Doc. 10.81 (Rev.)

Interpretation and Implementation of the Convention

FINANCING OF THE CONSERVATION OF THE BIODIVERSITY AND DEVELOPMENT OF SUSTAINABLE USE OF NATURAL RESOURCES

- 1. This document has been prepared by France.
- The purpose of the Convention is to regulate trade in endangered species of wild fauna and flora with the objective of ensuring their conservation.
- 3. International trade is often given as one of the causes of the disappearance of wild species. On the contrary, however, when natural resources are managed for sustainable use, international trade can play a positive role in the conservation of biological diversity. This was recognized in Resolution Conf. 8.3 of the Conference of the Parties.
- 4. There are several examples showing that a measure decreasing the commercial value of wild species of fauna and flora can reduce motivation to maintain biological diversity and can promote the transformation of natural habitats for other uses (agriculture, ranching, large-scale plantations) in range States.
- 5. Although it is more and more accepted that the conservation of many species occurs because of the setting up of mechanisms making possible the sustained and rational use of renewable natural resources, it is also clear that a concomitant conservation effort is required in the field.
- However, currently available national and international funds for in situ conservation of these species are notoriously insufficient, and this insufficiency is increasing at the same time as the required means for conservation.
- Preliminary analysis has led to the conclusion that only the conduct of trade is capable of producing, in a sustainable manner and in a steady fashion, large enough sums to allow the implementation of ambitious conservation programmes.
- Three months after adoption of Resolution Conf. 8.3 by the Conference of the Parties to CITES, the United

- Nations Conference on the Environment and Development (Rio, June 1992) reiterated the need to reconcile conservation of the environment and sustainable development and pointed out the positive role that trade in natural resources can play.
- Innovation in the search for financing is in order. This will lead logically to awareness of the even more concrete role played by trade in promoting the conservation of wild species.
- 10. It is important that the acquisition value of CITES specimens used by commercial operations makes it possible to ensure replenishment of stocks and the survival of commercial activities.
- Financial mechanisms based on indirect fees already exist in some countries where they are used exclusively for the conservation of wild fauna and flora.
- These methods of financing were foreseen by The World Conservation Union (IUCN) during its general assemblies in Perth (Australia) in 1990 and Buenos Aires (Argentina) in 1994 (see IUCN Resolution Conf. 18.19 and 19.35).
- 13. The implementation of funding mechanisms based on the taxation of trade in CITES specimens, for the exclusive purpose of obtaining the funds required for species conservation, could be a solution and would require a serious investigation.
- 14. The purpose of this proposal, therefore, is to commission a feasibility study on the implementation of such mechanisms, in order to specifically assess the possibilities and to clearly specify the difficulties that need to be solved to reach this objective.
- 15. The results of the study will allow well informed Parties to decide whether it would be justifiable to pursue the search for such a solution.

Doc. 10.81 (Rev.) Annex

DRAFT RESOLUTION OF THE CONFERENCE OF THE PARTIES

Financing of the Conservation of the Biodiversity and Development of Sustainable Use of Natural Resources

RECALLING that the purpose of the Convention is to regulate trade in endangered species of wild fauna and flora with the objective of ensuring their conservation;

REGRETTING that the funds required for *in situ* conservation of these species are not available in sufficient amounts;

DEPLORING the absence of adequate funding mechanisms, considering the magnitude of the needs, leading to a glaring and increasing lack of available national or international funding, and to its unreliability and lack of continuity over time;

INFORMED of the magnitude of the problem, which concerns millions of species, many of which have not been described scientifically, whose roles in ecosystems which are the vital processes of the planet, are completely unknown:

CONVINCED of the urgency of the measures to be taken, not only to slow down the disappearance of species but also to arrest the processes that are causing this;

RECALLING Resolution Conf. 8.3, adopted by the Conference of the Parties at its eighth meeting (Kyoto, 1992), by which the Conference recognized that trade could benefit the conservation of species of wild fauna and flora, of ecosystems and/or the development of local populations when its level does not harm the survival of the species in question;

RECALLING:

- a) that the Convention on Biological Diversity recognizes "that economic and social development and poverty eradication are the first and overriding priorities of developing countries"; and
- that Article II of the same Convention provides for developing "economically and socially sound measures that act as incentives for the conservation and sustainable use of components of biological diversity";

RECALLING moreover that CITES does not contain any provision giving it the financial means that would permit it to ensure *in situ* conservation of these species;

AWARE of the enormous sums that would have to be raised annually to ensure survival of the living heritage of the planet, which forms the basis for the future development of humanity; and

BELIEVING that only the conduct of trade appears capable of producing, in a sustainable manner and in a steady fashion, a large proportion of the sums needed, thus creating a direct link between resource utilization and the financial means needed for its conservation;

THE CONFERENCE OF THE PARTIES TO THE CONVENTION

BELIEVES that not only must non-sustainable use of wild fauna and flora be ended but, above all, the irreversible destruction or transformation of their habitats must be prevented in order to stop the loss of terrestrial and marine biodiversity;

INVITES the Parties to the Convention, in order to allow examination of the conditions for establishment of appropriate funding institutions and mechanisms, to raise the essential resources for the conservation of biodiversity and of its sustainable development, excluding all other uses, in particular:

a) to invest in:

- identification and surveys of biodiversity;
- the purchase of areas with ecosystems of interest;
- research on these areas, and their products;

- the training of researchers and managers; and
- the restoration of degraded ecosystems; and
- b) to provide annually for:
 - leasing costs of certain terrestrial and maritime areas;
 - compensation for those who have the right to it;
 - the funding needed for the sustainable use of the resources; and
 - the costs for planning, monitoring, testing and adjustment of sustainable use programmes for soils, oceans and their living biodiversity;

SUGGESTS that funding mechanisms be based on indirect taxes on trade in specimens of wild fauna and flora;

SUGGESTS also that the issuance of eco-certification or eco-labels be subject to payment of such taxes;

MANDATES the Standing Committee to study, in liaison with the Convention on Biological Diversity (CBD), the Global Environment Facility (GEF), the World Conservation Union (IUCN) and each Party to the Convention, the terms and conditions under which the establishment of such taxes could be put in place in each State, as well as the terms and conditions for allocating said taxes; and

REQUESTS that the Standing Committee present, at the latest six months before the 11th meeting of the Conference of the Parties, the results of the feasibility study.

Doc. 10.81.1

Interpretation and Implementation of the Convention

FINANCING OF THE CONSERVATION OF THE BIODIVERSITY AND DEVELOPMENT OF SUSTAINABLE USE OF NATURAL RESOURCES

 This document has been prepared by France [replaces document Doc. 10.81 (Rev.)].

Doc. 10.81.1 Annex

DRAFT DECISION OF THE CONFERENCE OF THE PARTIES

<u>Discussion of the Mechanisms for Financing the Conservation of Species of Wild Fauna and Flora</u> <u>on the Basis of International Trade in Them</u>

THE CONFERENCE OF THE PARTIES TO THE CONVENTION

DIRECTS the Standing Committee to undertake discussions with the Convention on Biological Diversity (CBD), the Global Environment Facility (GEF), the World Conservation Union (IUCN) as well as, if appropriate, the Parties to the Convention, on the possibility of making available, on the

basis of their international trade, a part of the resources necessary for the conservation of species of wild fauna and flora and for the implementation of the Convention; and

REQUESTS the Standing Committee to present, no later than six months before the 11th meeting of the Conference of the Parties, the content and the conclusions of these discussions.