

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

Sixth Meeting of the Conference of the Parties

Ottawa (Canada), 12 to 24 July 1987

Financing and Budgeting of the Secretariat  
and of Meetings of the Conference of the Parties

PLANS FOR EXTERNAL FUNDING

Report from the Secretariat

1. In its report to the Parties on external funding (document Doc. 6.12) the Secretariat stated the following:

"The Secretariat considers that there are many ways in which the development of the Convention is dependent upon activities which are not covered by the regular funding of the Convention. Thus, it is of paramount importance that the Secretariat should seek and negotiate external funding to enable such projects to be undertaken and thus improve the implementation and the evolution of the Convention."

2. In the same report the Secretariat indicated that more than US\$ 2,000,000 in external funding (both financial and in kind) has been received since the 5th meeting of the Conference of the Parties for 1985, 1986 and future years.
3. The Secretariat, convinced that external funding has had and will continue to have a major impact on the fulfilment of the objectives of the Convention, intends to intensify its search for funding which will allow for activities which, while not covered by the regular budget, are vital to the work of the Convention.
4. At the moment the following projects await funding:
  - specialized enforcement seminars;
  - assistance in the preparation of annual reports;
  - security permits;
  - technical assistance missions;
  - production of guidelines for national legislation;
  - installation of telex facilities for Management Authorities of developing countries;

- publication of the Identification Manual in French and Spanish;
- assistance to southern African countries in conservation and management of Nile crocodile;
- continuation of study on significant trade in Appendix II species of fauna;
- participation of developing countries at CITES meetings;
- scientific surveys of the following:
  - Asian pythons (Python curtus, P. molurus bivittatus and P. reticulatus);
  - South American Boidae (Boa constrictor, Eunectes murinus and E. notaeus);
  - caimans in Central America;
  - caimans in Peru;
  - Southeast Asian parrots (Cacatua alba, C. galerita, C. goffini, C. moluccensis, C. sanguinea, C. sulphurea, Eos reticulata and Lorius garrulus);
  - Latin American parrots (Amazona farinosa, A. ochrocephala, A. tucumana, Ara ararauna, A. chloroptera, A. militaris and A. macao);
  - Nile crocodile in East Africa;
  - crocodiles in West and Central Africa;
  - South American cats (Felis colocolo, F. geoffroyi, F. pardalis, F. tigrina and F. wiedii);
  - Asian pangolins (Manis crassicaudata, M. javanica and M. pentadactyla);
  - African monitor lizards (Varanus exanthematicus and V. niloticus);
  - Papustyla pulcherrima.

N.B. This list is not exhaustive.

5. All projects derived from external funding are administered in the same way as the regular budget, i.e., under the Financial Regulations and Rule of the United Nations. In addition the Secretariat will continue its past practice which consists of informing the Standing Committee of the external funding activities under the "Extended Work Programme".
6. The Secretariat welcomes the creation of the Conservation Treaty Support Fund (CTSF)\*, recently incorporated in the United States of America and which is now seeking tax exemption status in both the United States and

---

\* See document Doc. 6.13.1 (Note from the Secretariat).

elsewhere. CTSF, whose main objective is "to raise funds needed for effective implementation of international conservation treaties, primarily the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)", hopefully will become a major element in our search of external funding. The Secretariat will work very closely with CTSF in that respect.

\* \* \*

As this document constitutes the final one to be discussed in relation to the financing and budgeting of the Secretariat and of meetings of the Conference of the Parties, the Secretariat submits to the attention of the Parties, as Annex to this document, a draft resolution on the financing and budgeting of the Secretariat and of meetings of the Conference of the Parties.

DRAFT RESOLUTION OF THE CONFERENCE OF THE PARTIES

Financing and Budgeting of the Secretariat  
and of Meetings of the Conference of the Parties

RECALLING Resolution Conf. 5.1 adopted at the fifth meeting of the Conference of the Parties (Buenos Aires, 1985);

HAVING REVIEWED the 1985 and 1986 accounts and the 1988-1989 budget estimates submitted by the Secretariat;

HAVING REVIEWED the 1988-1991 medium term budget estimates;

RECOGNIZING that regular funding by UNEP ceased after 1983 and that the funding of the Secretariat and of meetings of the Conference of the Parties is now solely the responsibility of the Parties;

ACKNOWLEDGING with appreciation the support provided to the Secretariat by the Executive Director of UNEP, who has provided, as an interim measure, direct financial assistance to counter the shortage in financial resources in the first half of 1987;

ACKNOWLEDGING that the financial amendment to the Convention, adopted in Bonn in 1979 and entered into force on 13 April 1987, now empowers the Conference of the Parties to make financial regulations;

RECOGNIZING the continuing need for administrative and financial arrangements between the Parties and the Executive Director of UNEP;

NOTING the considerable increase in the numbers of Parties as well as organizations attending the meetings of the Conference of the Parties as observers, and the resulting additional expenditure incurred by the Secretariat;

THE CONFERENCE OF THE PARTIES TO THE CONVENTION

APPROVES the 1985 accounts and TAKES NOTE of the provisional accounts for 1986 and estimates of expenditure for 1987;

SANCTIONS the expenditure exceeding the budget approved in Buenos Aires for 1987 as described in document Doc. 6.9;

APPROVES the 1988-1989 budget;

TAKES NOTE of the 1988-1991 medium term budget estimates;

REQUESTS that the Executive Director of UNEP, with the approval of the Governing Council of UNEP, seek the consent of the United Nations Secretary General for an extension of the Trust Fund until 31 December 1991 to provide financial support for the aims of the Convention in accordance with the Terms of Reference for the Administration of the Trust Fund for the Convention on International Trade in Endangered Species of Wild Fauna and Flora, attached as the Annex to this Resolution;

APPROVES the Terms of Reference for the Administration of the Trust Fund attached as the Annex to this Resolution for the two financial periods beginning 1 January 1988 and ending 31 December 1991, subject to possible amendments at the seventh meeting of the Conference of the Parties;

AGREES

- a) that contributions to the Trust Fund shall be based on the United Nations scale of assessment as amended from time to time, adjusted to take account of the fact that not all members of the United Nations are Parties to the Convention;
- b) that any other basis of assessment of contributions shall not be used without the consent of all Parties present and voting at a meeting of the Conference of the Parties; and
- c) that any change in the basic scale of contributions which would increase the liability of a Party to contribute, or would impose a new such liability, shall not apply to that Party without its consent, and that any such proposal to change the basic scale of contributions from that currently in use shall only be considered by the Conference of the Parties if notice of such proposal has been communicated by the Secretariat to all Parties at least 90 days before the meeting;

URGES all Parties to pay their contributions to the Trust Fund in accordance with the agreed scale as in the Table attached to this Resolution\*;

REQUESTS all Parties to pay their contributions as far as possible during the year prior to the one to which they relate;

APPEALS strongly to those Parties which, for legal or other reasons, have so far been unable to contribute towards the Trust Fund to do so now that the amendment of 22 June 1979 has come into force;

URGES all Parties which have not yet done so to deposit as soon as possible an instrument of acceptance of the amendment of 22 June 1979;

INVITES states not Party to the Convention, other governmental, inter-governmental and non-governmental organizations, and other sources to consider contributing to the Trust Fund;

DECIDES that the standard participation charge for all observer organizations other than the United Nations and its specialized agencies, as decided at the third meeting of the Conference of the Parties (New Delhi, 1981), be increased to a minimum of US\$ 500 (except as otherwise reduced by the Standing Committee as required) and URGES such organizations to make a greater contribution if possible; and

APPROVES the Secretariat report.

---

\* The Table will be the scale of contributions for the biennium 1988-1989 adopted by the Conference of the Parties. (Note from the Secretariat).

TERMS OF REFERENCE FOR THE ADMINISTRATION OF THE TRUST FUND  
FOR THE CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED  
SPECIES OF WILD FAUNA AND FLORA

1. The Trust Fund for the Convention on International Trade in Endangered Species of Wild Fauna and Flora (hereinafter referred to as the Trust Fund) shall be further continued for a period of four years to provide financial support for the aims of the Convention.
2. Pursuant to the Financial Regulations and Rules of the United Nations, the Executive Director of the United Nations Environment Programme (UNEP), with the approval of the Governing Council and the Secretary General of UNEP, shall continue the Trust Fund for the administration of the Convention.
3. The Trust Fund shall cover two financial periods of two calendar years each: the first financial period begins on 1 January 1988 and ends 31 December 1989; the second financial period begins 1 January 1990 and ends on 31 December 1991. The appropriations of the Trust Fund for the first financial period shall be financed from:
  - a) the contributions made by the Parties by reference to the attached Table\*, including contributions from any new Parties which are to be added to the Table\*;
  - b) contributions from states not Party to the Convention, other governmental, inter-governmental and non-governmental organizations and other sources; and
  - c) any uncommitted appropriations from the 1986-1987 financial period.
4. The budget estimates covering the income and expenditure for each of the two calendar years constituting the financial period to which they relate, prepared in US dollars, shall be submitted to the regular meeting of the Conference of the Parties to the Convention.
5. The estimates of each of the calendar years covered by a financial period shall be specified according to budget of expenditure; and shall be accompanied by such information as may be required by, or on behalf of, the contributors, and such further information as the Executive Director of UNEP may deem useful and advisable. In particular, estimates shall also be prepared for each of the calendar years. The sum of the programme estimates shall equal the sum of the estimates described in the first sentence of this paragraph.
6. In addition to the budget estimates for the financial period described in the preceding paragraphs, the Secretary General of the Convention, in consultation with the Standing Committee and the Executive Director of UNEP, shall prepare a medium term plan as envisaged in Chapter III of Legislative and Financial Texts Regarding The United Nations Environment

---

\* The Table will be the scale of contributions for the biennium 1988-1989 adopted by the Conference of the Parties. (Note from the Secretariat).

Programme and the Environment Fund. For the first financial period, the medium term plan will cover the years 1988-1991, inclusive, and will incorporate the budget for the 1988-1989 financial period.

7. The proposed budget and medium term plan, including all the necessary information, shall be dispatched by the Secretariat to all Parties at least ninety days before the date fixed for the opening of the regular meeting of the Conference of the Parties.
8. The budget and medium term plan shall be adopted by a 3/4 majority of the Parties present and voting at the regular meeting.
9. In the event that the Executive Director of UNEP anticipates that there might be a shortfall in resources, over the year as a whole, he shall consult with the Secretary General of the Convention, who shall seek the advice of the Standing Committee as to its priorities for expenditure.
10. Upon the request of the Secretary General of the Convention, after seeking the advice of the Standing Committee, the Executive Director of UNEP should, to the extent consistent with the Financial Regulations and Rules of the United Nations, make transfers from one budget expenditure to another. At the end of the first calendar year of a financial period, the Executive Director of UNEP may proceed to transfer any uncommitted balance of appropriations to the second calendar year, provided that the total budget approved by the Parties shall not be exceeded unless this is specifically sanctioned in writing by the Standing Committee.
11. All contributions shall be paid in convertible currencies. Contributions from states that become Parties after the beginning of the financial period should be made on a pro-rata basis for the balance of the financial period.
12. At the end of each calendar year of a financial period, the Executive Director of UNEP shall submit to the Parties the accounts for the year. He shall also submit, as soon as practicable, the audited accounts for the financial period.
13. The Secretary General of the Convention shall provide the Standing Committee with an estimate of proposed expenditure over the coming calendar year simultaneously with, or as soon as possible after, distribution of the accounts and reports referred to in the preceding paragraphs.
14. The general procedures governing the operations of the Fund of UNEP and the Financial Regulations and Rules of the United Nations shall govern the financial operations of the Trust Fund for the Convention.
15. These Terms of Reference shall be effective for the financial periods of 1 January 1988 to 31 December 1991 subject to amendments at the seventh meeting of the Conference of the Parties.

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

Sixth Meeting of the Conference of the Parties

Ottawa (Canada), 12 to 24 July 1987

CONSERVATION TREATY SUPPORT FUND (CTSF)

This document has been prepared by the President of CTSF.

Purpose

To raise funding needed for effective implementation of international conservation treaties, primarily the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). The ultimate goal of the Fund is to encourage effective conservation and husbandry of wild animals and plants for the benefit of mankind. CTSF is unique, as the only private non-profit organization exclusively aimed at supporting intergovernmental conservation conventions with the objective of economic, environmental, and aesthetic betterment.

Rationale and Justification

The vital importance of conserving the environment and rapidly disappearing natural resources such as wildlife is now universally recognized as essential for sustaining livelihood and quality of life of mankind. The future of large segments of the human populations of developing countries depends on their capacity to husband natural resources, either for internal consumption or external trade. Wildlife, as the common property of every generation, not only has intrinsic and aesthetic worth but can also provide significant tangible economic value if its use is properly managed and controlled. Trade alone in wild animals and plants and their products, legitimate and illicit, is worth billions of dollars annually.

Since the early 1970's, the nations of the world have joined together in major international initiatives to develop mechanisms which will permit viable and sustainable conservation and use of wildlife resources and habitat. The treaties and international organizations created by these initiatives have the best potential to successfully conserve wild natural resources on a global scale, because they represent the will of the vast majority of people, expressed through their national governments.

The primary object of the Conservation Treaty Support Fund is to support the 1973 Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), which now has 95 nation states as contracting Parties, including over 90 percent of the world's human population and nearly all major wildlife exporting and importing countries. The Convention is the keystone of U.S. international wildlife resources conservation policy, and is strongly supported by the legitimate wildlife trade as well as by a wide range of non-governmental organizations. Some 40,000 species have been listed on the

CITES appendices, through the agreement of the Parties that the controlled management of trade is necessary for their survival, for the species' own benefit and for the material benefit of mankind. Without an effective international wildlife trade convention, illegal trade will continue to destroy our wildlife heritage, and with it significant benefits to world populations.

CITES Parties provide funding to administer the Convention through voluntary payments assessed on the basis of the United Nations scale of contributions. However, with the growth in membership and scope of the Treaty and the increasing economic value and importance of wildlife trade, supplementary financing is needed to ensure that CITES reaches full fruition.

Based on decisions and requirements levied by CITES Parties at Conferences and major Committee meetings, the Secretariat has solicited funding external to the regular assessments on its Parties from a wide variety of sources, including governments, international organizations, and the private sector, on an ad hoc basis, e.g., for a specific study, to hold a training seminar, or to bring delegates to a meeting. As the Convention has grown and as the problems which it addresses have become more complex, however, the need has increased, without a corresponding growth in available funding resources. The traditional sources of CITES supplemental funding now supply less than half of what is needed.

An estimated US\$ 1 million per year is currently required for the following priority needs:

- a) short-term studies to obtain hard data on the status and means of conserving and managing certain species of wildlife currently under direct impact of international trade;
- b) technical assistance to Parties in implementing and enforcing CITES; and,
- c) as a neutral source of funding to enable developing countries (which have most at stake) to send delegations to meetings which decide the future of their own wildlife resources.

#### Fund's Goal

The goal of the Conservation Treaty Support Fund is to provide secure financial resources, supplemental to traditional sources of funding, to help CITES and other international conservation conventions realize their full potential. An estimated US\$1 million per year of financing, over and above the US\$ 1 million received annually as regular Party contributions and money provided by traditional sources, is needed to stimulate effective implementation of other conservation treaties, such as the Convention on Wetlands of International Importance, the World Heritage Convention, and the Convention on Migratory Species. The International Union for Conservation of Nature and Natural Resources (IUCN) has requested CTSF support on behalf of the Wetlands Convention.

#### Sources of Funding

The principal sources targeted for contributions to CTSF will be large corporations, foundations, and affected industries with a view to building new reservoirs of support for the objectives and activities of international conservation conventions. The orientation of the Fund, in support of international treaties with sovereign state membership aimed at conserving natural resources for human benefit, enhances its appeal. Major donors can be

assured that their contributions will be used for projects and purposes which have broad intergovernmental endorsement, administered for maximum effectiveness by international secretariats, and not be used to support a heavy administrative structure. Furthermore, as the aim of these conventions, especially CITES is conservation for development, there is a clear economic rationale for the support of the business community.

The Fund will also seek additional funds from traditional sources of CITES supplemental funding, especially for specific applied research projects or activities of particular interest to the sources, such as conservation or trade association concerned with particular groups of species or their habitat. Such funds will enhance interest on the core endowment while they are pending disbursement. Every effort will be made to avoid direct competition with other conservation funds. Indeed, CTSF, uniquely aimed at supporting conservation conventions, is actually intended to relieve other non-governmental organizations from at least part of the burden they have already undertaken to assure the success of conservation treaties.

#### Administration

CTSF is administered by four officers and a Management Committee, under the direction of a Board of Trustees. In addition, an Advisory Board will also be developed, consisting primarily of representatives of principal donors. The Advisory Board will not have decision-making authority, but its advice will bear weight in determining CTSF policy and efforts to secure contributions.

The President is George A. Furness, Jr., a former U.S. Foreign Service Officer who has served as the State Department's International Wildlife and Conservation Officer and Deputy Director of the Office of Food and Natural Resources in the Environment Division. He also had charge of the U.S. International Visitor Program and the Office of International Conferences.

John C. Goldsmith, a retired civil servant and former Assistant Secretary of Wildlife Conservation of the United Kingdom serves as Vice President. Kathryn S. Fuller, Corporate Secretary of CTSF, is Vice President and General Counsel of World Wildlife Fund-U.S./The Conservation Foundation, and served in the U.S. Department of Justice. The Treasurer is Gordon Bradford, Vice-President, Chase Manhattan Bank N.A., in the area of foreign direct investment. Other members of the Board of Trustees are as follows:

E.U. Curtis Bohlen, Senior Vice President, World Wildlife Fund-U.S.

Faith Campbell, Senior Projects Officer, Natural Resources Defense Council

Peter Dollinger, Chief, Division of International Traffic and Animal Welfare, Swiss Federal Veterinary Office (Chief of the Swiss Management Authority for CITES)

Marshall Meyers, General Counsel, Pet Industry Joint Advisory Council

Mollie Miller, Deputy Director, Fund for Renewable Energy and the Environment

Willard Scott, NBC News (Today Show)

Frances Spivey-Weber, Director of International Issues, National Audubon Society

The Chairman of World Wide Fund for Nature-Japan and a senior leader in the Italian reptile leather industry have also been asked to serve on the Board, which will thus include persons with experience in government, finance, fund raising, conservation, and legitimate wildlife utilization. As the principal effort will be made in the United States of America, a majority of the Board will be Americans.

Three members of the Board of Trustees will be selected to serve on the Management Committee together with the officers.

Eugène Lapointe, CITES Secretary General, is Honorary Advisor to the Management Committee and Board of Trustees. Anthony Brough, Chief Funds Management Branch of the United Nations Environment Programme (UNEP), which staffs the CITES Secretariat and has long provided financial and other assistance to CITES and other conservation treaties, will be a member of the Advisory Board and will assist the Management Committee and officers of the Fund.

To qualify for support from CTSF, projects must be approved by the Parties to conservation conventions, either in Conferences of Parties or through appropriate committees. In urgent cases of clear conservation need, when the Parties have not had an opportunity to review the situation, a decision by a two-thirds majority of the Board of Trustees will be required for CTSF to assist. When projects involve financing of government delegates to conferences, committee meetings, working groups, or seminars, a list of state Parties which have indicated that funding will be needed for them to be represented will be submitted by the convention Secretariat to CTSF's President. Decisions on providing CTSF support for travel of delegates require a simple majority of the Management Committee and may be accomplished by random selection.

CTSF became incorporated in the United States of America, in Maryland, in December 1986 and has been recognized by the Internal Revenue Service as exempt from U.S. Federal income tax under section 501 (c)(3) of the Internal Revenue Code.

#### Evaluation

The evaluation of projects funded by CTSF will actually be made by the Parties to the conservation conventions concerned, when they review the results as reported to Conferences of Parties and committee meetings. Reports to CTSF from the convention secretariats which administer the grants will also be required, and members of the Management Committee will attend conferences and committee meetings and find other means of observing and evaluating results. The fact that the financing dispensed by CTSF will be spent in the public sphere, on projects mandated by intergovernmental decision, should assure close scrutiny and careful implementation of donated funds.

CTSF will report to donors in annual reports on the use and effectiveness of funding provided from the endowment, and will also provide special reports on the results of special projects financed by earmarked funds.