

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



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Geneva (Switzerland), 6-10 July 2009

Interpretation and implementation of the Convention

Species trade and conservation

Elephants

REPORT ON THE ONE-OFF IVORY SALE IN SOUTHERN AFRICAN COUNTRIES

1. This document has been prepared by the Secretariat.
2. The annotation to the populations of *Loxodonta africana* (African elephant) in CITES Appendix II, indicates the purpose of the listing. With regard to trade in raw ivory, the annotation indicates, in paragraph g), that the purpose is to allow:

trade in registered raw ivory (for Botswana, Namibia, South Africa and Zimbabwe, whole tusks and pieces) subject to the following:

- i) only registered government-owned stocks, originating in the State (excluding seized ivory and ivory of unknown origin);*
- ii) only to trading partners that have been verified by the Secretariat, in consultation with the Standing Committee, to have sufficient national legislation and domestic trade controls to ensure that the imported ivory will not be re-exported and will be managed in accordance with all requirements of Resolution Conf. 10.10 (Rev. CoP14) concerning domestic manufacturing and trade;*
- iii) not before the Secretariat has verified the prospective importing countries and the registered government-owned stocks;*
- iv) raw ivory pursuant to the conditional sale of registered government-owned ivory stocks agreed at CoP12, which are 20,000 kg (Botswana), 10,000 kg (Namibia) and 30,000 kg (South Africa);*
- v) in addition to the quantities agreed at CoP12, government-owned ivory from Botswana, Namibia, South Africa and Zimbabwe registered by 31 January 2007 and verified by the Secretariat may be traded and despatched, with the ivory in paragraph g) iv) above, in a single sale per destination under strict supervision of the Secretariat;*
- vi) the proceeds of the trade are used exclusively for elephant conservation and community conservation and development programmes within or adjacent to the elephant range; and*
- vii) the additional quantities specified in paragraph g) v) above shall be traded only after the Standing Committee has agreed that the above conditions have been met.*

Trading partners

3. With regard to paragraph ii) of the annotation, the Standing Committee designated Japan as a trading partner at its 54th meeting (Geneva, October 2006), and China as a trading partner at its 57th meeting (SC57, Geneva, July 2008).

Ivory stocks available for sale

4. With regard to paragraphs i), iii), iv) and v) of the annotation, the Secretariat reported at SC57 regarding its audit, in March/April 2008, of the registered, government-owned stocks of raw ivory that was held in store on 31 January 2007. The Secretariat recorded the following quantities of raw ivory as meeting the criteria and being offered for sale:

Botswana	43,682.91 kg
Namibia	9,209.68 kg
South Africa	51,121.80 kg
Zimbabwe	3,755.55 kg

The one-off ivory sales

5. With the exception of Zimbabwe, these countries finally offered a smaller amount of ivory for sale at the auctions that they organized, which took place in October/November 2008, under the scrutiny of the Secretary-General of CITES. The sales that he recorded were as follows:

	Date	Ivory sold (kg)	Amount obtained (USD)
Botswana	31 October 2008	43,153	7,093,550
Namibia	28 October 2008	7,503	1,186,260
South Africa	6 November 2008	46,173 at auction + 4,772 by private sale, to one of the registered buyers	6,702,695
Zimbabwe	3 November 2008	3,764	486,886

6. With regard to Zimbabwe, the reason for the difference was that the tusks were reweighed after the audit, giving a final weight for sale just 8.45 kg higher than the amount indicated in paragraph 4 above. This variation of about 0.2 % of the total weight is well within the expected fluctuations in weight that result from changes in humidity.

Supervision by the Secretariat

7. Paragraph v) of the annotation indicates that the ivory from Botswana, Namibia, South Africa and Zimbabwe may be sold and traded under the strict supervision of the Secretariat. As indicated above, the sales of ivory were scrutinized by the Secretary-General.
8. The actual exports of ivory from southern Africa took place in February and March 2009. As noted at SC57, it was decided that the Secretariat did not need to be present at the time of the export of the ivory because it would check the sales and the imports and so would be aware of the quantities exported.
9. The shipments of ivory arriving in both China and Japan were, in each case, transferred to a bonded warehouse under Customs control, pending inspection by the Secretariat. In both countries, the ivory was contained in sealed crates, each marked to indicate the country from which it had come and, in the case of three countries, also the lot number from the auction.

10. In China, the Secretariat started its inspection of the 135 crates of ivory on 10 March 2009. Quarantine clearance was required to complete the inspection and so it continued on 11 March 2009. The inspections were conducted in the presence of representatives of the CITES Management Authority, Customs, the quarantine service and the companies that had purchased ivory.
11. In Japan, the Secretariat conducted its inspection of the 64 crates of ivory on 17 April 2009. Present at the inspection were representatives from the Ministry of Foreign Affairs, Ministry of Economy, Trade and Industry, Customs and the ivory importers.
12. Before the inspections, the Secretariat had received copies of the export permits (and extensive annexes) from the countries of export and import, and checked these against the sales catalogues, which had previously been checked against the audit documents. During the auction, the Secretariat conducted random checks of approximately 50 tusks and ivory pieces, including samples from each of the four countries. The Secretariat checked that the details of each tusk conformed to the details in the export permits (and thus the original audited declaration). No incongruities were found and all tusks and ivory pieces were repacked in the crates and the room was locked by Customs, awaiting the final Customs clearance.
13. After the inspections of the imported ivory: in China, the Secretariat also inspected the central ivory database in Harbin and an ivory workshop (one of the importers) in Guangzhou; in Japan, the Secretariat also inspected an ivory workshop in Tokyo.
14. The Secretariat would like to express its gratitude to the Government of the United Kingdom of Great Britain and Northern Ireland for providing the funds to cover the costs of the inspection missions.

Use of the proceeds of the sale

15. Following the sales of ivory in southern Africa, the Secretariat requested Botswana, Namibia, South Africa and Zimbabwe to provide a short report on how the proceeds of the sale were or would be used. Each country has provided a report, and these are annexed to the present document.

Recommendation

16. The Secretariat requests that the Standing Committee take note of this report.

REPORT OF BOTSWANA ON THE USE OF THE PROCEEDS OF THE ONE-OFF SALE

After banning all international commercial ivory trade in 1989, CITES agreed in 1997 and further agreed conditionally in 2007 to allow Botswana to dispose of additional stocks of ivory of legal origin that was registered by 31 January 2007. In line with Decision 10.2, all revenue that was realized from the two sales were deposited into a Trust Fund named the Conservation Trust Fund (CTF) established by an act of Parliament of Botswana on 8 February 1999. The funds are managed by Boards of Trustees who are Government Representatives, Representatives of Community based Organisations, Conservation Agencies, the Director of Wildlife and National Parks who is an additional member while his Deputy is the Secretary to the Board.

The funds in the CTF are used exclusively for elephant conservation and community conservation and development programmes within or adjacent to the elephant ranges. Seventy percent (70%) of the total revenue is ploughed back into elephant conservation. Some of the projects covered under this category would include monitoring of elephant populations movement, water development, anti-poaching and training of communities on problem animal control operations. Thirty (30) percent of the revenue in the fund is used in Community development projects. The projects will be primarily directed to the communities who pay the price of living side by side with elephants. Attached is the expenditure statement.

Conservation Trust Fund Expenditure

Year	Project Name	Proponent	Amount used
2001	Research Project, Northern Tuli Elephant Project	KCS	P153 000.00
2002	Elephant Behaviour and Management	Elephant Back Safaris	P656 400.00
2002	Vegetation Monitoring in NG15/16	Linyanti Exploration	P489 361.00
2002	Population structure and movement	Conservation International	P153 000.00
2002	Northern Elephant Tuli Project	KCS	P828 563.00
2002	Elephant Management in Northern Botswana	Eco-Logic	P683 100.00
2002	Gwezotsa Trust Action Plan Formulation	Veld Product Research	P90 486.00
2002	Various combined Projects	BOCOBONET	P195 106.80
2002	Preparation for CITES	KCS	P125 730.00
2002	Review of Elephant Management Plan	DWNP	P374 422.83
2002	MIKE	DWNP	P724 526.00
2008	Water Development	Cgae Cgae Community Trust	P600 000.00
2008	Construction of perimeter fence	Nata Sanctuary	P1 000 000.00
2008	Lepokole Game Proof Fence	Lepokole	P990 000.00
Total			7 063 695.63

REPORT OF NAMIBIA ON THE USE OF THE PROCEEDS OF THE ONE-OFF SALE

All revenue from the ivory sale was deposited into a special trust fund account, known as the Game Products Trust Fund (GPTF). Ivory sale proceedings from the 1999 auction were also deposited in the same account.

The GPTF was established through an Act of Parliament no.7 of 1997, as a mechanism for ensuring that revenue obtained from the sale of wildlife products could be used exclusively towards wildlife conservation and community conservation and development programmes aimed at harmonizing the co-existence of people with such wildlife, and thus securing a future for wildlife outside of and within protected areas in Namibia. The GPTF is administered by a board, comprising three government representatives from the following Ministries, Environment and Tourism, Agriculture and Finance, as well as two community representatives.

The board will only allocate funds upon an application made by a conservancy, wildlife council or protected area, or any other persons, organizations and institutions approved by the Minister of Environment and Tourism, and based on technical assessments and advice on the feasibility and suitability of projects and programmes regarding wildlife resource management and rural development obtained from the Ministry of Environment and Tourism, or any other ministry, or any competent person or body of persons.

In allocating funds, the Board shall give effect to priorities determined and reviewed based primarily on the principle of returning funds to areas of origin of the game products; supporting measures aimed at improving the relationship between people and wildlife; supporting improvements in the monitoring, management, protection, sustainable use and development of wildlife resources in rural areas and striking a balance between the allocation of funds for rural development and for wildlife monitoring, conservation and protection.

The planned outline for the disbursement of ivory revenue is as follows:

- 50% of revenue to be allocated to conservancies and communities within the elephant range for community development and conservation programmes;
- 50% of revenue to be allocated for purchase of equipment to assist in elephant monitoring, management and law enforcement and elephant aerial surveys in Namibia.

The following project proposals have already been approved for funding by the board:

- a) helicopter survey using a block count technique to determine, accurate rhino estimates, elephant and rhino demographics, detect carcasses, sampling of found carcasses, retrieval of ivory and horn and updating of the MIKE database in Etosha National Park, Namibia during August to September 2009;
- b) movement patterns of 10 GPS-collared elephant bulls in Etosha National Park: Addressing and mitigating human-elephant conflict and promoting elephant conservation by adopting a regional approach;
- c) age structure assessment of the elephant and roan populations combined with ivory retrieval in Khaudum National Park and the Nyae-Nyae Conservancy;
- d) purchase of safes for keeping rhino and elephant products in Etosha National Park;
- e) purchase of a vehicles each for N# Jagna and Sheya Shuushona Conservancies;
- f) training of MET staff in aerial survey techniques;
- g) population survey of elephants in north western Namibia (conservancies and State land); and
- h) construction of access bridges for Mamili National Park (community development).

REPORT OF SOUTH AFRICA ON THE USE OF THE PROCEEDS OF THE ONE-OFF SALE

South Africa established a National Steering Committee (NSC) in order to facilitate the process on how the funds raised during the ivory auction will be utilized. The Department of Environmental Affairs and Tourism (DEAT) as focal point for the implementation and compliance with CITES in South Africa will chair the committee which consist of representatives from the four organizations which sold the ivory namely South African National Parks, KwaZulu/Natal Wildlife, Mpumalanga Tourism and Parks Agency and North West Parks and Tourism Board.

The NSC will ensure that the funds are used in compliance with the CITES annotation to the Appendix II listing of South Africa's population of African Elephants. A guiding procedure for the application and allocation of funds derived from the ivory sales was drafted and will be used as guideline when applications for the utilisation of the funds are considered by the NSC. The objectives of this Guideline Document are to:

- provide for the establishment of a NSC and to deal with all matters related to the composition of the NSC;
- regulate all matters relating to the utilization of all funds generated by SANParks, Ezemvelo/KZN Wildlife, MTPA and North West Parks and Tourism Board from such lawful sales;
- clarify the roles and responsibilities of all members of the NSC;
- specify procedures for decision-making by the NSC; and
- specify procedures to be followed for the allocation and utilization of funds generated from these sales to projects focused exclusively on the conservation and management of elephants and the ecosystems they occupy, as well as community conservation and community development programmes within or adjacent to the elephant range, as per CITES Annotation.

The NSC will convene towards the end of May 2009 to consider and approve the draft guideline document on procedures for application and allocation of the funds and an appropriate reporting framework and to consider applications received for the utilization of the funds.

REPORT OF ZIMBABWE ON THE USE OF THE PROCEEDS OF THE ONE-OFF SALE

In compliance with Annotation No. 5 of the CITES Appendices, paragraph g(vi) regarding use of proceeds from the Ivory Auction authorized by the the 14th Conference of Parties and the 57th Standing Committee:

Zimbabwe sold a total of **3,763.3** kg of raw ivory at an international auction exclusively for Chinese and Japanese buyers conducted on 3 November 2008.

2 556.55 kg of raw ivory was exported to China and **1 206.75** kg was exported to Japan respectively.

Zimbabwe received a total of **USD 486,886.60** and all the revenue was used exclusively for elephant conservation and local community development programmes. Vehicles for anti-poaching patrols for the following elephant range areas were purchased; Zambezi Valley, Sebungwe, North West Matabeleland and Gonarezhou. Eleven Rural District Councils (CAMPFIRE Areas) with local communities in the areas adjacent to the elephant range received a total of USD 81,082.00 for local community development projects.

The table below is a summary of the use of the proceeds from the auction.

Date	Description	Income (USD)	Expenditure (USD)
01/12/2008	Receipts from Japan	190,773.60	
02/12/2008	Receipts from China	296,113.00	
07/01/2009	10 Nissan Patrol Vehicles		300,000.00
27/01/2009	4 Toyota (4x4) Single Cabin Vehicles		168,000.00
06/02/2009	Rural District Councils (CAMPFIRE)		81,082.00
	TOTAL	486,886.60	549,082.00
	Difference	(62,195.40)	

Please note that the Zimbabwe Parks and Wildlife Management Authority added USD 62,195.40 to meet the total requirements of the transaction. Documents for all the transactions are available for inspection in the Director General's Office.