedicated COVID-19 resource section to house the various related publications produced by TRAFFIC. Emphasis has also been placed on improving the amount of Vietnamese and Chinese translated content available on our website in relation to the countries' various roles with wildlife trade.

All of TRAFFIC's outputs were made freely available for download from TRAFFIC's website with more than 10,000 downloads of our reports during the year.

Many national and international news outlets covered TRAFFIC's research, with outlets including The Independent, BBC Radio 4, Forbes, Al Jazeera, CNN and National Geographic, among others. TRAFFIC's communications team also routinely responded to media enquiries regarding an array of wildlife trade issues.

OPERATIONS MANAGEMENT

TRAFFIC's global structure continues to evolve as the organisation grows. As previously reported, the UK charity incorporated six field offices as branches or subsidiaries in the FY19-FY20 period. This structure was maintained in FY21 and, with Board approval, TRAFFIC began the process of registering national entities in Belgium and Tanzania during the financial year, with applications to be submitted in early FY22. Offices in China and Malaysia successfully fulfilled their statutory obligations during their first year of operation and continued to strengthen their institutional presences.

Other significant activities during FY21 included:

- Support to staff with potential Covid implications, focusing on staff welfare, legal obligations, flexible working support, and return-to-the office procedures where appropriate.
- Support to various governance structures including the Board, the Operations Committee, the Senior Leadership Team, the International Management Team, the Business and Resources Team, the Programme Coordination Team, and various task teams.
- Support to senior management transitions including of the Executive Director and Regional Director – Asia
- A review and revision of organisational KPIs carried out by the Business and Resources Team.
- Roll-out of Multi-Factor Authentication (MFA) to all staff accounts in all offices as part of the organisation's strengthened cybersecurity measures.

PROJECT PORTFOLIO

During the financial year, a total of 94 projects were active, with 32 new contracts added and 40 projects completed during the year. As of 30 June 2021, TRAFFIC had 62 active projects. Sixty-nine funding proposals were submitted to various donors during the year and, at the time of reporting, thirty-five of the proposals submitted subsequently were confirmed or contracted.

TRAFFIC continued to adaptively manage its project portfolio and to deliver high-quality outputs and outcomes despite the challenges of the ongoing pandemic. However, adaptive responses to COVID also resulted in delays in project implementation. Workplan changes and project extensions during the period required extensive discussions with donors, impacting expenditure and making forecasting challenging. TRAFFIC appreciates the collaborative approach to developing effective responses to the current operating environment adopted by the majority of its donors.

HUMAN RESOURCES

Human Resources (HR) directly supported 41 recruitments across the organisation during the year with 33 new starters in the organisation and 21 leavers processed during the period. This brings the average number of staff employed by the charity to 153 Individuals. Four volunteers contributed approximately 889 hours of work in the TRAFFIC Global office.

PLANS FOR THE YEAR AHEAD

Ongoing responses to the coronavirus pandemic will continue to be a major focus for FY22, particularly the implementation of safe and effective approaches to return-to-office plans across the organisation's various locations. The Operations team will continue efforts to ensure branch office compliance both with UK and local statutory requirements, with these efforts set to expand with successful registration of legal TRAFFIC entities in Belgium and Tanzania. The Operations team will actively support TRAFFIC's strategic planning process with an emphasis on improving its business model, and refining internal management systems. The team will lead the updating of several key policies including risk management and IT as well as introducing more comprehensive organisation-wide HR policies. The emphasis on safeguarding will continue with the formal establishment of a Risk and Compliance position and an expanded organisational action plan.

FINANCIAL REVIEW

TRAFFIC has seen its income increase during the year whilst expenditure remained constant. Group income saw an increase from £9.4m to £10.1m as a result of an increase in Government Agency Funding of £656k. There were reductions in some other sources of project income. Group expenditure remained constant at £9.6m. TRAFFIC's free reserves were £2.1m, a decrease of £214k compared to the previous financial year as a result of foreign exchange losses.

INCOME

During the year, TRAFFIC received income totalling £10.1m, an increase of £729k compared to the previous year. The percentage of income from Charitable Activities remained stable and constituted 88% of total income.

Unrestricted income for the year stayed consistent at £1.2m, with the main movement being a £26k decrease in income from partners WWF and IUCN.

Restricted income in FY21 increased by £746k to £9.0m from £8.2m in the previous year. The increase was mainly due to a rise in income for projects funded via Government Agencies and Multilateral Agencies of £656k and £464k respectively. Income from WWF and IUCN also increased as the second TRAPs project commenced, a USAID project funded via IUCN. Overall, the number of projects increased by 14% and those that contributed more than £250k in the financial year rose from 9 to 13. In addition, the proportion of total income sources has continued to shift marginally towards an increased amount of Government Agency funding with income received directly from governments rising by £656K and constituting 47% of total income, compared to 44% (excluding transfers) in the previous year. This is a continuation of a strategy over recent years to focus on Government Agency funding sources (with TRAFFIC both as the prime recipient and as a sub-recipient) as these grants tend to be larger and multi-year.

There were 103 projects that brought in income during the year, an increase of 13 since the previous year. Despite the increased number of projects the reliance on two government-funded projects; Wildlife TRAPs and ROUTES, both USAID-funded projects, has remained constant having contributed just over 21% (2020: 22%) to restricted income. These projects are described in more detail in Note 15 of the accounts.

One of TRAFFIC's management KPIs (Key Performance Indicators) for financial performance is that no single donor contributes more than 25% of total income. During the year, one donor (USAID) directly and indirectly contributed 34% of total project income, across ten projects. This is an increase compared to last year where 31% of income was received directly and indirectly from USAID. These projects are embedded in different funding streams within USAID which lowers the overall risk factor. To mitigate potential risks further, TRAFFIC commits to expenditure related to these grants for one-year periods only.

EXPENDITURE

Expenditure during FY21 was £9.6m, consistent with FY20. Of the FY21 expenditure, 97% related to expenditure on Charitable Activities and 3% on raising funds.

Unrestricted expenditure rose by £421k compared to FY20. This represents a 37% rise and is attributable to foreign exchange losses. FY21 saw unrestricted foreign exchange losses, largely due to revaluations of foreign currency bank accounts held in the UK, of £373k; whereas in FY20 there was a £54k unrestricted foreign exchange gain. The majority of TRAFFIC's income is received in

foreign currencies, namely US Dollar, Euro and Swiss Franc, and where those funds are yet to be expended the balances are held in foreign currency bank accounts. The revaluation of these accounts during fluctuations in currency rates during FY21, particularly in USD, largely caused the foreign exchange loss. TRAFFIC regularly reviews its foreign currency management to mitigate foreign exchange risk where possible and considered foreign exchange risk when setting its reserve policy.

Restricted fund expenditure fell by £441k to £8.0m. Expenditure under the TRAPs project fell by £1.0m as the project moved from the first to second phase, whereas ROUTES expenditure increased by £485k as additional subcontractor commitments were made in the final phase of the project..

FUNDS

The net movement in group funds for the year was a surplus of £565k compared to a deficit of £185k in the previous year.

The net movement in unrestricted group funds was a deficit of £252k, as a result of the aforementioned foreign exchange losses. Unrestricted funds held at the year-end were £2.2m. The net movement in group restricted funds was a surplus of £816k and restricted funds held at the year- end were £2.7m.

RISK MANAGEMENT

The Trustees recognise their role in the management and administration of the Group and that directorship carries legal responsibilities and duties including a responsibility to assess potential risks facing the Group. The Trustees note that the major potential risks in the areas of governance and management, operations, and finance are reviewed on a periodic basis and that systems have been put in place to minimise these risks both in the UK and overseas.

The nature of TRAFFIC's conservation programme means that the bulk of funding dispersed through TRAFFIC's UK office is subcontracted to TRAFFIC branch offices to implement conservation activities overseas. TRAFFIC has well-established guidelines on financial policies and procedures which are followed by TRAFFIC offices globally, including regular review of budgets, financial performance, and related financial management. In addition, TRAFFIC has an established monitoring and evaluation system in place which looks at overall programme delivery and individual project implementation against contracted project budgets and deliverables.

KEY RISKS AND UNCERTAINTIES

TRAFFIC's risk framework focuses on the following key risk areas:

- Strategic risks which influence TRAFFIC's long-term strategic objectives, including governance issues, partner relations, and stakeholders including donors and the public. The Senior Leadership Team meets on a bi-weekly basis to discuss such issues and the wider management have an annual week-long meeting covering areas of risk as well as the topic of risk management itself;
- Operational risks which arise from day-to-day issues that TRAFFIC faces as it delivers its conservation programme. These include areas such as project management, office facilities, and human resource management. To minimise these risks, Finance and Operations manuals have been produced,

project steering groups are set up for major projects, staff undergo an induction process and appropriate training, and regular team meetings are held;

- Financial risks related to TRAFFIC's effective management and control of its finances including internal controls, monitoring of funding development, and the effects of external factors such as foreign exchange rates. TRAFFIC produces and reviews quarterly financial reports, as well as annual budgets and quarterly reforecasts, to allow potential financial risks to be identified on a timely basis. There is an up-to-date Finance Manual subject to regular review. Monies are kept in major donor currencies to minimise the effects of any exchange rate fluctuations;
- Knowledge management risks related to TRAFFIC's effective management and control of its knowledge resources, including communications materials, intellectual property rights, and system malfunctions. To minimise these risks, some controls include protocols for handling sensitive data, communications policies and regular backups of data;
- Compliance with laws and regulations related to issues such as health & safety, data protection, employment practices, safeguarding, and other regulatory issues. As well as employing appropriately professionally qualified staff we hold regular meetings with professional advisors both in the UK and in locations where we have offices overseas;
- External risks which may be beyond TRAFFIC's ability to influence, including changes in the physical environment, and in the global economic or political environment. To minimise the effects of these risks, staff attend external training seminars to ensure knowledge in the Charity of possible external risks.
- Risks posed by COVID-19 are cross-cutting ranging from the impact on the global economy, donor priorities, day-to-day operations, and most importantly individual staff welfare. TRAFFIC has established a COVID Working Group which meets regularly and carries out short and medium-term reviews of the impact of COVID on its programmatic and operational activities.

Any "high" risks identified, and the actions taken to mitigate them, are brought to the attention of the Board of Trustees. The Board's Operations Committee review the risk register on a bi-annual basis and the Board of Trustees on an annual basis.

SAFEGUARDING

TRAFFIC International takes very seriously its responsibility to protect people, including our staff, volunteers, partners, consultants, contractors, trustees and others affected by our work, from any harm that may result from coming into contact with our organisation.

As a wildlife conservation charity primarily involved in researching legal and illegal wildlife trade globally, and encouraging necessary action by governments, businesses, and others, TRAFFIC does not usually work directly with children or with adults who could be seen as at risk, nor do we carry out aid-funded relief work. Nevertheless, TRAFFIC employs around 150 staff globally and cooperates with a wide range of public and private sector partner organisations to carry out work related to people and their use of natural resources.

We recognise the importance of ensuring that our work does not have adverse social or environmental impacts at any level, and the need to incorporate these considerations both into the design and implementation of our activities and into the conduct of our staff and implementing partners.

TRAFFIC is aware that it is bound by the laws of the UK in respect of conduct both at home and abroad. We are committed to acting professionally, fairly, and with integrity in our business dealings and relationships wherever we operate. This includes implementing and enforcing effective systems through a framework of policies including professional conduct, sensitive activity management, anti-bribery, and whistleblowing. TRAFFIC's safeguarding statement can be found on our website.

ENVIRONMENTAL SUSTAINABILITY

TRAFFIC operates in 15 locations across five continents, managed from the global office in Cambridge, UK. TRAFFIC staff work under a variety of conditions in these strategic locations, from single individuals to larger groups, often hosted within an external host's premises. TRAFFIC's global office is part of the Cambridge Conservation Initiative based in the David Attenborough Building (DAB), a member of the DAB's Sustainability Working Group, and a partner in its Sustainability Action Plan. Using the DAB framework as a base, in January 2021, TRAFFIC launched a comprehensive sustainability policy that could be extended to its overseas offices, and which covers the following elements: carbon reduction and energy efficiency; purchasing and procurement; travel and transport; waste management; biodiversity and ecology; water use; and host collaboration and reporting. The focus in the second half of FY21 was on developing internal mechanisms for capturing and consolidating consumption data from TRAFFIC offices in different countries to establish base-line data, a process that will continue in FY22 as part of a step-by-step rollout beyond the UK. Targets will be reviewed and updated regularly in line with best practice guidelines.

TRAFFIC has a well-established carbon-offset programme through which it currently supports an organisation called Carbon Tanzania as part of its carbon offset commitment. In FY21, TRAFFIC recorded only £30 in carbon offset, representing 2.8 tonnes of carbon compared to £2,832 (365 tonnes) in FY20 and £3,403 (439 tonnes) in FY19.

As illustrated above, the coronavirus pandemic has had a significant impact on international and regional travel and has also disrupted working practices with most staff working from home for extended periods. This has delayed a number of planned sustainability activities aimed at the office setting and has also impacted the available data, which does not represent normal levels of consumption. In FY22, circumstances allowing, TRAFFIC will resume office-oriented activities and also look to expand its carbon offset programme beyond air travel to encompass other areas of its carbon footprint. TRAFFIC will continue to develop methods of working, including the use of new technologies, to promote lower impact activities and reduce its impact on the natural environment.

INVESTMENT POLICY

Under the Articles of Association, the Charity has the power to make any investment the Trustees see fit. The investment policy, as approved by the Trustees on 16th February 2005, is that funds will be invested in cash, bank current accounts, and bank deposits. The Charity currently holds no investments aside from its cash holdings. The Trustees will consider possible amendments to this investment policy on a periodic basis.

RESERVES POLICY

TRAFFIC'S Trustees recognise the importance of establishing reserves to allow the Charity to respond to future opportunities and current global economic challenges, particularly for an organisation with levels of restricted funding significantly higher than unrestricted. The Trustees have set TRAFFIC's general reserve fund target based on the following range: the equivalent of four months of the Charity's planned annual Core expenditure to be maintained at all times and a maximum amount equivalent to six months of the Charity's planned annual core expenditure.

During the year TRAFFIC modelled various scenarios to help evaluate the level of reserves that should be put aside to protect against risks such as drops in income, unexpected increases in costs, or, more positively, to allow the organisation to take advantage of new opportunities. This was compared to the reserves policy of four to six months of forecasted core expenditure to ensure the target level is sufficient. The Trustees having

reviewed the scenarios agreed that the target is still appropriate.

At the year-end, the group had free reserves of £2.1m, equivalent to over four months of planned FY22 core expenditure, before allocations to restricted projects. Free reserves are defined as unrestricted reserves less fixed assets. The target, based on the FY22 budget, is £1.9 - £2.9m.

Both the amount of free reserves held and the target itself are reviewed on a regular basis.

FUNDRAISING

TRAFFIC does not actively fundraise from the public, although there is the facility to donate on the TRAFFIC website. TRAFFIC does not engage in face to face fundraising, telephone fundraising, or direct mail campaigns. There were no licensed street collections in the reporting period. We do not use commercial participators.

All Trustees are aware of the CC20 guidance from the Charity Commission and any future fundraising will be conducted in line with CC20. TRAFFIC contributed to the Fundraising Regulator during the year in support of the Fundraising Code of Conduct.

There have been no formal complaints concerning our fundraising practice during the reporting period.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of TRAFFIC International for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the surplus or deficit of the charitable company and group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
-
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITOR

Each of the Trustees at the date of approval of this report confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the Charity's auditor is unaware; and
- The Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

STRUCTURE, GOVERNANCE AND MANAGEMENT

TRAFFIC was established in 1976 by the Species Survival Commission of IUCN (the International Union for the Conservation of Nature), largely to support the implementation of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). CITES is an international agreement between 183 governments that aims to ensure international trade in specimens of wild animals and plants does not threaten their survival. Over its first two decades of operation, TRAFFIC developed as a network of offices supported by IUCN WWF and operated as a joint conservation programme of these two international conservation organisations. TRAFFIC International was established in the UK and registered with the Charity Commission on 23 July 1999 to provide a base for TRAFFIC's global coordinating office.

In 2017, a decision was made by WWF, IUCN and TRAFFIC International to consolidate governance and management of TRAFFIC operations worldwide under the UK Charity, New Articles of Association were adopted in June 2017, providing for an increased number of nine Trustees; up to three each appointed by WWF and IUCN as founder members, and up to another three independent Trustees. Subsequently, in June 2018, the Trustees agreed to merge five overseas offices into the UK charity as branches from 1 July 2018.

Since FY19. the TRAFFIC International accounts thus have incorporated Central Africa, East Africa, Southern Africa, Southeast Asia, and Viet Nam as branches. During FY19, the Trustees approved proposals to register TRAFFIC representative offices in China and Malaysia (the latter as a company registered by guarantee). These registrations both were approved in the country of residence in December 2019 and were operationalized in the second half of FY2020. TRAFFIC's China representative office is now included in the TRAFFIC International accounts as a branch; the Malaysian company is treated as a subsidiary in line with SORP guidance. Affiliated offices in China, India, Japan, and the USA continue to operate as internal divisions of their respective WWF hosts and are not incorporated into the charity in a legal sense.

The Board delegates day-to-day management of the Charity to Steven Broad, Executive Director and Chief Executive Officer, who appoints the Senior Leadership Team, who, for the purposes of regulatory reporting, are collectively the Key Management Personnel along with the Trustees. The Senior Leadership Team develops strategies and plans for the Board to scrutinise and approve. It subsequently monitors and reports on performance against targets.

As provided for under TRAFFIC International's Articles of Association, the Board has established an Operations Committee chaired by a Trustee with the delegated responsibility to review information on budgets, financial performance, organisational development and business risk and to provide advice and recommendations to TRAFFIC management and the Board of Trustees.

TRUSTEES

The Trustees who served during the year, unless otherwise stated, were as follows:

- Mark Halle, Chair
- Jeremy Eppel
- Joshua Ginsberg
- Ginette Hemley
- Margaret Kinnaird
- Aimé Nianogo (resigned May 2020)
- Jon Paul Rodriguez
- Jane Smart
- Heather Sohl
- Aban Marker Kabraji (appointed August 2020)

Members of the Board of Trustees are directors for the purpose of company law and Trustees for the purpose of charity law. The company is limited by guarantee. Therefore, no Trustee had any beneficial interest.

APPOINTMENT OF TRUSTEES

The role of the Trustees is collectively, as a board, to ensure delivery of the Charity's objectives, set its strategic direction, and uphold its values. Trustees have a fundamental and legal obligation to act in the best interests of the Charity, and in accordance with the Charity's governing documents. The Trustees oversee the management and operation of the Charity subject to the provisions of the relevant acts (Charities Act 2011; Companies Act 2006 and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" second edition issued in January 2019) and the Memorandum and Articles of Association, and any directions given by special resolution. TRAFFIC's Trustees are drawn from within the broad umbrella of its partner organisations as well as the wider conservation community and bring together an extensive range of expertise in terms of programmatic, technical, financial and administrative skills. Terms of reference for the Board of Trustees (Directors) (2006) describe the responsibilities of the board and the role of key officers.

TRAFFIC's conflict of interest policy (2006) notes that Trustees have a fundamental and legal obligation to act in the best interests of the Charity, and in accordance with the Charity's governing documents. Trustees who are employees of WWF and IUCN are further bound by the undertaking dated 17 September 1999 made on behalf of the two founding members of the Charity. This document, addressed to the Charity Commission, states on behalf of both organisations that TRAFFIC will function as an autonomous body and that neither WWF or IUCN will be able to define or restrict the activities of the Charity. Legally and professionally, Trustees therefore serve in a personal and voluntary capacity and not as representatives of their organisations.

TRUSTEES' INDUCTION AND TRAINING

When an individual accepts an invitation to become a Trustee, as part of the induction process, he or she receives an initial induction pack and meets with a senior manager of TRAFFIC to review the contents of the induction pack and supplementary materials; review responsibilities of Trustees; review current financial situation and general funding sources; review TRAFFIC's organizational chart, and the Charity's role in the larger TRAFFIC network; and review planned future projects and activities. They are regularly provided with financial and programmatic information as well as updates on relevant developments in the UK charity sector. Key documents are provided through a comprehensive governance manual.

REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees consider the Board of Trustees and the Senior Leadership Team comprise the Key Management Personnel of the Charity in charge of directing, controlling, and operating the Charity on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in either year. Details of Trustees' expenses and related party transactions are disclosed in Note 6 to the accounts. The Charity benchmarks remuneration of its Senior Leadership Team against comparable roles in other charities of a similar size and complexity, within a specified pay band. Each member of the Senior Leadership Team receives an annual cost of living salary increase, which takes into account inflation, changes in national average earnings and pay awards elsewhere in the charity or public sector. The award is made subject to affordability and is paid at the same rate as applied to all other eligible staff in the Charity. Increases to the Executive Director's salary that are above the annual cost-of-living salary increase are reviewed and approved by the Board of Trustees.

PUBLIC BENEFIT

TRAFFIC is a wildlife conservation charity whose vision is of a world where wildlife trade is managed in a way that maintains healthy wildlife populations and ecosystems; contributes to meeting human needs; supports local and national economies; and helps motivate commitments to conserve wild species and habitats.

The organisation's efforts are therefore focused not only on conserving biological diversity but also on protecting and maintaining the many "ecosystem goods and services" that are or may be threatened by unsustainable or illegal wildlife trade.

In reviewing TRAFFIC's charitable objects and as part of planning and implementing our programme of work, the Trustees, have taken account of the Charity Commission's guidance on public benefit. The Trustees have considered how TRAFFIC's work will consistently contribute to the Charity's aims and objectives. TRAFFIC's main areas of charitable activity are detailed throughout this report.

The Trustees' report (which incorporates the requirements of the Strategic Report) was approved by the board on 14 January 2022 and signed on its behalf by:



Mark Hallle, Chair



ADMINISTRATIVE INFORMATION

TRUSTEES

Ginette Hemley
Margaret Kinnaird
Jon Paul Rodriguez
Aimé Nianogo
Jeremy Eppel
Joshua Ginsberg
Mark Halle
Jane Smart
Heather Sohl

REGISTERED OFFICE

David Attenborough Building
Pembroke Street
Cambridge
CB2 3QZ
United Kingdom

COMPANY SECRETARY:

Mr. S. R. Broad

EXECUTIVE DIRECTOR

Mr. S. R. Broad

SOLICITORS

Mills and Reeve
Botanic House
98–100 Hills Rd
Cambridge
CB2 1PH

COMPANY REGISTERED NUMBER:

3785518

STATUTORY AUDITOR:

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

CHARITY REGISTERED NUMBER:

1076722

BANKERS:

Barclays Bank
Bene't Street
Cambridge
CB2 3PZ

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAFFIC INTERNATIONAL: YEAR ENDED 30 JUNE 2021

OPINION

We have audited the financial statements of TRAFFIC International for the year ended 30 June 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 30 June 2021 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the [group/charitable company]'s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES FOR THE FINANCIAL STATEMENTS

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charities Act, and overseas branches and subsidiaries complying with local legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, payroll taxes, and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and the manipulation of accounting judgements and estimates, including the recognition of income at the year-end. Audit procedures performed by the engagement team included:

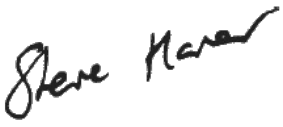
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing minutes of Trustee meetings during the year;
- Identifying and testing journals, in particular journal entries posted around the year-end; and
- Challenging assumptions and judgements made by management in their critical accounting e

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Steven Harper (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP,
Statutory Auditors



Date: 24 January 2022

10 Queen Street Place
London
EC4R 1AG

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT: YEAR ENDED 30 JUNE 2021

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
Income from:					
Donations		1,135,562	22,500	1,158,062	1,184,004
Charitable activities		10,701	8,940,413	8,951,114	8,181,151
Investments		2,920	(1,097)	1,823	271
Other		5,751	567	6,318	23,018
Total	5	1,154,934	8,962,383	10,117,317	9,388,444
Expenditure on:					
Raising funds – grant and contract proposal development		264,844	-	264,844	248,224
Charitable activities					
Red stream		811,081	5,064,943	5,876,024	7,129,533
Green stream		119,521	746,373	865,894	614,047
Mixed		351,425	2,194,534	2,545,959	1,581,221
Total charitable activity expenditure		1,282,027	8,005,850	9,287,877	9,324,801
Total	6	1,546,871	8,005,850	9,552,721	9,573,025
Net income/(expenditure)		(391,937)	956,533	564,596	(184,581)
Transfers between funds		140,232	(140,232)	-	-
Net movement in funds		(251,705)	816,301	564,596	(184,581)
Reconciliation of funds:					
Total funds brought forward		2,435,496	1,917,100	4,352,596	4,537,177
Total funds carried forward		2,183,791	2,733,401	4,917,192	4,352,596

All activities in both years arise from continuing activities. There were no other recognised gains or losses other than those shown in the statement above and the net income for the year. The notes on pages 34 to 64 form an integral part of these financial statements.
Full comparative figures for the year ended 30 June 2020 are shown in note 20.

BALANCE SHEETS: AS AT 30 JUNE 2021

	Notes	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Fixed Assets					
Intangible fixed assets	10	9,724	9,458	23,114	22,703
Tangible fixed assets	11	52,112	44,100	76,063	67,722
		61,836	53,558	99,177	90,425
Current Assets					
Debtors	12	4,469,180	4,421,261	4,306,070	4,287,465
Cash at bank and in hand		2,901,180	2,820,803	3,240,159	2,985,862
		7,370,360	7,242,064	7,546,229	7,273,327
Liabilities					
Creditors: amounts falling due within one year	13	2,515,004	2,478,302	3,292,810	3,305,572
Net current assets		4,855,356	4,763,762	4,253,419	3,967,755
Total assets less current liabilities being net assets		4,917,192	4,817,320	4,352,596	4,058,180
The funds of the Charity					
Restricted funds		2,733,401	2,381,026	1,917,100	1,824,319
Unrestricted		2,183,791	2,436,294	2,435,496	2,233,861
Total Charity funds	16	4,917,192	4,817,320	4,352,596	4,058,180

The surplus of the Charity before consolidation was £759,140 (2020: £478,997). Further details are presented in note 3.

The financial statements of TRAFFIC International (company number 3785518) were approved by the Board of Trustees and authorised for issue on 14 January 2022 and signed on its behalf by:



Mark Halle
Chair

The notes on pages 34 to 64 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT: YEAR ENDED 30 JUNE 2021

	2021 Total £	2020 Total £
Cash flows from operating activities:		
Net cash flows from operating activities	(313,959)	502,193
Cash flows from investing activities:		
Dividends, interest and rents from investments	1,823	7,002
Transfer of assets	-	(69,288)
Purchase of fixed assets	(26,843)	(52,188)
Net cash outflow from investing activities	(25,020)	(114,474)
Net (decrease)/increase in cash and cash equivalents	(338,979)	387,719
Cash and cash equivalents at 1 July 2020	3,240,159	3,268,990
Cash and cash equivalents at 30 June 2021	2,901,180	3,656,709
Reconciliation of net cash flows from operating activities:		
Net income	564,596	3,039,279
Depreciation and amortisation	64,184	87,027
Investment income	(1,823)	(7,002)
(Increase)/decrease in debtors	(163,110)	(2,799,010)
Increase/(decrease) in creditors	(777,806)	181,899
Net cash flows from operating activities	(313,959)	502,193

The notes on pages 34 to 64 form an integral part of these financial statements.
Cash and cash equivalents are represented by cash at bank and in hand.

NOTES TO THE ACCOUNTS: YEAR ENDED 30 JUNE 2021

1. *Accounting Policies*

TRAFFIC International is a company limited by guarantee and registered in England and Wales (3785518), not having a share capital, and as a Registered Charity with the Charity Commission for England and Wales (1076722). The Charity is not liable to corporation tax on its charitable activities and further details are shown above within the Reference and Administrative details on page 26.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Charity's financial statements.

a) Accounting conventions

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (Second Edition effective 1 January 2020)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2019; and the Companies Act 2006. The Charity meets the definition of a public benefit entity under FRS 102. The financial statements are prepared in Pounds Sterling rounded to the nearest Pound.

b) Going concern

The Trustees have a reasonable expectation that the Group will continue in operational existence for the foreseeable future and the Group is well placed to manage its business risks successfully. TRAFFIC regularly monitors its pipeline of projects to ensure its conservation objectives and operational needs are met. The Group has significant cash resources and a significant level of net assets. Accordingly, the Trustees continue to adopt the going concern basis. In carrying out this assessment, the Group has also considered the impact of the Covid-19 pandemic on its activities.

c) Consolidation

These financial statements consolidate the results of TRAFFIC International Southeast Asia on a line-by-line basis. TRAFFIC International Southeast Asia is incorporated in Malaysia. Transactions and balances between charitable company and its subsidiary have been eliminated from the consolidated financial statements. There are no significant differences between the accounting policies of the parent charitable company and its subsidiary. In addition to the subsidiary undertaking, the charitable company has a number of branches which are treated as being part of the results of the charitable company in line with section 25 of the Statement of Recommended Practice. As permitted by Section 408 of Companies Act 2006, no separate Statement of Financial Activities for the Charity has been presented however the results of the Charity before consolidation are summarised in note 3.

d) Income

Income is recognised and included in the statement of financial activities when the Charity has entitlement to the income, it is probable that the income will be received, and the amount can be reliably measured. Income received relating to future accounting periods is deferred and recognised as a creditor within the balance sheet.

e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. VAT cannot be recovered and is reported as part of the expenditure to which it relates.

Costs of raising funds:

These represent costs of internal allocations for staff involvement in implementation of the Charity's funding strategy, donor liaisons and assistance with proposal development and submission. During the year the fundraiser position was vacant.

Charitable activities:
This includes expenditure incurred in the fulfilment of the objectives of the charitable company including allocated overheads.

Support costs:
Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the Charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. Support costs are allocated on a pro-rata basis according to the total cost of activities undertaken directly and grant funding of activities.

Governance costs:
This includes expenditure incurred in the general running and administering of the charitable company. These costs include external audit, legal advice for Trustees and costs associated with constitutional and statutory requirements.

f) Tangible fixed assets
Tangible fixed assets are shown at cost less accumulated depreciation. Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful lives of three years on a straight-line basis. The current capitalisation policy is £400.

Impairment reviews are conducted when events and changes in circumstances indicate that an impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, it is written down accordingly.

g) Intangible fixed assets
Intangible assets are shown at cost less accumulated amortisation. Amortisation is calculated on a straight-line basis to allocate the assets value evenly over a three-year period. The current capitalisation threshold is £400.

Impairment reviews are conducted when events and changes in circumstances indicate that an impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, it is written down accordingly.

h) Funds
The Charity records two categories of income—unrestricted and restricted funds.

Unrestricted funds
Unrestricted funds can be used for any purpose approved by the Trustees within the objects of the Charity. Funds that are received without external restriction, and for use in any of the Charity's activities including operational and establishment costs are treated as unrestricted funds and may be designated by the Trustees for particular purposes as deemed appropriate.

Restricted funds
Resources are allocated to restricted funds according to the limitations on their use specified by the donors or other providers.

Restricted funds are allocated to specific activities and outputs usually under the terms of a project contract accompanying the grant. Detailed accounts are maintained for restricted projects including income, expenditure and fund balances by donor. The majority of projects are short-term in nature with grants being expended between one and five years. Deficits within restricted project funds which occur when income is not

entitled to be recognised in the current financial period are carried forward to the next period. Where further funding is not anticipated, a transfer is made from unrestricted funds to cover the deficit.

The Charity does not have any endowment funds.

i) Cash and cash equivalents
Cash at bank and in hand includes interest and non-interest-bearing accounts which are highly liquid.

j) Employee benefits – Pensions
The Charity operates a defined contribution scheme, the assets of which are held separately from those of the Charity. The Charity's contributions are charged to expenditure in the year they are incurred.

k) Foreign exchange
Transactions denominated in foreign currencies are recorded at the daily rate of exchange. Assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the year end. Gains and losses on re-translation are dealt with as part of the deficit or surplus on ordinary activities for the financial year.

l) Operating lease agreements
Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

m) Financial instruments
Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

3. Result of the charity

	2021 £	2020 £
Income		
Donations	1,101,829	1,184,004
Charitable activities	8,838,625	7,797,264
Other income	3,071	14,906
	9,943,525	**8,996,174**
Expenditure		
Charitable activities and raising funds	9,184,385	9,231,289
Funds transferred to subsidiary undertaking	-	243,882
	9,184,385	**9,475,171**
Net income	**759,140**	**(478,997)**
Funds brought forward	**4,058,180**	**4,537,177**
Funds carried forward	**4,817,320**	**4,058,180**

4. Result of subsidiary undertaking

TRAFFIC International Southeast Asia is a company incorporated in Malaysia and is a wholly owned subsidiary of TRAFFIC International. It was incorporated in January 2021 and carries out the activities of the charity in the region. Prior to incorporation, the activities in the region were run as a branch of TRAFFIC International. On 1 February 2021, the activities and net assets of the branch were transferred to the new company. The results have been included in these financial statements from that date, a summary of which is provided below.

	2021 £	2020 £
Income		
Funds transferred from parent undertaking	-	243,882
Charitable activities	564,921	395,480
	564,921	**639,362**
Expenditure		
Charitable activities	773,854	344,946
	773,854	**344,946**
Net income	**(208,933)**	**294,416**
Funds brought forward	294,417	-
Funds carried forward	**85,484**	**294,416**
Funds		
Total assets	109,697	341,208
Total liabilities	(24,212)	(46,792)
	85,484	**294,416**

5. Income

All of TRAFFIC International's activity relates to ensuring that trade in wild plants and animals is not a threat to the conservation of nature.

	Unrestricted £	Restricted £	2021 Total £
Donations			
IUCN, WWF & other TRAFFIC entities	1,109,129	-	1,109,129
Corporate and Individuals	26,433	22,500	48,933
	1,135,562	22,500	1,158,062
Charitable activities			
IUCN, WWF & other TRAFFIC entities	6,233	1,262,465	1,268,698
Governments	886	5,362,357	5,363,343
Multilaterals	-	551,124	551,124
Foundations and charities	3,317	1,620,482	1,623,799
Corporate and Individuals	265	143,985	144,250
	10,701	8,940,413	8,951,114
Other income	5,751	567	6,318
Bank interest	2,920	(1,097)	1,823
	1,154,934	8,962,383	10,117,317

2020 Comparative

	Unrestricted £	Restricted £	2020 Total £
Donations			
IUCN and WWF	1,134,913	-	1,134,913
Corporate and Individuals	11,487	37,604	49,091
	1,146,400	37,604	1,184,004
Charitable activities			
IUCN and WWF	6,983	1,714,833	1,721,816
Governments	-	4,149,167	4,149,167
Multilaterals	-	87,177	87,177
Foundations and charities	-	1,591,897	1,591,897
Corporate and Individuals	-	631,094	631,094
	6,983	8,174,168	8,181,151
Other income	18,690	4,328	23,018
Bank interest	271	-	271
	1,172,344	8,216,100	9,388,444

6. Expenditure

All of TRAFFIC International's activity relates to ensuring that trade in wild plants and animals is not a threat to the conservation of nature.

	Direct costs £	Support costs £	2021 Total £
Costs of raising funds	-	264,844	264,844
Charitable activities			
Addressing Wildlife crime & illegal trade	5,015,159	860,864	5,876,023
Sustainable legal trade	739,037	126,857	865,894
Mixed stream	2,172,965	372,995	2,545,960
	7,927,161	1,360,716	9,287,877
	7,927,161	1,625,560	9,552,721

2020 Comparative

	Direct costs £	Support costs £	2020 Total £
Costs of raising funds	-	248,224	248,224
Charitable activities			
Addressing Wildlife crime & illegal trade	6,047,061	1,082,472	7,129,533
Sustainable legal trade	520,817	93,230	614,047
Mixed stream	1,341,145	240,076	1,581,220
	7,909,023	1,415,778	9,324,800
	7,909,023	1,664,002	9,573,025

Analysis of expenditure:

	Unrestricted £	Restricted £	2021 Total £
Costs of raising funds			
Travel	1,657	-	1,657
Depreciation and amortisation	2,471	-	2,471
Foreign exchange (gain)/loss	15,313	-	15,313
Governance	8,362	-	8,362
	264,844	-	264,844
Charitable activities			
Staff costs	447,432	4,681,175	5,128,607
Operational	155,373	1,344,506	1,499,879
Establishment	494,907	271,515	766,422
Professional fees	0	17,668	17,668
Project sub-contracts	0	895,736	895,736
Travel	40,402	244,007	284,409
Depreciation and amortisation	61,713	0	61,713
Transfer of costs to projects	(499,962)	499,962	0
Foreign exchange loss/(gain)	373,331	51,281	424,612
Governance	208,831	0	208,831
	1,282,027	8,005,850	9,287,877
Total expenditure	1,546,871	8,005,850	9,552,721

2020 Comparative

Analysis of expenditure:

	Unrestricted £	Restricted £	2020 Total £
Costs of raising funds			
Staff costs	207,328	-	207,328
Operational	6,934	-	6,934
Establishment	21,419	-	21,419
Travel	3,534	-	3,534
Depreciation and amortisation	3,466	-	3,466
Foreign exchange gain	(2,220)	-	(2,220)
Governance	7,763	-	7,763
	248,224	-	248,224
Charitable activities			
Staff costs	290,773	4,763,722	5,054,495
Operational	169,053	1,714,460	1,883,513
Establishment	522,177	172,870	695,047
Professional fees	-	17,025	17,025
Project sub-contracts	15,034	772,241	787,275
Travel	86,156	492,426	578,582
Depreciation and amortisation	86,570	-	86,570
Transfer of costs to projects	(432,242)	432,242	-
Foreign exchange gain	(54,114)	82,530	28,416
Governance	193,878	-	193,878
	877,285	8,447,516	9,324,801
Total expenditure	1,125,509	8,447,516	9,573,025

7. Support costs

	Support £	Governance £	2021 £
Professional fees	-	36,641	36,641
Auditor's remuneration	-	14,308	14,308
Other audits	-	15,157	15,157
Staff costs	1,229,988	125,128	1,355,116
Operational	-	3,791	3,791
Establishment costs	167,848	12,075	179,923
Travel	10,529	986	11,515
Foreign exchange gain	-	9,109	9,109
Total	1,408,365	217,195	1,625,560

2020 Comparative

	Support £	Governance £	2020 £
Professional fees	-	29,617	29,617
Auditor's remuneration	-	15,900	15,900
Other audits	-	15,157	15,157
Staff costs	1,295,323	123,320	1,418,643
Operational	-	4,125	4,125
Establishment costs	145,465	12,740	158,205
Travel	21,574	2,102	23,676
Foreign exchange gain	-	(1,320)	(1,320)
Total	1,462,361	201,641	1,664,002

Support costs are allocated on a pro-rata basis according to the total cost of activities undertaken directly and grant funding of activities. Fees payable to the Charity's auditor are for the audit of the charity's annual financial statements.

8. Employee and Trustee Information

		2021	2020
		£	£
a)	Staff costs:		
	Wages and salaries	4,331,590	4,268,659
	Social security costs	512,482	447,412
	Pension costs	468,050	474,775
	Other benefits	63,774	58,689
	Other staff costs	88,208	135,607
		5,464,104	5,385,142

Other staff costs include an accrual for untaken annual leave outstanding at the year end, in line with the requirements of FRS102.

		2021	2020
b)	The average number of persons, employed during the year was:		
	Management and Administration	63	53
	Programme and Research	90	72
		153	125

The above numbers do not include Trustees who are not permitted to receive remuneration for their duties. No Trustees received payments for expenses during 2021 (2020 – £4,838 to eight Trustees).

		2021	2020
c)	Employees with emoluments (emoluments include salaries and taxable benefits, but not employer pension costs or employer's national insurance) over £60,000 were:		
	£60,001 – £70,000	3	3
	£70,001 – £80,000	4	3
	£80,001 – £90,000	1	1
	£90,001 – £100,000	-	1
	£110,001 – £120,000	1	1
		9	9

d) Senior leadership team

Total remuneration of the Key Management Personnel (the Trustees with the Senior Leadership Team comprising the Executive Director and other senior managers), including pension contributions excluding social security costs, was £666,990 (2020: £590,724) for ten (2020: seven) staff members. No Trustees received nor waived any remuneration.

9. Employee benefits - Pension costs

The Charity contributes to twelve defined contribution pension schemes. The assets of the schemes are held separately from those of the Charity in independently administered funds. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £468,051 (2020: £474,775).

10. Intangible fixed assets

GROUP	Computer Software £
Cost:	
At 1 July 2020	94,624
Additions	-
At 30 June 2021	94,624
Amortisation:	
At 1 July 2020	71,510
Additions	13,390
At 30 June 2021	84,900
Net book value:	
At 30 June 2021	9,724
At 30 June 2020	23,114

CHARITY	Computer Software £
Cost:	
At 1 July 2020	94,175
Additions	-
At 30 June 2021	94,175
Amortisation:	
At 1 July 2020	71,472
Charge for year	13,245
At 30 June 2021	84,717
Net book value:	
At 30 June 2021	9,458
At 30 June 2020	22,703

11. Tangible fixed assets

GROUP	Leasehold improvements £	Fixtures & Fittings £	Vehicles £	Computer Equipment £	Total £
Cost:					
At 1 July 2020	10,861	48,037	55,208	154,548	268,654
Additions	-	3,516	-	23,327	26,843
At 30 June 2021	**10,861**	**51,553**	**55,208**	**177,875**	**295,497**
Depreciation:					
At 1 July 2020	6,525	36,676	45,382	104,008	192,591
Charge for year	1,768	4,572	6,360	38,094	50,794
At 30 June 2021	**8,293**	**41,248**	**51,742**	**142,102**	**243,385**
Net book value:					
At 30 June 2021	**2,568**	**10,305**	**3,466**	**35,773**	**52,112**
At 30 June 2020	4,336	11,361	9,826	50,540	76,063

CHARITY	Leasehold improvements £	Fixtures & Fittings £	Vehicles £	Computer Equipment £	Total £
Cost:					
At 1 July 2020	-	27,325	55,208	148,681	231,214
Additions	-	3,516	-	19,142	22,658
At 30 June 2021	-	**30,841**	**55,208**	**167,823**	**253,872**
Depreciation:					
At 1 July 2020	-	17,127	45,382	100,983	163,492
Charge for year	-	4,144	6,360	35,776	46,280
At 30 June 2021	**-**	**21,271**	**51,742**	**136,759**	**209,772**
Net book value:					
At 30 June 2021	**-**	**9,570**	**3,466**	**31,064**	**44,100**
At 30 June 2020	-	10,198	9,826	47,698	67,722

12. Debtors: amounts falling within one year

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Trade debtors	213,039	212,577	181,239	181,239
Other debtors	67,155	24,400	75,583	56,979
Amounts held by hosts	362,686	362,686	1,702,591	1,702,591
Prepayments	40,846	36,550	56,357	56,357
Accrued income	3,785,454	3,785,048	2,290,299	2,290,299
	4,469,180	4,421,261	4,306,070	4,287,465

Amounts held by host relates to cash amounts held by hosts on behalf of branches.

13. Creditors: falling due within one year

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Trade creditors	158,230	150,313	433,190	419,508
Other creditors	50,642	20,109	35,245	29,555
Accruals	1,464,608	1,437,237	1,274,630	1,257,735
Salary and tax creditors	32,408	23,070	26,832	16,306
Amounts owed to hosts	235,932	235,932	673,088	673,088
Amounts owed to subsidiary undertaking	0	38,457	-	59,554
Deferred income	573,184	573,184	849,826	849,826
	2,515,004	2,478,302	3,292,810	3,305,572

Amounts owed to hosts relate to cash balances owed to hosts by branches.

14. Deferred income

	2021 Total £	2020 Total £
Balance at the beginning of the year	849,826	752,917
Amount released to income in the year	(849,826)	(752,917)
Amount deferred in the year	573,184	849,826
Balance at the end of the year	573,184	849,826

Deferred income represents income received from donors in advance of contracted activity.

15. Analysis of charitable funds

	1 July 2020	Income	Expenditure	Transfers	30 June 2021
	£	£	£	£	£
Unrestricted funds	2,435,496	1,154,934	(1,546,871)	140,232	2,183,791
Restricted funds					
Major projects:					
ROUTES	(275,935)	1,070,276	(697,512)	-	96,829
WTRAPS	-	806,972	(258,146)	-	548,826
Partnership against Poaching and Illegal Wildlife Trade	(367,394)	427,188	(255,099)	-	(195,305)
South Africa Wildlife Investigator Mentoring Scheme	-	368,941	(102,253)	-	266,688
Reducing Trade threats in Africa's wild species and ecosystem through	-	338,141	(147,638)	-	190,503
Strengthened Knowledge in Africa Countering Wildlife Trafficking in Angola	154,088	291,939	(280,408)	-	165,619
Combatting Illegal Wildlife Trade, focusing on Ivory, Rhino Horn, Tiger and Pangolin in Thailand	27,750	289,164	(225,760)	-	91,154
Reinforcing Chinese Government and industry action to reduce illegal timber exports from Cameroon, Republic of Congo, Vietnam and other transit countries. Phase II	200,889	278,673	(466,561)	-	13,001
Law Enforcement in Madagascar: a United Response to Combatting Wildlife Crime	-	271,684	(236,393)	-	35,291
Strengthening Law Enforcement Capacity and Collaboration to Combat Illegal Wildlife Trade in Cameroon	-	268,245	(193,044)	-	75,201
Leveraging legality along China's timber supply to reduce deforestation	-	263,462	(79,663)	-	183,799
The Combating Wildlife Crime Project	510,580	261,013	(348,127)	-	423,466
Minimising the Illegal Killing of Elephants and other Endangered Species (MIKES)	2,094	79,147	(90,052)	-	(8,811)
Demand-reduction strategies to combat illegal trade in CITES-listed species	-	10,540	(8,293)	-	2,247
Big Cat Trade Study	-	13,539	-	-	13,539
UNDP Biodiversity Management Plan	-	10,918	(37,684)	-	(26,766)
	252,072	5,049,842	(3,426,634)	-	1,875,281
Other projects	1,665,028	3,912,541	(4,579,217)	(140,232)	858,120
	1,197,100	8,962,383	(8,005,850)	(140,232)	2,733,401
Total funds	4,352,596	10,117,317	(9,552,721)	-	4,917,192

During the year a transfer of £67,550 was made relating to unrestricted income incorrectly classified as restricted in a previous year. Other transfers related to the write off of foreign exchange variances as well as small surpluses allowed by donors.



Seized skins, USA. Photo: Rachel Kramer / TRAFFIC

ROUTES (Reducing Opportunities for Unlawful Transport of Endangered Species)

Funded by USAID (United States Agency for International Development)

ROUTES is an innovative and transformational partnership that brings together international conservation organizations, donors, government, and the transportation and logistics industry for a multi-year collaborative programme to combat illegal wildlife trafficking internationally. Core Team members include the U.S. Agency for International Development, Center for Advanced Defense Studies, Freeland, International Air Transport Association, TRAFFIC, U.S. Department of Homeland Security, U.S. Department of State, U.S. Fish and Wildlife Service and WWF.

Wildlife Trafficking, Response, Assessment and Priority Setting (Wildlife TRAPS) Project

Funded by USAID (United States Agency for International Development) via IUCN

TRAFFIC, in collaboration with IUCN, has devised the Wildlife TRAPS (Wildlife Trafficking, Response, Assessment, and Priority Setting Project) to develop and deliver a suite of ground-breaking partnerships and pioneering approaches to tackle wildlife crime between Africa and Asia. Wildlife TRAPS is building a collective understanding of the true character and scale of the response required through a series of targeted trade assessments looking at specific species and geographic regions.

Partnership against Poaching and Illegal Wildlife Trade (Ivory and Rhino-Horn)

Funded by GIZ (Gesellschaft für Internationale Zusammenarbeit)

This project aims to combat poaching and illegal wildlife trade through demand reduction in Asia and law enforcement in Africa. In China, TRAFFIC are working with the Chinese Government and private sector to implement efforts to combat illegal wildlife trade (IWT) through the reduction of supply and demand for illegal wildlife products in China and Africa, by: engaging targeted business and opinion leaders in China; raising awareness of Chinese citizens living and working in, or visiting Africa about IWT; and supporting China–Africa co-operation against IWT. In Africa, the reduction of illegal wildlife trade is supported through improved information-sharing by law enforcement through the Trade in Wildlife Information eXchange (TWIX) systems and supporting national, regional and international policy fora of IWT relevance.

South Africa Wildlife Investigator Mentoring Scheme

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)
The Goal of this project is to reduce poaching and trafficking of endangered wildlife in Sub-Saharan Africa, with a particular focus on South Africa. Progress towards this goal will be achieved through the delivery of Objective 1 as identified for South Africa by INL:"Build interdiction, investigative and enforcement capacity of junior wildlife investigators to stop the poaching and transit of protected wildlife".

Reducing Trade threats in Africa's wild species and ecosystem

Funded by the ARCADIA Foundation
The purpose of the project is to strengthen actions to conserve and protect wildlife populations, areas of high biodiversity, and communities in Africa threatened by illegal and unsustainable wildlife trade, with a focus on trade to Asia. Building on the successes in the first phase of the ReTTA project, ReTTA Phase II expands the data gathering and analysis of vital wildlife trade knowledge by ourselves, partners and governments on the African continent and following primary trafficking routes into Asia promotes evidence-based solutions with those best placed to take remedial action. The project will continue to develop and promote some of the potentially game-changing solutions that were initiated in the first phase of the project.

Countering Wildlife Trafficking in Angola

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)
The goal of this project is to reduce poaching and trafficking of endangered wildlife in Sub-Saharan Africa, with a particular focus on Angola. Progress towards this goal will be achieved through delivering on three of the four Objectives articulated by the Bureau of International Narcotics and Law Enforcement Affairs (INL), namely: Objective 1: Build interdiction, investigative, and enforcement capacity to stop the transit of protected wildlife; Objective 2: Enhance prosecutorial and judicial capacity to successfully prosecute those illegally transiting wildlife products with adequate sentencing; and Objective 4: Encourage increased cross-border cooperation with neighbouring or source countries to more effectively combat wildlife trafficking.

Combatting Illegal Wildlife Trade, focusing on Ivory, Rhino Horn, Tiger and Pangolin in Thailand

Funded by United Nations Development Programme
The Project Objective is to reduce the trafficking of wildlife (focusing on elephant ivory, rhinoceros horn, tiger and pangolins) in Thailand through enhanced enforcement capacity and collaboration and targeted behaviour change campaigns. To achieve this objective, the project will utilize four strategies or Project Components as follows: Component 1: Improved Cooperation, Coordination and Information Exchange, Component 2: Enhanced Enforcement and Prosecution Capacity, Component 3: Reduced demand for illegal wildlife products and targeted awareness actions to support law enforcement and Component 4: Knowledge Management, Monitoring and Evaluation and Gender Mainstreaming.

Reinforcing Chinese Government and industry action to reduce illegal timber exports from Cameroon, Republic of Congo, Viet Nam and other transit countries. Phase II

Funded by DFID (Department for International Development) via KPMG
This project is designed to achieve increased legal compliance with timber harvest and trade controls along the supply chain from Central African countries and Viet Nam to China and the European Union) EU. Cameroon and Republic of Congo have signed Voluntary Partnership Agreements (VPA) and Viet Nam is negotiating a VPA with the EU, with project countries agreeing VPA legality definitions. Project outputs combine delivery of legality training tools and materials based on VPA legality definitions to strengthen monitoring to combat illegal timber trade, especially by Customs; and strengthening of China's timber legality standards for industry.

Law Enforcement in Madagascar: a United Response to Combatting Wildlife Crime (LEMUR CWC)

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)
The goal of LEMUR CWC is to reduce poaching and trafficking of endangered wildlife in Sub-Saharan Africa, with a focus on Madagascar. Progress towards this goal will be achieved through the delivery on three of the four Objectives articulated by the Bureau of International Narcotics and Law Enforcement Affairs (INL), namely: Objective 1: Build interdiction, investigative, and enforcement capacity to stop the transit of protected wildlife; Objective 2: Enhance prosecutorial and judicial capacity to successfully prosecute those illegally transiting wildlife products with adequate sentencing; and Objective 3: Encourage increased cross-border cooperation with neighbouring or source countries to more effectively combat wildlife trafficking.

Strengthening Law Enforcement Capacity and Collaboration to Combat Illegal Wildlife Trade in Cameroon

Funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL)
The project addresses INL Sub-Objectives 3.1 – 3.4, and supports Cameroon's efforts to reduce illegal wildlife trafficking by building capacity of wildlife law enforcement officials and judiciary across all sectors, improving communication and coordination skills between the different agencies, both nationally and cross-border. Combined, these efforts will result in a greater number of interdictions, prosecutions and successful, deterrent convictions

Leveraging legality along China's timber supply to reduce deforestation

Funded by Norwegian Agency for Development Cooperation
The project leverages China's and Vietnam's significant market role in the timber supply chain from source countries in the Congo Basin, to reduce unsustainable forestry operations and illegal timber trade. Along the supply chain, knowledge products, work with the financial sector and support for communication between agencies will increase detection and investigation, further deterring illegality.

The Combating Wildlife Crime Project (CWCP)

Funded by USAID (United States Agency for International Development)
This project seeks to counter growing threats from transnational wildlife crime to globally important populations of rhino and elephant found in Angola, Botswana, Namibia, Zambia and Zimbabwe. CWCP is a multi-country, multi-partner initiative being implemented by a Consortium of 14 organisations, with WWF in Namibia providing the lead management and co-ordination role. The project is fostering improved knowledge on wildlife crime dynamics and impacts, and enhanced sharing of related information and data among law enforcement agencies, civil society, and the private sector within and among countries.

Minimizing the Illegal Killing of Elephants and Other Endangered Species (MIKES) – Asia Wildlife Law Enforcement and Demand Management Project

Funded by The CITES Secretariat-UN
This project aims to address the serious and growing problem of international trade and demand for key African wildlife species in Asia, in particular African elephants, rhinos and pangolins, as well also targeting efforts to reduce the illegal killing of key Asian wildlife species impacted by international trade, such as the Asian elephants, rhinos and tigers. To achieve this, the project will work towards strengthening capacity and awareness in Asian countries aimed at combating illegal trade in key wildlife species, in particular strengthening national-level legal frameworks for combatting wildlife trafficking and crime, strengthening capacity for investigating and prosecuting wildlife trade incidents and tackling local markets, building collaboration in wildlife crime and trafficking prevention nationally and regionally, documenting and combatting illegal killing of key Asian wildlife species in key protected areas, and strengthening measures to increase understanding of governments and decision makers concerning the impact of wildlife trade on the conservation status of key species.

Demand-reduction strategies to combat illegal trade in CITES-listed species

Funded by The CITES Secretariat-UN

The project aims to develop a guidance for CITES Parties to develop and implement demand-reduction strategies to combat illegal trade in CITES-listed species In that context the project will: a)prepare the first draft Guidance with due consideration of inputs from Parties and other stakeholders, both in terms of the structure and substance of the Guidance; b) submit the first draft of the Guidance to the CITES Secretariat for consideration by members of the Standing Committee or its designated intersessional working group, and provide support for the preparation of the Secretariat's document as necessary; c)revise the draft Guidance in accordance with the feedback and suggestions; d)present the revised version of the Guidance at the workshop for Parties and experts to review the Guidance; e)submit the final version to the Secretariat for consideration at the next meeting of the Standing Committee and the 19th meeting of the Conference of the Parties.

Big Cat Trade Study

Funded by The CITES Secretariat-UN

The project aims to produce a study on the legal and illegal trade in lions and other big cats, and the review of identification materials and forensic techniques relating to lions and other big cats. The project aims to bring together recent work along with new research to fully deliver on paragraph a) of Decision 18.246 on African lions (Panthera leo) and the CITES Big Cats Task Force, and will contribute to the implementation of paragraphs c) and d) of the same Decision.

UNDP Biodiversity Management Plan

Funded by United Nations Development Programme via Global Environment Facility

The project aims to support the UNDP, GEF-6 output 2 with the Government of South Africa. Outcome no 2 focuses on 'The ways of working, management conditions and techniques change within 5 (five) strategic value chains, and demonstrate how conservation and ABS-compliance can be simultaneously achieved through cooperation among Bioprospecting economy players' – this outcome is focused on value-chain development. Both biotrade and landscape-level management are prominently featured among key activities under this outcome, where the goal is to ensure ABS compliance and the sustainability of supplies. Targeted species include Pelargonium sidoides, Aloe ferox, Honeybush (including at least three species of Cyclopia spp. used in the industry) and Rooibos (Aspalathus linearis).The work for TRAFFIC will mainly focus on the Pelagronium sidoides species.

Analysis of charitable funds for the year ended 30 June 2020:

	1 July 2019	Income	Expenditure	Transfers	30 June 2020
	£	£	£	£	£
Unrestricted funds	2,423,810	1,172,344	(1,125,509)	(35,149)	2,435,496
Restricted funds					
Major projects:					
Wildlife Trafficking, Response, Assessment and Priority setting	97,790	743,594	(1,260,086)	117,860	(300,842)
ROUTES	(1,128,857)	1,065,774	(212,852)	-	(275,935)
Reducing Trade threats in Africa's wild species and ecosystem	1,024,811	611,189	(681,067)	-	954,933
The Combating Wildlife Crime Project	667,977	223,624	(381,021)	-	510,580
Saving species	145,843	246,683	(29,394)	-	363,132
CITES influencing and informing decision makers, wildlife crime enforcement and demand-side strategies and interventions	(28,852)	48,421	(98,721)	-	(79,152)
Wildlife DNA Forensics and Seizure Training	56,136	308,554	(284,885)	-	79,805
Partnership against Poaching and Illegal Wildlife Trade	(201,314)	363,509	(529,589)	-	(367,394)
China's Champions of Change	172,631	338,714	(326,896)	-	184,449
Developing Forensic Capacity in Southern Africa	65,571	235,571	(114,760)	-	186,382
Wildlife in Asia	166,550	341,962	(406,486)		102,026
Succeeding with CITES: Sustainable and equitable Jatamansi trade from Nepal	71,186	73,060	(171,383)	-	(27,137)
Contributions to mitigate Illegal Wildlife Trade in the Francophone parts of the world – Phase II	66,315	78,942	(147,654)	-	(2,397)
Reinforcing Chinese Government and industry action to reduce illegal timber exports from Cameroon, Republic of Congo, Vietnam and other transit countries. Phase II	152,120	474,332	(425,563)	-	200,889
Minimising the Illegal Killing of Elephants and other Endangered Species (MIKES)	-	7,028	(4,934)	-	2,094
	1,327,907	5,160,957	(5,075,291)	117,860	1,531,433
Other projects	785,460	3,055,143	(3,372,225)	(82,711)	385,667
	2,113,367	8,216,100	(8,447,516)	35,149	1,917,100
Total funds	4,537,177	9,388,444	(9,573,025)	-	4,352,596

16. Allocation of net assets between funds

Group	Restricted funds £	Unrestricted funds £	2021 Total £
Fixed assets	-	61,836	61,836
Current assets	4,957,926	2,412,434	7,370,360
Current liabilities	(2,224,525)	(290,479)	(2,515,004)
Total funds	2,733,401	2,183,791	4,917,192

Charity	Restricted funds £	Unrestricted funds £	2021 Total £
Fixed assets	-	53,558	53,558
Current assets	4,622,438	4,622,438	7,242,064
Current liabilities	(2,241,412)	(2,241,412)	(2,478,302)
Total funds	2,381,026	2,436,294	4,817,320

2020 Comparative Group	Restricted funds £	Unrestricted funds £	2020 Total £
Fixed assets	-	99,177	99,177
Current assets	4,655,035	2,891,194	7,546,229
Current liabilities	(2,737,935)	(554,875)	(3,292,810)
Total funds	1,917,100	2,435,496	4,352,596

2020 Comparative Charity	Restricted funds £	Unrestricted funds £	2020 Total £
Fixed assets	-	90,425	90,425
Current assets	4,614,076	2,659,251	7,273,327
Current liabilities	(2,789,757)	(515,815)	(3,305,572)
Total funds	1,824,319	2,233,861	4,058,180

17. Operating leases

At 30 June 2021 the Charity had total commitments under non-cancellable operating leases as set out below:

	Group 2021 £ Land & Buildings	Charity 2021 £ Land & Buildings	Group 2020 £ Land & Buildings	Charity 2020 £ Land & Buildings
Payment due:				
Within one year	95,491	45,930	101,337	47,334
Within two to five years	148,653	123,873	236,825	155,821
After five years	-	-	15,886	15,886
	244,144	169,803	354,048	219,041

18. Related party transactions

The following transactions took place between the TRAFFIC International and its wholly owned subsidiary TRAFFIC International Southeast Asia:

Transfer of project income of £373,259 (2020: £285,335) and core income of £55,509 (2020: £25,585) from the parent undertaking to the subsidiary.

Service support charges of £41,564 (2020: £20,484) were made by the parent undertaking to the subsidiary.

Grants of £51,608 (2020: £37,944) were transferred from the subsidiary to the parent undertaking.

At the year end, the parent undertaking owed £24,069 (2020: £59,554) to the subsidiary undertaking.

There were no other related party transactions in the current or previous year.

19. Taxation

The Charity is exempt from corporation tax as all of its income is charitable and is applied for charitable purposes.

20. Comparative Statement of Financial Activities (Year ended 30 June 2020)

	Notes	Unrestricted Funds £	Restricted Funds £	2020 Total £
Income from:				
Donations		1,146,400	37,604	1,184,004
Charitable activities		6,983	8,174,168	8,181,151
Investments		271	-	271
Funds acquired with branch transfers		-	-	-
Other		18,690	4,328	23,018
Total	5	1,172,344	8,216,100	9,388,444
Expenditure on:				
Raising funds – grant and contract proposal development		248,224	-	248,224
Charitable activities				
Red stream		670,752	6,458,781	7,129,533
Green stream		57,770	556,277	614,047
Mixed		148,763	1,432,458	1,581,221
Total charitable activity expenditure		877,285	8,447,516	9,324,801
Total	6	1,125,509	8,447,516	9,573,025
Net income/(expenditure)		46,835	(231,416)	(184,581)
Transfers between funds		(35,149)	35,149	-
Net movement in funds		11,686	(196,267)	(184,581)
Reconciliation of funds:				
Total funds brought forward		2,423,810	2,113,367	4,537,177
Total funds carried forward		2,435,496	1,917,100	4,352,596



JANUARY 2022

WORKING TO ENSURE THE TRADE IN WILD PLANTS AND ANIMALS IS NOT A THREAT TO THE CONSERVATION OF NATURE

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