



SUSTAINABILITY AT THE INTERSECTION OF TRADE, ENVIRONMENT AND DEVELOPMENT

UNCTAD-CITES-OAS

Side event to the Eighth Session of the Open Working Group on
Sustainable Development Goals

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Key note addressⁱ

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Delivered by Juan Carlos Vasquez, Legal Officer, CITES

CITES – standing at the intersection of trade, the environment and development

- H.E. Mr. Gustavo Meza-Cuadra, Permanent Representative of Peru to the United Nations
- Mr. Fernando Ocampo, Minister of Foreign Trade, Costa Rica
- Mr. Braulio Dias, Executive Secretary, of the CBD
- Ms Arancha Gonzalez, Executive Director, ITC
- Ms Claudia S. de Windt, Chief, Environmental Law, Policy and Good Governance Department of Sustainable Development, OAS
- Mr. Bonapas Onguglo, OIC, Trade, Environment, Climate Change and Sustainable Development Branch, DITC, UNCTAD

I would like to share with you some of the practical experiences gained under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) - often involving complex issues touching upon trade, the environment and development - that could be relevant for the discussion on the post 2015 development agenda and the Sustainable Development Goals SDGs.

Distinguished delegates, over seven billion people are consuming biodiversity every day, be it for medicines, food, clothes, furniture, perfumes or luxury goods. Producers are also depending upon access to biodiversity to make their products.

In our globalized world, the consumption of biodiversity is growing at an unprecedented rate and this is challenging the ability of communities and governments to use natural resources sustainably.

CITES is the preeminent global instrument for regulating international trade in wild plants and animals to ensure such trade does not threaten their survival.

The Convention is needed even more today than when it was adopted in 1973 in Washington D.C. and Heads of State and governments at Rio+20, recognized (in the outcome document, The Future We Want), the important role of CITES as an international agreement that stands at the intersection between trade, the environment and development.

CITES is both a conservation-related and a trade-related Convention, but it neither promotes nor discourages trade, rather it regulates trade in CITES-listed wildlife when it does take place to ensure it is legal, sustainable and traceable.

States have sovereign rights over their own biological resources and the decision whether or not to allow trade is one for them to determine - subject to meeting their international commitments.

The 179 States that are Party to CITES have agreed to regulate international trade in certain species that are threatened with extinction, as well as some species that are not yet threatened with extinction but could be unless their trade is strictly regulated.

When a Party to CITES decides to authorize trade in CITES-listed wildlife, the Convention provides the global mechanisms to ensure that such trade is not detrimental to the survival of the species in the wild – and it places obligations on source, transit and destination states reflecting the fact that implementing CITES requires a collective effort.

And, distinguished delegates, CITES has harmoniously coexisted with the World Trade Organization (and its predecessor) for the past 40 years, which will continue.

CITES currently regulates international trade in about 35,000 species of wild plants and animals, and their parts and derivatives, with close to one million legal trade transactions occurring every year, transactions that are reported to the Secretariat and included in our publicly accessible trade data base.

At the 16th meeting of the Conference of the Parties to CITES (CoP16, Bangkok, 2013), hundreds of commercially valuable timber species were brought under CITES controls, along with five commercially harvested shark species and all manta rays, reflecting an intention on the part of CITES Parties to make best use of this pragmatic and effective agreement to help it along the path to sustainability in our oceans and forests.

Of the CITES-listed species, 3% are threatened with extinction and they are found on Appendix I of the Convention. Commercial trade in these species is generally prohibited, such as for most elephants and rhinos, as well as tigers and great apes and certain timbers and marine life.

The vast majority of CITES-listed species, about 96%, are not necessarily threatened with extinction but they could become so if international trade were not strictly regulated. Trade in these species is allowed provided it is legal, sustainable and traceable. Such trade generates billions of dollars each year and this strictly regulated trade is the focus of our collaboration with UNCTAD, ITC and other partners member of the “Collaborative Partnership on Sustainable Wildlife Management – CPW”.

Distinguished delegates, the sustainable use of wildlife can be consumptive or non-consumptive, and many different forms of legal trade in CITES Appendix II listed species occurs.

CITES Parties have specifically recognized the impacts that CITES controls can have on rural communities, both positive and negative, and they have also recognized the importance of engaging with such communities in implementing CITES.

The benefits of this strictly regulated trade for local and indigenous communities can be significant and let me share just three specific examples with you:

- The International Trade Centre (ITC) has estimated that USD 1 billion is generated annually at the upper end of the value chain for trade in just five CITES-listed pythons. This legal trade, primarily for their skins for the high fashion industry, benefits local hunters and communities in countries in Southeast Asia such as Indonesia.
- Trade in the fine wool of the vicuña, a wild relative of the domesticated llamas, has served both the species and local communities well. Over the past 50 years, the number of animals in the wild has gone from 6,000 to 350,000 and the activity employs 900 local people either directly or indirectly in Lucanas, one Peruvian village alone. I am reliably informed that a vicuña suit can cost you in the order of USD50,000 or more!
- The African cherry tree (*Prunus africana*) is used in prostate medicine. Thanks to a joint ITTO-CITES programme, local communities in Cameroon that harvest and trade dry bark of the African cherry tree no longer chop down the trees in order to extract the bark. They now harvest bark from the African cherry in a sustainable way and protect the forests where these valuable trees grow.

Other well researched examples of species that are legally in trade under CITES (that I have no time to share with you today) include trade in alligator leather and meat, caviar, essential oils, Queen conch meat, Markhor hunting trophies, and the timber of bigleaf mahogany (*swietenia macrophylla*).

However, distinguished delegates, such management and conservation efforts are being seriously undermined by illegal trade. For example, the illegal trade in the same CITES-listed pythons just referred to is estimated by the ITC to be worth the same amount as that of the legal trade, robbing local communities and governments of income, threatening an extremely valuable natural resource, and damaging long-term sustainability.

Under instructions of the Conference of the Parties (CoP) to CITES, we are examining ways to overcome these concerns. For example, we are working with our CITES Committees and Parties (in Southeast Asia and elsewhere, including here in Switzerland), UNCTAD, ITC, major fashion houses, IUCN, and NGOs to explore how modern technology can be applied to better tag, trace and monitor

python skins and products to help ensure its legality and sustainability, improve controls and facilitate legal trade.

We are also seeing consumers place higher demands upon producers in ensuring that their products are legally and sustainably sourced.

Looking at the entire global value chain, and bringing in all stakeholders as well as new technologies and expertise, is a most encouraging development that we would like to see replicated across other species that are legally in trade.

Distinguished delegates, although CITES dates back to 1973, it has been drawn into many contemporary sustainable development debates, such as on the livelihoods of local and indigenous peoples, the impacts of climate change, sustainable use of biodiversity principles, and national security issues to name a few.

By way of example, the conservation and sustainable use of polar bears has been debated at length at recent meetings of the Conference of the Parties to CITES (CoP), sparked by concerns over the impact of climate change on sea ice, which serves as polar bear habitat, and how this will exacerbate other potential threats to the polar bear, including but not limited to, utilization and international trade.

These impacts are of particular concern to the local and indigenous peoples whose livelihoods are inextricably linked to the polar bear and its habitat.

And as CITES celebrates the 40th anniversary of its adoption with many conservation successes, it confronts the worst spike in decades in the illegal killing of elephant and rhino and illegal trade in their ivory and horn - which is increasingly driven by organized crime and in some instances rebel militia groups.

This criminal activity can pose a serious threat to the social and economic stability, as well as the national security of some countries. Poaching for illegal international trade in wildlife is quite literally robbing them of their natural resources and cultural heritage, and it is undermining good governance and the rule of law.

We are talking about industrial scale poaching and highly organized crime – and it is the criminal syndicates and kingpins behind them that are making the high profits at the expense of local communities and national economies.

Combatting such illegal trade has great benefits for local communities, such as through protecting tourism assets and ecosystems and the vital services they provide, with, for example, wildlife based tourism bringing significant benefits for some national economies in Africa where tourism is a major generator of local jobs and foreign exchange.

We are thereby also supporting the future development opportunities for rural communities by combatting this illegal trade in wildlife.

Distinguished delegates, we face many challenges in meeting our objectives but new and exciting opportunities are emerging to help meet these challenges.

This work will increasingly be linked to the “Collaborative Partnership on Sustainable Wildlife Management - CPW”, a voluntary partnership of international organizations with substantive mandates and programmes for the sustainable use and conservation of wildlife resources. Our efforts with other entities such as the ITTO, the World Customs Organization, the World Economic Forum, the ITC and the private sector could also be embedded in the CPW.

We look forward to further strengthening our collaboration with all of you as we look towards the post 2015 development agenda and beyond.

Thank you.

ⁱ This speech is drawn from the Key note address delivered by the CITES Secretary General to the 2nd Bio Trade Congress Opening Session, December, 2013, see:
http://www.cites.org/eng/news/sg/2013/20131211_2nd_biotrade.php