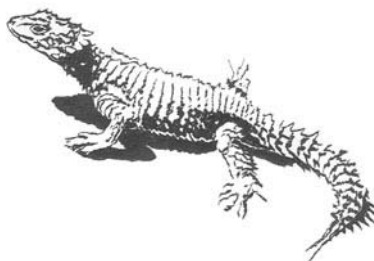


CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES
OF WILD FAUNA AND FLORA



Twentieth meeting of the Animals Committee
Johannesburg (South Africa), 29 March-2 April 2004

Review of Significant Trade in specimens of Appendix-II species
(Resolution Conf. 12.8 and Decision 12.75)

EVALUATION OF THE REVIEW OF SIGNIFICANT TRADE

1. This document has been prepared by the working group on the Review of Significant Trade in specimens of Appendix-II species.
2. At its 12th meeting (Santiago, 2002), the Conference of the Parties adopted Decision 12.75 regarding the evaluation of the Review of Significant Trade, directed to the Animals and Plants Committees, stating that:

The Animals and Plants Committees shall draft terms of reference for an evaluation of the Review of Significant Trade, to be considered at the 13th meeting of the Conference of the Parties.
3. To assist the Animals and Plants Committees in their implementation of Decision 12.75, the Secretariat drafted Terms of Reference (ToR) for an evaluation of the Review of Significant Trade for consideration of both Committees (see the Annex to this document).
4. The draft ToR were considered respectively by working groups at the 13th and 19th meetings of the Plants and Animals Committees (Geneva, August 2003). Both working groups agreed that comments on the draft should be submitted in writing and the observers from the United Kingdom of Great Britain and Northern Ireland and the European Commission were designated as the recipients for such comments. These observers subsequently agreed to produce a single revised draft.
5. Comments were received from the Plants Committee Regional Representatives for North America and Oceania as well as from the observers from the Russian Federation, the United States of America and TRAFFIC International. A revised draft was prepared which attempts to take these comments into account and this is attached, together with the comments.
6. The working group would like to draw the attention of both Committees particularly to the following points:
 - a) Opinion was divided on the need to address the impact of trade on non-CITES listed species. The revised draft provides for their being considered but this would require the approval of the Committees and the Conference of the Parties.

- b) Questions were raised both in the working groups and in the comments about the use of such terms as 'efficiency' and 'cost-effectiveness'. However, as TRAFFIC suggested, there are valid efficiency and cost considerations that could be addressed by the evaluation, such as whether or not the funds spent on the process give value for money comparable to that for other CITES activities, and whether the timescale envisaged in the process is too long for species that are in rapid decline.
- c) Similarly, without prejudice to consideration of any wider socio-economic issues that pertain to regulation of wildlife trade, there are economic considerations that might have direct conservation impacts and that should be taken into account in the evaluation, such as shifts in demand to species not under review or increased incentives to trade illegally in species under review owing to higher prices.

Draft Terms of Reference
Evaluation of the Review of Significant Trade

Objectives

1. The objectives of the evaluation of the Review of Significant Trade are to:
 - a) evaluate the contribution of the Review of Significant Trade to the implementation of Article IV, paragraphs 2 (a), 3 and 6 (a)¹;
 - b) assess the impact over time of the actions taken in the context of the Review of Significant Trade on the trade and conservation status of species selected for review and subject to recommendations, taking into consideration the possible effects of these measures on other CITES-listed species;
 - c) formulate recommendations in view of the results and findings of the evaluation and the impact assessment; and
 - d) prepare a document on the evaluation of the Review of Significant Trade and the resulting conclusions and recommendations, for consideration at the first appropriate meeting of the Conference of the Parties.

Process

2. The evaluation will commence after the 13th meeting of the Conference of the Parties, contingent on the availability of sufficient funds to ensure its completion². Evaluation of the process with respect to plants or the country based review will not commence until after the 14th meeting of the Conference of the Parties.
3. The Animals and Plants Committees will oversee the evaluation, which will be administered by the Secretariat. Consultants may be engaged to assist it in this regard³.
4. A working group composed of members of the Animals and Plants Committees, Parties and invited experts will⁴ be responsible for advising on the evaluation process, reviewing the findings of associated research and developing recommendations for wider consideration by the Parties.
5. The Secretariat will regularly report on the progress of the evaluation at meetings of the Animals and Plants Committees.
6. A final report, which may include proposed amendments to existing Resolutions or Decisions, or other recommendations, and that will incorporate the comments of the Animals and Plants

¹ TRAFFIC and the United States of America took different views here. We concluded that there was scope for accommodating TRAFFICs' concerns in paragraph 7 and we have adopted the wording of the United States of America here.

² This formulation takes account of the wish of the Animals Committee to get started as soon as possible, while endeavouring also to accommodate the concern of the United States of America that funds might run out before the situation regarding plants or the country review could be taken into account.

³ This reflects the spirit of the comments of the United States of America while acknowledging the functional role of the Secretariat.

⁴ Wording of the United States of America adopted here.

Committees and of range States referenced in the report⁵, will be submitted by the Chair of the Animals and Plants Committees [or by the Secretariat on their behalf] for consideration at a future meeting of the Conference of the Parties. Before then the Chairman of the Animals Committee may however submit an interim report at an intervening meeting of the Conference of the Parties if this is considered useful.

Content of the evaluation

7. The evaluation of the Review of Significant Trade should include the following activities:

a) Assess:

- i) the process used to select species for review (including the reliance on numerical data)⁶, and the species selected as a result;
- ii) the process used to compile and review information concerning the implementation of Article IV, paragraphs 2 (a), 3 and 6 (a) for the selected species (including communications with the range States), and the subsequent use of this information by the Animals and Plants Committees for the categorization of species and the issuance of recommendations⁷;
- iii) the types and frequency of recommendations made;
- iv) the nature and rate of responses to recommendations, and problems identified;
- v) the use of the recommendations by range States as guidance for managing target species and other [CITES-listed]⁸ species with similar characteristics;
- vi) the nature and scale of the support provided to range States for implementing the recommendations, including field projects;
- vii) the ongoing process to monitor and review the implementation of recommendations; and
- viii) the impacts of the process on other aspects of CITES implementation, including how problems identified in the course of the review but not directly related to the implementation of Article IV, paragraphs 2 (a), 3 and 6 (a) were addressed.

b) Conduct case studies of a representative range of species⁹ and countries subject to recommendations to assess subsequent short- and long-term changes in:

- i) conservation status of the target taxa in the range States¹⁰;

⁵ This is based on a suggestion of the United States of America.

⁶ Based on Mexico's concerns.

⁷ Wording of the United States of America used here without the references to Resolution Conf. 12.8 and previous decisions, which would make the paragraph very long)

⁸ We note the differing views expressed about the need to address the impact on non-listed species. This matter will have to be revisited by the Committees but, should a decision be taken to include them, this is one of the sub-paragraphs that could be amended.

⁹ Several comments questioned the basis for selection of species for case studies. The amendment here tries to offer more guidance – "representative" should be taken as encompassing (within a short list!) geographical, taxonomic and usage characteristics.

¹⁰ Deletion suggested by the United States of America.

- ii) trade volumes and patterns of the target taxa, considering trade involving the range States subject to recommendations, other range States and non-range States;
 - iii) production or management strategies for the target taxa;
 - iv) market developments of conservation relevance (such as shifts in supply or demand)¹¹;
 - v) costs and benefits associated with the management of and trade in the target taxa (such as increased illegal trade associated with recommended suspensions);
 - vi) protection status of the target taxa within range States, and regulatory measures outside range States;
 - vii) trade patterns, conservation status and management for other [CITES-listed]¹² species that might be suitable 'substitutes' for the target taxa; and
 - viii) changes in conservation policies in range States as a result of the process¹³.
- c) Analyse the information to assess the effectiveness, costs and benefits of the Review of Significant Trade as implemented so far, by reference to the cost of the process, the time it takes, and identify means to improve the contribution it makes to the objectives of the Convention, by reducing the threats to wild species, particularly to Appendix-II species¹⁴.

¹¹ The comment from the United States of America was noted but rather than deleting this sub-paragraph, an alternative wording offering an explanation is suggested as paragraph 7.b)(ii) does not make this issue sufficiently clear.

¹² See footnote 8.

¹³ The modification of (b)(iv) required policy issues to be dealt with separately in the interest of clarity.

¹⁴ A compromise wording to address conflicting concerns of the United States of America and TRAFFIC. It was felt that some assessment of costs and benefits was necessary to deal with issues such as the length of the process (where the decline in population is faster) and 'value for money' (relative to, say, spending it on capacity building or *in situ* projects).

Annex I

Comments by the Plants Committee's regional representative of North America

In relation to the revision of the draft terms of reference for the evaluation of the Significant Trade Process (PC13 Doc. 12.1), Mexico would like to point out three issues that seem important to be included in this document.

1. It is important that the terms of reference reflect clearly that the Plant Committee is, by the mandate of the parties, in charge of coordinating the Significant Trade Process, with the support of the Secretariat.
2. Although the evaluation of the Significant Trade Process in plants should be done, it is important to wait until we get the results of one whole process. In other words, the Plant Committee should be evaluating the relevance and importance of a Significant Trade Process, once we have finished at least the first stage/phase.
3. Some general criteria should be included for the initial selection of species within the Significant Trade Framework, besides the numerical values. We are not worried about the taxa that can be initially selected and then deleted from the list, but we are concerned that by using only numerical values, we can be missing the taxa that really deserve special attention. The numerical values are misleading and, as far as we know, this is the only criterion that is being used. Some remarks regarding this issues might include selecting appropriate criteria. For example, it is necessary to consider the origin of the specimens (e.g. wild vs. artificially propagated) and the type of taxon (e.g. columnar cacti vs. insects). The criteria should then be taxon based and really try to reflect the possible negative impact of a "high" level of extraction for exportation.

Annex II

Comments by the Plants Committee's Regional Representative for Oceania

I made an intervention at Geneva relating to 1 b) and 7 a) v) and 7 b) vii). If an action has pushed trade onto other species - then the review should consider that impact regardless of whether the new trade is in CITES or non-CITES listed species. I still believe that this should be considered in the review.

7 b) How will the species and countries be selected for the case studies? I think there should be some explicit criteria so the consultant just doesn't pick the easy ones.

7 b) iv) A bit of confusion here. Does it mean to look at shifts in marketing and policy development OR does it mean shifts in actual markets. There are 2 different aspects here and perhaps they should both be covered under separate dot points.

Annex III

Comments from the participants at AC 19 on behalf of the Russian Federation

The draft of ToR for evaluation of the Review of Significant Trade (AC 19 Doc.8.5. Annex) is acceptable to us. We trust your new draft will be based on this one and those suggestions of the other parties which will not contradict its basic provisions.

Annex IV

Comments from the participants at PC 13 and AC 19 on behalf of the United States of America

We already submitted some comments at PC13 and AC19, which are contained in the working group reports.

Below are some specific comments on the draft ToR prepared by the Secretariat.

Objectives

- Paragraph 1 a)

What do the terms "*effectiveness*" and "*efficiency*" mean?

At PC13 and AC19, Colman suggested rephrasing this objective. We support that.

Building on Colman's proposed text from PC13 and AC19, we would suggest "*Evaluate the contribution of the Review of Significant Trade to the implementation of Article IV, paragraphs 2 (a), 3 and 6 (a)*"

- Paragraph 1 d)

We are still concerned about the idea of doing the evaluation on phases, starting with the AC and then the PC, as suggested by the working group at AC19. We may run out of money while conducting the evaluation in the AC, and then never carry out the evaluation for the PC. We would prefer the approach adopted by the working group at PC13 of postponing the evaluation until after COP14 to include Phase I of Sig Trade in the PC and the first country-wide review (Madagascar).

Process

- Paragraph 2

It reiterates the statement made in paragraph 7 of the background document that the evaluation of the significant trade process will be conducted "*contingent on the availability of funds.*" Doesn't the annual CITES budget include funds specifically allocated to the Animals and Plants Committees for the Significant Trade Review process? If so, why can't some of those funds be used for the evaluation of the Significant Trade Review process? If no, then we need to develop some mechanism for raising the necessary funds. Since the NGOs at AC19 were the ones pushing for the evaluation to begin after COP13, perhaps they should provide funds for the evaluation.

- Paragraph 3

We believe that the Animals and Plants Committees are responsible for the Significant Trade Review process, and the two technical committees should be responsible for coordinating and overseeing the evaluation. Moreover, since the Secretariat is always reminding Parties that it has limited resources and time for carrying out all its activities, and given that this will be a very time-consuming exercise, it would be more appropriate for the Animals and Plants Committees to coordinate the evaluation so that the Secretariat can focus on completing the many other tasks directly assigned to it by the Parties. Therefore, we propose that paragraph 3 be amended to read as follows:

*"The ~~Secretariat~~ **Chairs of the Animals and Plants Committees** will be responsible for coordinating the evaluation and may engage consultants to assist it in this regard."*

- Paragraph 4

Following along the lines of the statement made above, we propose that paragraph 4 be amended to read as follows:

~~"The Secretariat will work in close cooperation with the Animals and the Plants Committees, which may decide to set up a A working group, composed of representatives of the Animals and the Plants Committees, Parties, and invited experts-, The working group could will be responsible for advising on the evaluation process, reviewing the findings of associated research, and developing recommendations for wider consideration by the Parties."~~

- Perhaps a new paragraph should be added asking the working group above to seek comments from range countries referenced in the report (particularly those mentioned in the case studies).

- Paragraph 5

Once the issue of the timing of the evaluation is settled, this paragraph should be consistent with the wording of paragraph 2.

- Paragraph 6

Once the issue of the timing of the evaluation is settled, this paragraph should be consistent with the wording of paragraph 2.

We also propose that it be amended to read as follows:

*"A final report, which may include proposed amendments to existing Resolutions or Decisions, or other recommendations, and that will incorporate the comments of the Animals and Plants Committees, will be submitted by the ~~Secretariat~~ **Chairs of the Animals and Plants Committees** for consideration at the ~~14th~~ __ meeting of the Conference of the Parties."*

Content of the evaluation

- Paragraph 7 a) i)

What does "types of species" mean?

- Paragraph 7 a) ii)

We propose that it be amended to read as follows:

"... the process used to compile and review information concerning the implementation of Article IV, paragraphs 2 (a), 3 and 6 (a) for the selected species (including communications with the range countries), and the subsequent use of this information by the Animals and Plants Committees for the categorization of species and range countries (according to paragraph i of Resolution Conf. 12.8, or previous categories [i.e., as paragraph g of Decision 11.106, and Decision 10.79] and issuance of recommendations";

- Paragraph 7 a) iv)

Replace "constraints" by "**problems**".

- Paragraph 7 b)

How will the "selected taxonomic groups" be chosen?

With regards to the countries used as case studies, perhaps the study should focus on the main exporting countries that participated in the CITES workshop a few years ago. However, some of these countries may object.

What about evaluating species categorized as "not threatened by trade because Party is properly implementing Article IV"? The assumption is being made that these species were properly categorized. It will be useful to learn what happened to these species to evaluate if they were incorrectly removed from the Significant Trade Review process. Thus, we suggest that this paragraph be edited to read as follows:

"Conduct case studies of selected taxonomic groups and countries ~~subject to recommendations subject to the Review of Significant Trade~~ to assess subsequent short- and longer-term changes in:"

- Paragraph 7 b) i)

We propose that it be amended to read as follows:

"conservation status of the target taxa in the range States ~~subject to recommendations~~;"

- Paragraph 7 b) iv)

It is not clear what the term "*markets*" means. It suggests an economical analysis, which we feel is outside the scope of this evaluation. If it means "*trends in wildlife trade*", then that is already covered in paragraph 7) b) ii).

We propose that it be amended to read as follows:

"~~markets and policies~~ developments"

- Paragraph 7 b) v)

What does "*costs and benefits*" mean?

As noted above, if the intent is to carry out an economical analysis, then this paragraph should be deleted as we feel that is outside the scope of this evaluation and is not relevant to the implementation of Article IV or the Review of Significant Trade.

If it means "negative and positive effects on management of and trade in the target taxa", then these would be addressed by the previous paragraphs.

Regardless, we propose that paragraph 7 b) v) be deleted from the ToR.

- Paragraph 7 b) vi)

We propose that it be amended to read as follows:

"protection status of the target taxa within range States, ~~or~~ and regulatory measures outside range States; and"

- Paragraph 7 b) vii)

We propose that it be amended to read as follows:

"trade patterns, conservation status and management for other CITES-listed and ~~non-listed~~ species that might be suitable 'substitutes' for the target taxa"

- Paragraph 7 c)

We propose that it be amended to read as follows:

Analyze the information to assess the ~~effectiveness, costs and benefits~~ importance [or whatever wording is used in the Objectives section], as well as the negative and positive effects of the Review of Significant Trade as implemented thus far, and identify means to improve the impacts, ~~effectiveness and efficiency~~ of the Review of Significant Trade in reducing the threats to wild species, and particularly to Appendix-II species, in international trade.

Annex V

Comments from the participant at AC 19 on behalf of TRAFFIC

We were generally satisfied with the draft Terms of Reference as presented by the Secretariat, so will therefore restrict our comments to issues raised during the AC19 Working Group that discussed this issue.

Objectives of the evaluation

Objective 1a

Working Group members discussed the wording of Objective 1a, and in line with a recommendation resulting from the 13th meeting of the Plants Committee (PC13), the Group considered changing this from “Evaluate the effectiveness and efficiency of the Review of Significant Trade...”, to “Evaluate the importance of the review of Significant Trade and its contribution to implementation of Article IV paragraphs 2(a), 3, and 6(a).” Given the different approach so far adopted by the PC to the process generally, it is clear that a review of the importance of the review for animals might help the PC to determine the extent to which they should implement such reviews in future. However, in the context of the review for animals at least, it is extremely important that the review evaluates the effectiveness and efficiency of the process, so as to ensure a cost-effective outcome from the process. Indeed it may be difficult to formulate recommendations, as appropriate, for further changes to the process if the effectiveness and efficiency of the process is not a specific objective of the review. Therefore, we would support retention of [evaluate the] “effectiveness” and “efficiency” in Objective 1a.

High-level scope of the review

The proposed general scope of the review is to look at it in relation to Articles 2a, 3 and 6a. The rationale for this is understandable, given the text of Resolution Conf. 12.8. However, this scope will fail to identify many of the important impacts of the process, for example, the usefulness of the process in illuminating problems under Article 2b, i.e. the legality of specimens in trade. The TOR for consultants undertaking the reviews specifically tasks them to provide available information on illegal trade. Although any remedial actions taken to address such problems identified in the review strictly fall outside the remit of the process (and hence are usually referred to the Standing Committee or addressed by the Secretariat through other mechanisms), it is nevertheless important to assess the affect of the significant trade process in this respect. Widening the scope of the review to include Article 2b, would be in support of the recommendation made by China and others (as noted in the Working Group report) to also look at the wider impact of the review on legislation, regulations and enforcement.

Inclusion of non-CITES listed species

As endorsed by the Plants Committee, TRAFFIC fully supports the inclusion of an element in the TOR to review the impacts of the process on non-listed species. Indeed we believe strongly that this review presents an important opportunity to understand in a scientific and unbiased manner how trade may shift from one species to another. We appreciate the concerns of some Parties that this would widen the scope of the review and may have cost implications. However, we believe it is essential to include at least a limited number of case studies to look at the potential impacts of the process on unlisted species, which should not have significant budget implications. This is one of the issues where for many years there have been assumptions or questions raised that once a species has been selected for review, or once (particular types of) recommendations have been made, that this has a ‘knock on effect’, positive or negative, on other CITES-listed species as well as non-listed species. Notably, concerns have been raised that the process may result in the shifting of unsustainable international trade from species listed in Appendix II to species not regulated by the Convention. Understanding this issue will put the committees in a better position to assess the likelihood of such potential impacts and to take these into consideration when making recommendations. The Working Group members voiced opinions both for and against inclusion of non-listed species in the TOR and we therefore recommend that this issue be revisited at AC20.

Content of the evaluation

The USA raised concerns that various terms (e.g. types of species, constraints, markets, etc.) lacked clarity. We are unaware of whether the USA has proposed definitions for such terms in their comments, but we will be prepared to provide input regarding the definitions of these terms at AC20 as necessary. Indeed, since it is unlikely to be appropriate to include such definitions in the actual TOR, Parties at CoP 13 may benefit from text explaining the basic elements of the TOR to prevent any misunderstandings regarding the content of the evaluation. We disagree with the comment made by the USA that assessing the costs and benefits associated with the management of and trade in the target taxa, may not be within the remit of the AC nor relevant to the evaluation. Rather it would seem critical to gain a greater understanding of when and why the process has benefited the management of the species (e.g. Caspian sturgeon species), or may even have had a negative impact (e.g. long standing recommendations from the Standing Committee to suspend imports may conversely result in a lack of incentive to sustainably manage populations or cause a switch, at least in part, from legal trade to illegal trade).

Budget for the evaluation

It was reiterated at AC19 that the evaluation will be dependent on funds being made available. Adequate and timely funding is of course critical to the 'success' and timeliness of the review. One of the Working Group recommendations was that "Parties and the Budget Committee at CoP13 are encouraged to ensure that funds are available". To ensure this is not overlooked, it may be appropriate to include a draft recommendation in the AC20 discussion document that clearly states this.

Timing of the evaluation

We support the recommendation that the review for animals should not be delayed until sufficient information is available to assess the process for plants. This, in addition to budget availability, led to the recommendation that the process should be conducted in 'phases'. Naturally, further discussion on the timing of the review will take place at the next meeting. We believe that the entire evaluation for animals should take place in a single 'phase' (i.e. at one time) to increase efficiency, to decrease the cost of conducting the review as a whole, and to allow cross comparison of case studies.