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Briefing Note on How UN/CEFACT Standards Protect Endangered Species of Wild Flora and Fauna

Summary

The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) aims to ensure the survival of endangered species based on the issuance and control of permit and certificates that document legality and sustainability of the trade transaction. CITES permits are based on important UN/CEFACT standards and recommendations. These standards contribute to the implementation of the CITES Convention and UN Resolution A/73/L.120 on tackling illicit trafficking in wildlife.

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I. About CITES

1.   The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) establishes a legally binding regulatory regime to ensure the survival of endangered, CITES-listed species. Currently, 182 countries and the European Union are Party to this Convention and bound to its rules. CITES regulates trade in over 36,000 species of wild animals and plants, both aquatic and terrestrial, and includes emblematic species such as tigers, elephants, rhinos, manta rays and all the great apes.

2.   The objective of CITES is to ensure the survival of the species in the wild while allowing sustainable trade and income from wildlife resources. For example, global trade in python skin products is estimated to be 1 billion USD per year, and annual trade in CITES-listed orchids is estimated at $600 million. Many developing countries see significant tourism income generated by their wildlife and habitats. Together, the protection of wildlife and sustainable trade in CITES-listed species can generate important income opportunities—particularly for developing countries, rural communities and women.

3.   However, wildlife is becoming increasingly threatened by illegal trade. In October 2019 the World Bank estimated that illegal logging, fishing and wildlife trade have an estimated value of $1 trillion or more per year.[1] Governments in source countries forego an estimated $7 to 12 billion each year in potential fiscal revenues that aren't collected due to illegal logging, fishing and wildlife trade. Illegal trade in wildlife is now considered the fourth largest international crime.

4.   Concerned about the increasing scale of poaching and illegal trade in wildlife and wildlife products (and its adverse economic, social and environmental impacts) the United Nations General Assembly adopted a resolution in September 2019 to tackle illicit trafficking in wildlife[2] with a call to urgently increase efforts to prevent illegal trade. The General Assembly now calls on Member States "…*to take measures making permit systems more resistant to corruption and to take advantage of modern information and communications technologies for improved control of international trade in protected species of wild fauna and flora in order to prevent the use of fraudulent documents in the international trade of protected species.*"[3]

II. How UNECE standards help to combat illegal trade in wildlife and support sustainable trade in CITES-listed species

5.   The core instrument with which CITES Parties regulate trade is a system of permits and certificates. The permits are issued and controlled by national CITES Management Authorities which have been officially appointed by Government and which document the legality and sustainability of trade. CITES permits and certificates are thus the core instrument that can distinguish between legal and illegal trade in wildlife.

6.   Effective application of CITES depends largely on efficient control of the issuance and validation of CITES permits. As CITES permits are mainly issued in paper format these controls are very cumbersome and vulnerable to document forgeries. Customs

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[1] World Bank (2019). *Illegal Logging, Fishing, and Wildlife Trade: The Costs and How to Combat It*. Available at: http://pubdocs.worldbank.org/en/482771571323560234/WBGReport1017Digital.pdf
[2] Resolution A/73/L.120
[3] Ibid

administrations and border-control agencies around the world are often challenged to identify illegal and invalid CITES permits or shipments.

7.   Some illegal traders in wildlife may attempt to proceed using the CITES permitting system in place, with paperwork provided through fraud, forgery and corruption. Fraudulent CITES permits can potentially transform millions of dollars of suspected contraband into millions of dollars of legitimate merchandise.[4] For CITES, it is of utmost importance that international best practices and the latest standards and information and communication technologies are applied in the issuance and control of CITES permits.

8.   CITES Management Authorities in developing countries and transition economies often range states of the most vulnerable CITES species and lack the essential tools and instruments for electronic information management and exchange when issuing and controlling CITES permits.[5]

9.   To this end, CITES has established a long-standing, strategic partnership with the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) to adopt United Nations Economic Commission (UNECE) standards for improved regulatory control of international trade and UN/CEFACT eBusiness standards for electronic information exchange between government agencies.

10.   As a result of this partnership the layout of the CITES permit has been aligned to the United Nations Layout Key[6] (UNECE Recommendation 1) thus making CITES permits and data content easily recognizable for customs officers around the world.

11.   CITES also applies all relevant UN/CEFACT recommended code lists, such as ISO country codes or UN/CEFACT Units of Measurement codes in its permits and in the annual trade reports submitted by CITES Parties. This has allowed for more efficient control of trade restrictions and the establishment of a global statistical database on CITES trade[7] which is a key instrument used to assess the sustainability of CITES trade.

12.   CITES Parties are also stepping up efforts in electronic CITES permit processing and cross-border electronic exchange of CITES permits to increase transparency, fight corruption and prevent forgery of CITES permits using information technologies. These activities are summarized in the eCITES agenda, which aims to establish the efficient end-to-end control of CITES-listed trade by using modern eBusiness standards and technologies.

13.   To support the delivery of eCITES, the 18th meeting of the CITES Conference of the Parties (CITES CoP18, held in Geneva in August 2019) made several important decisions[8] leading to the further integration of UN/CEFACT standards for electronic document processing and exchange, which included the following:

•   Establishment of a CITES Working Group on electronic systems and information technologies under the CITES Standing Committee;

•   Instructions to continue working with the UN/CEFACT Agriculture Working Group to support Parties in the implementation of eCITES systems and to develop UN/CEFACT standards and norms for electronic CITES permit exchanges;

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[4] United Nations Office on Drugs and Crime (2016). *World Wildlife Crime Report*. Available at: https://www.unodc.org/documents/data-and-analysis/wildlife/World_Wildlife_Crime_Report_2016_final.pdf (Accessed 2 January 2020).

[5] Some developing countries such as Brazil, China, Kenya, Thailand, the Republic of Korea and South Africa have already started to implement eCITES systems.

[6] ECE/TRADE/137.

[7] CITES Trade Database available at: https://www.cites.org/eng/cites_trade_db_passes_15million_records

[8] CoP 18 Doc. 41 on Electronic systems and information technologies and CoP18 Doc 42 on Traceability.

• Recommendation to all Parties to use the UN/CEFACT eCERT standard for electronic CITES permits. The same UN/CEFACT eCERT standard is also recommended by the International Plant Protection Convention (IPPC) for electronic Phyto permits, thus allowing automated cross-checking and verification of electronic CITES and electronic Phyto permits;

• Adoption of the eCITES Implementation Framework which provides guidelines to Management Authorities for implementation of eCITES systems. This Framework is based on an approach developed by UNECE for the implementation of Single Window (UNECE Recommendation 33) and was developed with substantive input of UN/CEFACT experts;

• Recommendation to Parties to use the UN/CEFACT traceability standards and the UNECE *Guide on planning traceability systems for cross border trade* when implementing traceability systems for CITES-listed species;

• Recommendation to Parties on how to meet the mandatory requirements of the Convention of physical signatures and seals on paper permits when exchanging electronic CITES permits. The CoP18 also recommended Parties to apply UNECE Recommendation 14 on *Authentication of trade documents by means other than signature* and provided specific instructions for the electronic equivalent of physical signatures and seals in the CITES permits. Several Parties have already started to implement this decision and are now securing their CITES permits through electronic signatures in the form of a QR code which provides access to a trusted copy of the permit, thus preventing fraudulent use of permits.

14.   The CoP18 decisions and the adoption of UN/CEFACT eBusiness standards for CITES permits will now facilitate the adoption of eCITES systems by many countries which, in turn, will facilitate legal trade and combat illegal trade in wildlife.

15.   The CoP18 recommendations on UN/CEFACT standards have already been implemented by the United Nations Conference on Trade and Development (UNCTAD) in the latest version of its eCITES system[9]—an off-the-shelf software solution for electronic CITES permit processing and exchange which is available to all CITES Parties. This system was presented at CoP18 and was launched by the Government of Sri Lanka in October 2019. The CITES secretariat is currently in discussion with several CITES Parties who are interested in this system and hopes to launch more implementations soon.

16.   In the future UNECE will continue to support CITES and its Parties through standards, tools and technical expertise. To this end, UNECE is currently working jointly with the CITES secretariat, UNCTAD and the Economic and Social Commission for Asia and pacific (ESCAP) to provide expertise to countries from the UNECE and ESCAP regions to exchange electronic CITES permits across borders, thus bringing reality to the CITES vision of end-to-end control of CITES trade based on modern eBusiness standards and technology.

17.   UNECE is also planning a joint workshop in Bangkok, together with the CITES Secretariat and ESCAP, which will bring together interested Parties from the UNECE and ESCAP regions, to kick-start pilot projects for cross-border electronic permit information exchange. This is an important step toward implementing the CITES vision for secure and transparent end-to-end control in trade of CITES-listed species.

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[9] ASYCUDA BaseSolution flyer available at:
https://cites.org/sites/default/files/eng/prog/e/Flyer_ASYCUDA_eCITES%20BaseSolution.pdf. (Accessed 2 January 2020)