



# CITES Modernisation

## Tackling the Illegal Wildlife Trade

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**“After years of researching and working on the demand for illegal wildlife ‘products’, we have come to the conclusion that the illegal trade can not be tackled until the loopholes in the legal trade in endangered species are closed. CITES needs modernising to cope with current trade volumes.”**



In the last month, in 22 countries, Operation Blizzard netted:

- 2,703 turtles and tortoises
- 1,059 snakes
- 512 lizards and geckos
- 20 crocodiles and alligators

All intended for use in the fashion industry for accessories including wallets and handbags.



# The Scale of the Problem – The Value of Trade



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 Million pa**



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\$6 Million pa**

Help us redress the balance  
Because Nature Needs More



# CITES Overview

- Convention on International Trade in Endangered Flora and Fauna
- Designed in 1973, entered into force in 1975
- 183 signatories
- Non-self-executing treaty: national governments responsible for compliance/enforcement
- Regulates trade through 'listing' species seen as threatened from continuing trade:
  - Appendix I: no commercial trade allowed (~1,000 species)
  - Appendix II: trade restrictions (~34,500 species)
- **CITES has had only one review in 44 years, that was in 1994**
- **CITES still uses its 1970s, paper-based permit system**



# The Value of Trade – Examples

- Extract from EU Parliament document - 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 annually**
- Example - just one species - python:
  - 96% of python skins are used in the European fashion market
  - In 2013 the value of the python skin market was estimated to be **over US\$1 Billion**
  - Whole countries have been found to be exporting pythons with a CITES source code C [captive bred] when there is no evidence of python farming in the country
  - Enabled large scale laundering of illegal python skins in to the legal marketplace, just one seizure of illegal python skins in China in 2016 having an estimated worth of **US\$48 Million**
  - Since 2002 the EU has banned imports of python skins from Peninsular Malaysia due to concerns about harvest sustainability. It should have been up to CITES to ensure that sustainability, since that is exactly what the convention was created to do.

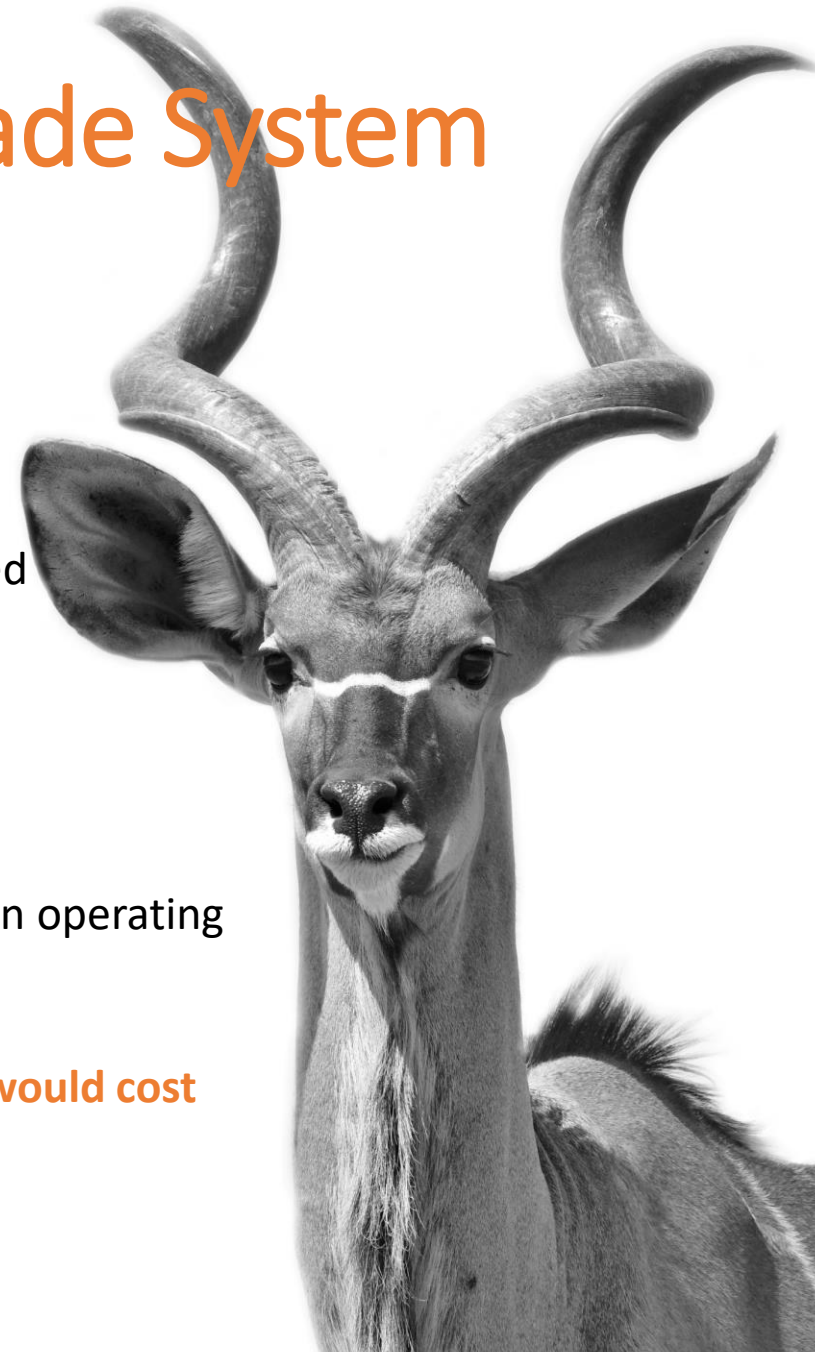
**The annual budget to CITES to administer this monitoring system for not just 1 species, but all 35,000 is US\$6 Million**





# The Scale of the Problem – CITES Trade System

- A paper published in 2015 outlined the prevalence of documentation discrepancies in CITES trade data for Appendix I and II species **exported out of 50 African nations** (and **198 importing countries**) between the years 2003 and 2012.
- The data represented **2,750 species**. Of the **90,204 original records** downloaded from the database:
  - **Only 7.3% were free from discrepancies**
  - **Increases in discrepancy-rates between 2003 and 2012 suggests that the trade was monitored less effectively in 2012 than it was in 2003**
- CITES trade monitoring and permit system has been operating for 44 years – still paper based
- **e-permit system discussed for nearly a decade**
- **Global e-permit system integrated with customs would cost less than US\$40 Million**



# The Scale of the Problem – CITES Trade System

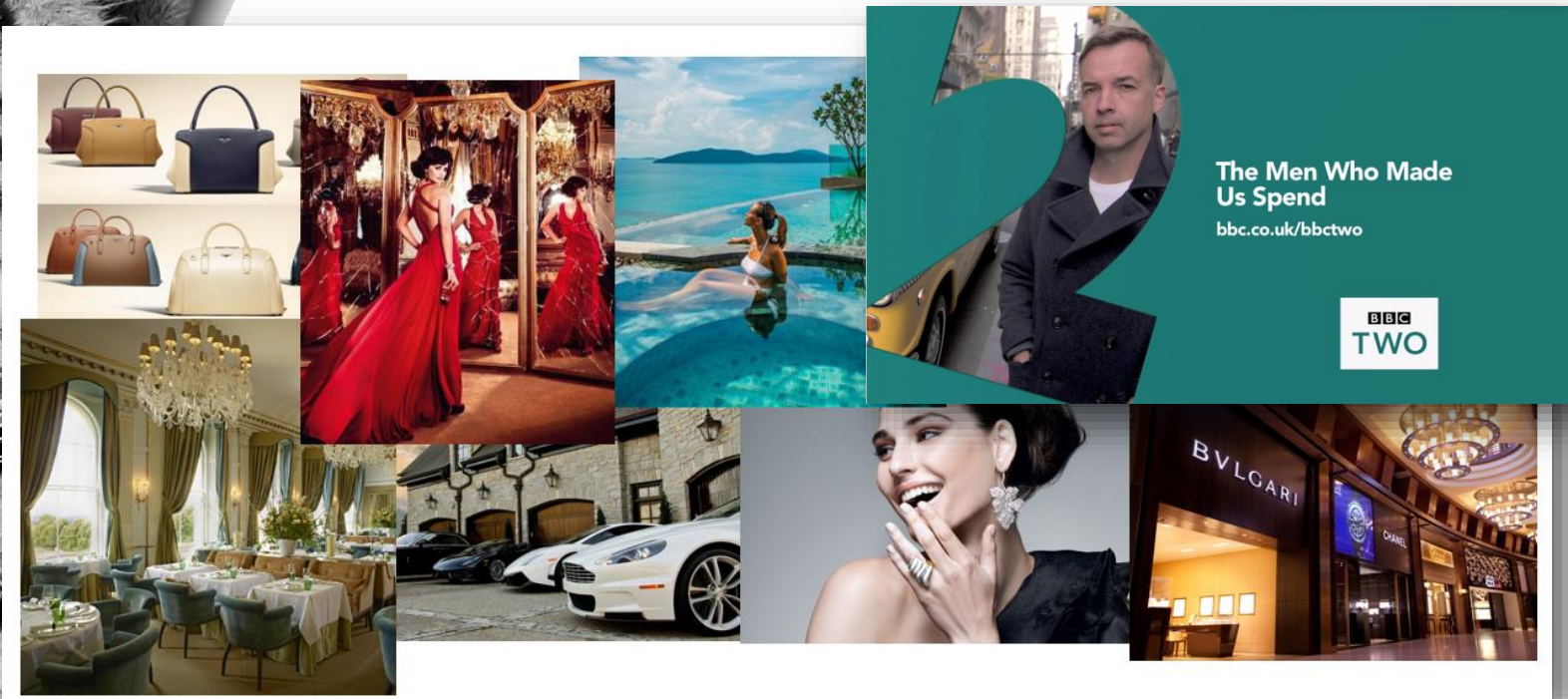
- A paper published in February 2019 highlights that species identified by the International Union for Conservation of Nature (IUCN) Red List as being threatened from trade can wait:
  - **As long as 19 years for protection under CITES** or
  - **Have already been waiting up to 24 years** to be listed after first being named.
- Authors urge CITES signatories to hasten the wildlife protection process, which at present **can typically take more than two decades**

Example: helmeted hornbill listed as only Near Threatened 2012, but a sudden increase in demand resulted in it being upgraded to **Critically Endangered in just 3 years.**





# Rates of Loss – Why has it got so bad



- **Legal (Luxury) Consumption** A lot of money and energy goes into telling & selling us that we need this lifestyle to be seen as successful
- In 2016 worldwide luxury retail sales was valued at **US\$1.25Trillion pa**

- Since CITES came in to force (1975), there has been tripling of the consumer base, with the fall of the Berlin wall (1989) and the economic explosion in Asia (starting 1993)

**What happens when mainstream legal luxury consumption is not enough?**



# Legal and Illegal Exotic Wildlife Luxury Consumption



- Status and social differentiation consumption
- Exotic legal products become more acceptable – elephant skin
- Illegal wildlife items coveted by ‘beyond legal luxury’ consumers
  - Purchased for status gain and differentiation – when legal luxury is not enough
  - Wildlife traffickers can increasingly be described as ‘market savvy, intuitive, ruthless, nimble entrepreneurs’



# The Scale of the Problem – Legal Luxuries



The gear shift knob was plated with silver, and the part on which the numbers of gears are placed, was made of metal and finished with silver and leather. The story of creation ends with the final finish of the car upholstery elements made of rare exotic leathers. The team of Witold Kopciuch, master of styling, is responsible for all the works concerning leather processing, applying the complex interior elements and sewing.




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**Hermes Kelly 35 Sellier Black Elephant Hide Gold Hardware \* Very Rare Collector**

Hermes

PRODUCT TYPE Kelly

VENDOR Hermes

Hermes Kelly 35 Elephant Hide Gold Hardware Very Rare Collector

This is the only kelly in Elephant hide that is currently available on the market.

It is absolutely impossible to find a Hermes item in Elephant skin. Beautiful rare Elephant skin in rich black. This bag comes with lock, keys, clochette, and a sleeper for the turnlock. True Collectors item super rare made from an African Safari in the 1980's. Condition: Preloved Excellent.

Sellier – "boxy, structured, rigid" / The Kelly Sellier has visible topstitching along the side seams and no exterior piping like the Retourne. The corners and edges are "sharp" contributing to a more boxy look. Compared to the retourne, the craftsmanship of the Sellier is a little more difficult and requires more steps. The seams are topstitched together and bees wax is applied to the edges, which protects the bag from damage. Due to the construction, the Sellier appears larger than a retourne in the same size. Out of the two styles, the Sellier is more limited.

Stamp: "O" Circle

Material: Elephant Hide (Discontinued)

Comes with an original dust-bag

Color: Black

Size: 35cm

Hardware: Gold

Made in France

**\$35,000.00**

PURCHASE

Hermes Clutch Bag

**Hermes Elephant Skin Jige Clutch Bag**

Availability: **In stock**


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Hermes Maxi Jige In Elephant Skin Special Order

Email this to a friend

**Present Price: \$340.00**

Quantity

Availability: Sorry Sold Out

Please contact with our customer service to confirm that whether the item can be available within a reasonable period before you add it into your shopping cart.

# A Solution

- While our preference is a system where a conservation led convention is the primary facilitator for protecting the natural world, what we have is a trade convention
- **Pragmatically we need to close down loopholes in the legal trade, including fixing the CITES trade system**
- The legal trade system can be fixed with:
  1. **Reverse listing - A default position of no trade**  
Put burden of proof of sustainable use on traders, not governments and conservation as it is under the current system
  2. **A trade levy to facilitate e-permit system**  
Make industry players pay for regulation and enforcement
- Reverse listing would mean a change to the articles of the CITES convention
- FLOW and NNM are approaching signatory countries to get support







# Reverse Listing

- Current CITES default is any species can be traded without restrictions, unless it is listed on Appendices
- Puts burden of proof on conservationists – expensive, long listing delays, fights between countries
- **Reverse listing means default is NO TRADE**
- Puts burden of proof on those benefiting from trade (industry)
- Allows much stricter definition of ‘sustainable use’
- Includes need to prove existence of current demand and nature of demand/desire
- **Example Local:** Kangaroo cull
- **Example International:** Rhino horn




# Reverse Listing Is Not A New Idea

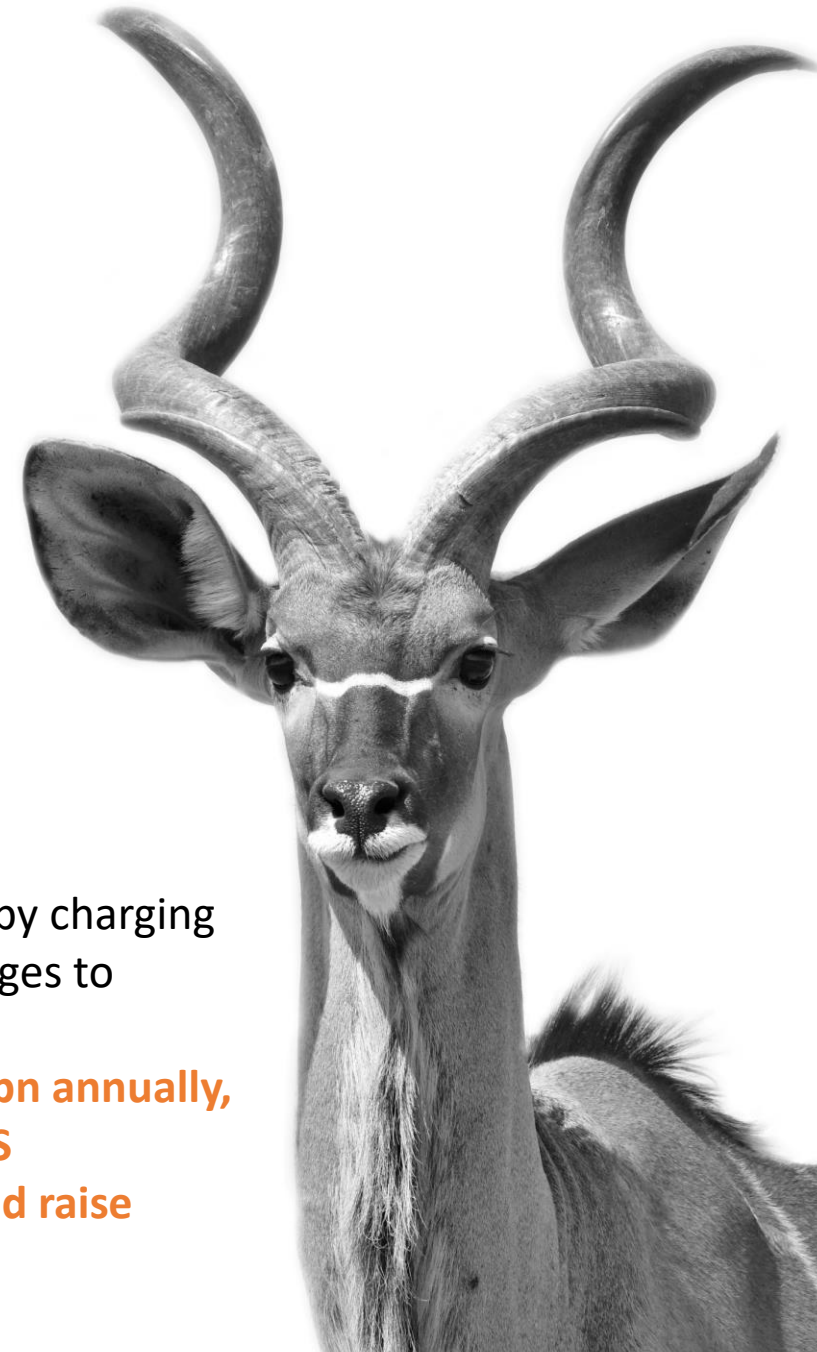
- First proposed in a 1981 Australian submission to CoP 3 in New Delhi

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.

- At the time it wasn't adopted because, at 700, there were considered too few species listed; it is now 36,000. So 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.

# Trade Levy – eCITES Permit System

- An electronic permit system for CITES designed to integrate with global customs systems is available (eCITES/aCITES, created by UNCTAD)
  - Use of system is free of charge, only cost is equipment, training and integration
  - NO country has adopted the system to date
    - **Major obstacle is cost, even though estimated at <US\$200K per installation**
  - **Benefits: Full integration with customs, pre-clearance, real-time permit validation, real-time reporting, traceability**
- 
- 
- Cost of regulation is recovered in many industries by charging fees, levies, registration/certification or other charges to industry
  - **A 1% import levy on trade could raise up to US\$3bn annually, more than enough to roll out and maintain eCITES**
  - **Even an annual registration fee for importers could raise necessary funds (<\$US 40million)**







## CoP 18 – Geneva, August 2019

- Proposed review is on the agenda as item 11 – the **Democratic Republic of Congo, Namibia and Zimbabwe have made a submission to review the convention to liberalise trade**
- We are looking for 4-5 signatory countries who will initiate a discussion under item 11 to propose studying the **reverse listing and trade levy/eCITES roll-out in new Working Groups**
- **Great opportunity to modernise CITES and close the loopholes exploited by the illegal trade**

# Meetings in Australia

1. The Australian government and political parties
2. Ambassadors to Australia, including:

Switzerland, EU, UK, New Zealand, Germany, Sri Lanka, India, France, Nigeria, Sweden, Guatemala and Fiji

Also spoken to the Netherlands and Ireland

Pushing for support for expanded **Review and instigate Working Groups**





# Meetings Overseas

1. Meetings with Politicians and CITES country representatives in Europe in May 2019
2. **In-principle support to progress our proposals from the EU and Sweden**
3. Positive interest from Switzerland, Belgium and the UK





# Our Request

**That you introduce our proposal to your government and relevant government officials**

**Help facilitate meetings for us with government representatives at CoP18 in August in Geneva.**

**One country in the region to agree to raise our proposals as part of discussions on agenda item 11**





Thank you

