

UNECE 3rd Multi-Stakeholder Policy Dialogue

Day 1 – Monday 23 November 2020

Session#1: Transparency and traceability of value chains: key enablers for sustainability and circularity

(13:00–14:00)

Keynote Address

Ivonne Higuero, Secretary-General, CITES Secretariat

Distinguished colleagues, esteemed participants, ladies and gentlemen,

My warm thanks to UNECE for the honour to speak at this important event. We value your commitment to keeping the regulatory frameworks of international trade up to date, as new planetary challenges impact global value chains.

We also welcome the engagement of major companies in this dialogue. The commitment of the industry and all stakeholders that are participating in this Dialogue is critical. Governments are in the midst of designing a new strategic framework on biodiversity – building on the Sustainable Development Goals, the Aichi Biodiversity targets and the Vision of all biodiversity related Conventions.

Sadly, we have not been successful in achieving most of the Aichi biodiversity targets and I believe it is because we haven't been successful at fully engaging a critical mass of private actors who use biodiversity. It is not possible for only governments or civil society to ensure the sustainability of wild species, the provision of ecosystem services and the health of the ecosystems themselves. So, in this Dialogue, it will be very important also to get your advice on how to bring closer other private sector actors so that we can use our natural resources more sustainably and change our relationship with Nature.

CITES, as you may know, is a multilateral environmental agreement which regulates international trade in over 38,000 species of wild fauna and flora – many of which are essential for the industries that are represented here today. The primary purpose of the Convention is to ensure that international trade does not threaten the long-term survival of valuable species in the wild. To do so, CITES Parties have placed these species in three Appendices, with different controls and regulations depending on the extent to which trade is impacting the conservation status of each species.

While trade in animals and plants placed in CITES Appendix I is generally prohibited, this represents only 3% of CITES-listed species. On the other hand, Appendix II represents nearly 97% of all CITES-listed species. These can be traded commercially in international markets – though only under strict conditions that ensure trade is legal, sustainable and traceable.

Trade in Appendix-II involves species that are not thought to be in an immediate danger of extinction as a result of overexploitation, but for which trade must be monitored to avoid reaching that point. Trade in such species is subject to a licensing system, with which all traders must comply, and which is enforced at the national level.

The CITES permitting system shows the significant scale of trade in CITES-listed species: Parties report roughly 1 million transactions every year, and the CITES Trade Database has recorded over 21 million transactions overall.

All imports, exports, re-exports or introductions from the sea of any CITES listed species must be vetted by the licensing system, which ensures the traceability of trade. The respect of these rules by all players involved in the wildlife trade, across all stages of the supply chain - from traders, to private corporations, State Authorities and consumers - has made possible the widespread implementation of the Convention. This has proven beneficial for wild species, local communities, industries and economies that rely on wildlife.

CITES rules apply to numerous species that are especially relevant to members of the garment and footwear industry, so your engagement and your input are essential in order to keep our regulatory framework up to date.

Take the example of python skins and hides, used for a variety of purposes by the industries that are represented here today. Some of the most commercially valuable python species are listed in CITES Appendix II. The Reticulated Python, for example, is one of the most widely exported species out of the South East Asian region, with an estimated 340,000 skins exported annually. Overall, trade in python products is worth an estimated 1 billion US dollars.

These products are generated across a value chain that stretches from local farmers, breeders and hunters, through domestic tanners and manufacturers, and which flows further to exporters. It ultimately reaches an international clientele via corporations and businesses like yours.

The value of this and other sizeable markets makes it all the more important to engage with producers and ensure products comply with CITES regulations. Unsustainable, uncontrolled trade has a negative impact on the status of CITES-listed species, we know

this from recent assessments on threats to the world's species. It can also deter us from achieving the Sustainable Development Goals and other commitments to reduce poverty, create jobs and ensure environmental sustainability.

We need the buy-in of the legal framework of CITES by all actors, across all stages of the value and production chain. For businesses in the garment and footwear industry, this means enhancing all efforts to ensure the legality and traceability of the materials that are necessary for your products. It also means being familiar with and supportive of the existing legal frameworks, that of CITES and of other Conventions, through concerted action.

This can take many forms: from abiding strictly by the CITES permit system, redoubling efforts to ensure the sustainability of the practices of local producers you work with, refusing to work with those who might not adhere to these principles, or reporting any anomalies you might spot at any point of the chain to the relevant authorities.

The role of the private sector and its major players is also essential through its sheer economic weight. By adhering to the CITES requirements, you create powerful incentives for groups and communities everywhere to invest in legal trade. This gives a strong stake in the process to those groups, particularly those who live near the habitats of species that are most used in your sector, making them full partners in the conservation of these species.

As we currently face the multiple and interlinked planetary crises of climate change, biodiversity loss, and a global pandemic, it is important that we move swiftly towards establishing a genuinely sustainable relationship with nature. By seeking to reinforce existing regulations that promote the sustainable use of biodiversity-based resources like wildlife, the major actors of the private sector that are gathered here today have a powerful role to play in helping us move forward. I am certain this Dialogue and the work of UNECE will indeed help us move forward.

Thank you.