

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



Fifty-fourth meeting of the Standing Committee
Geneva (Switzerland), 2-6 October 2006

Interpretation and implementation of the Convention

Species trade and conservation issue

Timber trade

BIGLEAF MAHOGANY

1. This document has been prepared by the Secretariat.

Background

2. Trade in the Appendix-II species bigleaf mahogany (*Swietenia macrophylla*) is highly profitable and there appears to be considerable pressure on wild populations of this species from commercial timber operations. The trade also appears to involve significant levels of illegal activities and there have been many seizures of illicitly-obtained wood in both range and consumer States. The Secretariat is of the opinion that many range States currently have inadequate management and enforcement capacity to regulate the trade in a sustainable manner.

Peru

3. In April 2005, during a mission to Peru for a training event, the Secretariat learned of significant illegal activities in the country related to the harvest of and trade in bigleaf mahogany. This matter was also raised during the 15th meeting of the Plants Committee (Geneva, 2005). The Secretariat has maintained contact with the CITES Management Authority of Peru regarding trade in this species but has continued to have concerns regarding its regulation by Peru.
4. In April 2006, the Secretariat became aware of allegations that government officials in Peru had been recorded as stating that they were unable to make non-detriment or legal acquisition findings in relation to trade in bigleaf mahogany. The Secretariat wrote to the CITES Management Authority of Peru and asked it to comment on these allegations. It also requested that Peru confirm that the necessary findings, required in paragraphs 2 (a) and (b) of Article IV of the Convention, were being made prior to the issuance of permits authorizing exports of bigleaf mahogany. Peru responded that it believed it was making the necessary findings and determinations.
5. The Secretariat, however, continued to have concerns regarding this issue and, from 26 to 28 June 2006, staff of the Secretariat conducted a mission to Peru. During the mission, the staff were able to meet with a range of officials involved in the regulation of the trade in timber. The Secretariat also met with traders and visited timber operations. It learned that Peru was engaged in extensive reviews of the way in which timber operations are conducted and was investigating the conduct of logging in the concessions that have been granted. The Secretariat acquired a wide range of documents relating to the trade in bigleaf mahogany and its management.
6. There are 577 concessions spread throughout the country. Seventy-one concessions had been reviewed by the authorities at the time of the Secretariat's visit and 27 of these were found to be

failing to comply with the conditions of the concession, failing to pay the necessary fees or engaging in fraud. These operations had been closed but are likely to be auctioned to other new concession operators. The Secretariat noted that most stock assessment data were based on self-assessments by concession operators and that export quotas have tended to be determined by statistical inferences drawn on previous harvests. The Secretariat concluded that the current level of exports is unsustainable.

7. The Secretariat noted that there is no mandatory or other system in place to distinguish clearly between timber of legal and illegal origin. Enforcement resources were seen to be limited and it was also noted that the penalties that have been imposed for illegal activities are very low and there seemed little to deter persons from engaging in illegal logging and trade.
8. In addition to the illegal harvesting that takes place in Peru, there is also evidence of timber of illegal origin being smuggled from neighbouring countries with the intention of it being 'laundered' through timber operations based in Peru and subsequently exported using fraudulently obtained CITES permits.
9. Although the Secretariat acknowledges that Peru is taking action to improve its controls, it is of the opinion that the current situation is very serious and that, to a significant extent, officials are unable to comply with the requirements of Article IV, paragraph 2 (a) and (b). Consequently, it believes that many export permits that have been, and are being, issued are invalid.

Review of Significant Trade

10. At its 16th meeting (Lima, July 2006), the Plants Committee discussed trade in bigleaf mahogany. The Committee had before it considerable information that indicated that this trade meets the criteria established in Resolution Conf. 12.8 (Rev. CoP13) (Review of Significant Trade in specimens of Appendix-II species) for the species to be included in the Review of Significant Trade. However, the Committee decided not to include this species in the Review but, instead, formulated a number of recommendations directed at Parties, the Standing Committee, the Plants Committee and the Secretariat.
11. The Secretariat is of the opinion that there are clearly concerns about the implementation of Article IV, paragraphs 2 (a) and (b) and 3 in relation to trade in bigleaf mahogany and that consequently this species should be subject to the Review of Significant Trade. It believes that the difficulties observed in Peru are not uncommon in range States of bigleaf mahogany and that trade in this species is adversely affecting some populations. Whilst the Secretariat does not necessarily disagree with the recommendations made by the Plants Committee, it believes firmly that it is important that recommendations relating to this species should be made through the Review of Significant Trade to give them the authority that is needed to ensure proper regulation of the trade. It would also provide for the Standing Committee to review implementation of the recommendations and take action, if necessary, in the case of non-compliance.

Recommendations

12. In view of the mission's findings in relation to Peru, the Secretariat suggests that the Standing Committee recommend that, until further notice, Parties not authorize the import of specimens of bigleaf mahogany from Peru. It suggests that this recommendation remain in force until Peru has taken action to improve its regulation of trade in this species and until such improvement has been assessed by *in situ* verification by the Secretariat. In the meantime, the Secretariat will work with Peru to improve its capacity and help develop adequate management and enforcement regimes. It also suggests that the Standing Committee encourage relevant governments and organizations to assist Peru in developing its capacity, especially since the necessary activities could act as a model for other range States. If the Standing Committee accepts this recommendation, the Secretariat suggests that progress be reviewed at the Committee's 55th meeting, immediately prior to the 14th meeting of the Conference of the Parties.

13. The Secretariat suggests that the Standing Committee request the Plants Committee to reconsider its decision and encourage the Plants Committee to include trade in bigleaf mahogany in the Review of Significant Trade, in accordance with paragraph c) of the section 'Selection of species to be reviewed' in Resolution Conf. 12.8 (Rev. CoP13). If the Plants Committee agrees to do so, it could make such a decision by postal procedure, so that work can begin on this subject in 2006.