

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



Fifty-seventh meeting of the Standing Committee
Geneva (Switzerland), 14-18 July 2008

Strategic and administrative matters

COOPERATION WITH THE WORLD TRADE ORGANIZATION

1. This document has been prepared by the Secretariat.
2. At its 55th meeting (SC55, The Hague, June 2007), the Standing Committee decided:
 - a) to request its Chairman to write again to the World Trade Organization (WTO) requesting observer status for CITES in the General Council and any other WTO bodies which the Committee deems relevant to CITES; and
 - b) with the support of the Secretariat, to work with WTO to develop a cooperative Memorandum of Understanding (MoU) between CITES and WTO for signature by the Director General of WTO and the Secretary-General of CITES.

Observer status in WTO bodies

3. In determining which WTO bodies, other than the General Council, are relevant to CITES, the Standing Committee might wish to refer to the WTO structure contained in the Annex to this document and the list of 'International intergovernmental organizations granted observer status to WTO bodies' published on the WTO website:

http://www.wto.org/english/thewto_e/igo_obs_e.htm.

Requests for observer status from organizations are not considered for meetings of the Committee on Budget, Finance and Administration or the Dispute Settlement Body.

4. At present, CITES has observer status in the Committee on Trade and Environment (CTE). It has *ad hoc* observer status (via invitations on a meeting-by-meeting basis) to attend Special Sessions of the CTE (CTESS), which were established by the Trade Negotiations Committee (TNC) to negotiate relevant provisions of the 2001 Doha Ministerial Declaration (i.e. paragraph 31).
5. Other WTO bodies that might be relevant to CITES are the Committee on Sanitary and Phytosanitary Measures and the Committee on Technical Barriers to Trade. The Standing Committee could determine whether any additional WTO bodies are relevant to CITES.
6. Reduced staff in the CITES Secretariat and the sizeable number of WTO meetings mean that the Secretariat is unable to participate in all meetings that have potential relevance to CITES. A representative of UNEP's Economics and Trade Branch (ETB) regularly attends WTO's CTE and CTES meetings and provides written summaries of those meetings to MEA secretariats. On request, UNEP/ETB has made an oral intervention in such meetings on behalf of the CBD Secretariat and has attended meetings on behalf of the Rotterdam and Stockholm Secretariats. Since mid-2007, the CBD Secretariat has also arranged with UNEP to have one UNEP staff act, on a part-time basis, as liaison officer for the CBD in Geneva.

7. The Secretariat attends WTO meetings when there is a need (or request) to monitor a particular discussion or to explain to WTO members a particular aspect of the Convention, CITES practice or its experience. To the extent possible, the Secretariat participates in:
 - WTO-MEA information exchange sessions, document exchange and joint capacity-building activities;
 - informal meetings with UNEP/ETB, other MEA secretariats, the chairmen of WTO bodies or the WTO Secretariat to discuss particular environment and trade issues; and
 - informal consultations organized with or requested by WTO members.
8. The Secretariat met informally with the Chairman of the CTE, the WTO Secretariat and representatives of UNEP and UNCTAD during July 2007 to exchange information on recently completed and planned activities related to environment and trade. It made oral interventions during the CTESS information exchange between WTO and MEA secretariats held in May 2007 and the CTESS meeting held in November 2007. The first intervention provided responses to specific questions posed by the WTO about MEA secretariats' experience to date with informal information sessions and document exchange. The second intervention advised WTO members about trade-related decisions taken at the 14th meeting of the Conference of the Parties (CoP14, The Hague, 2007). At the request of the CITES Secretariat, the CITES Management Authority of India gave a presentation at the WTO workshop on trade and environment for the Asia-Pacific region (New Delhi, October 2007). This presentation complemented a more general presentation given by UNEP/ETB on WTO and MEAs.

Cooperative arrangements between CITES and WTO

9. The Standing Committee might recall that existing cooperation arrangements are in place between the WTO and the United Nations as a whole, as well as between WTO and UNEP, which might be applied to CITES (see document SC55 Doc. 9 for more details on those arrangements). WTO has entered into very few MoUs with international organizations and none with MEAs. It seems that there is no legal barrier to concluding an MoU between CITES and WTO, but WTO has not yet determined that an MoU would add value to existing forms of cooperation and information exchange between the two organizations (see WTO document TN/TE/S/2/Rev. 2 of 16 January 2007).
10. It is not clear whether an MoU would necessarily solve the issue of CITES observership in WTO bodies, given the political deadlock over this issue in the General Council (see document SC55 Doc. 9). Although the International Monetary Fund and World Bank have observer status in WTO bodies as provided in their respective Agreements with the WTO, those cooperative arrangements were concluded before the present political deadlock.
11. Certain ongoing negotiations under the Doha Ministerial Declaration aim to reaffirm how important it is for trade and environmental policies to work together for the benefit of both. Cooperation with MEAs has been singled out by Ministers in the Declaration and is an integral part of the trade and environment negotiations. The results of those negotiations are expected to clarify the relationship between certain trade measures taken under CITES and WTO rules.
12. As MEAs are legally autonomous and distinct from the UN and UNEP, their governing bodies can adopt and have adopted decisions on cooperation with WTO (see the Standing Committee decision mentioned in paragraph 2 above). The Conference of the Parties to CBD decided in 2007 to request the Executive Secretary "to liaise with the secretariat of the World Trade Organization on relevant issues, including trade-related intellectual property rights, sanitary and phytosanitary measures and environmental goods and services, *inter alia*, with a view to identifying options for closer collaboration, including developing a memorandum of cooperation to promote the three objectives of the Convention" (see Decision COP VIII/16).
13. The Chairman of the Standing Committee is scheduled to arrive in Geneva a few days before the present meeting. The Secretariat is therefore exploring whether he could meet with representatives of WTO during that time to discuss cooperation between the two organizations in more detail.

Developments potentially relevant to future cooperation

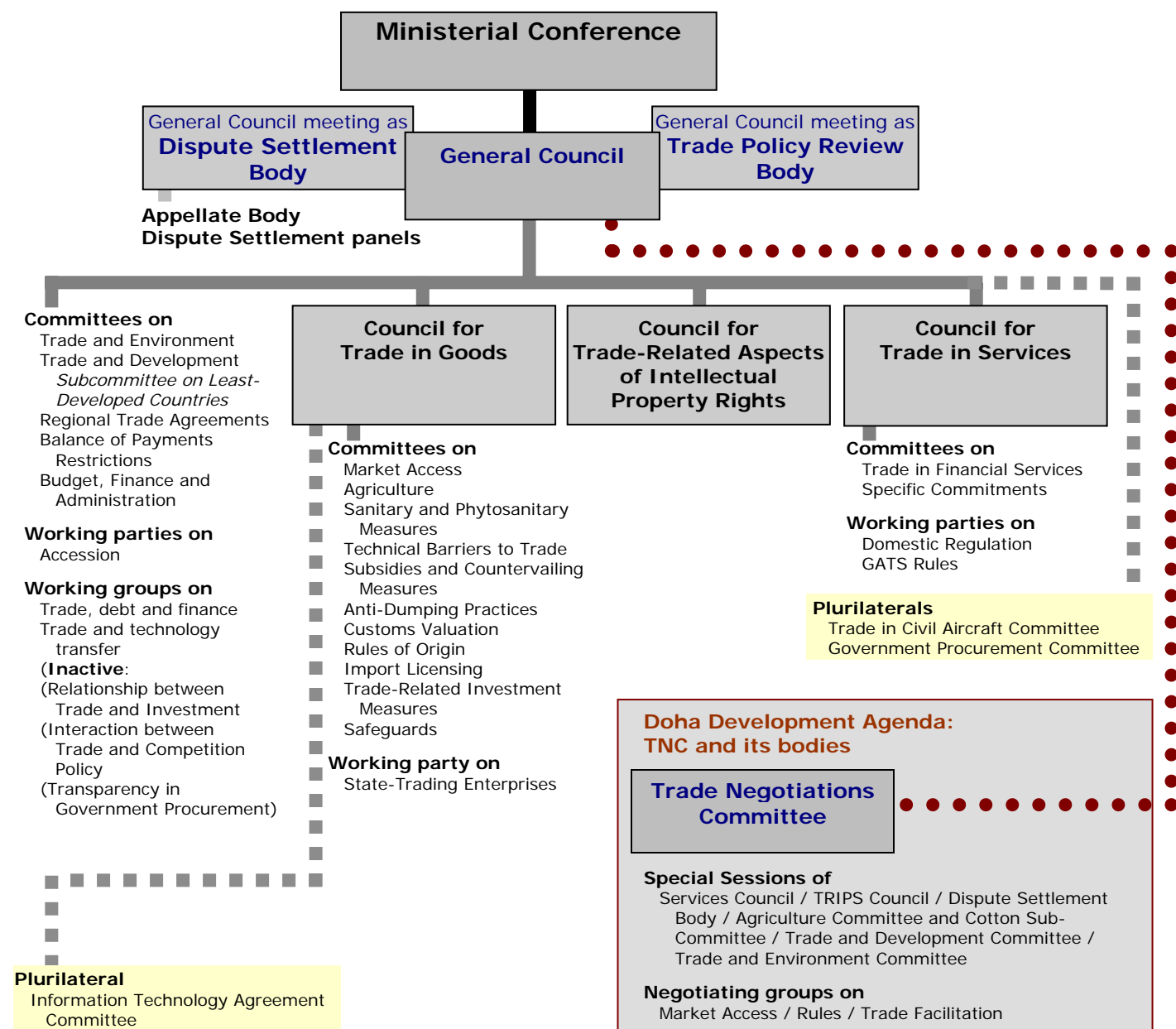
14. Cooperation between CITES and the Food and Agricultural Organization of the United Nations (FAO) has been mentioned in the WTO Negotiating Group on Rules (established by the TNC) during the discussion on new 'disciplines' for fisheries subsidies. FAO's provision of scientific and technical input to the evaluation of proposals for including commercially-exploited aquatic species in the CITES Appendices, or for transferring or deleting them, was cited as a useful example for the proposed involvement of FAO in peer-reviewing stock assessments and management schemes of fisheries that will be subsidized. The results of these discussions are ultimately expected to contribute to the work of WTO's Committee on Subsidies and Countervailing Measures.
15. WTO states on its website that Regional Trade Agreements (RTAs) have become in recent years a very prominent feature of the Multilateral Trading System. There is a WTO Committee on Regional Trade Agreements and WTO members have undertaken negotiations under paragraph 29 of the Doha Ministerial Declaration, which are aimed at "clarifying and improving disciplines and procedures under the existing WTO provisions applying to regional trade agreements". The negotiations "take into account the developmental aspects of regional trade agreements".
16. Regional and bilateral trade agreements continue to increase in number and several of them contain provisions (or supplemental agreements) that are relevant to the environment in general (e.g. the North American Agreement on Environmental Cooperation concluded under the North American Free Trade Agreement) or to CITES in particular (e.g. Chapter Eighteen on Environment and the Annex on Forest Sector Governance included in the United States - Peru Trade Promotion Agreement). The Organization for Economic Cooperation and Development has produced a book on *Environment and Regional Trade Agreements*. It organized a related workshop in Tokyo during June 2007 to disseminate the findings of the publication and to share countries' experience in dealing with environmental issues in RTAs. The Secretariat will continue to follow developments in this area which may have implications for CITES.

Recommendation

17. The Secretariat recommends that the Standing Committee identify the WTO bodies, other than the General Council and the Committee on Trade and Environment (including its Special Sessions), that it deems relevant to CITES, so that they can be included in the Standing Committee Chairman's second request to WTO for observer status for CITES.

WTO structure

All WTO members may participate in all councils, committees, etc, except Appellate Body, Dispute Settlement panels, and plurilateral committees.



Key

- Reporting to General Council (or a subsidiary)
- Reporting to Dispute Settlement Body
- ■ ■ ■ ■ Plurilateral committees inform the General Council or Goods Council of their activities, although these agreements are not signed by all WTO members
- ● ● ● ● Trade Negotiations Committee reports to General Council

The General Council also meets as the Trade Policy Review Body and Dispute Settlement Body