

U.S. House of Representatives
Committee on Natural Resources
Washington, DC 20515

December 19, 2024

Shannon Estenoz
Assistant Secretary for Fish and Wildlife and Parks
U.S. Department of the Interior
1849 C Street NW
Washington, D.C. 20240

Martha Williams
Director
U.S. Fish and Wildlife Service
U.S. Department of the Interior
1849 C Street NW
Washington, D.C. 20240

Dear Assistant Secretary Estenoz and Director Williams:

The House Committee on Natural Resources (Committee) is conducting oversight over the U.S. Fish and Wildlife Service's (FWS) reported failure to properly account for funds exchanged under the giant panda (*Aliuropoda melanoleuca* or "panda") conservation lease program (panda program) with the Chinese government. As you are aware, pandas are listed as endangered under the Endangered Species Act (ESA), and are included under Appendix I of the Convention on International Trade (CITES).¹ According to terms of the CITES agreement regarding loans of pandas from China to a foreign institution like a zoo, "every effort must be made to ensure that all the financial benefits from the exhibition of giant pandas, after the deduction of the costs incurred, are devoted to the conservation of the species in China, the vast majority being reserved for its conservation in the wild."² The Committee is concerned that FWS has not maintained proper oversight of the funds provided to the Chinese government for the panda program and, more broadly, FWS may have eschewed its regulatory responsibility by rubberstamping illicit payments to China in disingenuous enforcement of the ESA.

In November 2024, The New York Times (NYT) published an investigative report³ detailing how the Chinese government spent tens of millions of dollars earmarked for panda conservation on apartment buildings, museums, roads, computers, televisions, and other line items unrelated to wildlife conservation.⁴ China also refuses to account for millions more in funds meant for wild panda recovery.⁵ While deceitful fund allocation by the Chinese government is itself cause for concern, *these* funds were raised from donors by American zoos who effectively rent pandas from China for public display. Under the ESA, U.S. research institutions (typically zoos) may pay for and import protected species provided

¹ CONG. RSCH. SERV., IF12122, THE PEOPLE'S REPUBLIC OF CHINA'S PANDA DIPLOMACY (2022), <https://crsreports.congress.gov/product/pdf/IF/IF12122/2>.

² Notification to the Parties: Loans of Giant Pandas, CITES (Sept. 4, 1996), <https://cites.org/sites/default/files/eng/notif/1996/932.shtml>.

³ See Mara Hvistendahl, *U.S. Zoos Gave a Fortune to Protect Pandas. That's Not How China Spent It.*, N.Y. TIMES (Nov. 29, 2024), <https://www.nytimes.com/2024/11/29/world/asia/china-panda-money-us-zoos.html>; see also Mara Hvistendahl, *When Zoos Pay for Endangered Species: Our Correspondent Explains the Risks*, N.Y. TIMES (Nov. 29, 2024), <https://www.nytimes.com/2024/11/29/world/asia/panda-zoo-money-investigation-explained.html>.

⁴ Perhaps the Chinese government plans to promote panda recovery by housing the bears in apartment complexes and teaching them to channel surf on new satellite televisions, but the Committee is unaware of such strategy advancements in wildlife conservation science.

⁵ See Mara Hvistendahl, *U.S. Zoos Gave a Fortune to Protect Pandas. That's Not How China Spent It.*, N.Y. TIMES (Nov. 29, 2024), <https://www.nytimes.com/2024/11/29/world/asia/china-panda-money-us-zoos.html>.

that the money is used exclusively to conserve these threatened or endangered species.⁶ FWS is charged with enforcing this provision of the ESA.

Yet, despite previously freezing payments from zoos to China due to blatant disregard of ESA regulations and abysmal Chinese bookkeeping, FWS—after meeting with representatives of American zoos and Chinese officials in China in 2010—agreed to continue funding the panda program.⁷ In fact, rather than ensure that unsuspecting zoo donors passionate about wildlife conservation were *actually* funding the recovery of ESA-listed species, FWS openly chose to eliminate oversight of the payments and instead enable a system where zoo administrators could approve their own payments to China in exchange for pandas to display.

China's effort to dupe zoos and American donors into paying for infrastructure development and other projects unrelated to wildlife conservation under the guise of "save the pandas" is unsurprising. China is "widely recognized as the world's largest market for trafficked wildlife products."⁸ Beyond China's domestic demand for illegal wildlife products, the Chinese government's own wildlife-related regulatory scheme "creates opportunities for the illicit wildlife trade to flourish."⁹ Moreover, recent Chinese zoo scandals highlight the lack of seriousness with which China approaches conservation and wildlife education. In 2024, a Chinese zoo came under fire for painting Chow Chow dogs black and white in attempt to pass them off to visitors as pandas.¹⁰ After initially trying to fabricate a new animal called a "panda dog," the Chinese zoo was forced to admit its scam.¹¹ Comically, China's dismal reputation for animal conservation is so well-known that, in 2023, it was forced to publicly deny that a Southeast Asian sun bear on display at a zoo was a man in a bear suit.¹²

What is most surprising, however, is FWS's eagerness to surrender ESA-related regulatory duties to zoos and to the Chinese government given the agency's history of ruling over the ESA with an iron first. Although the purpose of listing species under the ESA is to aid in their recovery and delist the animals, FWS has historically worked relentlessly to keep species listed indefinitely.¹³ FWS's disingenuous ESA enforcement and deference to the Chinese government deeply troubles the Committee.

⁶ See *Id.*; Mara Hvistendahl, *When Zoos Pay for Endangered Species: Our Correspondent Explains the Risks*, N.Y. TIMES (Nov. 29, 2024), <https://www.nytimes.com/2024/11/29/world/asia/panda-zoo-money-investigation-explained.html>. See also PERVAZE A. SHEIKH AND ERIN H. WARD, CONG. RSCH. SERV., R46677, THE ENDANGERED SPECIES ACT: OVERVIEW AND IMPLEMENTATION (2021), <https://crsreports.congress.gov/product/pdf/R/R46677>.

⁷ See Mara Hvistendahl, *U.S. Zoos Gave a Fortune to Protect Pandas. That's Not How China Spent It.*, N.Y. TIMES (Nov. 29, 2024), <https://www.nytimes.com/2024/11/29/world/asia/china-panda-money-us-zoos.html>; see also Mara Hvistendahl, *When Zoos Pay for Endangered Species: Our Correspondent Explains the Risks*, N.Y. TIMES (Nov. 29, 2024), <https://www.nytimes.com/2024/11/29/world/asia/panda-zoo-money-investigation-explained.html>.

⁸ SUZANNA STEPHENS AND MATTHEW SOUTHERLAND, U.S-CHINA ECONOMIC AND SECURITY REVIEW COMMISSION, CHINA'S ROLE IN WILDLIFE TRAFFICKING AND THE CHINESE GOVERNMENT'S RESPONSE (2018), <https://www.uscc.gov/sites/default/files/Research/2018.12.06%20-%20Wildlife%20Trafficking%20-%20Final%20Version.pdf>.

⁹ *Id.*

¹⁰ See Emily Crane, *Chinese zoo ADMITS what we all knew about its 'pandas'*, N.Y. POST (Sept. 19, 2024), <https://nypost.com/2024/09/19/world-news/chinese-zoo-admits-its-pandas-are-just-painted-dogs/>.

¹¹ *Id.*

¹² See Alan Yuhas and Chang Che, *Chinese Zoo Denies, in Voice of a Bear, That Sun Bear Is a Person in a Suit*, N.Y. TIMES (Aug. 1, 2023), <https://www.nytimes.com/2023/08/01/world/asia/chinese-zoo-sun-bear-costume.html>.

¹³ See PERVAZE A. SHEIKH AND ERIN H. WARD, CONG. RSCH. SERV., R46677, THE ENDANGERED SPECIES ACT: OVERVIEW AND IMPLEMENTATION (2021), <https://crsreports.congress.gov/product/pdf/R/R46677>; see also *Delisted Species*, U.S. FISH AND WILDLIFE SERVICE, <https://ecos.fws.gov/ecp/report/species-delisted> (showing that a small fraction of listed species have been delisted, with an even small fraction being delisted due to recovery).

To be clear, the Committee does not take issue with zoos, the conservation work they support around the globe, or their displays of animals. However, the general public and all donors should be aware that their efforts to “save the pandas” may be funding something entirely different—possibly even something sinister. And it is deeply troubling to consider that their own government officials might be complicit in this situation.

The Committee requests a briefing from FWS related to the agency’s enforcement of the ESA and oversight of payments made by American entities to foreign governments, including but not limited to China and oversight of the panda program. The Committee also requests that you produce the following items in your possession, custody, or control in complete, unredacted, and electronic format as soon as possible, but no later than January 2, 2025:

1. All documents and communications between or among FWS and stakeholders, including but not limited to zoos and nonprofit organizations, related to any payments made to China or another foreign entity in exchange for animals, including but not limited to panda bears, listed under the ESA.
2. All documents and communications between or among FWS, stakeholders, and foreign entities, including but not limited to zoos, nonprofit organizations, and foreign governments, related to FWS oversight over the import or export of any species listed under the ESA.
3. All documents sufficient to show how all money subject to ESA regulation paid to foreign entities, including but not limited to the Chinese government, is spent or otherwise accounted for by that foreign entity.

An attachment to this letter provides additional instructions for responding to the requests from the Committee on Natural Resources. To schedule the requested briefing, please contact the Majority staff for the Oversight and Investigations Subcommittee at (202) 225-2761 or HNRR.Oversight@mail.house.gov. Under House Rule X, the Committee on Natural Resources has “general oversight” of any matter relating to its jurisdiction, including all matters concerning the programs, operations, and regulatory responsibilities of the U.S. Fish and Wildlife Service. We look forward to your cooperation.

Sincerely,



Bruce Westerman
Chairman
Committee on Natural Resources



Paul A. Gosar, D.D.S.
Chairman
Subcommittee on Oversight and Investigations

Enclosure