



The CITES
regulated legal
trade in flora and
fauna has an
estimated worth
of
US\$320 Billion pa



CITES
core budget
to administer
the legal trade
in flora and fauna is
**US\$6.2 Million pa (in
reality US\$4.7 Million pa
given signatory country
arrears)**



The illegal trade is
estimated to be
worth **US\$91–
US\$258 Billion pa**
and exploits the
loopholes in the
legal trade system



You do the math
US\$320 Billion pa
vs.
US\$4.7 Million pa

Help us redress the balance
Because
Nature Needs More

Nature Needs More Ltd Annual Report
Financial Year 2018/2019



NATURE NEEDS MORE

This reported is dedicated to:

Polly Higgins for her work on Ecocide Law

<https://ecocidelaw.com/about-polly/>



The Beacons of Hope – Greta Thunberg

<https://www.facebook.com/gretathunbergsweden/>



Harriet Hemenway and Minna Hall – The Women Who Save The Birds

<https://www.npr.org/sections/npr-history-dept/2015/07/15/422860307/hats-off-to-women-who-saved-the-birds>

LEGENDS & LEADERS

"We would make an appeal to all lovers of nature, since by this reckless demand of fashion the woods and fields are being stripped of one of their chief attractions, and the country deprived of indispensable friends to agriculture."



Biographical Information:

- Organized the first state chapter of the Audubon Society, (1896)
- Convinced 900 society women to boycott the wearing of feathered hats
- Initiated the driving force behind the bird-protection movement
- Efforts led to the Lacey Act (1900) prohibiting the interstate shipment of wild species killed illegally, and the Migratory Bird Treaty Act (1918), one of the strongest laws protecting wild North American birds.



"this fashion of wearing feathers means the cruel slaughter of myriads of birds... some of our finest birds are already decimated and may ultimately be exterminated by the demand for their feathers."



This Week's Legend & Leader:
Harriet Lawrence Hemenway,
Minna B. Hall, and the
Massachusetts Audubon Society

And to all those who commit to protecting nature in the face of danger, intimidation, threats and ridicule from the people who want to exploit and plunder the nature for personal, financial gain.

A special thanks to Tuyen, An, Nicholas, Mike, Peter, Donalea, Anne, Catherine, Nigel and Allan.

Contact Information:

Dr Lynn Johnson, Founder & CEO
Nature Needs More Ltd
www.natureneedsmore.org

e: lynn@natureneedsmore.org
p: +61 418 124 660 (Australia, GMT+10)

Executive Summary

This report covers the period July 2018 to August 2019 (post CITES CoP 18), as this is a natural endpoint for the key activities during this reporting period, our second full year of operation as a registered charity.

The key areas of focus have evolved over the reporting year 18/19 to primarily include:

1. Understanding the mechanisms of the legal trade in endangered species and how the flaws in the outdated CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora) legal trade monitoring and regulation system enable illegal trade
2. Further developing Nature Needs More's understanding of the evolution of the desire for rare legal and illegal endangered species 'products' and how this is factored in to demand reduction campaigns
3. Addressing supply-side drivers, supply-side economics and the validity (or not) of the sustainable-use model

During this financial year, our primary project has been research to understand the current **effectiveness of the CITES regulator and how it must be modernised and properly resources to deal with 'modern-day' trade volumes**. In undertaking this project, the Nature Needs More team was surprised by several findings:

1. The modern-day value and volume of the legal trade, for example:
 - i. The **legal trade was valued at US\$320 billion annually as long ago as 2012** in a UK Parliament Report¹ and



- ii. A 2016 European Parliament Report² states “**The wildlife trade is one of the most lucrative trades in the world. The LEGAL trade into the EU alone is worth EUR 100 billion [US\$112 billion] annually**”

2. The volume of research, undertaken over many decades, which has shown time-and-time again the flaws in the CITES trade and monitoring system. This can be summarised by the following:



The prevalence of documentation discrepancies in CITES trade data for Appendix I and II species exported out of Africa 2003-2012³



Delays in wildlife trade bans are placing hundreds of species at risk of extinction⁴

In addition, extensive academic research has been carried out on a broad range of individual species and ‘products’. For more information please read **CITES – The Trade System That Doesn’t Know What It Doesn’t Know**⁵. This work clarifies the systemic issues in the global CITES permit and trade monitoring system. Whilst these issues have been known for decades, they have not been resolved.

3. The clear demonstration that even **after 44 years of operation the CITES system cannot provide global trade analytics for a legal trade** in endangered species valued at over US\$320 billion annually, and as a result has **no evidence that the sustainable-use model is working**⁶. The reasons for this include, but are not limited to:
 - i. Other than for a handful of the 183 signatory parties, the **CITES trade permit system is still a 1970s standalone paper-based system** that cannot be integrated with customs and, as a result, the legal trade data collected is effectively useless
 - ii. Trade data are submitted to the CITES trade database only once a year. If trade data is submitted at all (many signature countries don’t lodge information), it is often lodged 1-3 years late
 - iii. The **CITES regulator is impoverished**, with core funding on paper being US\$6.2 million annual. It was announced at the CITES Budget meeting at CoP 18 given signatory party arrears, in **reality the core funding level was US\$4.7 million annually**⁷ (to monitor and manage a global legal trade valued in 2012 to be US\$320 billion annually)
 - iv. As we experienced at CITES CoP 18, held in Geneva in August 2019, during this two-week conference **no legal trade trends, patterns or analytics were presented**
 - v. Other than token CITES permit contributions, **industries that profit from the legal trade make no financial contribution** to the CITES regulator to help manage and monitor the trade to prevent laundering of illegal products into the legal marketplace
4. Given that **the CITES regulator is effectively impoverished**, the lack of a modern, electronic permit system that integrates with customs and provides transparent monitoring from source to destination enables a massive illegal trade in endangered species:
 - i. The **illegal trade was valued by the World Customs Organisation**⁸ **to be between US\$91- 258 billion annually. This means that the illegal trade is estimated to be worth up to 80% of the value of the legal trade**

- ii. Furthermore, the report⁸ states this **illegal trade is growing at 2-3 times the pace of the global economy**

5. **In its 44 years of operation, CITES has had only one review in 1994**

- 6. The loss of control of managing the legal trade in endangered species due to the flawed CITES direct-listing model (which makes unrestricted trade the default) and as a result the **loss of control of the escalating illegal trade was predicted in 1981 at CITES CoP3 when a submission to consider a reverse-listing model⁹ was proposed. The predictions made in the 1981 submission have all come to fruition**

As a result, Nature Needs More has created a **3-Step process to modernise CITES¹⁰**.

1. CITES Modernisation Part I – Electronic Permit Implementation Via Cost Recovery
2. CITES Modernisation Part II – Reverse Listing
3. CITES Modernisation Part III – Industry Contributing To The Costs Of Trade

Step 1 - Electronic Permits



Step 2 – Reverse Listing



Step 3 – Industry Contributions



Given the **trade in flora and fauna was confirmed as the second biggest threat to species survival in the May 2019 IPBES Report¹¹** which states that up to 1 million species are potentially facing extinction, Nature Needs More believes it is imperative that the CITES system is modernised and adequately resourced.



Together with Nature Needs More's collaborative partner on this project, For the Love of Wildlife¹², we have **engaged with over 25 CITES signatory parties** regarding our concerns about the current state of the CITES trade permit and monitoring system. This work included a **12-day, 8 European country tour in May 2019** to meet with the relevant Ministers, government officials and CITES representatives.

A pattern of response from these meetings was **"We haven't seen the data presented in this way before."** In

these meetings we introduced our **3-Step solution to modernise CITES** to help overcome these problems and discussed why CITES had had only one review in its 44 years of operation. This work culminated in attending CITES CoP 18, in Geneva in August 2019.

Presentation to Ambassadors and representatives of Latin American countries, hosted by Guatemala



Attendance of CITES Cop 18, Geneva August 2019



In addition to modernising the legal trade system, Nature Needs More continued our research and work into the **nature of desire and demand**, key projects included:

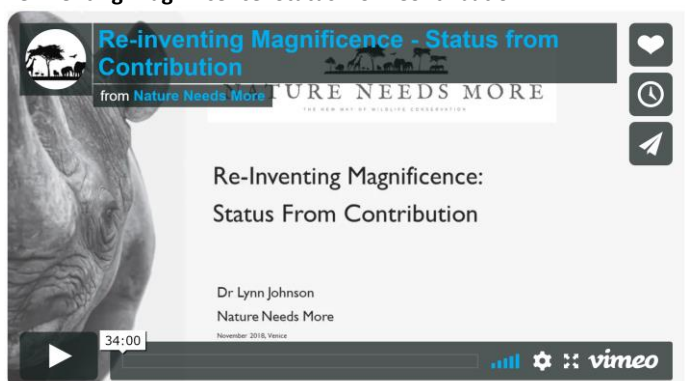
1. **Reinventing Magnificence: Status from Contribution¹³ and Extinction: The Vulgarly of Desire¹⁴:** Nature Needs More has believed for some time that **closing the market for perceived luxury products is critical to save species** from extinction in the wild. As a result, we were delighted to be invited to collaborate on a Symposium and Exhibition: Beauty and the Beast: Venice and the Rhino exploring the **current, destructive pseudo-luxury market**. At this event held in Venice during November/December 2018, presented our evolving research on reinventing magnificence and demand-side factors contributing to extinction.



For the Exhibition, Nature Needs More produced an 8-minute video **Extinction: The Vulgarly of Desire**



For the Symposium, Nature Needs More presented research titled: **Reinventing Magnificence: Status from Contribution**



In addition, we were delighted to contribute the Breaking The Brand and Nature Needs More story to the Exhibition Catalogue¹⁵:



2. **Factoring Endangered species in to the evolving Sustainable and Ethical (Luxury) Fashion Strategy.** The sustainable and ethical (luxury) fashion movement is currently not discussing (luxury) fashion's impact on the wildlife trade (and the trade in endangered



species more broadly). For this reason, Nature Needs More was delighted to co-author an article, with Dr Catherine Kovesi (a Senior Lecturer in History, including the history of luxury consumption at the University of Melbourne), on **Wildlife, Conservation, and Rethinking Ethical Fashion Strategy**. The peer reviewed article was published in **Fashion Theory** in mid-2019¹⁶.

The boundary between the legal trade and the illegal trade in rare and prestigious animal body parts and botanicals is blurred. It is **critical to understand the luxury industry and its commercial relationship with wildlife products**.

Currently businesses, including luxury fashion, benefiting from the huge profits made from the trade in endangered flora and fauna do not

contribute to the cost of regulating and managing the trade. The only payments made by businesses trading legally under CITES are for obtaining export permits. **Those making all the profits – importers in wealthy countries – pay nothing in almost all cases.**

In addition to factoring in endangered species to the evolving sustainable and **ethical (luxury) fashion strategy this must prioritise supply-chain transparency**¹⁷. **Currently, supply-chains are opaque** and insufficient resources are being invested in verification of the supply chain. As such the profits made from the trade in endangered species are tainted profits.

- The seventh Breaking The Brand (to stop the demand) **RhiNo Campaign: Say Yes To Good Business, Say No to Rhino Horn**. The campaign ran for 2 months over December 2018 and January 2019, leading up to the Lunar New Year on 5th February 2019. It cost a total of \$28,500.



Whilst maintaining the demand reduction campaigns is vital, it cannot be underestimated just how much **supply-side factors and the over-generalised value of the sustainable use model¹⁸ can undermine the success of demand reduction projects**. For this reason, Nature Needs More has chosen to focus its limited resources on supply-side issues, the sustainable use model and the mechanisms of trade during this financial year.

In addition, after years of researching and working on the demand for illegal wildlife ‘products’, **we have reached the conclusion that the illegal trade cannot be tackled until the loopholes in the legal trade in endangered species are closed. CITES needs modernising and adequately resourcing to cope with current trade volumes.**

During the reporting period July 2018 to August 2019, Nature Needs More also undertook a review of the evolving business leadership culture in Viet Nam. This work has enabled NNM to ensure the language of the Breaking The Brand RhiNo campaigns remains fresh and relevant to our target group, wealthy men in Viet Nam. The next campaign will also include one advert seeding our ‘gaining status from contributing to nature, not consuming it’ message. This work to re-direct desire is a result of NNM’s researching into social differentiation, the history of luxury consumption and the historical differences between the values associated with magnificence vs. those associated with self-serving luxury consumption.

Values associated with Magnificence



Values associated with Luxury



Introduction

The aim of Nature Needs More is to provide an end-to-end alternative to the current ways to tackle the illegal wildlife trade and to eradicate the flaws in the legal trade model.

The reasons for taking this broader approach included the profound failure of the traditional conservation sector to tackle the illegal wildlife trade. These concerns were further validated given the **May 2019 IPBES (The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services) Report confirmed that the trade in flora and fauna was the second biggest threat to species survival.** The report also stated that **one million species are currently threatened with extinction.** This expands on previous statements, such as that made by United Nations Environment Programme, that the **illicit trade in endangered species is growing at 2-3 times the pace of the global economy.**

Despite this worrying trend, there is a continued focus on the same business-as-usual (BAU) conservation strategies that have been unchanged in decades; this BAU approach is preferred by both governments and large conservation agencies. Whilst biology, ecology, security, poverty alleviation and law enforcement should be part of the mix, after 50 years of declining biodiversity it is clear that focusing on these is not enough to drive decisive change. Similarly, whilst governments together with conservation agencies focus solely on the illegal trade and don't address the flawed legal trade model, this undermines any real chances of successfully tackling the extinction crisis associated with trade.

As a result of this more traditional focus, the **conservation sector is permanently lagging far behind the critical wildlife trade issue of the day.** Given global **conservation's lack of understanding of the commercial world¹⁹**, all too often their work is focused on supply-side factors, which in turn has resulted in an **almost exclusive focus on the sustainable use model.** This model has been overvalued for decades; as the go-to model for government donors, it has become almost impossible in the corporate conservation sector to question the validity of this model.

This report covers the period July 2018 to August 2019 (post CITES CoP 18), as this is a natural endpoint for the key activities during this reporting period), our second full year of operation as a registered charity.

Nature Needs More Ltd is registered as a non-profit Australian Public Company Limited by Guarantee. As a small, volunteer run organisation, Nature Needs More currently has 3 directors who all act in an unpaid capacity. None of our work could have been achieved without a number of supporters and donors who have made a huge commitment to getting these ideas off the ground.

Nature Needs More's Projects

At present, projects fall in to four categories:

1. **Demand side projects**
2. **Mechanisms of legal trade projects**
3. **Supply side projects**
4. **Other projects – small test projects**

In outlining the projects, the order is based on the time commitment made to the project during the financial year 18/19.

Mechanisms of Legal Trade - CITES Permit and Trade Monitoring Issues

Research into the effectiveness of the CITES permit and trade monitoring system began in 2017. It wasn't difficult to find information highlighting the CITES trade and permit system is not fit for purpose. What is concerning is that while **corporate conservation and major academic institutions around the world have consistently highlighted the poor quality of CITES trade data for decades**, their conclusion, in the main, has been a recommendation to improve the quality of the data collected under the current system and the consistency of data collection across CITES signatory parties.

Some examples include:



Paper: The prevalence of documentation discrepancies in CITES trade data for Appendix I and II species exported out of Africa between the years 2003 and 2012



Paper: Long delays in banning trade in threatened species



Paper: A roaring trade? The legal trade in Panthera leo bones from Africa to East-Southeast Asia.



Paper: Assessment of Python Breeding Farms Supplying the International High-end Leather Industry

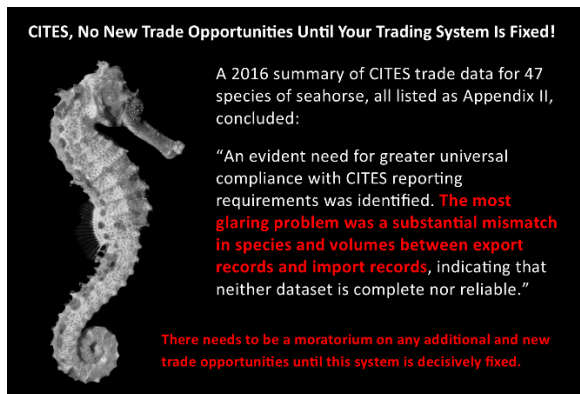


Paper: Missing teeth: Discordances in the trade of hippo ivory between Africa and Hong Kong

“A quick scan of the records demonstrates that vast and consistent data discrepancies are clear in many cases, and that the true volume of many traded endangered species is simply unknown. This is alarming, considering the reason that all of these species are included in CITES is because they are vulnerable to over-exploitation, and extinction.”

Alexandra Andersson

Paper: Incomplete trade records imperil hippo populations



Paper: Opportunities and challenges for analysis of wildlife trade using CITES data – seahorses as a case study.



Paper: The Role of Thailand in the International Trade in CITES-Listed Live Reptiles and Amphibians

Whilst the corporate conservation and academic institutions like to use the mantra of an ‘evidence-based discourse’ there is **no evidence that they use these decades of findings to call for the modernisation of the CITES trade permit and monitoring system and appropriate levels of funding** given the value of the global legal trade in endangered species.

This is shocking given they have **shown time-and-time again that the CITES system is full of significant loopholes that make it very easy to launder illegal items into the legal marketplace.** It is also not linked to customs systems, has no traceability, no transparency and information submitted to the CITES trade database is of very poor quality, inconsistent and not provided in a timely manner.

As a result of this research, NNM decided investigating solutions to ‘fix’ and modernise the CITES trade and permit system should be one of our key areas of focus. Instead of suggesting piecemeal solutions, **based on our analysis only a drastic overhaul of the CITES system can fix its current flaws.** As an example of something that can be done, an electronic permitting (e-permit) system which links to customs systems could be a first step to overcome some of the major problems. Implementing such a system is up to the CITES signatory countries and in the nearly 10 years this system has been discussed at CITES, most countries have not spent any money to move to electronic permitting.



From NNMs perspective it is **impossible to create a tamper-proof, traceable, transparent, interoperable and real-time trade system without CITES raising the necessary funds**. There is little evidence that the significant funds needed will come from the signatory governments. Currently CITES core funding is just US\$6.2 million annually (in reality, this is only US\$4.7 million annually given signatory country arrears).

The only way to raise the required funds is via a **levy on legal trade; industry contributions**²⁰ to the cost of regulating and monitoring the legal trade are long overdue. With the legal trade under CITES worth approximately US\$320 billion annually, such a **levy can be very low (1%-2%) and still raise sufficient money to build and maintain a modern and effective trade system**.

In addition, nearly 36,000 species are the currently listed for trade restrictions, making enforcement practically impossible. Even in wealthy countries, such as Australia, customs officials only receive a few hours training specific to the trade in flora and fauna.

From Nature Needs More's early research, **we believe it will be necessary to change the CITES Articles to switch to a reverse listing approach, which was first suggested by Australia in 1981 when only 700 species (not 36,000) were listed for trade restrictions**. A reverse listing approach would mean the default position is that a species cannot be traded and those who wish to trade would bear the burden of proof that the trade is ecologically and biologically sustainable.

Nature Needs More focused on this work in the lead-up to CITES CoP18.

Background

CITES is the UN Convention that regulates the international trade in endangered flora and fauna. It was drafted in 1973 and came into force in 1975. Today CITES has 183 signatories (182 countries plus the EU) who are Parties to the convention.

It is estimated that the legal trade under CITES is worth around US\$320bn per year. CITES lists ~1,000 species on Appendix I (no commercial trade allowed) and over 34,000 species on Appendix II (trade restrictions are applied).

CITES uses a 'direct' (black)listing model, meaning the default position is unrestricted trade. Because of the global decline in populations this means the number of listed species is rising constantly, making enforcement ever more difficult and costly for national governments.

The Problem

Most countries still use the original, paper-based permit system conceived in 1975, when the volume of trade was ~US\$2 billion annually. This permit system does not integrate with customs, making permit verification and shipment validation impossible. These loopholes enable the rampant illegal wildlife trade, which has been recently estimated by the World Customs Organisation to be worth as much as US\$258bn; in the region of 80% of the value of the legal trade.

Further, **CITES listings depend heavily on the availability of reliable trade and shipment data, but its data collection system is completely out of date**. Parties submit trade data only once a year and often late or not at all. The data quality in the CITES trade database is so bad, that a recent study found only 7.3% of trade records were accurate; and the discrepancies have been increasing over time.

Finally, the businesses that profit from the trade under CITES, such as luxury brands using crocodile and python skins, only pay token amounts for their permits. The **burden of proof for listing species on CITES appendices lies entirely with (mainly developing) range countries and NGOs.**

The Solution

CITES needs to be modernised to cope with the vastly increased volume of the legal trade and to close the loopholes used by the burgeoning illegal trade. This requires:

1. A **global roll-out of an electronic permit system to all 183 parties**. Such a system is available (called eCITES, created by UNCTAD) free of charge, but the global cost of implementation is still about US\$30 million due to set-up, training and integration costs.
2. In the first instance, a **levy or similar on industry (importers, not exporters) to cover the cost of rolling out the electronic permit system globally and to create and maintain a real-time reporting system.**
3. Using a **levy or similar on industry (importers, not exporters) to address the equity issues that are currently inherent in the cost of managing and enforcing the convention.**
4. Considering a **switch to the ‘reverse’ (white)listing system originally proposed by Australia in 1981**. Under this system the **default position is no commercial trade and the burden of proof that trade is sustainable shifts from governments and NGOs to industry**. This does not mean that industry will dictate the framework and criteria for what constitutes ‘ecologically sustainable use’ and what can be traded. Listings would still be subject to a vote at CoP, in line with current process.

Reverse Listing Overview

Given so many of the stakeholders we engaged with haven’t heard of **reverse listing or the 1981 CITES CoP3 Australian submission**²¹ below is a brief overview.

1. Reverse Listing refers to a model under which the **default position for any species is ‘no commercial trade’** (also called white-listing or positive listing), any proposal for commercial trade requires approval for a listing on the Appendices.
2. The **burden and cost of proof that trade will not negatively impact the wild cohort or the ecosystem it lives in is done upfront by those who benefit from trade** – not governments and NGOs as is currently the case.
3. This explicit need to prove ecological sustainability must be done before any approval for trade – listing approval process could be based on Addis Ababa Principles on Sustainable Use, whilst also incorporating demand-side considerations, effects on the illegal trade, effects on enforcement and other criteria already used within CITES.
4. **Reverse/White listing is commonly used when the Precautionary Principle forms the basis of the regulatory framework**. Examples include medicines and medical implants; the pharmaceutical industry pays the costs up front to demonstrate these medicines and implants are safe to humans²².

At the time of the Australian Government’s submission for reverse listing approach only 700 species were listed for trade restrictions. The submission by the Australian government correctly states the

problems arising as the list of species for trade monitoring grows:

This resolution identifies the problems arising from continuing additions to appendices and recommends that the principle of "reverse or clean" listing be adopted by CITES to replace the present appendices. Such lists would comprise only those species which have been proposed for commercial trade by a Party and for which there is agreement that a sufficient level of knowledge, management and control exists to ensure that the proposed trade will not threaten the species survival. The onus would be on the proponent to provide these data to the Conference of the Parties and a proposal would be dealt with in a manner similar to that presently adopted for appendix listings.

And recommends:

Australia commends to the Conference of the Parties the principle of "reverse or clean" listing, and proposes that its adoption to replace the present appendices be examined by an expert committee which would report to the next meeting of the Conference of the Parties.

At the time it wasn't adopted because, at 700, there were considered too few species listed; it is now 36,000. The CITES system was left to expand and to grow unrestrained, to the point where there are too many species, not enough control and too few resources. Everything the 1981 Australian submission warned would happen has happened and signatories, corporate conservation and the CITES Secretariat have stood by watching, but didn't act.

A 2016 IUCN Report: Biodiversity Risks and Opportunities in the Apparel Sector²³ highlights the use of (endangered) species has a high risk of being unsustainable in countries where there is 'weak wildlife trade regulations', yet the report fails to mention the global trade regulator is itself weak. The report recommends something like the reverse listing model, namely: **A sustainable design approach offers the possibility to incorporate environmental or biodiversity factors into the conceptual design phase such as the selection of the raw materials.** In the IUCN report this is only a recommendation to individual businesses. **Nature Needs More believes the CITES trade regulator itself should move to a reverse listing system so it is enforceable.**

3 Steps to Modernise CITES

As a result, NNM created a 3-Step process to modernise CITES, outlined in three documents²⁴:

1. CITES Modernisation Part I – Electronic Permit Implementation Via Cost Recovery
2. CITES Modernisation Part II – Reverse Listing
3. CITES Modernisation Part III – Industry Contributing To The Costs Of Trade

Step 1 - Electronic Permits



Step 2 – Reverse Listing



Step 3 – Industry Contributions



Socialisation of Modernisation Process Leading Up To CITES CoP18

Together with our **collaborative partner on this project, For the Love of Wildlife Ltd**, we started our campaign to modernise CITES in September 2018, by writing to the Acting Secretary-General of CITES; the letter was resent once the new Secretary-General had been appointed. This letter was followed up with phone calls and emails and, in the end, assurances were given that a meeting would be arranged on the sidelines of CITES CoP18.



As a result of not getting traction directly with the Secretariat, we decided to contact signatory countries through their embassies in Australia. We prepared a comprehensive briefing pack for ambassadors and arranged meetings in early February 2019 and again in mid-March 2019. **Meetings were obtained with over 25 CITES signatory countries, from regions including Europe (including meeting the ambassador representing the EU), continental Africa, Oceania, East Asia and South Asia.**



The feedback received was overwhelmingly positive, with a number of ambassadors commenting that they had never seen the issues around the legal wildlife trade presented this way. Embassies agreed to pass on the information to the relevant ministers and departments in their capitals and all *briefing packs were provided to send to Environment, Foreign and Trade Ministers*. Some Ambassadors agreed to make direct introductions so that we could secure meetings for a trip to Europe in May 2019. Based on these introductions **undertook a 12-day (8 country) tour of Europe in May 2019.**



The feedback we received was mixed, but all signatories, except for the Netherlands, acknowledged that the current CITES framework had flaws and that a transition to electronic permits was overdue. The Netherlands was a surprise, given **40% of the legal trade in endangered species enters Europe via the port at Rotterdam.**

The sticking point for modernisation was funding, given the current lack of resources for CITES. We outlined Step 3 of our proposal to have industry contribute to the cost of regulating the trade as is the case in many other industries, but most representatives could not see how this could be done under a UN Convention. **We were asked to come up with specific models for such an industry contribution that would be compatible with the current funding powers under the convention.**

In relation to changing the listing model to whitelisting ('reverse listing'), most had never heard of this and had no idea that it was originally proposed by Australia at CoP3 in 1981. There was immediate, strong concern over opening up the Articles of the convention to re-negotiation.

All the representatives that we met encouraged us to continue to meet with other signatory countries and especially to work on building an alliance of developed and developing countries in creating a push for modernisation. **Several countries (and the EU) indicated that they would like to be a part of an ongoing discussion.**

In addition to engaging signatory countries, we also made contact with a number of NGOs that we knew would be attending CoP18. In the main, none of these NGOs responded to our request to introduce the work we were doing. Only the David Shepherd Foundation, The Center for Biological Diversity and the Franz Weber Foundation engaged in in-depth discussions with us and decided to introduce our proposals to a number of signatory countries which are members of the African Elephant Coalition.

Attending CITES CoP 18, Geneva August 2019

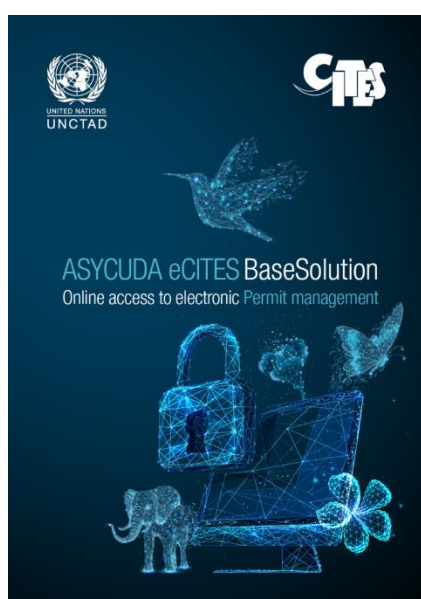
This work culminated in attending the CITES Conference of the Parties (CITES CoP 18) hosted in Geneva in August 2019. Nature Needs More and For the Love of Wildlife were keen to observe how this ‘trade convention’ conference worked in practice.



Firstly, the two positive outcomes for attending CoP were to:

1. Connect with the stakeholders driving the electronic permit system, and specifically hear details of the **eCITES BaseSolution**²⁵, its implementation and cost.
2. Speak directly with World Bank representatives about **significant levels of funding being donated to ‘promote the sustainable use’ model compared to the lack of funding being donated to modernise the system that manages this trade and the constantly increasing volumes of trade.**

eCITES BaseSolution



This eCITES BaseSolution is well advanced and has been developed by a collaboration of UNCTAD, CITES and the Swiss and Sri Lankan governments; it is due for a worldwide launch in Sri Lanka in October 2019.

Given the minimal progress after a decade of discussion at CITES, some countries have developed their own domestic system. In order to address widespread international fraud in CITES permits, regulations need to be tightened both nationally and internationally; this can be best achieved with a consistent approach across all 183 signatory parties. The eCITES Base Solution makes issuing CITES permits much easier, because **species names, appendix listings, units and classifications are populated via drop down menus in accordance with CITES rules; and can be centrally updated as trade in individual species changes so ensuring it is always up to date on the**

trade restrictions for all the 36,000 species listed for CITES trade regulations.

The **eCITES BaseSolution** has the advantage that it is hosted by UNCTAD and only needs a smartphone to run on, so no new IT infrastructure costs apply in countries choosing to implement it. The electronic permits can be verified instantly from anywhere in the world and the system also creates the trade reports for the CITES trade database. **Implementation costs are US\$150K per country (total of US\$30 million for all 183 signatories) and implementation only takes 6-12 weeks; making it feasible to roll the system out to all 183 signatories before CITES CoP19 in 2022.**

The eCITES BaseSolution can be extended to facilitate **electronic permit exchange across countries and can also be integrated with customs (ASYCUDA)**, making it the ideal basis for a modern, secure electronic permit system for CITES. It could also be used to increase the reporting frequency to the trade database and thereby allow a better monitoring system and enable risk flagging of unusual or suspicious trade patterns.

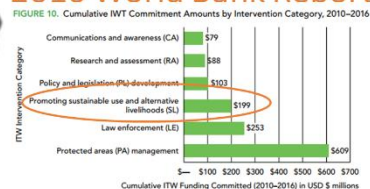
A Brief Aside - Blockchain

As with other industries, there has also been talk of using a blockchain to implement secure electronic transactions for CITES permits. **This is completely unnecessary and counter-productive from a sustainability viewpoint.** A blockchain is a distributed database in which EVERY participant holds a copy of EVERY transaction (for comparison, in case of credit cards only the card issuer and card provider keep copies of transactions). **Even for markets with low transaction volumes, such as Bitcoin, the power consumption is 75TWh pa – equivalent to that of the Philippines.** For markets with high transaction volumes the power consumption of a blockchain make it an insane suggestion and completely unsustainable.

Funding For Eligible Countries



2016 World Bank Report



- US\$200 Million spent on promotion of sustainable use model, driving up trade
- Yet, in a decade, no one has committed the US \$30 Million to build the global e-permit system to monitor and manage this trade.

A presentation by major donors was hosted by The World Bank at CITES CoP 18. The presentations highlighted how major donors directed their funds to tackle the illegal wildlife trade. **Between 2010 and 2016, US\$200 million was used to promote sustainable use²⁶. In doing this the volume of legal trade in endangered species, which is already high, increase.**

Yet to-date no major funds have been committed to the US\$30 million to build and electronic permit system to ensure this trade is transparent and trackable from source to destination.

The US\$150,000 cost of implementing the eCITES BaseSolution is the only reason stopping it being rolled out in some countries. We discussed with the World Bank that eligible countries should be given access to funding to roll out the eCITES BaseSolution and the World Bank representatives that we spoke to confirmed that this should be possible under the terms of its Global Wildlife Program²⁷.

General CITES CoP18 Observations

Over the 2 weeks of the trade conference, the patterns observed included:

1. There is **next to no discussion of the legal trade for listed species**. The focus is predominately on the illegal trade. **Legal trade figures are barely mentioned**, only in a few instances are they incorporated in submitted documents.
2. The **link between the loopholes in the legal trade system and the rampant illegal trade is ignored, as is the utter lack of resources for regulation**, monitoring and enforcement.
3. CoP revolves around species and listing decisions. The consequences of listing a species (or lack thereof) are not a topic at CoP, only if listings are submitted for review. As a result, the **effectiveness of CITES as a regulator for the trade in endangered species is not up for discussion**.
4. **NGOs attending CoP as observers focus on individual species and the vast majority are only interested in the ‘iconic’ species** (elephants, lions, tigers, rhinos and a few others).
5. The **split of delegates into two committees (one working on species listings, the other on the technical workings of the convention) reinforces the lack of focus on the effectiveness of CITES as a regulator**. Most NGOs shun the committee on the technical workings of CITES and engage only in the species listing debates.
6. In-depth discussion of important topics around the effectiveness of CITES for a species or a class of species only takes place at side events, which are often poorly attended. For example, **the massive issues in monitoring the trade in marine species and the lack of compliance around ‘introduction from the sea’ CITES permits was only discussed at a side event**.
7. **There is a desire for consensus in decision making**, despite the actual mechanism for decision making being a two-third majority vote. Votes are basically only used for contentious species listings, not for issues to do with how the convention works (or doesn’t).
8. **There is no desire to reflect on the effectiveness of the convention. A request for a review of CITES submitted to CoP18 was squashed in a closed working group, instead of acknowledging that CITES has not been reviewed since 1994.**

In summary, CITES CoP is the **conference of a legal trade convention, where the attendees have no commercial acumen or understanding**; worryingly ‘they don’t know what they don’t know’. This lack of strategic and commercial acumen in the conservation sector was first outlined in an April 2017 article: **Want To Know Why Conservation Is Failing? Read On....**¹⁹

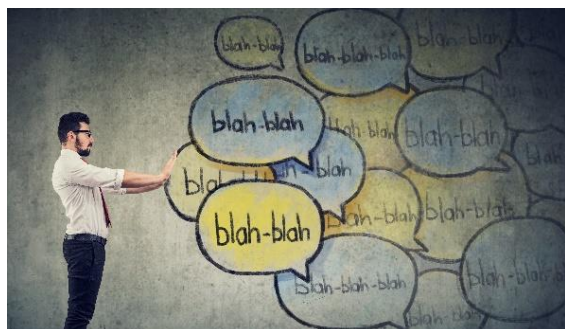
The focus on species listing debates feels like shuffling deckchairs on the titanic and a diversion, so the discussion on the effectiveness of CITES as a regulator for the trade in endangered species is avoided. **All of this results in the CITES regulator being seen to be antiquated and this is used by the groups who want to liberalise trade to push to ease trade restrictions further, which would be disastrous**. But undoubtedly change is coming for CITES one-way-or-the-other and it is **imperative that conservation pulls its head out of the distractions of species listings** and focuses on modernising and resourcing the CITES regulator.

Finally, we must ask why this sorry state has persisted for so long and undoubtedly it is due to the fact that it is not publicly discussed. More coverage of systemic issues, that must be addressed, is needed and has been needed for some time. But how do we engage mainstream media to cover a story they consider too dry or too complex for their readers?

Main-Stream Media (MSM)

Over the past 12 months Nature Needs More has tried to interest the main-stream media (MSM) in the story of how the flaws in the regulation of the legal trade in endangered species are enabling the illicit trade to thrive. Several angles have been tried, when contacting investigative, environmental and business journalists or editors and editors-in-chiefs.

Whilst conservation media does some great investigative pieces, these stories don't reach the general public. And we cannot rely on social media, which in the first instance was simply too noisy and is now not trusted given the levels of fake news, the number of fake profiles and the scale of orchestrated disinformation campaigns.



The story about the scale of the legal trade in endangered species and the flaws in the trade and monitoring system compared to the lack of core funding to the impoverished CITES regulator and the fact that businesses are pocketing hundreds of billions of dollars from the trade in endangered species while contributing only token amounts for permits had no traction or interest from MSM; it simply wasn't a story they wanted to pursue.

We found the journalists and editors we managed to get access to remain fixated on running stories about isolated incidents of individual wrongdoing, not investigating systemic issues. Time and time again we were told that readers wouldn't be interested in the story of systemic failure to protect wildlife, it was too dry, it was too complex – where's the cute animal, where's the hero, where's the villain? Maybe the funniest (or most frustrating) response was "If you can get a business to make a financial contribution to fixing the CITES legal trade permit and monitoring system, for the endangered species trade, we will write about it"; yes, that way around has always worked.

But is the fact that **MSM has missed global industry and trade issues of epic proportions and tragic consequences** a surprise? They have missed so many important stories in the recent past. Some examples of the stories they have missed or failed to cover include:

1. **Enron** – a company based on accounting fraud and its US\$63 billion bankruptcy in 2001, taking with it **Arthur Andersen** (founded in 1913), formerly one of the Big Five accounting firms who voluntarily surrendered its licenses to practice as Certified Public Accountants in 2002.
2. The near collapse of the global financial system and bankruptcy of the companies including **Bear Stearns** (founded 1923) and **Lehman Brothers** (founded 1850)
3. The three-decade ponzi scheme swindle of **Bernie Madoff**
4. The lack of reporting of the activities of **Harvey Weinstein**, which has been accepted, since the scandal broke, as open knowledge in the entertainment industry for years
5. **White collar crime in general**, for example the ease and ability to launder vast sums of money through the Australian banking system
6. And yes, it took until climate change arrived in people's everyday lives by virtue of extreme weather events in the last couple of years for MSM to finally challenge the fossil fuel industry.

How did the media miss all of this? **Do we have to wait until we have full blown scandal (or a crisis that has gone past the tipping point) until it is a story**, even though there may have been years or decades of evidence, but MSM has remained silent – it would appear so. When media has missed this much, you have to ask – just how many other stories are they missing and is this intentional or incompetence?

And now, **the scale of the legal trade in endangered species and the failure of appropriately regulating this trade is a huge story that shouldn't have been missed but it has been ignored for decades**. And, giving MSM the benefit of doubt as to why this story hasn't been told to-date, surely once the May 2019 IPBES report confirmed the trade in flora and fauna as the second biggest threat to species survival a few difficult questions about the legal trade, and the regulator, would have been asked?

But no, in late August at **CITES CoP18 in Geneva the media focus was once again on the iconic species – elephants, lions, tigers, giraffes and they completely ignored the fact that CITES as a whole is woefully under-resourced and the current trade and monitoring system is full of loopholes exploited by the rampant illegal trade**. Even approaching the accredited journalists during CoP18 we were unable to get them interested in highlighting the need to modernise CITES. **MSM remained obsessed with species listings and outcomes of votes and ignored the question if any of the listings have actually had any positive impact on protecting the species**.

The systemic failures of the legal trade in endangered species and the systemic changes needed to ensure their protection needs more MSM champions who will challenge the highly lucrative global business of nature. **Until these champions emerge, who will investigate the global trade rather than focus on cute animals, narrow issues, heroes and villains, we have to accept that the world for endangered species is quite different from what is written in our leading newspapers and magazines**.

Industries Benefiting From Trade

There would be a greater chance of success in reducing the unchecked demand for (illegal) luxury wildlife 'products' if work was being done to embed reducing the desire for endangered species into the newly evolving ethical and sustainable fashion industry strategy. A first step would be for this evolving sustainable (luxury) fashion movement to genuinely take wildlife (and endangered species more broadly) into account when **ensuring transparency in their supply chains**.



In order to illustrate why this is an issue that needs to be urgently addressed, it is worth looking at the example of just once species and its value to the legal marketplace: Python Skin

The harvesting of wild pythons has been ongoing for more than eight decades. As a 2013 article in *The Ecologist*: *What Price That Snakeskin Handbag?*²⁸ states: **"The European fashion industry accounts for 96% of the python skin market, with the main importers being Italy, France and Spain. The leading manufacturers and retailers of python skins are the designer brands Hermes, Gucci and Prada....It is a highly profitable trade, with the value of the python skin market estimated to be over £625 million (US\$1 billion)."**

At CITES 16th Conference of the Parties (CoP16; Bangkok 2013), concerns were raised by several CITES signatory countries regarding the conservation impacts of trade on wild snake populations and the need for greater monitoring and transparency: **Traceability Systems for a Sustainable international trade in South-East Asian Python Skins**²⁹.

In November 2013 the Python Conservation Partnership was established; a collaboration between Kering, the International Trade Centre (ITC) and the Boa and Python Specialist Group of the International Union for Conservation of Nature. The objective of the collaboration is to improve sustainability of the python skin trade, conduct research and make recommendations to improve sustainability and transparency amongst other things. In 2014 it published a report **Assessment of Python Breeding Farms Supplying the International High-end Leather Industry**³⁰.

Whilst the report concludes that commercial farming of pythons for their skins appears to be biologically and economically feasible, it acknowledges that absence of strong regulatory measures, monitoring and enforcement means captive breeding farms for pythons can be used to launder illegally collected or traded animals and skins; giving examples such as:

1. **Despite large exports of python skins from Lao PDR with a CITES source code C [captive bred], this study found no evidence that python farming is currently taking place [in the country].", and**
2. **"Python skin exports using a CITES source code "C" from countries other than China, Thailand and Viet Nam (e.g., Cambodia, Indonesia, Laos PDR and Malaysia) should be treated with caution until improved data on farms, management and monitoring systems are in place to verify captive production capacities".**

There is certainly reason for concern about the scale of illegal poaching of pythons. In 2016, Chinese authorities recovered a massive haul of 68,000 smuggled python skins worth \$48 million and was described as the “largest-ever python skin smuggling case.”³¹

It is maybe as a result of monitoring and the potential for laundering that luxury conglomerates such as Kering and LVMH have set up python farming SE Asia. However, given the inadequacies in the CITES trade permit system already discussed and the lack of traceability of individual skins from the source, this means from a fashion industry viewpoint **we must then question the use of the current, inadequate CITES framework as a way to justify harvesting snakes from the wild and a way to monitor trade in python skins.**

But this example is just for one product, what happens when you scale these problems up to the global fashion industry? Sustainable (Luxury) Fashion Strategy – Let’s take just 3 examples:



Example 1: February 2019 Fixing Fashion Report³²– The report on clothing consumption and sustainability correctly states Fashion: it shouldn’t cost the earth. But it currently does, in a May 2019 IPBES Report, the trade in flora and fauna was confirmed as the second biggest threat to species survival. So, it is disappointing that this UK parliamentary report contains only two mentions of the word ‘wildlife’ (page 9) and only in relation to climate change. There is nothing about the legal supply of wildlife body parts (and endangered species more broadly) to the (luxury) fashion industry.

Example 2: Is very similar example 1, as demonstrated by the work being done by the **Global Fashion Agenda³³**. In their 2017 Pulse Report, the word ‘wildlife’ features only once and in the **2018 Pulse Report the word ‘wildlife’ is not mentioned at all.** A second of their publications, the 2018 CEO Agenda highlights Supply Chain Traceability is top priority. **For wildlife (and endangered species more broadly) supply chain traceability is impossible until the CITES permit system is upgraded from current 1970s paper based system, but the retailers using wildlife body parts in their supply chain haven’t pushed for upgrading this system.**

Example 3: The Sustainable Apparel Coalition states on its website that it is the apparel, footwear, and textile industry’s leading alliance for sustainable production. Behind this statement is its development of its Higg Index³⁴ which it defines as “a suite of tools that enables brands, retailers, and facilities of all sizes — at every stage in their sustainability journey — to accurately measure and score a company or product’s sustainability performance. The Higg Index delivers a holistic overview that empowers businesses to make meaningful improvements that protect the well-being of factory workers, local communities, and the environment.” But not for wildlife and endangered species it doesn’t, because there can’t be supply chain traceability or transparency until CITES adopts a secure electronic permit system as the basis for trade in flora and fauna. **And given that the Sustainable Apparel Coalition has over 250 members, it is very telling that CITES is NOT one of them³⁵.**

Blockchain is being discussed by the sector to aid supply chain transparency. As discussed in the eCITES section of this annual report, the power consumption needed make this unsustainable.

Educating The Luxury (Fashion) Industry

In observing the lack of consideration this industry has for wildlife (and endangered species more broadly) a number of projects to challenge the industry to factor endangered species into its evolving sustainable fashion strategy were further developed during this financial year.

Fashion Theory

Nature Needs More was delighted to have the opportunity to collaborate on an article with Dr Catherine Kovesi University, a historian at the University of Melbourne; one of Catherine's specialist areas is the discourses of luxury consumption; she is a General Editor of the Bloomsbury series a Cultural History of Luxury.



The article, titled **Mammoth Tusk Beads and Vintage Elephant Skin Bags: Wildlife, Conservation, and Rethinking Ethical Fashion**, explores the fact that wildlife is not currently factored into the evolving sustainable fashion strategy. It is published in Fashion Theory.

Abstract: *Recent years have seen marked consciousness-raising in the arena of ethical fashion. Despite inherent difficulties in tracing a complete ethical supply chain back to source, sustainable fashion movements have helped to highlight the need for prominent fashion industry role models on the one hand, and awareness of those who produce what we consume on the other. Yet, repeatedly in such discussions, one of the most fragile components of the luxury fashion business is left out of the conversation – wildlife and endangered species. To date there have been parallel discourses in ethical fashion and in wildlife conservation that rarely intersect and are indeed often in unintended opposition to each other. Even those who attempt to promote an ethical path, or who buy vintage rather than new fashion items*

of wildlife products, often unwittingly contribute to the accelerated demand for wildlife fashion products from present-day endangered species. The desire to be ethical can, in some instances, even contribute to illegal poaching activity. This article unravels for the first time some of the complexities of the conservation dilemmas involved in the wearing of ancient, vintage, and present-day wildlife products. In doing so it argues we should place wildlife center stage, as an equally important element, in rethinking what it is that we wear.

The aim of the article was to show that wildlife is not currently factored into the evolving sustainable/ethical/circular (luxury) fashion strategy. At the same time, that article provided examples of the lack of sustainability, and lack of evidence of sustainability, in the use of endangered wildlife products in the (luxury) fashion industry.

In addition, **the article highlights some pillars of the evolving sustainable fashion strategy (e.g. buying vintage and artisan design) are making assumptions that certain products, e.g. Mammoth tusk jewellery, vintage elephant skin bags or vintage tortoiseshell glasses frames are sustainable, but fail to take in to account that driving up desire creates new demand which can lead to poaching when consumers can afford the (luxury) antiquities/vintage price point.**

Extinction, The Vulgarly Of Desire & Redirecting Desire

Nature Needs More (and previously Breaking The Brand) has stressed the need for global influencers, business brands, celebrities, mainstream and social media influences to understand and become involved in driving down the market for perceived luxury products and **unrestrained consumption of these pseudo luxury products**. This group, if educated and having the desire to help, could influence the unrestrained desire of the growing consumer class, who are causing **endangered species to be consumed to death**.

If wildlife and timber crime does not move beyond the concerns of conservation groups and law enforcement to also include those who understand the commercial and psychological nature of how to sell and drive desire, we will not solve this issue in time to save even some of the most iconic species from extinction in the wild. Currently, too few of these influencers know about or understand how the **desire and demand-side factors are contributing to the extinction crisis**.

It was for this reason that Nature Needs More was delighted to participate in **Symposium and Exhibition: Rhinoceros: Luxury's Fragile Frontier**, which ran November/December 2018 in Venice. This event was curated by Dr Catherine Kovesi; the Palazzo Contarini Polignac on the Grand Canal was kindly donated for the event.

The exhibition was launched with a symposium interrogating the impacts of this unconscious and unrestricted luxury consumption, past, present and future.



Nature Needs More's symposium presentation titled: **Reinventing Magnificence: Status from Contribution**³⁶ discussed NNM's research on Magnificence, a concept steeped in history, but subverted by luxury in recent centuries and has in the main been forgotten. How can this concept be reinvented for the modern age? Nature Needs More's research is to uncover the motivations that create and sustain the desire to contribute to the common good, and gain status from contribution not consumption.

In our current society what we buy defines us. Social status, self-identity, social differentiation and self-worth are today linked to consumption. **This addiction to consumption for status and self-worth gain has in recent years been termed affluenza**. There is nothing rational about being addicted to buying, yet this is not an individual disease; it is a manufactured affliction. We have just forgotten (or never experienced) what the world was like without being bombarded by thousands of adverts every day. **Currently, opting out of this consumption addiction requires both a secure identity and massive willpower to NOT conform**.

During interviews with consumers of illegal wildlife, it became apparent that an evolution occurred in their consumer behaviour. Once they had purchased more mainstream legal manufactured luxuries, they evolved to legal rare luxury products, often associated with endangered species. For example, many people would be surprised to find out it is legal to have a car interior upholstered in elephant skin and a range of rare, exotic leather.

While consumers must take responsibility for the consequences of their purchasing behaviour, business practices, marketing and media play their part and must be interrogated. **But what**

happens when legal luxury is not enough? How do you stand out? Illegal luxuries are one avenue to achieve status differentiation.

Thankfully, doing something illegal is not for everybody and most people shun going down this path. But that doesn't change the fact that the pressure to differentiate yourself exists and that usually when a handful of pioneers and early adopters create a new market, others will follow. Especially if the suppliers can get insanely rich in the process, with minimal risk, such as in the case of wildlife trafficking.



As consumers and as a civil society more broadly, we must interrogate why too many aspire to and worship luxury consumption as a way to express their self-identity and self-worth, how did we get to this? **If we were to re-invent magnificence, what form could it take?** The first is that a new form of magnificence cannot necessarily be based on empathy or compassion. Historically magnificence was based on status and implied obligation, and the link was broadly accepted

by the population at large.

Anything based solely on compassion with nature cannot be broadly accepted as yet, we are still in the process of increasing our distance from nature through urbanization. For now, we must also accept that status and hence luxury consumption for status gain are tribal – meaning is conveyed primarily to the ‘in-group’. Creating a new form of status differentiation means creating a new hierarchy of contribution that is meaningful to the tribe and seen as a public good by the wider population. By creating a new narrative about re-investing in the natural world as a way to demonstrate status and prestige, can we provide these elites an alternative to fulfil their self-image needs and a way to ‘win’ in the social comparison stakes?

Nature Needs More's exhibition video titled, **Extinction: The Vulgarly of Desire**³⁷ illustrated the work that needs to be done to challenge unrestricted luxury consumption of an illegal ‘product’ – rhino horn. The exhibition also showcased two very different artists, from either side of the world, joined in their passion for the rhino:

Gigi Bon of Venice



Shih Li-Jen of Taiwan



In the words of Gigi Bon **“If we cannot save the rhino or Venice, she asks, what can we save?”**

This event provided Nature Needs More with access to and ability to network with influencers from sectors highlighted as critical to driving down desire and demand for endangered species.

Factor Me In Campaigns (example I am a Cathedral³⁸)



In April 2019, tragically a fire broke out gutting the magnificent Notre Dame Cathedral in Paris. As people locally and internationally watched on, within hours and days of the event pledges to support the rebuilt were flooding in. Three of the world's largest luxury conglomerates – Kering, LVMH and L'Oréal – pledged a combined €500 million to the rebuilding of the cathedral. Whilst in no way criticising the pledge to support Notre Dame, Nature Needs More has to ask, **if these three luxury conglomerates alone can pledge a combined €500 million in a matter of days, why haven't they pledged the €27 million (US\$30 million) to roll out the CITES ePermit globally in the nearly 10 years it has been available?**

The legal trade in wildlife is worth over US\$112 billion annually to the European Union alone, and all of these luxury conglomerates profit from species listed for trade restrictions under CITES. This is why Nature Needs More created the **I Am A Cathedral Campaign³⁸**, calling on companies, such as Kering, LVMH and L'Oréal who benefit from the legal trade in endangered species to cover the cost of implementing the global electronic permitting system. Let's remind these 3 companies (and more) that our wildlife is precious and should be treated with equally high regard as a 900 year old cathedral.

This Factor Me In Campaign has also been designed to create adverts to continue to highlight that wildlife is not factored in to the evolving sustainable fashion strategy.

Demand Reduction

The seventh Breaking The Brand (to stop the demand) **RhiNo Campaign: Say Yes To Good Business, Say No to Rhino Horn** ran for 2 months over December 2018 and January 2019, leading up to the Lunar New Year on 5th February 2019. Full page advertisements were published in the business and lifestyle magazines, read by the target group, which we have used previously. The cost of this campaign was \$28,500. Though shorter in duration than previous campaigns, adverts were published at the recommended frequency to maximise the chance of a behaviour change in the target group. As with previous schedules, this was based on research done in both anti-tobacco and road safety campaigning.



Are you one of the diminishing number of businessmen in Viet Nam who still assume that they can buy status and influence by gifting rhino horn? More and more people have turned their back on this dying practice, as they realise how detrimental it is to their reputation.

Prominent Vietnamese businessmen have always condemned this disreputable practice and thanks to their influence others are joining them. As a result the use of rhino horn is in decline.

While the self-centred few still try to gain favours with rhino horn, doing so can only lose face with the influential elite.

It's time to learn and evolve, or risk being rejected by a group you aspire to join.



The South African Government announced on September 21, 2018 that rhino poaching for this year to-date is down 26%. This marked decline fits with both anecdotal and quantitative evidence discussed by the conservation NGOs monitoring the demand in Viet Nam.

Whilst NNM continues to create campaigns to trigger status anxiety in those men who consume 'genuine' rhino horn, highlighting the negative impact on their business brand, reputation, leadership status and lack of commercial acumen, we chose to reflect the positive development, of reduced rhino poaching, in our seventh campaign.

The campaign highlights the leadership credentials of those businessmen who have made a positive change and are no longer using rhino horn to gain favours or close business deals.

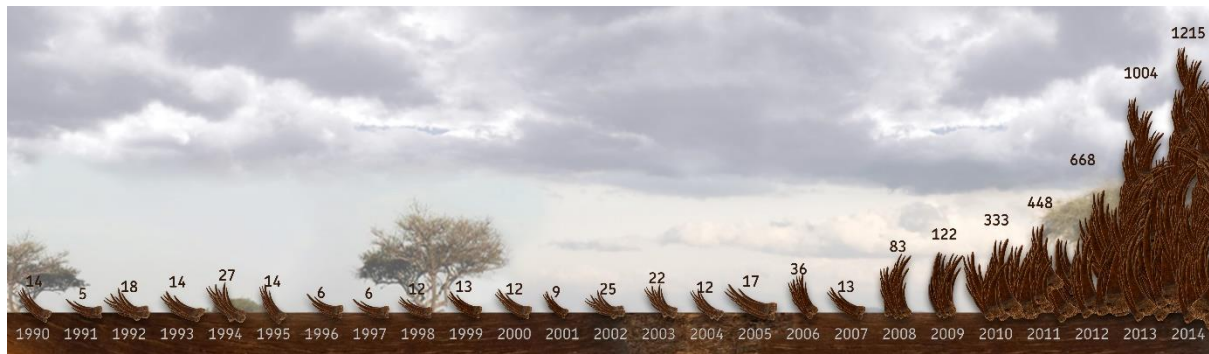
It directly addresses the 'laggards', the businessmen slow to accept that gifting rhino horn shows them as mediocre businessmen they obviously are, given they need the prop of rhino horn to seal a deal.

The consumption spike of the last decade has always been a fad and related to status and prestige gain, not medical use.

As interest may be waning, the brand risks of continued use could start to outweigh the (status) benefits.



Rhino Poaching Statistics for South Africa 1990 - 2104



Poaching decline in South Africa from 2015



Even though the rhino poaching figures are still tragically high, the fact that **rhino poaching is no longer growing exponentially** indicates that at least some wealthy Vietnamese men have lost their interest in rhino horn.

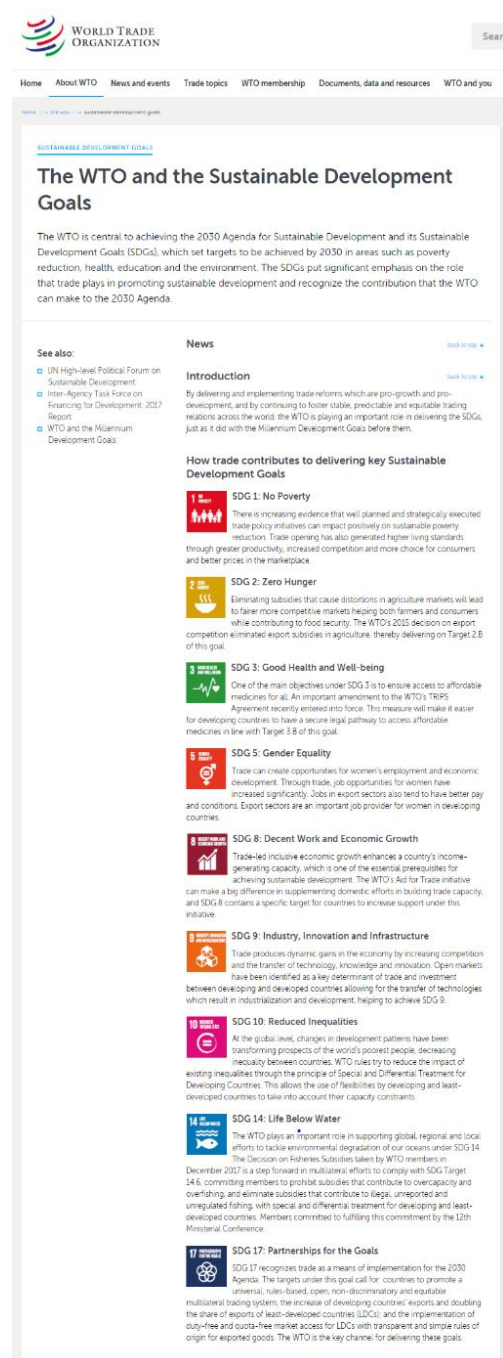
Whilst maintaining the demand reduction campaigns is vital, it cannot be underestimated just how much **supply-side factors and the over-generalised value of the sustainable use model³⁹ can undermine the success of demand reduction projects**. For this reason, Nature Needs More has chosen to focus its limited resources on supply-side issues, the sustainable use model and the mechanisms of trade during this financial year.

In addition, Nature Needs More also **undertook a review of the evolving business leadership culture in Viet Nam**. This work had enabled NNM to **ensure the language of the Breaking The Brand RhiNo campaigns remains fresh and relevant to our target group**, businessmen in Viet Nam. The next campaign will also include one advert seeding our ‘gaining status from contributing to nature, not consuming it’ message. This work to re-direct desire is a result of NNM’s researching into social differentiation, the history of luxury consumption and the historical differences between the values associated with magnificence vs. those associated with self-serving luxury consumption.

Interrogating Sustainable Use

Currently the mantra of ‘sustainable use’ is repeated constantly and goes unquestioned in the context of sustainable development, which includes the international trade in endangered species. **The question if the ‘use’ is actually sustainable under real world conditions is never asked.** This needs to change and it needs to change urgently, given the extraordinary threats to biodiversity as highlighted in the May 2019 IPBES Report, which specifically stated that trade is the second biggest factor driving the extinction crises.

There are species listed under CITES for legal trade restrictions and non-CITES listed species are covered by more general trade agreements, such as Free Trade Agreements (FTAs). So, it is no surprise that as early as 1994 when GATT was superseded by the World Trade Organisation (WTO)



Together with CITES, the WTO is an important player in managing the environmental trade and the under WTO rules additional checks and regulations are permitted in cases where trade could negatively affect the environment. However, **other than the odd exception FTAs don't specifically refer to the legal trade in wildlife.** Why, when the WTO could influence factoring in good governance, such as electronic permit systems, into multilateral trade agreements has this opportunity been ignored?

Nature Needs More decided to investigate this and in the first instance considered the UN Sustainable Development Goals ⁴¹(SDGs) the WTO considers a priority. On its website the WTO lists a subsection of the SDGs that are its priority⁴². Strangely this list doesn't include **SDG 15 Life on Land. As such the WTO appears not to acknowledge, as a priority, the massive trade in (endangered) terrestrial species.**

This is particularly disturbing given the long relationship between the WTO CTE and CITES, and also that currently 17 countries (Australia, Canada, China, Costa Rica, the European Union and its 28 member states, Hong Kong, Iceland, Israel, Japan, Korea, New Zealand, Norway, Singapore, Switzerland, Chinese Taipei, Turkey and the United States) are participating in the negotiation of the **Environmental Goods Agreement, which is the largest goods market access negotiation underway in the WTO.**

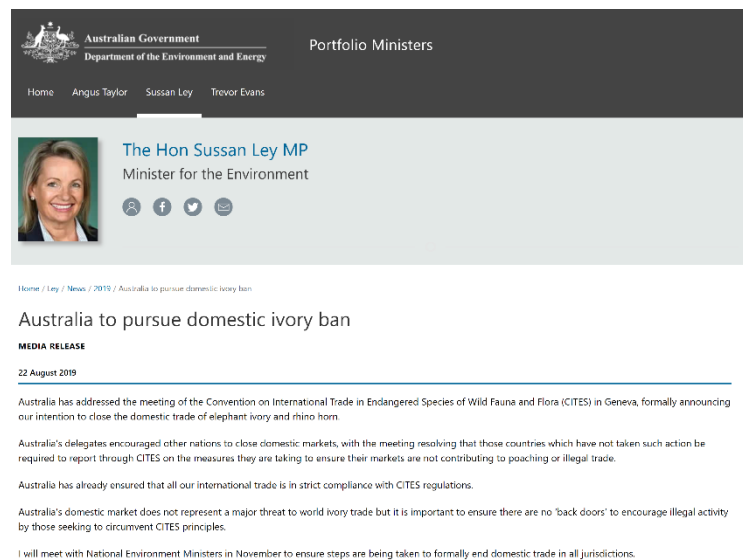
This is just one of the issues regarding sustainable use Nature Needs More will research and interrogate in the next financial year.

Other Projects - Domestic Trade Ban in Elephant Ivory and Rhino Horn

Nature Needs More has been delighted to support the work of For the Love of Wildlife Ltd (FLOW) as the organisation pushes for a ban on the domestic trade in elephant ivory and rhino horn in Australia.

Whilst attending CITES CoP 18 we were delighted that the Australian Government delegation formally announced to the floor that “[Australia’s intention to close the domestic trade of elephant ivory and rhino horn]”. See press release for full text⁴³.

Congratulations to Donalea Patman OAM, Founder of For the Love of Wildlife for all her work in driving this necessary project.



Other Supply-Side Projects - Basic Income (Linked To Conservation Outcomes)

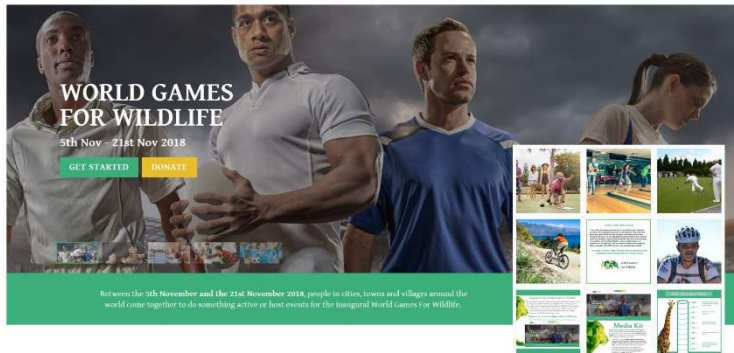
As the situation in Zimbabwe has continued to deteriorate our **basic income linked to conservation project remains on hold as of July 1, 2018**.

A basic income linked to conservation could be used in a number of countries around the world to deal with everything from human-wildlife conflict (e.g. Elephant-Human Conflict in Sri Lanka) to manage the economic transitions needed to address the climate emergency (e.g. Australia).

Nature Needs More is happy to share our research and model for a basic income linked to conservation with anyone interested in running a trial in continental Africa or elsewhere in the world.

Fundraising

Given Nature Needs More's directors all work in a volunteer capacity, with all NNM project commitments done in their personal time, the result is a minimal amount of time is available for fundraising. During this financial year the time to dedicate to fundraising was even more limited due to the complexity of the CITES modernisation project and the travel associated with this work, including participating in CITES CoP 18.



Nature Needs More did run the inaugural **World Games For Wildlife** in November 2018. Participants created their own events in Australia, the USA and the UK.

The inaugural event raised over AU\$14,000. Nature Needs More was delighted to get the support of a number of sporting ambassadors.

Danny Crates

Paralympic Athlete & Gold Medallist
Specialising in the 800m Sprint



"I am supporting the World Games For Wildlife because it is imperative the world sees these beautiful creatures for what they are and not simply a commodity to be traded. We need to protect and stop the suffering of these wonderful animals so our children and children's children have the privilege to share the planet with them."

Jason Gillespie

Fast Bowler, Coach &
Australian Cricket Legend



"I'm supporting the World Games For Wildlife because I want to help to close down the illegal wildlife trade and to protect our wildlife teammates from being poached for their body parts. Tackling the demand for these products is essential to help protect wild populations of iconic species such as rhinos, elephants, lions and tigers."

Nic Stirzaker

Rugby Union Scrum Half



"I am supporting the World Games For Wildlife because we cannot let the many incredible species we share this planet with go extinct in our lifetime. We are all responsible for protecting global wildlife and supporting the communities that live alongside."

Libby Trickett

Competitive Swimmer,
4 times Olympic Gold Medallist



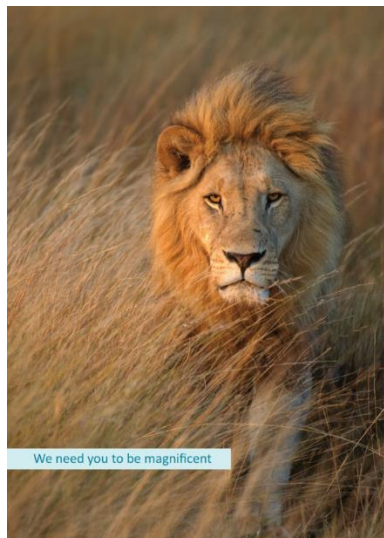
"I'm supporting the World Games For Wildlife because I believe it's our duty to take care of our planet and all of the incredible wildlife in it. We should all make as many changes as we can, be they big or small, to protect our animals and support the communities that live alongside key wildlife populations."

As with the Style Icon Afternoon Tea, the aim is to grow these events in the years ahead, to not only raise funds for the projects by gaining access new groups of donors, who haven't, as yet, contributed to the natural world, but also to raise awareness of the wildlife trade issues in a broader group of the general public. While a small number of dedicated donors are the backbone of any organisation, Nature Needs More wants to build a diverse pipeline of funding in the coming years to ensure that specific donor relationships aren't overstretched.

The second annual Style Icon Afternoon Tea was postponed until November 2019 and as such falls into the next financial year. Style Icon Afternoon Tea and World Games For Wildlife raised a combined AUS\$34,000 for Nature Needs More in their inaugural years. Whilst we will continue to grow these events in the years to come, we found them to be highly dependent on social media expertise and resource intensive for a volunteer team; as a result, they will be a slower build than was initially hoped.

Nature Needs More is exploring more traditional funding sources and both **Benefactors** and **Bequests** strategies have been added to the fundraising mix.

Benefactors



Bequests



This enabled Nature Needs More to raise over AU\$20,000 from benefactors, specifically to support the research and travel for meetings, workshops associated with the CITES modernisation project, including attending CITES CoP 18.

Basic Income Project Fundraising: Given the situation in Zimbabwe has continued to deteriorate our basic income linked to conservation project has been put on hold. As a result, no funds are being sought via the Global First 5000 at this time. Our aim is that the Basic Income linked to Conservation trial can go ahead in the future when the country is more stable.

Demand Reduction Campaign Donors: Nature Needs More is very grateful to our long-term donors who have committed funds consistently to the Breaking The Brand (to stop the demand) RhiNo horn demand reduction campaigns in Viet Nam. With their ongoing support there are funds committed to the next campaign due to be launched in late 2019 or early 2020.

Financial Report

Nature Needs More's financial report can be viewed via the ACNC website.

Plans for The Financial Year 2019 -2020

Over the coming year:

1. A major focus will have to be NNM brand building and fundraising, as we cannot progress the work on the CITES modernisation project and influencing the luxury fashion industry, to ensure transparency in the legal trade of endangered species, without travel for working group meetings, conferences and workshops.
2. In relation to the CITES modernisation project we will continue to build on the key relationships with UNCTAD, CITES, The World Bank and the Australian Government to support the uptake and implementation of the eCITES BaseSolution across signatory countries. Provided we can raise the necessary funding, we will attend CITES Standing Committee 73 and any additional regional working groups where we can get access to decision makers. Little of this work happens in Australia, unfortunately. This work will be done with collaborative partner For the Love of Wildlife and also includes:
 - i. Ensuring that a transparent trade analytics system, including trade risk flags, is designed and implemented. Only when this is done can the sustainable use model be proven by pro-trade governments, organisations and groups.
 - ii. Work to ensure that the trade in endangered species is taken into account when negotiating and entering into Free Trade Agreements (FTAs)
 - iii. Further interrogation of the sustainable use model
3. Together with For the Love of Wildlife, we will look for potential benefactors who are wanting to support strategic projects, that have the potential for driving real and pragmatic change. This systematic change is not emotionally engaging for donors, nor is it a sexy project for donors. It is a tedious project of driving real process change and modernisation of an industry that has allowed to languish for decades, with tragic consequences for endangered species.

We know that it will not be easy to find a benefactor and it will be someone who is looking to help solve a complex problem that has built up over many years. The aim will be to secure around \$150K pa for Nature Needs More, so that we can work part-time on the project and travel to the key conferences where decision makers are present.

4. In relation to brand building and communications we are also going to explore launching a YouTube video channel and linking that channel to Patreon for fundraising purposes. A subscriber-based model for video content could raise money for general expenses and non-project overheads. It would also be a good addition to our media strategy, as we discussed in the media section.
5. Focus on work with the luxury fashion industry to extend their evolving sustainable fashion strategy to factor in the trade in endangered species and the need for supply chain transparency for endangered species, which again requires electronic CITES permits.

6. Continuing our collaboration with SAVE African Rhino Foundation for rhino horn demand reduction campaigns in Viet Nam. We aim to complete the research on the changes in the Vietnamese business culture during 2019, with a view to launching a demand reduction campaign late 2019 or early 2020. This will most likely be a 6-months campaign using existing images, but with new, refined messaging.
7. Continuing our research into and work to tackle the systemic issues in the legal trade system that enable the massive illegal trade. We will also continue to research and promote strategic fixes, such as the ‘reverse listing’ approach and industry contributions to properly resource regulator.
8. Reducing the desire for legal and illegal luxury wildlife products through redirecting desire and continuing our Magnificence research.
9. Developing access to influencers from the luxury retail, celebrity and sustainable fashion area, with the aim that a growing number will support a change in the perception of wildlife products and help drive down the desire and demand for such products.
10. Continuing to evolve our online crowdfunding initiatives as such the Style Icon Afternoon Tea and the World Games For Wildlife.

Acknowledgements

This work could not have been achieved without the support of a number of individuals and organisations. While this list is by no means exhaustive, given the people who have helped over the last year, Nature Needs More would like to acknowledge the following:

1. Nature Needs More Ltd's Co-Directors Peter Lanius and David McPherson, whose work on research, projects and the administration for the organisation is outstanding, and I can't thank them enough.
2. Donalea Patman OAM, Founder of For the Love of Wildlife (FLOW), for all her continued, fantastic work driving the no domestic trade project in Australia. In addition, it has been a pleasure to collaborate with Donalea and FLOW on the project to modernise CITES. We look forward to this continued collaboration in the year ahead.
3. Nicholas Duncan, Co-Founder and President of the Save African Rhino Foundation (SARF) for not only donating to BTB, but also opening doors for and encouraging our research. These thanks are extended to Mike & Eva Palmer and the SARF committee, sub-committee and members.
4. An Tran and Tuyen Hoang and all the members of the Vietnamese community for your ongoing insights, advice, networking introductions and in education of BTB. For your willingness to listen to BTB's ideas and help us evolve our thinking & understanding of the best approach to tackle the demand for rhino horn in Viet Nam.
5. Dr Catherine Kovesi, School of Historical and Philosophical Studies, Faculty of Arts, University of Melbourne, for all her knowledge and commitment in helping to create projects to build awareness in the luxury and fashion industry regarding their impact on the natural world and specifically that they are not factoring in wildlife to their evolving sustainable (luxury) fashion strategy. It was wonderful to collaborate on so many fantastic projects and we look forward to working together in the years ahead.
6. Peter Eastwood, of the Tanglewood Foundation in New Zealand for their continued support of our campaigns, research and broader projects.
7. Our World Games For Wildlife Ambassadors Danny Crates, Jason Gillespie, Nic Stirzaker and Libby Trickett.
8. In addition to the supporters and donors already mentioned we would like to acknowledge Anne, James and Kristin for their fabulous support.
9. Nigel Dawson, Randal Glennon and Pete Becker of Three Wise Men (<http://www.three-wise-men.com.au/who-weare>) who have been committed to this campaign from as early as April 2013 when they were first approached.
10. To Allan Kaufman and the team at Leba Ethnic Media (<http://www.leba.com.au/>) and to everyone involved in the campaign at TKL Media in Viet Nam.

Last, but by no means least Savannah, who was our inspiration during the inaugural World Games For Wildlife. At the time Savannah, who was only 7 years old, lead the way to show no matter what age you are, everyone can help preserve our magnificent rhinos, lions, elephants, giraffes and pangolins.



Savannah Tran, VIC, Australia

"Hi, my name is Savannah and I am 7 years old. I'm doing the World Games For Wildlife challenge because I want the rhinos and lions to stay alive and live forever. I also want to keep them safe in their home.

My legs doesn't listen to my brain so I use a wheelchair sometimes at school but I normally use 2 sticks to help me walk. My challenge to help the animals to be alive and not be extinct is by trying to walk with only 1 stick which is going to be very, very hard.

You can save the animals with me by helping my fundraiser. Thank you for helping me reach my goal."

To support Savannah: <https://events.natureneedsmore.org/fundraisers/savannahtran/one-stick-wonder>



World Games
For Wildlife

Savannah achieved her goal of walking with one stick and also her fundraising goal to help wildlife.

This list is by no means comprehensive. Thank you all from Nature Needs More.

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