

Halting Biodiversity Loss: Towards Sustainable Wildlife Trade in Central America



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Questions and Answers:

What is the current trade situation between the EU and Central America?

The European Union (EU) is one of the largest trade and investment partners for Central America.⁶

How balanced is the general trade flow between the EU and Central America?

In 2003, 15% of all Central American exports were destined for the EU while 9% of all the imports by Central America originated from the EU.⁷

How many live specimens are exported from Central America?

Live plants and animals are exported in significant numbers. For example, over 800 000 live CITES listed reptiles were legally imported by the EU during 2000-2006 from Central America.

In fact 9 out of the top 10 CITES listed species (by quantity) imported during 2000-2006 from Central America to the EU were live specimens. Figures for trade in non-CITES species are not available.

Sustainable development — the way forward: The links between biodiversity conservation and sustainable development are now universally acknowledged, and recognized in the Millennium Development Goals and the conclusions of the World Summit on Sustainable Development.¹ Sustainable trade in natural resources contributes to local and national economies creating incentives to conserve species and their natural habitats.

However, unsustainable and illegal wildlife trade is threatening a number of species driving them towards extinction and leading to loss in revenues at the national and international level.

Both the European Union and Central American countries are increasingly laying emphasis on the sustainable management of natural resources.^{2&3} Through various processes, such as the EU Sustainable Development Strategy and the Central American Commission for Environment and Development, both are ensuring biodiversity conservation contributes to livelihood improvement and food security.^{4&5}

Central America — biodiversity hotspot: Central America, a biodiversity hotspot, encompasses a wide variety of ecosystems including some of the most diverse forests in the world and a large variety of plant and animal species. However, much of the biodiversity is under threat due to a combination of factors: high population growth, unplanned development and unsustainable exploitation of natural resources. These threats are exacerbated by poor governance and lack of capacity in many countries in the region.



Monteverde Nature Reserve, Costa Rica

What is Wildlife Trade?

Wildlife trade refers to the sale and exchange of animal and plant resources. This ranges from trade in live animals, their parts and products to trade in timber and fisheries. It also includes trade in ornamental products such as corals, tortoise shell, orchids and cacti, as well as trade in plants for medicinal and aromatic products.¹

Wildlife harvest starts at the local level and can be for subsistence or for trade—moving up the trade chain to domestic, national or international markets.

This briefing paper is to inform the bi-lateral Association Agreement process about the significance of wildlife trade occurring between the EU and Central America. WWF and TRAFFIC believe that the Agreement should consider mechanisms to strengthen natural resource management and regulation of wildlife trade to support biodiversity conservation and sustainable development.

1. Engler, M. and Parry-Jones, R. (2007). *Opportunity or threat: The role of the European Union in global wildlife trade*. TRAFFIC Europe, Brussels, Belgium.
2. The Central American countries are Costa Rica, El Salvador, Guatemala, Honduras, Panama and Nicaragua for the purposes of the EU Association Agreement.
3. For the purpose of this study, EU data has been generated to include the 27 member countries as listed on the European Union's website at http://europa.eu/abc/european_countries/index_en.htm, accessed on October 8, 2008.
4. European Commission, 'Sustainable Development'. Available at <http://ec.europa.eu/environment/eussd/>, accessed October 7, 2008.
5. Comisión Centroamericana de Ambiente y Desarrollo. Available at http://www.sica.int/acuerdo_USAID-CCAD/drafta-ambiente/
6. European Commission. (2007). *Central America Regional Strategy Paper 2007-2013*. Available at http://ec.europa.eu/external_relations/ca/rsp/07_13_en.pdf
7. European Commission. *Bilateral Trade Relations: Central America*. Available at http://ec.europa.eu/trade/issues/bilateral/regions/central_america/index_en.htm, accessed October 6, 2008.

Regulating Wildlife Trade

International Commitment

The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) is the multilateral environmental agreement regulating international wildlife trade in over 30 000 species of plants and animals. Both the Central American countries and EU Member States are Parties to CITES.

In certain cases the UNEP CITES Secretariat (based on recommendations of the CITES Standing Committee), can recommend suspension of commercial or all trade in specimens of one or more CITES-listed species, if a Party is found to be in non compliance with the Convention.⁹ Such trade sanctions can affect the communities that depend on the species for their livelihood, as observed with Queen conch exports from Honduras (see case study in next section).

Regional Commitments

The renewed European Union Sustainable Development Strategy lays out a coherent strategy on how the EU will deliver on its commitments to sustainable development. It requires environmental sustainability to be part of all external EU policies. This is reflected in the Cooperation Agreement between the European Union and Central American countries as well as the European Commission's Central America Regional Strategy Paper 2007— 2013 (RSP).^{10&11} These documents cite sustainable management of natural resources as

“Particular attention should be given to the implementation of the CITES convention It is indispensable to take actions in order to be able to control transport and trade of protected plants and animals once the borders are open.”

Source : Rivera, C. and Midré, M. (2005). Regional environmental profile of the Central American Region. AGRIFOR Consult, Belgium.

an important cross cutting theme for supporting the process of political, economic and social integration in the context of future Association agreements, such as the bi-regional Association Agreement under negotiation between the two regions.

Wildlife Trade Trends¹²

There is an increasing trend by the Central American countries to restrict harvest from the wild and move towards artificial propagation of plants and captive breeding of animals. For example, from 2000 — 2006 of more than 800 000 live reptiles imported by the EU from Central America, 98% were reported as bred in captivity and of the 6.6 million live plants imported by the EU less than 2% were harvested from the wild. While such exports can reduce the pressure on wild populations, it also creates a disincentive for local communities to manage the wild resource sustainably. As the communities are unable to benefit economically from the natural resource, it dissuades them from conserving the resource

and opens the door for illegal activities. In fact, laundering or trading of wildlife as captive bred/ artificially propagated is being observed.¹³

A large number of species are imported into the EU for the pet trade industry such as Curly Hair

Tarantulas (*Brachypelma albopilosum*), birds (prior to the 2004 EU bird ban) and iguanas. EU imports of live plants have quadrupled from around 306 000 in 2000 to 1.2 million in 2006.

Top CITES-listed Wildlife Imports into the EU from Central America (by quantity, 2005—2006)

Over 1.7 million Live Sago Palms
Cycas revoluta

Around 250,000 live Tillandsia plants
Tillandsia xerographica

Over 225 000 live Green Iguanas
Iguana iguana for the pet trade

Over 135 000 Live Euphorbia plants
Euphorbia abyssinica

Around 100 000 caiman crocodile leather products

Thousands of live “Cardboard Cycad”
Zamia furfuracea

Hundreds of live Triangle Palm
Neodypsis decaryi

Central America: Wildlife Trade is Big Business ** Imports to the EU 2000-2006

Imports of live trees and other plants is valued at over USD846 million.

Live birds worth over USD760 000 imported (pre 2004 bird ban) as compared to the Rest of the world (RoW) imports at over USD850 000.

Live reptile imports including snakes and turtles were valued at USD3 million.

Reptile skin imports is valued at USD5.3 million compared to the RoW at USD6 million.

** Value data represents trade from Central America to the EU and RoW and is not limited to CITES listed species.

Global import values include import values for trade between Central American

9. CITES. *Resolution Conf 14.3 - Compliance procedures*. Available at <http://www.cites.org/eng/res/14/14-03.shtml>, assessed October 8, 2008.

10. European Commission. ‘*Central America Regional Strategy Paper 2007-2013*’. Available at http://ec.europa.eu/external_relations/ca/rsp/07_13_en.pdf, accessed October 6, 2008.

11. ‘*Political Dialogue and Cooperation Agreement between the European Community and its member States, of the one part, and the Republics of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama of the other part*’. Available at http://ec.europa.eu/external_relations/ca/pol/dca_12_03_en.pdf, accessed October 7, 2008.

12. The CITES trade database was queried for quantitative data on legal trade flows for the period 2000-2006. Imports reported by the EU and Rest of the World (RoW) are analyzed and depicted. Value data from The United Nations Statistics Division Commodity Trade Statistics Database (Comtrade) is presented.

13. Notas para la memoria; Taller Tri-Nacional para el Fortalecimiento de Capacidades en Materia de Vida Silvestre en El Salvador, Honduras y Nicaragua. Tegucigalpa, Honduras del 18 al 20 de Junio del 2008

Case Studies: CITES Listed Species of Special Concern

The following case studies highlight species of high economic value that are traded in high volumes and sometimes unsustainably. The trade in these species is also notoriously difficult to monitor due to poor governance in some countries and a lack of transparency.

Queen Conch *Strombus gigas*

A number of local communities depend on Queen Conch trade for their income and it has provided employment to thousands of people. In some parts of Honduras and Panama, population densities of Queen Conch are so low that recruitment failure is a risk to local fisheries.¹⁴

In 2003 the CITES Secretariat urged all Parties not to import specimens of Queen Conch from Honduras due to inadequate information on species populations. Such restrictions often affect the livelihood of local communities who depend on the resource for their livelihood. The economic impact of the ban for this resource was estimated at around USD4 million per season, negatively impacting approximately 4000 persons including the fishermen's families.¹⁵ Exports picked up again in 2006 after Honduras complied with the CITES recommendations.

As trade relations develop further between the EU and Central America, exports of Queen Conch from Nicaragua and Honduras to the EU are likely to increase, as France is a significant consumer of Queen Conch meat.

Sustainable management of this resource through adherence to fisheries and international trade regulations will help prevent over exploitation and ensure that the livelihoods of those involved in its collection and trade are not affected.



Queen Conch for sale

Bigleaf Mahogany *Swietenia macrophylla*

There is considerable commercial pressure on Bigleaf Mahogany in Central America for trade in high quality timbers. The trade also involves a significant level of illegal activity¹⁶ affecting the quality and quantity of legal exports. Unsustainable levels of harvest and lack of enforcement have lead CITES to consider trade sanctions on exports of Bigleaf mahogany, which can have economic and social implications.

The EU Action Plan on Forest Law Enforcement Governance and Trade (FLEGT) encourages sustainable

management of forests and focuses on governance reforms and capacity building to ensure timber exported to the EU comes only from legal sources.¹⁷

Central American countries are establishing export quotas and developing national and regional management plans, to ensure this valuable resource is sustained. But international cooperation assistance and enhanced management and enforcement capacity is urgently needed in the region. Support from the EU as a key mahogany importer is desirable to assist these efforts.

Queen Conch

Queen Conch was listed in CITES Appendix II in 1992.

Over 4.4 million kg of meat was imported by the RoW from Nicaragua and Honduras from 2000-2006 representing about 36 million to 62 million individual Queen conch.*

Honduras is one of the largest exporters of Queen Conch meat in the world.

*Based on the assumption that the weight of processed 'meat' of one adult Queen Conch reported in international trade is approximately 70-120 g.

Source: CITES, 2003. Review of Significant Trade in Appendix II species. AC 19 Doc 8.3 (Rev 1). Available at <http://www.cites.org/eng/com/AC/19/E19-08-3.pdf>

Timber Trade Facts

Value of imports of tropical timber to the RoW is estimated at around USD27 million while to the EU it is over USD3 million.

WWF reports that in 2006 illegal timber exports to the EU from Honduras totaled 15 000 m³ (raw wood equivalent).¹⁸

OECD estimated in 2007 that 75-85% of all logging is illegal in Honduras.¹⁹

14. CITES, 2003. *Review of Significant Trade in Appendix II species. AC 19 Doc 8.3 (Rev 1)*. Available at <http://www.cites.org/eng/com/AC/19/E19-08-3.pdf>

15. Tuglian, I.G., Ehrhardt, N., Galo, M and Morales, L. 'Report of the Regional workshop on the monitoring and management of Queen Conch, *Strombus gigas*'. Kingston, Jamaica, 1-5 May 2006. FAO Fisheries Report No. 832 FIMF/R832.

16. CITES, 2006. *Interpretation and implementation of the Convention, Timber trade: Bigleaf Mahogany*. SC 54 doc 31.1 Available at <http://www.cites.org/eng/com/SC/54/E54-31-1.pdf>

17. European Commission, 'Forest Law Enforcement Governance and Trade'. Available at <http://ec.europa.eu/environment/forests/flegt.htm>

18. WWF 2008. *Illegal Wood for the European Market*. WWF European Policy Office, Brussels. http://assets.panda.org/downloads/illegal_wood_for_the_european_market_july_2008.pdf

19. Contreras-Hermosilla, A., Doornbosch, R. and Lodge, M. 2007: The Economics of Illegal Logging and associated Trade. Round Table on Sustainable Development. Paris, 8-9 January 2007. OECD. Available at www.oecd.org/dataoecd/15/43/39348796.pdf

Recommendations

Next steps

- ⇒ Undertake discussions to address explicitly wildlife trade in the bi-regional Association Agreement.
- ⇒ Identify key areas for strengthening capacity for CITES implementation and law enforcement.
- ⇒ Build on the CAFTA-DR efforts to control and regulate trade.



Iguana: highly prized for the pet trade

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Wildlife trade from Central America is big business involving numerous species and their products with significant revenues generated from trade. The EU Sustainable Development Strategy recognizes the importance of strengthening work with partners outside the EU, including with developing countries and it provides the broad framework for the responsible management of natural resources. The achievement of the goals laid down in this strategy are achievable in the context of wildlife trade too.

A key step to ensure the trade in wildlife from Central America to the EU is sustainable, benefiting local communities and protecting biodiversity, is to [consider mechanisms to strengthen natural resource management and regulate wildlife within the bi-regional Association Agreement.](#)

Measures to support this process are

- Supporting implementation of the Central American countries legal frameworks as well as compliance with the region's existing international agreements such as CITES.
- Ensuring that emerging wildlife trade markets are based on sustainable management principles supporting livelihoods and species conservation and avoiding over exploitation of species already threatened.
- Making use of existing mechanisms and channels of communication between the EU and Central America, to share information on wildlife management and trade regulations.
- Collaborating with current capacity building efforts under the auspices of the Central America-Dominican Republic-United States Free Trade Agreement (CAFTA-DR) and build upon progress made to existing programmes to ensure effective protection of biodiversity
- Harmonizing Customs and tariff codes to ensure transparency in trade and effective monitoring, enabling early warning for unsustainable trade particularly concerning timber and fisheries.
- Exploring mechanisms such as certification systems to ensure sustainable use of commonly traded commodities such as bigleaf mahogany.
- Promoting in situ conservation programs that positively impact wild populations and encourage conservation within communities.

Trade is poised to increase between the EU and Central America. Support is needed in Central America to ensure that liberalization of trade does not increase opportunities for illegal and unsustainable trade in wildlife. Existing structures like CITES and FLEGT need to be supported and policies and agreements negotiated between the two regions should foster cooperation to preserve the biodiversity and sustainability of natural resources in Central America.

WWF and TRAFFIC are ready to provide more detailed insights or expertise if required, to support this important process between the EU and Central America.