

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



Seventy-fifth meeting of the Standing Committee
Panama City (Panama), 13 November 2022

Interpretation and implementation matters

General compliance and enforcement

Compliance matters

Application of Article XIII: Reports of the Secretariat

Malagasy ebonies (*Diospyros* spp.) and palisanders and rosewoods (*Dalbergia* spp.)

REPORT OF THE SECRETARIAT

1. This document has been prepared by the Secretariat.

Introduction

2. At its 18th meeting (CoP18, Geneva, 2019), the Conference of the Parties adopted Decisions 18.98 and 18.99 as follows:

Directed to the Standing Committee

18.98 *The Standing Committee shall, at its 73rd and 74th meetings:*

- a) *Review reports from Madagascar and the Secretariat on the implementation of Decisions 18.96 and 18.97, and make recommendations to Madagascar, relevant Parties and the Secretariat as appropriate, and take measures in accordance with Resolution Conf. 14.3 (Rev. CoP18) on CITES compliance procedures if Madagascar fails to satisfactorily implement the actions directed to it in Decision 18.96; and*
- b) *consider establishing a small intersessional advisory group of Parties to assist and advise Madagascar on the implementation of all measures regarding *Dalbergia* spp. and *Diospyros* spp.*

Directed to the Secretariat

18.99 *The Secretariat shall:*

- a) *assist in the implementation of Decisions 18.94 to 18.97;*
- b) *subject to external funding, assist with relevant capacity-building activities in Madagascar and transit and destination countries concerned by the trade in specimens of *Dalbergia* spp. and *Diospyros* spp. from Madagascar;*

- c) *issue a Notification calling on potential destination countries, of shipments of illegal specimens of Dalbergia spp. and Diospyros spp. from Madagascar to take appropriate measures to ensure that such timber is not illegally transported or traded, including prohibiting entry, seizing such specimens upon arrival and apply appropriate sanctions against traffickers in accordance with the provisions of the Convention; and*
- d) *provide reports on progress with the implementation of this Decision to the Plants Committee and the Standing Committee, as appropriate.*

3. At its 74th meeting (SC74, Lyon, March 2022), the Standing Committee reviewed the reports of Madagascar and the Secretariat (see SC74 Doc. 28.3.1 and SC74 Doc. 28.3.2). The Secretariat noted that significant progress had been made at the national level regarding the scientific aspects of Decision 18.96 [paragraphs a) to d)] and the control and enforcement measures against illegal logging and export [(paragraph e)]. However, despite the considerable efforts made by Madagascar and its partners, progress was insufficient regarding the governance aspects of Decision 18.96 [paragraphs f) and g)]. On the basis of these reports, the Standing Committee made the following recommendations:

The Committee:

- a) *decides to uphold the recommendation for Parties not to accept exports or re-exports for commercial purposes from Madagascar of specimens of Diospyros spp. (populations from Madagascar; annotation #5) and Dalbergia spp. (annotation #15) from Madagascar, until Madagascar has made a legal acquisition finding and a non-detriment finding for these species on a national level to the satisfaction of the Secretariat;*
- b) *invites Parties of origin, transit and destination of specimens of Dalbergia spp. and Diospyros spp. from Madagascar to implement all the measures recommended by the Standing Committee regarding commercial trade in specimens of these species from Madagascar, including the suspension of such trade, and to effectively manage the stockpiles of wood of Dalbergia spp. and Diospyros spp. from Madagascar. Parties are invited to follow the guidance included in Resolution Conf. 17.8 on Disposal of illegally traded and confiscated specimens of CITES-listed species, in particular paragraphs 2 and 8;*
- c) *notes the progress made by Madagascar regarding paragraphs a) to d) of Decision 18.96 (i.e., scientific aspects) and paragraph e) (i.e., enforcement); invites Madagascar to identify where additional training would be needed and calls on the Parties and relevant partners to provide technical and financial assistance to support the work of Scientific Authorities and enforcement authorities;*
- d) *notes:*
 - i) *the statements by Madagascar about its intention to make domestic use of the 'officially controlled' stockpiles;*
 - ii) *that, for this reason, the management and use of these stockpiles corresponding to Step 1 of Phase 1 of the Stockpile Verification Mechanism and Business Plan no longer falls within the scope of CITES; and*
 - iii) *that, consequently, paragraph g) of Decision 18.96 is no longer appropriate;*
- e) *invites Madagascar to implement all the necessary control measures for the application and respect of annotation #15 in the event of any export of objects made from Dalbergia spp.;*
- f) *invites Madagascar to refer to the Standing Committee after completion of the process to manage and use the 'officially controlled' stockpiles on a domestic level in order to report its outcomes;*
- g) *takes note of the progress made in the framework of the Intersessional Advisory Group established to assist and advise Madagascar on the implementation of all measures regarding Dalbergia spp. and Diospyros spp., and considers that its mandate has been fulfilled;*
- h) *notes document SC74 Doc. 28.3.2 and the progress made regarding the provisions of paragraphs a) to c) of Decision 18.99 directed to the Secretariat;*

- i) instructs the Secretariat to publish a Notification to the Parties reflecting paragraph a) of the present recommendations;
- j) requests the Secretariat, subject to the availability of resources, to assess the administrative and legislative provisions for the implementation of CITES in Madagascar, in accordance with Article XIII of the Convention, to explore the necessary measures and to provide Madagascar with the technical assistance required for implementing the Convention; and
- k) agrees to propose to CoP19 the renewal of paragraph f) of Decision 18.96 amended as follows:
 - f) ~~subject to available funding,~~ secure the stockpiles (including undeclared and hidden stocks) of timber of *Dalbergia* and *Diospyros* in Madagascar, and submit regular updates on audited inventories thereof, ~~and a use plan based on transparency~~ and independent oversight mechanisms, for consideration, ~~approval~~ and further guidance from the Standing Committee;

- 4. In September 2022, Madagascar submitted a report to the Secretariat on progress made in the implementation of Decision 18.96 (see document SC75 Doc. 7.3.1).
- 5. The present document reports on progress made in the implementation of the recommendations made by the Standing Committee at its 74th meeting (see the summary record, SC74 SR) and directed to the Secretariat.

Report of the Secretariat on the implementation of Decision 18.99 and the recommendations made by the Standing Committee at its 74th meeting (SC74, Lyon, march 2022)

- 6. The Secretariat refers to document SC74 Doc. 28.3.2, which describes in detail the context related to Malagasy ebonies (*Diospyros* spp.) and palisanders and rosewoods (*Dalbergia* spp.) from the 16th meeting of the Conference of the Parties (CoP16, Bangkok, 2013) until the 74th meeting of the Standing Committee (SC74, Lyon, March 2022) and reports on the implementation of Decision 18.99 directed to the Secretariat.
- 7. Following the 74th meeting of the Standing Committee (SC74, Lyon, March 2022), on 12 May 2022, the Secretariat published Notification No. 2022/031 to uphold the recommendation for Parties not to accept exports or re-exports for commercial purposes from Madagascar of specimens of *Diospyros* spp. (populations from Madagascar; annotation #5) and *Dalbergia* spp. (annotation #15) from Madagascar, until Madagascar has made a legal acquisition finding and a non-detriment finding for these species on a national level to the satisfaction of the Secretariat.
- 8. In this Notification, the Secretariat also invited Parties of origin, transit and destination of specimens of *Dalbergia* spp. and *Diospyros* spp. from Madagascar to implement all the measures recommended by the Standing Committee regarding commercial trade in specimens of these species from Madagascar, including the suspension of such trade, and to effectively manage the stockpiles of wood of *Dalbergia* spp. and *Diospyros* spp. from Madagascar.
- 9. As a reminder, in 2014, the authorities of Sri Lanka seized a stockpile of about 420 metric tonnes (28 containers) of rosewood (*Dalbergia* spp.) which had been loaded in Zanzibar for shipment to Hong Kong SAR and was suspected to originate from Madagascar. In June 2022, the Secretariat was made aware of a sale by auction of a stockpile of *Dalbergia* spp. from 2014 conducted in Sri Lanka on 4 April 2022. The Secretariat thus wrote to the Management Authority of Sri Lanka to ask whether the stockpile seized in 2014 was the one that was auctioned on 4 April 2022. If not, the Secretariat asked for clarification on the species of *Dalbergia* that was auctioned as well as the source of the stockpiles involved. At the time of writing this document, the Secretariat had not received an answer from Sri Lanka yet.
- 10. At SC74, the Standing Committee requested the Secretariat, subject to the availability of resources, to assess the administrative and legislative arrangements for the implementation of CITES in Madagascar, in accordance with Article XIII of the Convention; to consider the necessary measures; and to provide technical assistance to Madagascar as necessary to implement the Convention. In this regard, the Secretariat intends to conduct an assessment of the administrative and legislative arrangements for the implementation of CITES in Madagascar from 2023.

Conclusions

11. Since the 74th meeting of the Standing Committee (SC74, Lyon, March 2022), the Secretariat notes that significant progress has been made in the scientific aspects of Decision 18.96 [paragraphs a) to d)] regarding the identification of the main commercially valuable species in the genera *Dalbergia* spp. and *Diospyros* spp. from Madagascar for the purpose of making non-detriment findings and setting voluntary export quotas. The Secretariat wishes to congratulate Madagascar and its partners for the work done so far and encourages the authorities to continue these activities.
12. Regarding paragraph e) of Decision 18.96, the report of Madagascar describes in detail the control and enforcement measures against illegal logging and export implemented between 2019 and 2021. The report does not document any measures related to seizures, investigations or arrests made in 2022 but indicates that legal proceedings are under way and that an update will be provided before CoP19. The question that remains is whether the investigations and legal proceedings are targeted and effective enough to dismantle the networks of traffickers and bring to justice all the players involved, and how the recommendations of the International Consortium on Combating Wildlife Trade (ICWC) and the United Nations Office on Drugs and Crime (UNODC) on precious woods made in a study published in March 2018 could be implemented. This issue was already raised at the 69th meeting of the Standing Committee (Geneva, November 2017 – SC69 Doc. 49.2). In this context, the Secretariat invites Madagascar to submit to the next meeting of the Standing Committee a detailed report on the prosecutions undertaken between 2017 and 2022 and their outcome. The Secretariat also refers to document CoP19 Doc. 17.5 for more information on the measures against illegal logging and export of these species taken under the auspices of ICWC.
13. The Secretariat notes that weak progress has been made regarding the governance aspects of Decision 18.96 [paragraphs f) and g)]. At its 74th meeting, the Standing Committee invited Madagascar to refer to the SC after completion of the process to manage and use the 'officially controlled' stockpiles on a domestic level in order to report its outcomes. The selection of a technology to mark the wood, the inventory of the 'officially controlled' stockpiles and the stockpiles of seized palisander, and the review of the use plan for the stockpiles should mostly be implemented through a supporting project signed in 2019 between Madagascar and the International Tropical Timber Organization (ITTO). Under this project, three consultants were recruited in September 2022. In this regard, the Secretariat notes that the process for the management and use of the 'officially controlled' stockpiles is still under way and recalls that Madagascar should refer to the Standing Committee once the process has been completed to report its outcomes.
14. In document CoP19 Doc. 29.3, the Secretariat notes that, during the past years, there has been some overlap between the decisions adopted by the Conference of the Parties and the Standing Committee recommendations on Malagasy ebonies (*Diospyros* spp.) and palisanders and rosewoods (*Dalbergia* spp.). Annex 2 of that document contains a detailed comparison between CoP18 Decisions and the SC74 recommendations. In order to avoid challenges in aligning CoP Decisions and Standing Committee recommendations in the future, the Secretariat has prepared draft decisions for consideration by CoP19. In order not to pre-empt the decision of the Conference of the Parties in this regard, the Secretariat invites the Standing Committee to note the report of Madagascar included in document SC75 Doc. 7.3.1 as well as the present report by the Secretariat.

Recommendations

15. The Standing Committee is invited to note the report of Madagascar (document SC75 Doc. 7.3.1) and the present report of the Secretariat.