

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

Twelfth meeting of the Conference of the Parties
Santiago (Chile), 3-15 November 2002

Strategic and administrative matters

Financing and budgeting of the Secretariat and of meetings of the Conference of the Parties

PROCEDURE FOR APPROVAL OF EXTERNALLY FUNDED PROJECTS

1. This document was prepared by the Secretariat at the request of the Standing Committee.
2. The CITES Secretariat implements activities that are identified in its Trust Fund budget approved by the Conference of the Parties. Any activity that is not funded by the Trust Fund would require funding from external sources. These externally funded activities are referred to as projects. Examples of these projects include species projects on population surveys, development of management plans for certain species, and activities resulting from Resolutions and Decisions adopted by the Conference of the Parties.
3. Before the Secretariat can seek funds for any project it must obtain from the Standing Committee approval of projects requiring external funding and of their sources of funding. At its 45th meeting, the Standing Committee requested the Secretariat to prepare a document to propose a modification to this existing procedure.

Background

4. The procedure for approval of externally-funded projects was adopted by the Standing Committee as a result of discussions at the seventh meeting of the Conference of the Parties (Lausanne, 1989) at which it adopted Resolution Conf. 7.2 which contained direction on the external funding programme as follows:

AGREES that external funds from non-government sources for special projects shall not be accepted without review by the Standing Committee, in consultation with the appropriate Committee as necessary, of the specific contribution and the project to be funded;

DIRECTS the Secretariat to submit to the Standing Committee and other appropriate Committees a list of priorities for funding, representing opportunities to enhance the legislation, implementation of the Convention by the Parties, as well as any scientific studies or components thereof, and a proposal adequate for review by experts of each project six months before the scheduled solicitation of any funding.

5. At its 21st meeting (Lausanne, February 1990), the Standing Committee adopted a procedure that the Secretariat must follow in developing proposals for projects and in seeking external funds. This procedure was further refined at the 23rd meeting of the Standing Committee (Lausanne, April 1991). The procedure requires the Secretariat to refer project proposals and requests for the inclusion of new donors in the list of approved donors to the Standing Committee for review and approval.
6. At its eighth, ninth, tenth and eleventh meetings, the Conference of the Parties further directed the Secretariat to implement the procedure for approval of externally-funded projects, as approved by the

Standing Committee at its 23rd meeting, before accepting any external funds from non-governmental sources.

Development of new procedure

7. During the 45th meeting of the Standing Committee (Paris, June 2001) the Secretariat indicated that the procedure had proven cumbersome for both the Standing Committee and the Secretariat, and submissions of funding applications to donors had been delayed until donors were approved, resulting in missed funding opportunities and substantial delays in fund disbursements. It was suggested that requests for the inclusion of new donors in the list of approved donors should not be presented to the Standing Committee but should be decided upon by the Secretariat. The Committee requested the Secretariat to propose a mechanism for approval of donors by the Secretariat rather than the Standing Committee, for consideration at its 46th meeting.
8. During the 46th meeting of the Standing Committee (Geneva, March 2002), the Secretariat presented document SC46 Doc. 9.3, which introduces a new proposed procedure for the approval of new donors. To facilitate the seeking of external funds required to implement the work programme, the Secretariat proposed that the Secretariat rather than the Standing Committee do the approval of new donors. The Committee directed the Secretariat to prepare a document on this subject, taking into account the interventions made during its discussion. This document presents the proposed procedure requested by the Standing Committee.
9. The Secretariat also proposes that project proposals submitted for funding are approved and decided upon by the Secretariat rather than the Standing Committee. This will enable the Secretariat to prioritize its work programme and seek external funds for projects without delay.
10. One of the objectives of the CITES *Strategic Vision through 2005*, Objective 1.11, is to review and simplify, where possible, existing measures, procedures, mechanisms, and recommendations for the implementation of the Convention. The procedure presented in this document for approval of projects and sources of funding would help meet this objective and enhance the Convention's effectiveness by enabling the Secretariat to plan its programme of work more effectively.
11. The Secretariat recommends adoption of the draft resolution contained in the Annex regarding the procedure for approval of externally funded projects.

DRAFT RESOLUTION OF THE CONFERENCE OF THE PARTIES

Procedure for approval of externally funded projects

RECALLING that the Conference of the Parties, in Resolution Conf. 7.2 adopted at its seventh meeting (Lausanne, 1989), agrees that external funds from non-governmental sources for special projects shall not be accepted without review by the Standing Committee and directs the Secretariat to submit to the Standing Committee and other appropriate committees a list of priorities for funding;

RECALLING that Resolutions Conf. 8.1, Conf. 9.2 and Conf 10.1 adopted at the eighth, ninth and tenth meetings of the Conference of the Parties (Kyoto, 1992, Fort Lauderdale, 1994 and Harare, 1997), direct the Secretariat to implement the procedure for approval of externally-funded projects as developed and approved by the Standing Committee at its 23rd meeting, before accepting any funds from non-governmental sources;

RECALLING further that Resolution Conf. 11.2, adopted at the 11th meeting of the Conference of the Parties (Gigiri, 2000), directs the Secretariat to continue to implement the procedure for approval of externally-funded projects before accepting any funding from non-governmental sources; and further decides that any approved externally-funded project that has not received funding after the end of three years will be deleted from the list of approved projects and any conditionally approved externally funded project will be deleted from the list after one year if the conditional issues have not been resolved;

NOTING that the procedure for approval of externally funded projects has proven cumbersome for both the Standing Committee and the Secretariat and that submission of project proposals and funding applications to donors have been delayed until donors were approved;

NOTING further that the Standing Committee at its 45th meeting (Paris, June 2001) requested the Secretariat to propose a mechanism for approval of donors by the Secretariat rather than the Standing Committee;

NOTING that Objective 1.11 of the *Strategic Vision through 2005* is to review and simplify, where possible, existing measures, procedures, mechanisms and recommendations for the implementation of the Convention;

THE CONFERENCE OF THE PARTIES TO THE CONVENTION

ADOPTS the procedure for approval of externally-funded projects contained in Annex 1, providing guidelines and procedures to be followed by the Parties in developing proposal for projects and to be followed by the Secretariat in prioritizing project implementation and in seeking external funds;

REPEALS the Resolutions or parts thereof listed hereunder:

- a) Resolution Conf. 7.2 (Lausanne, 1989) – Financing and budgeting of the Secretariat and of meetings of the Conference of the Parties – paragraph under second AGREES and paragraph under DIRECTS;
- b) Resolution Conf. 8.1 (Kyoto, 1992) – Financing and budgeting of the Secretariat and of meetings of the Conference of the Parties – paragraph a) under DIRECTS;
- c) Resolution Conf. 9.2 (Fort Lauderdale, 1994) – Financing and budgeting of the Secretariat and of meetings of the Conference of the Parties – paragraph under DIRECTS;

- d) Resolution Conf. 10.1 (Harare, 1997) – Financing and budgeting of the Secretariat and of meetings of the Conference of the Parties – paragraph under DIRECTS; and
- e) Resolution Conf. 11.2 (Gigiri, 2000) – Financing and budgeting of the Secretariat and of meetings of the Conference of the Parties – paragraph under the third DIRECTS.

Annex 1

Procedure for approval of externally funded projects

1. CRITERIA FOR PROJECT DEVELOPMENT

- 1.1 The following shall be considered priority areas for the development of projects by the Parties and the Secretariat:
 - 1.1.1 The compilation of relevant scientific information on species that are or may be threatened by trade;
 - 1.1.2 The development of protection, conservation or management schemes for species currently threatened by, or actually suffering from over-exploitation, so that they can be restored to a level consistent with their role in the ecosystems in which they occur;
 - 1.1.3 The provision of scientific and legal advice to the Parties for better implementation of the Convention;
 - 1.1.4 The provision of assistance in the development of legal, trade and economic policies to the Parties for better implementation of the Convention;
 - 1.1.5 The development and delivery of training packages for implementation and enforcement of the Convention; and
 - 1.1.6 The provision of assistance to developing countries for their full participation in the Convention.
- 1.2 The Secretariat shall ensure that proposals for projects are directed towards the areas of greatest need, either because of the degree of threat to species from trade, or because projects can generate the greatest improvement to the implementation of the Convention.
- 1.3 The Secretariat shall not consider as a priority projects that are technical studies for species in abundance that are not perceptibly threatened by actual or potential trade.
- 1.4 The following types of projects, although requiring external funding, shall be considered by the Secretariat as part of its routine work programme and, as such, are not covered by this procedure. The Secretariat shall prioritize these projects based on their importance and the availability of funds;
 - 1.4.1 Activities or projects derived from Resolutions and Decisions adopted at meetings of the Conference of the Parties;
 - 1.4.2 Organization of and participation in meetings for training, legislation, enforcement or specialist consultations;
 - 1.4.3 Provision of assistance to developing countries in improving their administration of the Convention; and

1.4.4 Production of CITES capacity building materials such as implementation manuals.

2. SUBMISSION AND APPROVAL OF PROJECT PROPOSALS

- 2.1 Project proposals shall be submitted to the Secretariat for solicitation of funds, or finalization of agreements where funds have been freely offered. Project proposals submitted for consideration shall conform to the priority criteria in 1.1 above and the format in Annex 2.
- 2.2 The Secretariat shall review species-related projects that are proposed by Parties seeking funding and those developed as a result of recommendations made by the Animals and Plants Committees in the review of significant trade.
- 2.3 The Secretariat shall, in consultation with the Animals and Plants Committees where necessary, approve and prioritize projects to be implemented.
- 2.4 The Secretariat shall solicit funding or obtain funding freely offered, provided that the source of funding has been approved in accordance with the procedure below.
- 2.5 Any project that has not been funded after three years shall be deleted from the list of approved projects and any conditionally approved project shall be deleted from the list after one year if the conditional issues have not been met.

3. FUNDING SOURCES AND APPROVAL

- 3.1 Any Party or organization may propose an organization as a prospective donor.
- 3.2 If the proposal is received from the Management Authority of the Party in whose territory the organization is based, the Secretariat shall consider the organization's objectives and legal status. If the Secretariat has no reason to object, the organization shall be included in the list of approved donors.
- 3.3 If the organization is based in the territory of another Party, or the organization is proposed by any entity other than the Management Authority, the Secretariat shall contact the Management Authority of the Party in whose territory the organization is based and enquire whether it has any objection to the organization being included in the list of approved donors. If the Management Authority does not object, the Secretariat shall consider the organization's objectives and legal status. If the Secretariat has no reason to object, the organization shall be included in the list of approved donors.
- 3.4 If the organization being proposed for inclusion in the list is an international organization with offices in different countries, the Secretariat shall contact the Management Authority of the Party in whose territory the organization's headquarters is officially based and enquire whether it has any objection to the organization being included in the list of approved donors. If the Management Authority does not object, the Secretariat shall consider the organization's objectives and legal status. If the Secretariat has no reason to object, the organization shall be included in the list of approved donors.
- 3.5 If the Management Authority of the Party where an organization is based does not endorse the inclusion of the organization in the list of approved donors, the Secretariat shall discuss with it the reasons for this. Based on the information provided by the Management Authority, the Secretariat shall inform the Party or organization that submitted the organization for inclusion that it has been rejected and the reasons for the rejection.

3.6 The list of approved donors shall not contain any of the following:

3.6.1 Organizations that are known through reliable evidence available to the Secretariat to have been involved in illegal trade in CITES-listed species or other relevant wildlife conservation infractions, whether convicted or not.

3.6.2 Individual companies directly involved in legal commercial trade in CITES species.

3.6.3 Any organization that has deliberately brought the Convention into public disrepute. Such companies should channel funds through their trade association.

3.7 When the source of funds for a project has been approved as a donor, the Secretariat shall proceed to solicit funding, finalize grant agreements and commence implementation.

4. The Secretariat shall maintain the list of approved projects and the list of approved donors and shall publish it through Notification to the Parties and on its website.

Annex 2

Format for project review

CITES PROJECT PROPOSAL

1. Title:
2. Date of submission:
3. Originators of project proposal:
4. Project period:
5. Funds required and potential sources:
6. Objectives:
7. Justification:
8. Execution:
 - i) Activities
 - ii) Work plan
 - iii) Outputs
 - iv) Personnel (including use of local expertise)
9. Budget: