

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



Seventy-seventh meeting of the Standing Committee  
Geneva (Switzerland), 6–10 November 2023

Compliance

APPLICATION OF ARTICLE XIII IN ECUADOR

1. This document has been prepared by the Secretariat and refers to the export of shark fins from Ecuador to Peru.

Introduction

2. At the 75th meeting of the Standing Committee (SC75; Panama City, November 2022), the Secretariat informed the Committee that it had undertaken a technical mission in Peru to support the CITES authorities in strengthening CITES implementation for sharks. As a result, the Standing Committee adopted the following recommendation:

*Regarding trade in shark specimens between Ecuador and Peru, the Standing Committee requested the Secretariat to investigate this case further and make recommendations to the Standing Committee at SC77.*

3. Article XIII of the Convention stipulates that:
  1. *When the Secretariat, in the light of information received, is satisfied that any species included in Appendix I or II is being affected adversely by trade in specimens of that species or that the provisions of the present Convention are not being effectively implemented, it shall communicate such information to the authorized Management Authority of the Party or Parties concerned.*
  2. *When any Party receives a communication as indicated in paragraph 1 of this Article, it shall, as soon as possible, inform the Secretariat of any relevant facts insofar as its laws permit and, where appropriate, propose remedial action. Where the Party considers that an inquiry is desirable, such inquiry may be carried out by one or more persons expressly authorized by the Party.*
  3. *The information provided by the Party or resulting from any inquiry as specified in paragraph 2 of this Article shall be reviewed by the next Conference of the Parties which may make whatever recommendations it deems appropriate.*
4. According to the *Guide to CITES compliance procedures* in the Annex to Resolution Conf. 14.3 (Rev. CoP18) on *CITES compliance procedures*, the Convention's regarding compliance matters is "supportive and non-adversarial" with the aim of ensuring long-term compliance. Compliance matters are handled as quickly as possible. Such matters are considered by the Standing Committee and ensuing compliance measures are applied in a fair, consistent and transparent manner.

Background – Mission to Peru in 2022

5. At the invitation of Peru, the Secretariat undertook a technical visit on 22nd and 23rd September 2022, which involved the Management and Scientific Authorities, and the focal points for enforcement in Peru, including regional authorities from the north of Peru, as well as the Management and Scientific Authorities of Ecuador.

During the mission, key points were identified that required urgent action. Both delegations presented the current levels of trade and the controls put in place and agreed on the importance of having commitments that help the collaborative work between both countries for the sustainable management of CITES-listed sharks within the framework of the Peru-Ecuador Binational Cabinet. Similarly, both countries recognized the regional scope of this issue and suggested that it should be discussed among bodies such as the Permanent Commission for the South Pacific (CPPS) and Regional Fisheries Management Organizations (RFMOs), underlining the need to further examine the scientific (sustainability), regulatory (legality), and enforcement (control and supervision) aspects.

6. According to information submitted by delegates from both Parties, significant volumes of trade in fins and meat of CITES-listed sharks from Ecuador to Peru are being authorized as bycatch. Both delegations recognized the potential problem and highlighted that sharks are migratory species.
7. Regarding the sustainability and scientific-related aspects, it was suggested that, for the preparation of the Non-Detriment Findings (NDF) by the Scientific Authorities of both countries, it is essential to establish a quota (quotas, volumes for fins and meat) and define the periodicity for each country. The statistical landing information should allow the maintenance of extraction levels that do not exceed the average and based on this, the calculation of the number of annual fins for export. Population studies were identified as a priority activity for which funding and international assistance should be sought from the relevant institutions.
8. Regarding the legality aspects, both Parties discussed the preparation of Legal Acquisition Findings and considered it essential to receive training to strengthen the application in both countries. Particular attention should be paid to continue working on measures to enhance traceability, permit issuance, a single window, and fishery management measures that help prevent overexploitation.
9. With regards to the enforcement controls, it seems urgent to establish critical checkpoints in the terminals, mail delivery companies, and other key points with trained personnel for the identification of shark body parts (fins), applying the guidelines that are already available. The channels of communication between the Management Authorities of both countries dealing with marine species should be more fluid to carry out consultations and organize collaborative work to prevent the illegal trafficking of these species.
10. Finally, authorities from both countries discussed the need to study the demand for shark species products, involving civil society, non-governmental organizations, fishing communities, industry, shipping companies, carriers, and other stakeholders. This will contribute to the development of a demand reduction strategy following the guide commissioned by the CITES Secretariat to help reduce pressure on the resource and promote its conservation and sustainable use.

#### Invitation to conduct a technical assessment and fact-finding mission in Ecuador

11. On 28th February 2023, the Secretariat sent a letter to the CITES Management Authority in Ecuador to inform them, among other things, about the Standing Committee's recommendation and to request an invitation to undertake a mission in Ecuador. The mission would take place immediately after the regional workshop on CITES, fisheries and legal acquisition findings for Latin American and Caribbean countries to be held in the port of Manta, Ecuador, from 8th to 11th May 2023.
12. Ecuador confirmed its interest in hosting the aforementioned regional workshop and, consequently, the mission that was conducted from 12th to 15th May 2023. The Secretariat met with representatives of the CITES authorities at the Ministry of Foreign Affairs and Migration (MREMH) and the Ministry of Environment, Water and Ecological Transition (MAATE), as well as with representatives of the Vice-Ministry of Aquaculture and Fisheries within the Ministry of Production, Foreign Trade, Investment and Fisheries in Manta, port authorities, local authorities and the major private stakeholders in the harvesting of CITES-listed species. Field visits were made in Manta and Quito, including the port of Manta, the cape of San Lorenzo, a company exporting shark fins and the company Transmarina. In Quito, the Secretariat visited the amphibian exhibition and the Wikiri frog-breeding facility.
13. The Secretariat thanks the authorities of Ecuador for their openness and transparency, for the technical and logistical support provided in planning and coordinating these visits, and also for their hospitality throughout the mission. The Secretariat would also like to thank the representatives of the port authorities, personnel and companies for providing the relevant information in a frank and open manner.

## Review of the information obtained from the regional workshop and the technical fact-finding mission

14. The regional capacity-building workshop on CITES, fisheries and legal acquisition findings, which was held for 13 Latin American and Caribbean countries and organized by the Development Law Service of the Legal Office of the Food and Agriculture Organization of the United Nations (FAO) and the CITES Secretariat, in collaboration with the FAO Offices for Ecuador, Latin America and the Caribbean, provided valuable input on the current status of trade in CITES-listed shark species between Ecuador and Peru.
15. As reported in document SC77 Doc. 46 on *Legal acquisition findings*, the workshop was held from 8th to 11th May 2023 and was aimed at raising awareness and strengthening the understanding of CITES requirements and their implementation in the fisheries sector, and identifying countries' needs and interests for better implementation of CITES in the fisheries sector. This document shows the main issues raised by the authorities from Ecuador and Peru with regard to the case at hand, as follows:

### *Ecuador*

16. The Cites Management Authority of Ecuador explained that the Ministry of Environment, Water and Ecological Transition (MAATE) is the competent authority for CITES implementation for CITES-listed aquatic species, and the designated Scientific Authority for such species is the Public Institute for Aquaculture and Fisheries Research (IPIAP). The authority responsible for fisheries in Ecuador is the Ministry of Production, Foreign Trade, Investment and Fisheries, which has undertaken initiatives for shark management.
17. Executive Decree No. 486 of 2007 regulates the bycatch, commercial trade and exportation of shark resources in mainland Ecuador. According to its first article, bycatch is defined as the "unintentional capture of bioaquatic species using fishing gear or methods intended for the intentional, planned capture of other bioaquatic species". The second article prohibits fisheries specifically targeting sharks throughout national territory. The decree also prohibits the use of fishing gear known as "shark longlines" and the use of steel or metallic cables commonly known as "huaya". Similarly, the Agreement MPCEIP-SRP-2022-0002-A of 2022 provides conservation and management measures in national jurisdictional waters and in the areas covered by the Inter-American Tropical Tuna Commission (IATTC). The Ecuadorian authorities also noted that, from an environmental perspective, the main legislation is the Organic Code of the Environment, which establishes the competent authority for CITES implementation. Further, they underlined the important role of customs authorities who carry out border controls and surveillance.
18. With regard to species of sharks and rays listed in Appendix II, some of these species were regulated in Ecuador, p. ej., fishing of specimens of the genus *Mobula* spp. has been prohibited since 2010 and of the genus *Sphyrna* (hammerhead sharks) since 2020. Concerning non-detrimental findings (NDFs), Ecuador reported that it has made three NDFs: *Isurus oxyrinchus* (shortfin mako), *Alopias superciliosus* (long-tailed shark) and *Carcharhinus falciformis* (silky shark). Following the listings of new shark species in Appendix II, which took effect on 25<sup>th</sup> November 2023, Ecuador is currently preparing the relevant NDFs.
19. The representative of the Ministry of Production, Foreign Trade, Investment and Fisheries (MPCEIP) presented the NPA-Sharks, which is based on four elements:
  - a) an information and monitoring system, and applied research, in order to implement an integrated data system, ensure ongoing collection of scientific and technical data, and establish an applied research programme;
  - b) regulations, management and incentives to develop adaptive management measures;
  - c) education and dissemination of information in order to develop and implement an outreach programme focused on sustainable management; and
  - d) control and surveillance to maintain compliance with fishery management regulations applying to sharks.

Fishery inspectors supervise landings at various ports at national level, and issue landing inspection certificates, which include information on the fishing vessel, registration, catch composition and bycatch that serves to document the origin of the catch. A further document is issued for bycatch, which includes information on the fishing vessel. Landings may only be made at an authorized port. Landing of shark parts or pieces is not allowed, and only whole shark bodies may be landed.

20. The representative of the MPCEIP also explained that the fisheries authority and CITES Management Authority work in coordination to issue CITES documents. Since 2015, there is a platform that is connected to the systems of fisheries and environmental authorities, and also customs authorities. The platform is reported to be critical to the traceability of fishery products and receives input from 256 fishery inspectors and 11 technical experts located in the ten provinces within the scope of the MPCEIP. The inspectors monitor and oversee fisheries at national level. Fisheries observers are present on fishing vessels and in fisheries to record the biological data of each fishery. To apply for an export permit, applicants should submit all required information and documents, including the guide for mobilization of shark bycatch, which is a key document for making a legal acquisition finding. There are several filters before moving forward with the application process, for example, verification of all submitted documents and physical inspection of products. Once all documents have been verified, the MPCEIP forwards the information to the CITES Management Authority for the CITES permit to be issued.
21. The CITES Authority further added that Ecuador continues to foster cooperation among the competent authorities. According to regulations, the CITES Management Authority, in consultation with the CITES Scientific Authority (IPIAP), should decide the requirements for bycatch, which is critical to determining the exact fishing capacity and bycatch limits. There is also an interministerial agreement currently in place to formalize coordination and ensure that institutions cooperate, regardless of any institutional changes that might occur at a future date, and to set down the processes for coordination and cooperation. Ecuador also has a specific system in place for managing shark species and fins. The authorities consider that this system could contribute to these species being exported correctly, in keeping with CITES requirements. It is important that control activities and procedures are carried out physically for all CITES-listed species, in a way that guarantees that traceability is fully documented.
22. During the mission, Ecuador promised to start work immediately on establishing catch and trade quotas for sharks, and also undertook to continue working in coordination with all relevant institutions for CITES implementation, including the automation of information and systemization of CITES permitting, and preparation of legal acquisition findings and non-detriment findings.

#### *Peru*

23. The Management Authority for aquatic species in Peru, which is attached to the General Directorate of Fisheries for Direct and Indirect Human Consumption within the Ministry of Production, explained that the main fishery in the country is anchovy, which is highly regulated and appropriately monitored by advanced vessel detection systems, including automated reporting. However, this is not the case for other fisheries. The Peruvian authorities responsible for aquatic species believe that CITES implementation for fisheries is a continual improvement process. The CITES Scientific Authority is the Ministry of the Environment.
24. In Peru, the regulatory framework for CITES includes Supreme Decree No. 030-2005-AG, amended by Supreme Decree No. 001-2008-MINAM, which approves the regulations for CITES implementation in Peru. El Ministerio de la Producción understands that there are some loopholes in these regulations and they need to be improved. Accordingly, they are revised continuously so that new regulations can be drafted to improve traceability processes and permit issuing for harvesting CITES-listed species. Application requirements for CITES permits or certificates are provided by laws currently in force. Until 2021, the uniform text on administrative procedures (TUPA) issued by the Directorate of Extraction for Direct and Indirect Human Consumption (PRODUCE) established that applications should be submitted to the Directorate of Extraction for Direct and Indirect Human Consumption within the Ministry of Production, supported by a certificate of identification of specimens signed by a qualified biologist and taxonomy expert (in the case of exports), or a copy of the export permit or certificate of re-exportation from the destination country (in the case of imports), or a copy of the import permit (in case of re-exportation). However, the Secretariat understands that the updated TUPA does not include an application procedure for export, import or re-export permits for species listed in CITES Appendix II.
25. The regulation of international trade in Appendix II species focuses on sharks. Shark finning has been prohibited in Peru since 2016. Whenever sharks are caught, the whole shark must be landed to enable identification and determine whether or not it is a CITES-listed species. Since 2016, a shark landing certificate is required that clearly identifies the species and requires specimens to be weighed and landed at designated ports where inspectors are capable of identifying the species. In Peru, sharks are caught by artisanal fisherfolk. A catch certificate is requisite to guarantee traceability of the resource. It should be noted that there is no regulation in which trade documents are required, only the shark landing certificate and the certificate of inspection. When the catch is transported, traceability can be lost because, according to Supreme Decree No. 021-2016-PRODUCE, only the reference number of the landing certificate and certificates of inspection are to be shown on the shipping documents held by natural or legal persons who

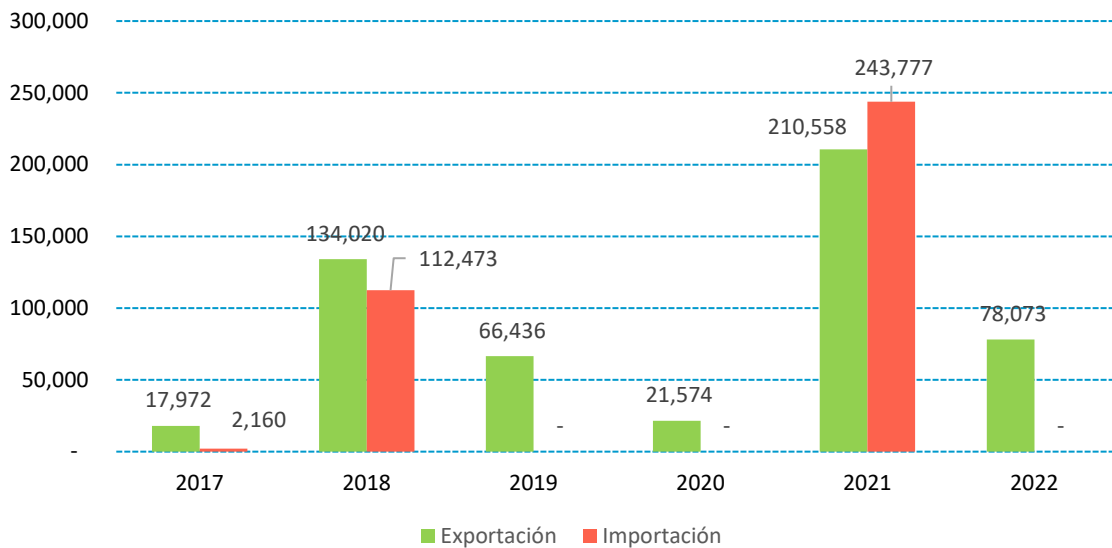
transport and/or store shark resources. There are significant shortcomings in the traceability from point of landing to processing and drying plant, prior to export.

26. The Ministry of Production reported that work is currently underway on an automated, digital traceability pilot system, in cooperation with the World Wide Fund for Nature (WWF). Also, Peru has introduced catch quotas for hammerhead sharks and hopes to eventually implement further controls for other shark species. With regard to introduction from the sea, there was a case in 2019 where it was possible to identify the transaction as introduction from the sea because of the digital detection system aboard the fishing vessel. It is difficult to determine whether the catch was made on high seas due to the fact that most fishing vessels flying the Peruvian flag are artisanal and are not equipped with these digital detection systems.
27. During the discussion, the Peruvian authorities promised to study the possibility of implementing a tool to enable verification of the legal origin of products, and to strengthen the procedure for making legal acquisition findings, in the form of a checklist, by validating the catch log or by standardizing an existing system already in place for exports to the European Union. They also undertook to strengthen fishery legislation on CITES-related issues, particularly introduction from the sea, legal acquisition findings, and export quotas; to foster awareness of the listing of the blue shark (*Prionace glauca*) in CITES Appendix II, and to gather information in order to make an NDF for these species.

Brief analysis of the shark fin trade between Ecuador and Peru (2017-2022)

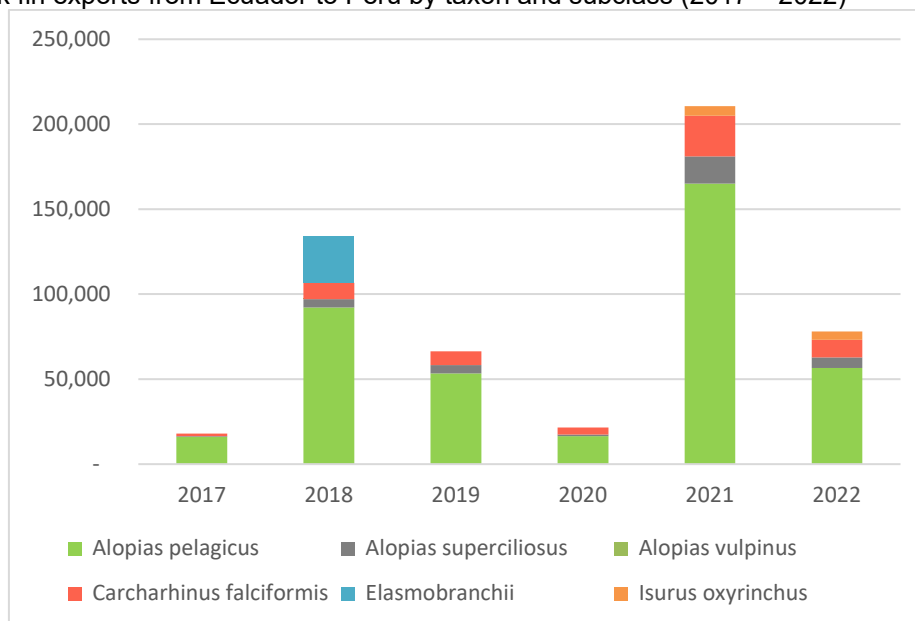
28. Peru is one of the major exporters of shark fins in the world, and the majority of its exports are sent to Asia. However, not all fins exported from Peru come from national fisheries. A large and fairly significant proportion come from Ecuador, including fins from shark species listed in CITES Appendix II. These shipments normally enter the country by road, crossing the border at Tumbes in trucks to be subsequently transported to Lima where they are usually re-exported to Asia by sea.

Figure 1: Shark fin exports from Ecuador to Peru (2017 – 2022)



29. Figure 1 shows the proportion of fins imported by Peru from Ecuador in the period 2017-2022, according to the figures shown in the CITES trade database. The increase in the trade volume of CITES-listed shark fins in 2021 is most notable. Ecuador reported an export volume of 210,558 kg, while imports registered for Peru amounted to 243,777 kg. The data shows a discrepancy of 33,219 kg between the figures reported by the two countries. Imports of shark fins from Ecuador in 2021 were ten times higher than in 2020. According to the data reported by Ecuador, volume increased by 188,984 kg., which represents an increase of almost one thousand percent compared to pre-pandemic levels. It is also important to note that the database shows no reported imports for Peru in 2019 and 2020. However, Peru argues that it reported 43826,1 kg of shark fin imports in 2019 to CITES; 29389 kg in 2020 and 216054,15 kg in 2022. More recently, it not only imports fins, but also meat. It is important to underline that the chart compares imports reported by Peru and exports reported by Ecuador.

Figure 2: Shark fin exports from Ecuador to Peru by taxon and subclass (2017 – 2022)



ESPECIES	2017	2018	2019	2020	2021	2022
Alopias pelagicus	16 145	92 127	53 439	16 422	165 042	56 681
Alopias superciliosus	296	4 925	4 863	1 087	15 999	6 152
Alopias vulpinus		0				
Carcharhinus falciformis	1 531	9 634	8 134	4 065	23 914	10 335
Elasmobranchii		27 334				
Isurus oxyrinchus					5 602	4 905
TOTAL	17 972	134 020	66 436	21 574	210 558	78 073

30. The Secretariat notes that imports for 2021 were mainly concentrated on the species *Alopias pelagicus* (thresher shark), followed by *Carcharhinus falciformis* (silky shark), *Alopias superciliosus* (common thresher) and *Isurus oxyrinchus* (shortfin makoel). All these shark species are listed in CITES Appendix II.
31. The Secretariat draws the attention of the Committee to the discrepancy in the trade volumes reported by Ecuador and Peru in 2021. Taking into consideration that these volumes come from bycatch and that directed shark fishing is prohibited in Ecuador, trade levels seem to be significantly high. With regard to the traceability and legality of shark fins in Ecuador, there are gaps along the chain of control, particularly in the case of artisanal fishery.
32. It is important to note that the NDF issued by the CITES Scientific Authority of Peru for *Alopias pelagicus* was for 12 tons in the period from September 2020 to September 2021. Peru and Ecuador share the same population of this species and, as the above figure shows, Peru imported 165,422 kg (165 tons) of this species from Ecuador in the year 2021 alone. In the case of *Alopias superciliosus*, in May 2018, the CITES Scientific Authority in Peru issued a negative NDF in view of the lack of information. Nonetheless, Peru imported 15.9 tons of dried fins of this species from Ecuador in 2021.
33. This increase in exports of shark fins from Ecuador to Peru is based on non-detrimental findings (NDFs) for this species issued by the CITES Scientific Authority in Ecuador. The first NDFs were issued by Ecuador in the first quarter of 2018, with a one-year validity, for the species *Carcharhinus falciformis*, *Alopias pelagicus*, *Alopias superciliosus* and *Alopias vulpinus*, and failed to recommend annual export limits to ensure that exports would not be detrimental to the populations of the species concerned. In October 2020, the CITES Scientific Authority in Ecuador issued an NDF for *Carcharhinus falciformis*, *Alopias pelagicus*, *Alopias superciliosus* and *Isurus oxyrinchus* for a period of three years, failing to recommend annual export limits to ensure that exports would not be detrimental to the populations of the species concerned.
34. Accordingly, it is essential that Ecuador establish catch and trade quotas for shark bycatch immediately. The Secretariat emphasizes that, unlike fisheries, CITES does not differentiate between the concept of “bycatch” and catch. It is also worth noting that the concept of using the economic value of fisheries as the sole indicator in prioritization is insufficient, given that it encompasses solely the essentially extractivist, socioeconomic dimension and disregards the environmental aspect. For example, this is the case of anchovies in Peru and

tuna species in Ecuador, which are priority species, while sharks are relegated to a very marginal position among the priorities of fishery management.

35. With regard to combatting illegal trade, during the visit to Manta, the Secretariat became aware of the complex security situation in the country. Various actors described how the majority of artisanal fisherfolk live in poverty and some of them are victims of criminal organizations involved in drug trafficking and other illegal activities. The modus operandi of these criminal organizations involves recruiting young people from fishing communities to persuade and recruit artisanal fisherfolk to participate in illegal activities.
36. The time constraints of the mission meant that some matters were not discussed in detail. Nonetheless, capacity-building for CITES authorities is an important aspect. Also, the Secretariat believes that cooperation with neighbouring countries is crucial and could be achieved within the framework of the Regional Fisheries Management Organizations (RFMOs). Such cooperation could include sharing scientific information and intelligence to combat illegal trade. Ecuador and Peru could carry out joint inspections at shared borders and discuss the problem of cross-border transport of shark bodies and fins in the framework of bilateral commissions.
37. With regard to Peru, on 29<sup>th</sup> August 2023, FAO and CITES met with the Peruvian management, scientific and customs authorities. The coordination meeting was held as a hybrid meeting (in-person and online participants) at the headquarters of the Ministry of the Environment (MINAM). The 14 participants included representatives from the Directorate of Ecosystems and Species Conservation within MINAM, Directorate of Supervision and Control and the Directorate of Extraction for Direct and Indirect Human Consumption within the Ministry of Production (PRODUCE), the National Customs Authority and Tax Administration (SUNAT), and FAO representatives.
38. The meeting dealt with the following matters:
  - a) legal assistance in implementing CITES for hydrobiological species;
  - b) control of transit and trans-shipment of CITES-listed species; and
  - c) other relevant matters.

#### Legal assistance in implementing CITES for hydrobiological species

39. PRODUCE provided some background on the reasons for requesting legal assistance from the CITES Secretariat. As a result of a Supreme Decree that obliges the State to carry out a legal review in order to establish the requirements and documentation to be submitted to government agencies for certain commercial transactions, PRODUCE initiated and is currently carrying out a review of applicable legislation for the purpose of identifying gaps and needs for improvement. PRODUCE found a loophole relating to CITES procedures and documents. The national CITES legislation from 2005 merely reproduces the Convention text and fails to specify which documents applicants should submit to the government agency. Accordingly, applicants seem to have been granted a broad margin of discretion, and submit a diversity of documents to support their application.
40. PRODUCE has attempted to regulate CITES procedures through draft amendment 2020 to the General Fishery Regulation, which was pre-published for public input. However, the Ministry of Economy and Finance (MEF) made some observations on the proposal, in view of the fact that such requirements would mean further barriers to trade. Therefore, PRODUCE is using the enabling framework established by the Supreme Decree to reformulate the proposed amendment. The aim is to draw up a regulation that will list the required documents, e. g., in the case of shark species, a taxonomist's certificate to certify the shark species in question. The main concern is a possible lack of support from the MEF, and the possibility of notifying the World Trade Organization of this situation, as has already been discussed with the CITES Secretariat.
41. PRODUCE has set up a digital "CITES Register" to control applicant identity and the documents submitted to support applications for CITES permits. This has enabled them to eliminate duplicates and to register all relevant documentation compiled over the past five years in an Excel file. Nonetheless, the register needs to be further developed to make it a traceability system or application that guarantees that all documents will be monitored from point-of-collection to point-of-trade, and that all government agencies concerned have access to and register all relevant documents in the system, which could also be linked to other regional systems. PRODUCE expressed its concern about artisanal fisheries, which often have no documentation and are not registered. PRODUCE also reported that there is a Certificate of Shark Landing that is issued

for every shark landing from industrial and artisanal fishing vessels. These certificates are controlled by PRODUCE inspectors.

#### Control and enforcement regarding transit and trans-shipment of CITES-listed species

42. The National Customs Authority and Tax Administration (SUNAT) reported that, since 2017-2018, there has been a major problem with the export of large amounts of fins and products of shark species listed in CITES Appendix II with no controls by PRODUCE of the trans-shipment and transit of these CITES-listed shark species. SUNAT asked PRODUCE to allow SUNAT to take control of the situation but did not receive any support. PRODUCE reported that it controls trans-shipment and transit under applicable legislation No. 016 of 2016 by requiring information, including CITES permits, from vessels in transit in Peru but, according to that legislation, PRODUCE cannot take any further enforcement action such as seizing CITES-listed species.
43. FAO experts clarified that the requirements of the Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing (PSMA) apply to foreign fishing vessels entering Peruvian ports, even if they are in transit. Therefore, port inspectors of Peru can follow the procedures set out in Annex B of the PSMA and require from foreign fishing vessels the documentation listed there, including CITES permits. Next, the inspector can verify whether the fishing licence of the inspected vessel allows it to catch the CITES-listed species concerned. For this reason, it is important for all inspections to be carried out in coordination between different authorities in charge of ensuring compliance and both the PSMA and CITES.
44. SUNAT reiterated the need to have the support of PRODUCE to be able to require CITES documents, given that such controls are not currently performed by PRODUCE, which is the CITES Management Authority. SUNAT reported the problem of receiving large amounts of sharks from Ecuador which are in transit or trans-shipment in Peru. SUNAT highlighted that these transactions should be controlled jointly by PRODUCE and SUNAT (with its customs intelligence and considering the financial aspects of international trade) not only requiring documentation from vessels under applicable national legislation but also seizing specimens of sharks and other products in cases of non-compliance. The current situation implies a risk for Peru, which is used as a transit State for illegally traded CITES-listed species.
45. SUNAT reported that seizures of timber species have been made in cooperation with the National Forest and Wildlife Service (SERFOR), the CITES Management Authority for plant species, and reiterated that this cooperation should also exist with PRODUCE for hydrobiological species. Since 2022, SUNAT has taken steps to work in coordination with PRODUCE on this issue, with no response.

#### Other matters

46. After the coordination meeting, MINAM shared other issues related to the making of non-detriment findings (NDFs) for some shark species caught by artisanal fishing vessels in areas beyond national jurisdiction.
47. Although Peru is implementing the PSMA and therefore port inspectors can require information, including CITES permits, from foreign fishing vessels in transit or trans-shipment in Peruvian ports, the current national legislative framework neither allows nor requires port inspectors to seize fish or fish products from vessels not in compliance with CITES requirements.
48. The requirement of CITES to confiscate CITES-listed species and their products that are internationally traded in violation of the Convention only applies to species and products from Peru. The question was raised of whether it was possible to seize species and products belonging to a foreign fishing vessel that is only in Peru in transit or trans-shipment. It is up to Peru to develop national legislation that provides for confiscation in these cases.
49. Compliance with the requirements of the PSMA and CITES requires a coordinated effort between relevant national government bodies to protect the general interests of the State in the fight against illegal, unreported and unregulated fishing and ensure that international trade is not detrimental to CITES-listed species. Therefore, as a Party to the PSMA and CITES, it is essential for Peru to ensure effective coordination between PRODUCE and SUNAT or other institutions directly or indirectly involved in the system for the surveillance, control and monitoring of fishing activities.



### Conclusions and next steps to take by Peruvian authorities

50. PRODUCE will complete the road map of activities and will send it to FAO and the CITES Secretariat to capitalize on the legal assistance provided under the framework of FAO-CITES collaboration. In addition, PRODUCE noted the need to formally produce a document clearly stating its commitment to ensure that, during PSMA procedures, inspectors require CITES documents when applicable from fishing vessels and fishing support vessels with foreign flags requesting access to and use of Peruvian ports and, if CITES permits are not provided, notify the flag State of this so that it can take necessary action against the ship flying its flag.
51. MINAM will facilitate and support another coordination meeting with PRODUCE and SUNAT to follow up on the necessary discussions and activities. FAO will review the information compiled during the coordination meeting and develop recommendations that can be considered to help address the legal issues raised and will internally explore options to operationalize the legal assistance.

### Main observations from technical mission

52. The Secretariat commends the Ecuadorian and Peruvian authorities for all their efforts to establish regulatory frameworks that could serve as models for other States in the process of developing management and monitoring systems for the whole chain of control for marine species from vessel departure, catch, landing controls, till mobilization of the fishery product.
53. During the technical mission in Ecuador in May 2023, the Secretariat noted the strengths described in previous paragraphs, but also significant challenges relating to the management and regulation of international and cross-border trade of sharks and other marine species such as CITES-listed sea cucumbers. For example, the Secretariat expressed its concern about the institutional conditions in which the Scientific Authority of Ecuador is working, lacking the staff, equipment and funding to make NDFs. Also, CITES authorities and fisheries authorities are expected to work in coordination to make legal acquisition findings and non-detriment findings for all CITES-listed shark species.
54. The Secretariat believes that the traceability system (chain of control) should be strengthened in order to guarantee the traceability and legality of shark specimens, from point of departure to point of landing. The major challenge lies in establishing a system that meets the needs of artisanal fisheries with little financial and technological capacity, which seem to evade controls, with specimens sometimes arriving at port of landing with no traceability whatsoever.
55. It is the Secretariat's understanding that the main reason for Ecuador exporting shark specimens to Peru for subsequent shipment to international markets, mainly in Asia, is because shipping companies refuse to transport shark products directly from Ecuador. However, the Secretariat was unable to confirm with the shipping companies that this was the case or to find out the possible reasons for this being the chosen method.
56. Further, the Secretariat believes that the legality of trade should be closely linked to the issuing of NDFs. Currently, controls might be lax at some cross-border inspection posts, and the shortcomings of current legislation mean loopholes that national and foreign agents in the shark trade take advantage of to export shark fins and specimens, as well as other marine species.
57. Considering the context described and the needs identified in previous paragraphs, the Secretariat invites Parties and other potential donors or cooperating partners to provide financial and technical support to Ecuador. Any such support can be channelled through the Compliance Assistance Programme (CAP) presented in document SC77 Doc.24.

### Recommendations

58. In light of the above, the Standing Committee may wish to consider the following recommendations:

#### *Regarding management of trade in shark specimens*

- a) Parties shall suspend trade in specimens of shark species until such time as Ecuador has set down requirements for bycatch, determined exact fishing capacity and bycatch limits, and established catch and trade quotas for sharks based on available scientific data.

- b) The Standing Committee encourages all importing Parties to inform the Secretariat of the volumes of CITES-listed shark specimens imported from Ecuador since the listings in Appendix II came into force.
- c) Ecuador shall strengthen CITES Scientific Authorities by developing their capacities and providing them with sufficient resources to carry out their work, including a population survey of internationally-traded sharks and other CITES-listed aquatic species for the purpose of making NDFs and establishing annual export quotas before authorizing any trade of specimens of CITES-listed shark species.

*Regarding legislation and the fight against fraud*

- d) Ecuador and Peru shall strengthen their regulatory frameworks for the management and trade of aquatic species in order to address the gaps and shortcomings described in this document.
  - e) Ecuador and Peru shall undertake an assessment of the capacities, mandates and needs of the competent authorities in the fight against illegal trade, in order to strengthen the control of illegal trade in CITES-listed aquatic species and the fight against transnational organized crime related to the illegal trade in sharks and other aquatic species. Based on this assessment, Ecuador and Peru shall strengthen the capacities of crime-fighting services in order to increase CITES controls, based on risk management strategies, including controls at border-crossing points, and to combat transnational organized crime involving fisheries.
  - f) Ecuador and Peru shall create a binational platform for cooperation and coordination among the competent authorities involved in the fight against crime, in order to strengthen the monitoring of trade in CITES-listed species and combat transnational organized crime related to fishing activities, in accordance with paragraphs 9 a) and b), and Annex 3 of Resolution Conf. 11.3 (Rev. CoP19) on *Compliance and enforcement*.
  - g) Ecuador and Peru shall encourage companies to use innovative technologies to track and monitor vessels, and shall adopt best practices to avoid fishery obtained from illegal fishing or illegal exploitation or illegally traded catch entering their supply chains.

*Regarding trade between Ecuador and Peru*

- h) The Standing Committee is invited to request the Secretariat to continue monitoring this case and to make recommendations to the Standing Committee. The Secretariat shall continue to maintain close contact with Ecuador and Peru and to strengthen cooperation on this case, and shall seek an invitation from Peru to provide in-country assistance, conduct a technical assessment and a fact-finding mission to understand how CITES authorities are ensuring that shark specimens and specimens of other aquatic species are legally acquired, imported and re-exported, in compliance with CITES. Subject to the availability of external funds and human resources to conduct that work, the Secretariat shall present its findings and recommendations to the forthcoming Standing Committee meetings.

*Regarding reporting*

- i) Ecuador and Peru shall report to the Secretariat on progress made in the implementation of these recommendations 90 days before the 78th meeting of the Standing Committee (SC78), to enable the Secretariat to submit its report and input to the Standing Committee.

SHARK FINS EXPORTED FROM ECUADOR TO PERU BY TAXON AND SUBCLASS (2017 – 2022)

Year	App.	Taxon	Family	Genus	Importer	Exporter	Importer reported quantity	Exporter reported quantity	Term	Unit	Purpose	Source
2017	II	Alopias pelagicus	Alopiidae	Alopias	PE	EC		14029	fins	kg	T	O
2017	II	Alopias pelagicus	Alopiidae	Alopias	PE	EC	2116	2116	fins	kg	T	W
2017	II	Alopias superciliosus	Alopiidae	Alopias	PE	EC		252	fins	kg	T	O
2017	II	Alopias superciliosus	Alopiidae	Alopias	PE	EC	44	44	fins	kg	T	W
2017	II	Carcharhinus falciformis	Carcharhinidae	Carcharhinus	PE	EC		1530,5	fins	kg	T	O
2018	II	Alopias pelagicus	Alopiidae	Alopias	PE	EC		86830,7	fins	kg	T	O
2018	II	Alopias pelagicus	Alopiidae	Alopias	PE	EC	92645,2	5296	fins	kg	T	W
2018	II	Alopias superciliosus	Alopiidae	Alopias	PE	EC		4782	fins	kg	T	O
2018	II	Alopias superciliosus	Alopiidae	Alopias	PE	EC	8669	143	fins	kg	T	W
2018	II	Alopias vulpinus	Alopiidae	Alopias	PE	EC		0,1	fins	kg	T	O
2018	II	Alopias vulpinus	Alopiidae	Alopias	PE	EC	0,1		fins	kg	T	W
2018	II	Carcharhinus falciformis	Carcharhinidae	Carcharhinus	PE	EC		8714,1	fins	kg	T	O
2018	II	Carcharhinus falciformis	Carcharhinidae	Carcharhinus	PE	EC	11158,8	920	fins	kg	T	W
2018	II	Elasmobranchii			PE	EC		27333,7	fins	kg	T	O
2019	II	Alopias pelagicus	Alopiidae	Alopias	PE	EC		53439,1	fins	kg	T	W
2019	II	Alopias superciliosus	Alopiidae	Alopias	PE	EC		4862,7	fins	kg	T	W
2019	II	Carcharhinus falciformis	Carcharhinidae	Carcharhinus	PE	EC		8134,3	fins	kg	T	W
2020	II	Alopias pelagicus	Alopiidae	Alopias	PE	EC		16422	fins	kg	T	W
2020	II	Alopias superciliosus	Alopiidae	Alopias	PE	EC		1087	fins	kg	T	W
2020	II	Carcharhinus falciformis	Carcharhinidae	Carcharhinus	PE	EC		4065	fins	kg	T	W
2021	II	Alopias pelagicus	Alopiidae	Alopias	PE	EC	187406,68	165041,8	fins	kg	T	W
2021	II	Alopias superciliosus	Alopiidae	Alopias	PE	EC	20087,67	15999,35	fins	kg	T	W
2021	II	Carcharhinus falciformis	Carcharhinidae	Carcharhinus	PE	EC	30493,8	23914,45	fins	kg	T	W
2021	II	Isurus oxyrinchus	Lamnidae	Isurus	PE	EC	5788,52	5602,15	fins	kg	T	W

2022	II	Alopias pelagicus	Alopiidae	Alopias	PE	EC		56681,3	fins	kg	T	W
2022	II	Alopias superciliosus	Alopiidae	Alopias	PE	EC		6152,1	fins	kg	T	W
2022	II	Carcharhinus falciformis	Carcharhinidae	Carcharhinus	PE	EC		10335,1	fins	kg	T	W
2022	II	Isurus oxyrinchus	Lamnidae	Isurus	PE	EC		2452,45	fins	kg	T	W
2022	II	Isurus oxyrinchus	Lamnidae	Isurus	PE	EC		2452,45	fins	kg	T	W