



Information Document

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**UNCTAD BIOTRADE INITIATIVE:  
PROGRESS IN SUPPORTING CITES IMPLEMENTATION  
REPORT ON THE COLLABORATION BETWEEN THE UNCTAD BIOTRADE  
INITIATIVE AND THE CITES SECRETARIAT**

An information document prepared by the UNCTAD BioTrade Initiative for the Fourteenth meeting of the Conference of the Parties of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)

The Hague (Netherlands), 3–15 June 2007



UNITED NATIONS

## **NOTE**

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CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES  
OF WILD FAUNA AND FLORA (CITES)

Fourteenth meeting of the Conference of the Parties

The Hague (Netherlands), 3–15 June 2007

**UNCTAD BioTrade Initiative: progress in supporting CITES implementation  
(report on the collaboration between the UNCTAD BioTrade  
Initiative and the CITES secretariat)**

**Purpose**

1. This report aims to provide the CITES community with an update on activities of the UNCTAD BioTrade Initiative, in cooperation with the CITES secretariat, to support the sustainable trade of CITES species and promote the implementation of the Convention. It also includes examples of activities developed by BioTrade National Programmes.

**Background**

2. The UNCTAD BioTrade Initiative supports trade and investment in biological resources that are in line with and advance sustainable development objectives. It derives its mandate from the UNCTAD Plan of Action (Bangkok 2000<sup>1</sup> and São Paulo 2004), and responds to the objectives and principles of the Convention on Biological Diversity, the United Nations Commission on Sustainable Development and the United Nations Millennium Development Goals.

3. In the CITES context, the sustainable use of biodiversity is a core tenet by which to ensure that international trade in specimens of wild animals and plants does not threaten their survival. The work of the BioTrade Initiative in strengthening the value chains of these species is therefore a critical element in facilitating good practices related to sustainable use and generating incentives for the conservation of biodiversity.

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<sup>1</sup> UNCTAD 2000. Plan of Action, tenth session, 12–19 February 2000, paras. 146 and 147.

4. The UNCTAD BioTrade Initiative is recognized as a partner in the implementation of CITES Decisions 13.76 and 13.77 on economic incentives. Cooperation between the secretariats of CITES and UNCTAD thus focuses on ensuring the conservation of species, enhancing the livelihoods of poor people in remote and marginal areas, and promoting business opportunities for entrepreneurs that comply with CITES requirements and implement national legislation. Particular attention is paid to the role of incentive measures for the sustainable management of CITES-listed species and benefit-sharing with local communities that most directly affect the habitat of the species concerned (i.e., advancing sustainable livelihoods).

5. Since the CITES thirteenth meeting of the Conference of the Parties in Bangkok in 2004, the UNCTAD BioTrade Initiative and BioTrade National Programmes have been discussing specific ways to support CITES implementation, taking into account the impact of trade on CITES-listed species and the need to make this trade more sustainable. For example, the BioTrade Initiative and the CITES secretariat are cooperating to raise the profile of these issues on the agendas of BioTrade beneficiary countries, through activities such as enhancing the exchange of information, providing opportunities for discussion and promoting joint work among BioTrade National Programmes and CITES authorities.

6. This report highlights activities implemented by the BioTrade Initiative that have directly supported CITES implementation, as well as other actions and methodologies taken and developed in the context of BioTrade that could be adapted and implemented in support of the sustainable trade of CITES species listed in Appendices II and III of the Convention.

## **Mainstreaming CITES into BioTrade programmes and projects**

### ***Involvement of and cooperation with CITES national focal points***

7. UNCTAD BioTrade was created to respond to the Convention on Biological Diversity objectives of conservation and sustainable use of biodiversity, and the fair and equitable sharing of benefits. Later, it became clear that particular consideration was also required in relation to CITES-listed species, in view of the impact of trade on the conservation of such species.

8. After the CITES thirteenth meeting of the Conference of the Parties, UNCTAD began to promote the mainstreaming of CITES issues in the context of BioTrade National Programmes. In the development of new programmes, special attention was thus paid to the inclusion of CITES issues and the involvement of CITES authorities. In the case of existing national programmes, the BioTrade national focal points are encouraged to prioritize cooperation activities. CITES authorities are now actively involved in the National Programmes of Colombia, Ecuador, Peru and Uganda.

9. At the same time, the UNCTAD BioTrade Initiative and the CITES secretariat have jointly organized training workshops and field visits aimed at supporting national authorities and private sector representatives in implementing the Convention.

10. The results of these activities show the importance of promoting collaboration among different stakeholders involved in the trade of CITES species, the interest of the private sector in receiving support to improve the management of these species, and the need for tools to facilitate control and improve the management of natural resources along supply chains. It is important to highlight that, because of these activities, CITES authorities play a more active role in the BioTrade National Programme structure and CITES species are now recognized as an important BioTrade sector.

### **Box 1. Sector assessment and strategy for wildlife trade in Uganda**

The Uganda BioTrade Programme, located at the Uganda Export Promotion Board, carried out an assessment of the value chain for wildlife trade in Uganda, focusing on four groups of species: birds, reptiles, insects and amphibians. The assessment identified the actors involved in the value chain, as well as the problems and solutions in gaining access to international markets involving sustainability criteria. The process was carried out in close collaboration with the Uganda Wildlife Authority and other national CITES authorities.

The assessment brought together relevant stakeholders, who identified some of the main problems of the wildlife trade. These problems include small quotas, limited information available to the Uganda Wildlife Authority on valuation of species, absence of benefit-sharing mechanisms for areas outside public resources, high operational fees imposed, delays in processing access and export permits, inadequate skills of staff at exit points to identify various species, insufficient funding opportunities and the slow process of issuing CITES certificates.

Based on the assessment, a sector strategy was developed. The main strategic lines identified were capacity enhancement in species handling and management; formation of a sector association to represent sector players and advocate for sector improvements; streamlining of licensing and documentation processes; and improvement of knowledge and skills on wildlife trade facilitation and documentation in trade support agencies such as the Uganda Revenue Authority, and also for environment agencies which displayed limited knowledge on trade processes.

Taking into account that most of the main problems were derived from the implementation of national and international regulations, the BioTrade National Programme of Uganda facilitated meetings among relevant authorities and the private sector to define concrete activities to solve these problems. The actors agreed on the need for an exchange mission to the United Republic of Tanzania to facilitate the construction of a common understanding on the Convention and exchange experiences on wildlife trade. From 16 to 21 April 2007, that country's Wildlife Division hosted a group of 11 people, which included traders and breeders, and representatives of environment agencies and trade promotion agencies. The mission plan was based on the specific interests of the group, and included visits to holding and breeding grounds for reptiles and birds, and meetings with sector associations of live animal exports and trophy hunting. Meetings were also organized for the environment agencies with the host institution officials; at these meetings, information was shared on quota setting, on-site and country exit inspections, compliance and the upcoming CITES meeting of the Conference of the Parties.

In October 2006, UNCTAD funded a mission to Uganda for the CITES secretariat. The mission gave the secretariat an opportunity to discuss a number of implementation issues with CITES authorities and prepare the ground for a wildlife trade policy review, which Uganda has agreed to undertake.

The Uganda BioTrade Programme has been recognized as a relevant actor that can help CITES authorities to better work with the private sector.

### ***Product selection***

11. BioTrade Initiative activities focus on the value chain approach, or the relationships established between actors involved directly and indirectly in a production activity, with the aim of adding value during each stage of the supply chain. Such activities involve promoting alliances between producers, processors, distributors, traders, and regulatory and support institutions. These actors, who begin by recognizing a market demand for their products and services, establish a joint vision, identify mutual needs and work jointly in the achievement of goals. A commitment is thus made to share the associated risks and benefits, and to invest time, energy and resources in realizing these goals.<sup>2</sup>

12. In practice, the BioTrade Initiative makes a selection of priority groups for its activities, taking into account the biological and social impact of trade, as well as market feasibility. In view of these, the BioTrade Initiative has encouraged actors to give CITES species special attention. Currently, value chains of CITES species have been selected and

<sup>2</sup> UNCTAD 2005. UNCTAD BioTrade Implementation Strategy. Annexes. Geneva, Switzerland.

strengthened in Bolivia (*Caiman yacare* and *Vicugna vicugna*), Peru (*Arapaima gigas*) and Uganda (wildlife trade).

13. Activities to strengthen value chains of biodiversity-based products are aimed at, among others, facilitating collaboration among the private sector, national authorities and other actors; guiding the implementation of sustainability criteria; promoting market access; and identifying strategies of product differentiation. Box 2 showcases the work of Peru with the value chain of *Arapaima gigas* and the resulting interest in creating an alliance at the regional level in order to join efforts to promote the sustainable trade of this species.

#### **Box 2. Alliance for the sustainable trade of *Arapaima gigas***

*Arapaima gigas* (also known as *Paiche* in Peru and *Pirarucú* in Brazil) is one of world's largest freshwater fish. The original distribution of the species is limited to the Amazon River Basin in South America, which primarily runs through the countries of Peru, Brazil, Colombia and Guyana. Most of the *Arapaima* products that are consumed and commercialized come from wild fishing, which has resulted in a decline of natural populations. Because of the increasing pressure of human activity on the resource and the successive depletion in fish populations in the 1960s, the species was listed in Appendix II of the CITES Convention as a precautionary measure in 1975.

In the case of Peru, the BioTrade National Programme, with support from the UNCTAD BioTrade Facilitation Programme, has begun to develop a strategy to strengthen the emerging sector of *Arapaima gigas*. This strategy has identified specific needs for the actors involved to increase exportable amounts; assure the quality of products; guarantee sustainable production; strengthen producer organizations; revise the legal framework; and develop differentiation strategies for international markets, such as appellations of origin or the implementation of verification systems/certification schemes (e.g., BioTrade Standard). Currently, the strategy has been included in other national strategies and local programmes in the Amazon region of Peru.

To define such strategies, a market scan was carried out to identify different product tendencies derived from *Arapaima* in France, the United Kingdom and Switzerland ([www.biotrade.org](http://www.biotrade.org)). The study revealed the interest of buyers in labelled products, the importance of assuring sustainability practices and the implementation of certification schemes as a strategy to justify charging a premium. In addition to the market opportunities *Arapaima* offers, the promotion of sustainable markets for *Arapaima gigas* was considered a regional matter, considering its wide distribution and the different habitats in which it can be found (tributary rivers, flood lakes and planes), as well as the impact of this trade in the conservation of the Amazon River Basin as an integral part of this ecosystem.

Given the importance of addressing the sustainable trade of *Arapaima* at the Amazon region level, the BioTrade Facilitation Programme held an informal expert meeting with the objective of creating a regional alliance of organizations to facilitate the sustainable trade of *Arapaima* meat and promote the sustainable management and conservation of the species and its habitats.<sup>3</sup>

Workshop participants identified bottlenecks and priority activities at the regional level on regulations, research and production (management of natural environments and aquaculture) and market access. The working group agreed on the creation of the alliance and to communicate the results of the workshop to the relevant forums.

With regard to CITES, work on the following issues was suggested:

- Harmonization of regulation and control measures;
- Support and exchange among scientific administrative authorities;
- Population studies; and
- Agreements with TRAFFIC and others to improve resource management.

A number of these issues will be taken up by the Amazon Cooperation Treaty Organization in the framework of the BioTrade Regional Programme for the Amazon.

<sup>3</sup> UNCTAD 2007. "Sustainable trade of *Arapaima gigas* in the Amazon region", Workshop Report, UNCTAD BioTrade Facilitation Programme. Geneva, Switzerland.

### ***Implementation of strategies for wildlife sectors: technical assistance***

14. Based on the definition of sector strategies for selected value chains, technical assistance is provided to achieve market access and sustainable management objectives. Technical assistance is provided in areas such as development of good practices guidelines; quality improvement; market research; implementation of national regulations; and trade fair participation, among others. Box 3 shows an example from Bolivia in facilitating sustainable trade in *Caiman yacare*.

<b>Box 3. Technical assistance to facilitate sustainable trade of spectacled caiman (<i>Caiman yacare</i>) in Bolivia</b>
<p>The value chain of <i>Caiman yacare</i> is one of the value chains supported by the BioTrade National Programme of Bolivia in the context of a the Programme for the Conservation and Sustainable Use of Spectacled Caiman in Bolivia, promoted by that country's Ministry of Sustainable Development. The trade of <i>Caiman yacare</i> in Bolivia started as a legal activity in 1997 after a ban of several years. Currently, there is an approved quota of 50,000 individuals, bringing revenues of around US\$ 2.2 million per year.</p> <p>Taking into account that part of the success of the national caiman programme depends on proper procedures of control and monitoring of the species, the BioTrade National Programme and the CITES national environmental authorities worked on the adjustment of the legislation related to caiman and other wildlife species, the definition of a monitoring methodology for caiman and the development of guidelines for management plans for the species. With the support of the BioTrade National Programme, the national and departmental authorities have now decided to adopt a value chain approach in their work with the indigenous communities and tanneries.</p> <p>At the sector level, technical assistance has been focused on the following three areas, prioritized in the process of creating a participatory strategy: support to the local producer communities, support to elaborate and implement management plans, and revision of national legislation.</p> <p>In order to support the local producer communities, management plans are being developed. These are a useful tool to plan activities and build the negotiating capacity of producers of unprocessed skins, intermediaries and transformers. With such plans, hunters are equipped with better tools to implement responsible practices and achieve higher levels of product quality (raw skins). Using these new management systems, more than 20,000 skins will be transformed in the next two years.</p> <p>At the same time, work with the tanneries is underway to ensure that cleaner production technologies are used to reduce levels of pollution. This creates the additional benefit that, when a piece of leather comes from an environment-friendly tannery, it has added market value.</p> <p>In order to guarantee to consumers that environmental, social and economic sustainability criteria have been followed along the entire value chain, the BioTrade National Programme, in coordination with the national authorities and the National Service for Agricultural Security, is developing a verification standard for the spectacled caiman. Based on the BioTrade Principals and Criteria, the standard will constitute a foundation for future verification and/or certification of wild-harvested leathers that will guarantee fine quality and the sustainable use of the resource.</p> <p>There are still many hurdles to overcome to build this new framework of relationships between producers, intermediaries and tanneries. However, with the investment of national, departmental and scientific authorities, and the work of other organizations on issues related to the spectacled caiman, there is great hope for the expansion of this sector as these changes bring new opportunities.</p>

### **Other activities of interest developed by BioTrade**

15. In addition to those mentioned above, other activities have been undertaken to promote sustainable trade on biological resources. These are not necessarily focused on CITES-listed species, but could be of interest to the CITES community.

### ***Encouraging collaboration among multilateral environmental agreements***

16. UNCTAD BioTrade is encouraging discussions with biodiversity-related multilateral environmental agreements, such as CITES, the Convention on Biological Diversity, the Ramsar Convention on Wetlands and the United Nations Convention to Combat Desertification/Global Mechanism, by facilitating the creation of an informal multilateral environmental agreement working group to provide opportunities to discuss challenges, lessons learned and especially to focus on strategic opportunities related to biodiversity and the global market economy.

17. In this regard, UNCTAD organized the workshop “Biodiversity and the Global Market Economy” in November 2006. The workshop brought together key representatives from the different multilateral environmental agreement secretariats and other stakeholder organizations to exchange experiences and discuss a common strategy. Participants had similar challenges in regard to incentive measures, private sector engagement and international trade. Activities were prioritized to address participants’ main concerns in each topic.

18. A second meeting of the working group was convened on 11 May 2007. It is hoped that results of this meeting can provide relevant inputs to the CITES community, including strategies to encourage private sector participation and compliance, lessons learned and recommendations on the implementation of economic incentives, as well as linkages with other multilateral environmental agreements on common issues. Towards this end, UNCTAD is organizing two related side events at the CITES fourteenth meeting of the Conference of the Parties. An event on 6 June will discuss ways to promote private sector engagement in the biodiversity-related conventions, and an event on 7 June will consider efforts in Bolivia and Uganda to make the trade of CITES species more sustainable. The secretariats, including CITES, intend to continue exchanging information through this network, working closely with UNCTAD and the United Nations Environment Programme.

### ***Methodologies and approaches***

19. Experiences from BioTrade National Programmes and the UNCTAD BioTrade Facilitation Programme in supporting value chains have resulted in the development of a number of methodologies and approaches that could be of use for parties to strengthen selected value chains of CITES species. These are the most relevant methodologies developed:

20. Value chain analysis: This methodology offers tools to assess the trade of CITES products, identifies actors involved and facilitates discussions to reach agreement on problems, solutions and joint strategies to make the management of natural resources and access to markets more efficient.

21. Guidelines for the implementation of management plans for wild collected species: These provide specific tools for companies and national authorities. Contents and possibilities of implementation have been discussed with relevant stakeholders, providing opportunities for discussion among environmental authorities and private sector representatives at the national and regional levels. Currently, these guidelines are a tool that can be adapted to other species.

22. A framework for the equitable sharing of benefits derived from biological resources: Basic principles for benefit sharing in BioTrade activities, on the basis of the Convention on Biological Diversity and the Bonn guidelines, as well as on the experience of BioTrade activities, have been developed in consultation with a range of experts and stakeholders. Continuing work on practical tools and approaches to benefit sharing in the BioTrade context can provide an important platform for the consideration of related issues for CITES species,

considering the relevance of this issue in the Convention context and the interest of exporting countries in having tools to assure that local communities benefit from trade.

23. Finally, other methodologies and studies developed at the national level could also be adapted to the CITES arena. Examples of these are the studies on the use of appellations of origin and other distinctive signs for biodiversity-based products, and the relevance of product quality standards.

### ***Engaging business***

24. Another approach that could be relevant to the CITES community is the recently-created Union for Ethical BioTrade, a non-governmental, membership-based organization. With the support of the UNCTAD BioTrade Initiative, the Union seeks to engage the private sector in the sustainable use of biodiversity. It offers members outreach and market development services and business development support. Through a commitment to comply with the Union's verification framework — based on the UNCTAD BioTrade Principles and Criteria and elaborated through a global consultation process — members will be able to demonstrate their corporate social responsibility and make a positive contribution to the objectives of conventions such as CITES and the Convention on Biological Diversity, whilst creating tangible business benefits.

25. Currently, the focus of the Union's verification framework is on native natural ingredients. It could thus become a basis on which to verify the sustainable trade of CITES species used as natural ingredients by its members (e.g., *Prunus Africana*, *Aquilaria sp.*, *Aloe sp.*). Moreover, this framework could be further developed as a strategy for product differentiation in other sectors, such as for products derived from spectacled caiman in Bolivia. In addition, the Union could provide an important platform for the engagement of the private sector in the CITES context.

For additional information on any of the examples mentioned in this report, please visit:

UNCTAD BioTrade Initiative: [www.biotrade.org](http://www.biotrade.org)

BioTrade National Programme of Bolivia: [www.biocomerciobolivia.org.bo](http://www.biocomerciobolivia.org.bo)

BioTrade National Programme of Peru: [www.biocomercioperu.org](http://www.biocomercioperu.org)

BioTrade National Programme of Uganda: [www.ugandaexportsonline.com/biotrade](http://www.ugandaexportsonline.com/biotrade)

Union for Ethical BioTrade: [www.uebt.ch](http://www.uebt.ch)

Amazon Cooperation Treaty Organization: [www.otca.org.br](http://www.otca.org.br)

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