

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



Fifty-eighth meeting of the Standing Committee
Geneva (Switzerland), 6-10 July 2009

Interpretation and implementation of the Convention

Compliance and enforcement

RANCHING OPERATIONS

1. This document has been prepared by the Secretariat. It primarily addresses ranching operations in Madagascar.

Background

2. The population of the Nile crocodile (*Crocodylus niloticus*) in Madagascar was transferred to Appendix II at the fifth meeting of the Conference of the Parties (Buenos Aires, 1985), subject to an annual export quota of 1,000 wild-taken skins. The same quota for wild specimens was continued through 1989. At its seventh meeting (Lausanne, 1989), the Conference of the Parties agreed that future quotas would come from ranched rather than wild specimens. No quota for wild-taken skins was therefore set for 1990 or 1991 and a zero quota for ranched skins was set for 1990, to allow for the establishment of Madagascar's ranching operations. Based on the expected production of those operations, a quota of 2,000 ranched skins was set for 1991 and a quota of 4,000 ranched skins was set for 1992. A quota for 100 wild nuisance specimens was added to the quota for ranched specimens at the eighth meeting of the Conference of the Parties (Kyoto, 1992) and this quota for wild nuisance specimens was increased to 200 at the ninth meeting of the Conference of the Parties (Fort Lauderdale, 1994). At its 10th meeting (CoP10, Harare, 1997), the Conference of the Parties agreed to maintain Madagascar's population of *C. niloticus* in Appendix II for ranching, in accordance with the requirements of Resolution Conf. 3.15 on *Ranching* and paragraph B 2. e) of Annex 4 to Resolution Conf. 9.24 on *Criteria for Amendment of Appendices I and II* [now paragraph d) of Annex 4 to Resolution Conf. 9.24 (Rev. CoP14)]. Thereafter, Madagascar was free to authorize exports in accordance with its ranching programme.
3. At CoP10, Resolution Conf. 3.15 was repealed by Resolution Conf. 10.18 on *Ranching and trade in ranched specimens* which was then repealed at the 11th meeting of the Conference of the Parties (Gigiri, 2000) by Resolution Conf. 11.16 on *Ranching and trade in ranched specimens of species transferred from Appendix I to Appendix II*. Revisions to that Resolution were adopted at the 14th meeting of the Conference of the Parties (The Hague, 2007) resulting in Resolution Conf. 11.16 (Rev. CoP14).
4. In its document to the 57th meeting of the Standing Committee (SC57, Geneva, July 2008), the Secretariat summarized a series of actions that had been taken in relation to ranching operations in Madagascar (see document SC57 Doc. 22) since 2006. Relevant text from that document has been reproduced below for ease of reference.
 2. *Global crocodile ranching programmes were reviewed at the 22nd meeting of the Animals Committee (Lima, July 2006), and Madagascar's compliance with the provisions of Resolution Conf. 11.16 was discussed at the 54th meeting of the Standing Committee (Geneva, October 2006). In view of concerns that ranching could be used to disguise or*

launder skins of adult crocodiles harvested from the wild, and the perceived deficiencies in monitoring wild crocodile populations, inspecting ranching operations and controlling exports of crocodile skins, the Standing Committee endorsed the Secretariat's proposal to visit and examine the ranching operations for C. niloticus in Madagascar.

3. *The Secretariat undertook a mission to Madagascar in late 2006. The mission confirmed that Madagascar did not fully comply with certain provisions of Resolution Conf. 11.16, and that the controls of the farming operations had been insufficient to prevent abuses. While several initiatives had been taken to improve the situation, the Secretariat's mission concluded that the existing Strategy and Management Plan for Crocodiles in Madagascar, drafted in 2004, should be updated and effectively implemented as soon as possible. It offered a number of suggestions to strengthen the Strategy and its implementation, and formulated specific recommendations on Madagascar's ranching programme. The summary findings of the mission were presented at the 55th meeting of the Standing Committee (SC55, The Hague, June 2007) in document SC55 Doc. 13, Annex 2.*
4. *Unfortunately, the Committee was unable to complete the consideration of all items in its agenda at that meeting and resolved to review document SC55 Doc. 13 through a postal procedure.*
5. *Subsequently, the Standing Committee discussed the issues that remained from the agenda and agreed to the following:*
 - a) *to request Madagascar to put into effect the recommendations concerning ranching of the Nile crocodile *Crocodylus niloticus* in Madagascar and compliance with Resolution Conf. 11.16 (Rev. CoP14) that are presented in Annex 1 to document SC55 Doc. 13;*
 - b) *to recommend that Madagascar, in implementing the annual-reporting recommendations of Resolution Conf. 11.16 (Rev. CoP14), provide well-documented information on progress in implementing the recommendations in Annex 1 to document SC55 Doc. 13;*
 - c) *to review the reports of Madagascar at SC57 and SC58; and*
 - d) *to recommend that Parties allow the import of specimens of *C. niloticus* from Madagascar only if they are part of an annual export quota published on the CITES website.*
6. *The above-mentioned decisions of the Standing Committee were communicated to the Parties through Notification to the Parties No. 2008/004 of 28 January 2008.*

5. As part of its progress report to SC57, Madagascar submitted a work plan for 2007-2010 summarizing the actions that it had taken and planned to take in response to the SC55 recommendations (see the Annex to document SC57 Doc. 22). It also submitted two other documents containing more details on its implementation activities (see documents SC57 Inf. 5 and SC57 Inf. 10). The Standing Committee noted the progress made by Madagascar in implementing the recommendations, and Madagascar assured the Committee of its wish to comply with the Committee's recommendations in time for SC58.
6. Madagascar has reported regularly to the Secretariat on developments since SC57, as reflected in the paragraphs below. On 30 December 2008, it wrote to seek clarification about the reporting required for SC58. Its progress report on the implementation of its work plan for 2007-2010 was sent on 7 May 2009 and is contained in Annex 1 to this document (in French, the language in which it was submitted). Information on Madagascar's activities under the 2007-2010 work plan is also included in the regional report for Africa to the 24th meeting of the Animals Committee (Geneva, April 2009).

Implementation of SC55 recommendations

7. Madagascar developed its work plan for 2007-2010 using as a basis the recommendations contained in document SC55 Doc. 13. Its reports at SC57 and the present meeting, which have been fairly

detailed, show that some recommendations have been completed, some are now being implemented and a few are still pending action. It seems that several recommendations can only be initiated after the completion of other prerequisite recommendations. The political uncertainty that has prevailed in Madagascar since January 2009 and the unpredictability of financial and institutional resources may have slowed progress on implementation of the work plan.

8. A summary of Madagascar's implementation efforts, derived from its reports to and communications with the Secretariat as of 7 May 2009, is provided below. The headings have been taken from Annex 1 to document SC55 Doc. 13. Additional information received after 7 May 2009 will be included in the Secretariat's oral report.

Concerning general management of *C. niloticus*

9. According to the latest work plan, the 2004 *Strategy and Management Plan for Crocodiles* is being updated by the IUCN-SSC Crocodile Specialist Group (CSG) and will then be revised by both the Government of Madagascar and CSG. Related actions are apparently underway but have not yet been completed. Nonetheless, the work plan itself seems to contain the key elements that were to be addressed by revisions to the *Plan* (e.g. a timeframe for the execution of different components, the specific roles and inputs of government agencies and stakeholders, the resources available to enact the plan and measurable indicators of progress or success). The work plan also appears to provide for the collection of relevant data that would then be used to revise the 2004 *Plan*. While revising the 2004 *Plan*, Madagascar may address other work plan activities (i.e. provision for the regular revision of its crocodile policy as well as guidelines and associated activities to ensure that the ranching programme and harvesting of wild crocodiles are beneficial to the conservation of *C. niloticus*).
10. On 18 September 2008, the Secretariat received a signed copy of the 9 July 2008 decision of the Minister of Environment, Water, Forests and Tourism creating a National Crocodile Committee within the Directorate General of Environment, Water and Forests (see Annex 2 to this document, in French, the language in which it was submitted). The CITES Management Authority is designated as chair of the Committee and its members include the Director of Natural Resource Valuation, the Chief of the Species Management Service, the Scientific Authority for fauna, CSG-International, CSG-Madagascar, three ranching operations and two associations of artisans. The Committee is to meet every three months, and otherwise to communicate through electronic mail, in order to supervise the financing and implementation of planned actions. It seems that the Committee already met in July and October 2008.
11. In addition to the above, activities have been undertaken in relation to: regional approaches for managing crocodiles that are adapted to local circumstances (e.g. compilation and analysis of historic data on egg collection and the harvest of wild crocodiles); human/crocodile conflict (e.g. study on such conflicts, communication with decentralized government services about such conflicts and initiation of a database); monitoring of tagging system (e.g. procès-verbal issued); improved monitoring of ranching operations, captive-breeding centres and artisan industry (e.g. inventory of and workshop for artisans completed, work undertaken on enhancing the supply of skins to local handicraft markets and developing a related tracking system). More activities on each item are underway or envisaged (e.g. verification activities related to tagging; ways to improve current understanding of the socio-economic relevance and structure of the crocodile industry, promotion of data collection by ranching operations).
12. Madagascar completed two separate crocodile population surveys in different areas of the country during 2008. One of these surveys was undertaken with external financial and technical support provided by GTZ (the federally-owned German international cooperation enterprise for sustainable development) and CSG. Additional surveys in other areas of the country are planned for this year, if anticipated external funding pledged by WWF and the MacArthur Foundation materializes. Data obtained from the surveys completed in 2008 should enhance information on the status of the wild population of *C. niloticus*, contained in Madagascar's ranching report for 2006-2007. Results from the completed and yet-to-be-completed surveys should also contribute to other activities under the work plan, e.g. the development of a cost-effective mechanism for continuous monitoring of wild populations and the evaluation of the possibility for a limited harvest of non-nuisance crocodiles.

13. Activities were undertaken to strengthen the capacity of government officials and other actors concerned with the management of and trade in *C. niloticus*, in particular regarding the monitoring of ranching operations and captive-breeding centres, tagging of skins and associated monitoring, archiving of data, annual production estimations for ranching operations and captive breeding centres, means for distinguishing skins from wild or ranched or captive bred animals, monitoring of wild crocodiles, maintenance of databases and development of a manual.

Concerning crocodile ranching operations

14. The last annual ranching reports for Madagascar received by the Secretariat were for 2000-2005 (received in May 2006) and 2006-2007 (received on 8 September 2008). The Secretariat has not yet received from Madagascar a ranching report for 2008. The table of ranching reports available on the CITES website shows that only one other country with ranching operations (Malawi) submitted an annual report covering 2007 and none has submitted an annual report for 2008. The Secretariat has noted that, unlike Resolution Conf. 11.17 (Rev. CoP14) on *National reports*, Resolution Conf. 11.16 (Rev. CoP14) does not provide any recommended reporting deadline. The Standing Committee's Working Group on Special Reporting Requirements is expected to consider, *inter alia*, annual ranching reports when identifying ways to incorporate special reporting requirements into Parties' annual or biennial reports and to generally reduce Parties' reporting burden (see document SC58 Doc. 19).
15. The Secretariat has received no information with respect to any changes in the product marking system but has no reason to believe that there have been any changes in either the system or the types of products produced by the ranches in Madagascar. On 18 September 2008, Madagascar sent the Secretariat a revised model certificate for the sale of personal effects that are manufactured crocodile skin products from ranched specimens.
16. Madagascar issues egg-collection licenses to operators commensurate with their capacities. The most recent 2007-2010 work plan indicates that government verification of ranching operations was to begin in January 2009 but that related World Bank funding was suspended, probably owing to the uncertain political situation.

Concerning trade in skins of *C. niloticus* of wild origin

17. In accordance with one of the recommendations contained in Annex 1 to document SC55 Doc. 13, the CITES Management Authority of Madagascar suspended the export of wild-taken skins from one of the ranching operations in the country.

Annual export quotas for trade in specimens of *C. niloticus*

18. Madagascar provided annual export quotas for the years 2007, 2008 and 2009 concerning ranched skins, stuffed specimens from ranched animals, manufactured skin products from ranched specimens and wild-taken skins. These quotas have been published on the CITES website. On 30 July 2008, Madagascar advised the Secretariat that it would follow the Standing Committee's recommendation to establish an export quota of 200 wild-taken skins of *C. niloticus*.
19. The quotas and reported trade in specimens of *Crocodylus niloticus* from Madagascar for the period 2000-2009 are shown in Annex 3 (in English only). Broadly, the CITES trade database indicates that recorded trade in *Crocodylus niloticus* between Madagascar and importing countries in recent years shows reasonable correlation and that export quotas have been generally respected. The reported annual trade in skins during this period varied between 4,760 and 9,408 per year, averaged around 6,500 skins per year and showed a declining trend in recent years.

Additional information

20. Madagascar's work plan for 2007-2010 provides for the development of an amendment proposal to include the country's population of *C. niloticus* in Appendix II without any special conditions, for consideration at the 15th meeting of the Conference of the Parties (CoP15). The preparation of such a proposal is apparently underway.

21. On his own initiative, the Chairman of the CSG wrote to the Secretary-General in March 2009 to express concern about the: perceived failure of most activities aimed at ensuring that Madagascar's trade in *C. niloticus* skins was legal, sustainable and verifiable; the perceived lack of engagement by the crocodile industry; and the perceived severe depletion of crocodile resources. Based on these concerns, he recommended that Madagascar's population of *C. niloticus* be transferred to Appendix I. His letter and its attachments are contained in document SC58 Inf. 2. In making this material available to the Committee, the Secretariat does not associate itself with the CSG's statements, conclusions or recommendations.
22. The Secretariat has received communications from two ranching operations in Madagascar in which the sufficiency of the GTZ-funded population survey undertaken in 2008 was questioned, particularly as the basis for CSG's 'radical' conclusions. It was suggested that conclusions about Madagascar's population of *C. niloticus* should be reached only after additional surveys, planned for 2009, are completed. One operator alleged that CSG and the Malagasy Government have given preferential treatment to another operator. Each operator accused the other of laundering wild-taken skins by falsely declaring them as coming from ranches or captive-bred animals. They both proposed various ways to help ensure the legality and sustainability of Madagascar's trade in *C. niloticus*.

Compliance-related considerations

23. The Standing Committee began considering issues related to Madagascar's ranching operations at its 54th meeting (SC54, Geneva, October 2006) in the context of a general review of annual reports on ranching operations. The lack of compliance by all countries concerned with recommended reporting under Resolution Conf. 11.16 led to revisions to the Resolution being adopted at CoP14.
24. At SC54, Madagascar was singled out for special and continuing attention by the Standing Committee because of concerns about its control of ranching operations and the wild harvest of crocodiles. Such concerns had been discussed with Madagascar in the margins of AC22, leading to agreement on a number of corrective measures.
25. At SC55, the Standing Committee continued to consider Madagascar's ranching operations under the heading 'Species trade and conservation issues'. The matter was moved under the heading 'Compliance and enforcement' at SC57, when the Committee began reviewing Madagascar's implementation of the recommendations contained in Annex 1 to document SC55 Doc. 13 concerning ranching of *Crocodylus niloticus* in Madagascar and compliance with Resolution Conf. 11.16.
26. With regard to the present meeting, the decision taken by the Standing Committee at SC55 seems to have envisaged that Madagascar's ranching operations would be reviewed in relation to the recommendations adopted at SC55 and not in relation to Resolution Conf. 11.16 or Resolution Conf. 11.16 (Rev. CoP14) as a whole.
27. The placement of the present document under the heading 'Compliance and enforcement' in the Standing Committee's agenda does not mean that Madagascar has been identified as not complying with the Convention or with a formal CITES decision. The Secretariat has not officially notified Madagascar, in accordance with Article XIII of the Convention, of concerns that *C. niloticus* in Madagascar is being affected adversely by trade or that provisions of the Convention are not being effectively implemented. To date, the Standing Committee has not expressed such concerns.
28. The Committee might recall that Madagascar's compliance with Article IV of the Convention was the subject of a unique country-based Review of Significant Trade. The Review began in 2001 and was determined to have been completed at SC57 [see document SC57 Doc. 29.1 (Rev. 2)]. Recently, the Plants Committee decided at its 18th meeting (Buenos Aires, March 2009) to include a large number of plant species from Madagascar in the species-based Review of Significant Trade (see PC18 summary record). The species from Madagascar constitute 91 % of all plant species selected at PC18 for the Review (i.e. 84 out of 92 species).
29. At its 14th meeting (The Hague, 2007), the Conference of the Parties adopted Resolution Conf. 14.3 containing the *Guide to CITES compliance procedures*. The Resolution recommends that the *Guide* be referred to, when dealing with compliance matters.

30. The *Guide* “addresses compliance matters relating to obligations under the Convention, taking into account relevant Resolutions and Decisions” (see paragraph 2). Paragraph 23 of the *Guide* states that: “When compliance matters are brought to the attention of the Standing Committee, it is generally done in writing and includes details as to which specific obligations are concerned and an assessment of the reasons why the Party concerned may be unable to meet those obligations”. This step does not seem to have been clearly fulfilled in relation to Madagascar’s ranching operations, as concerns about those operations came to the Standing Committee before Resolution Conf. 14.3 was adopted.

Relationship between Resolution Conf. 11.16 (Rev. CoP14) and Resolution Conf. 14.3

31. Under Resolution Conf. 11.16 (Rev. CoP14), it is recommended that “all Parties prohibit trade in products of ranching operations unless such trade complies with all the terms, conditions and requirements of the approved ranching proposal for the population concerned”. As mentioned in paragraph 2 above, the maintenance of Madagascar’s population of *C. niloticus* in Appendix II was agreed by the Conference of the Parties not under Resolution Conf. 11.16 (Rev. CoP14) but one of its predecessors, Resolution Conf. 3.15. This Resolution recommended that any proponent seeking approval for the transfer of a population to Appendix II for ranching submit a proposal containing an:

assurance that the criteria [that i) the operation must be primarily beneficial to the conservation of the local population (i.e., where applicable, contribute to its increase in the wild); and ii) the products of the operation must be adequately identified and documented to ensure that they can be readily distinguished from products of Appendix-I populations] *continue to be met, with records open to scrutiny by the Secretariat, and that the Management Authority shall include in its reports to the Secretariat sufficient detail concerning the status of its population and concerning the performance on any ranching operation to satisfy the Parties that these criteria continue to be met.*

32. Paragraph d) under the third RECOMMENDS of Resolution Conf. 11.16 (Rev. CoP14) states that:

where the Secretariat reports failure to comply with this Resolution, and the Standing Committee and the Party concerned fail to resolve the matter satisfactorily, the Standing Committee may, after full consultation with the Party concerned, request the Depositary Government to prepare a proposal to transfer the population concerned back to Appendix I.

33. The proposed transfer of a population to Appendix I, under certain conditions, is not mentioned in the list of potential compliance measures available to the Standing Committee under Resolution Conf. 14.3 (see paragraph 29 of the *Guide to CITES compliance procedures*). That list, however, is not necessarily an exhaustive list of measures applied to date (see paragraph 31 of the *Guide*).

34. Resolution Conf. 11.16 (Rev. CoP14) contains a recommendation to prohibit trade, under certain conditions, but it is not one of the Resolutions included in the current list of Resolutions and Decisions of the Conference of the Parties on which a recommendation to suspend commercial or all trade in specimens of one or more CITES-listed species might be based (see the footnote to paragraph 30 of the *Guide*). These facts, and those described in paragraph 33 above, might be taken into account during a future review of Resolution Conf. 14.3.

Recommendations

35. On the basis of this document, and any additional information that is provided before or during the present meeting, the Standing Committee should determine the extent to which Madagascar has implemented the SC55 recommendations contained in paragraph 4 above. An informal working group might be established at the present meeting to assist the Committee in making this determination.

36. In reviewing Madagascar’s implementation of the SC55 recommendations, the Standing Committee should determine whether it has effectively been addressing issues related to Madagascar’s ranching operations as a compliance matter and, if so, which Convention obligation is involved and which stage of the compliance procedure has now been reached (e.g. paragraph 16, 20, 21, 22, 26, 29 or

33 of the *Guide to CITES compliance procedures*). Alternatively, the Committee should determine whether these issues should now be handled as a potential compliance matter.

37. As Madagascar's work plan is scheduled to be completed by 2010, the Standing Committee could consider continuing its review of the work plan until its 61st meeting in 2011.