Our Unit deals with several issues including some cross-cutting issues which we will report to SC70.

**Demand reduction**

First, I would like to start with demand reduction.

Demand reduction is not an entirely issue but it is relatively new for CITES. The term “demand reduction” started in the 70s in the fight against the trafficking in drugs, often known as the War on Drugs. Although the monetary value of wildlife and their products is not as high as that of drugs, arguably the challenge we’re facing is bigger and far more complex. This is because the motivation to use drugs is relatively simple whereas wild animals and plants are used for a wide range of purposes, it can be for food, medicine, pet, souvenir, cloth, furniture, or status show or for investment. To make it more complicated, 97% of the species can be traded legally under CITES provided the rules are followed.

In the past, demand reduction has been largely led by non-governmental organizations. CITES CoP17 adopted a resolution that calls for government-led strategies to reduce demand for illegal wildlife, and evidence-based, well-targeted, country-specific and species-specific campaigns as opposed to mass campaigns.

Demand reduction now forms part of the three-pronged approach in CITES to combat illegal trade in wildlife, that is law enforcement, demand reduction and livelihoods of rural communities because law enforcement alone will not end wildlife crime and wildlife trafficking.

We are reporting to SC70 on the implementation of the various decisions adopted at CoP17 on demand reduction, particularly the work we’re doing with our consultant to identify best practices and challenges experienced by CITES Parties in the development and implementation of long-term demand reduction strategies to combat trafficking in wildlife and also to develop a CITES guidance for demand reduction. Some key Parties, incl. China, Vietnam, the United States, have reported their efforts in reducing demand for illegal wildlife products and responded to the questionnaire that we developed with our consultant.

The consultant is reviewing the responses and its findings and recommendations will be reviewed at a workshop in November which will be very useful for the development of a CITES guidance on demand reduction.

**Synthetic DNA**

The Standing Committee will review the Secretariat’s study on “Specimens produced from synthetic or cultured DNA”, which looks at the various modern techniques and technologies
that allow for the synthetic production of organisms, parts or derivatives of specimens of CITES-listed species. (in other words artificial or fake CITES specimens)

So far, only a very small number of Parties have confirmed the issuance of CITES permits for specimens that are deemed to be related to products of bioengineering from CITES-listed species, but there are news of companies that claim to create synthetic rhino horns and elephant ivory that are biologically identical to the natural products. These seem to indicate that what we have in front of us is an emerging, but rapidly evolving field that require close monitoring.

At the Standing Committee, Parties will discuss whether they need to start discussing how to regulate specimens produced through biotechnology, including the implications of creating a new source code to be used in CITES permits and certificates.

**Another topic we would like to highlight here is the work on CITES E-permitting.**

The CITES electronic permitting process is crucial for both regulating legal trade and combating illegal trade in CITES-listed species. It increases transparency and reduces opportunities for corruption and the use of fraudulent documents.

Since CoP16 the CITES WG on electronic systems and information technologies has undertaken important work to support the implementation of electronic CITES procedures. Work that is presented to SC70 includes, among other things:

1. The eCITES Implementation Framework which provides Management Authorities with a high level tool to plan and implement eCITES projects in their country. The Framework proposes a 4 step implementation process that can be adapted to the needs of developing countries.

2. The ASYCUDA aCITES system, developed under the joint CITES/UNCTAD MoU. aCITES is an off the shelf software solution for electronic CITES processing that is now available to Parties. The system can be configured to national legislation, language and workflows. The Secretariat is currently preparing missions to the Caribbean and to Sri Lanka to assess feasibility of pilot implementation.

3. There is a need for improved integration of CITES controls in electronic Border control processes at the Customs. Most countries now use automated, electronic systems for export and import processing. These systems assess the risks associated with an export/import process based on predefined risk criteria. Only if this system finds risk criteria that point to possible irregularities that it will assign a Customs officer for further controls.

Document No. 70 proposes to the SC to develop a systematic approach to facilitate the cooperation between CITES Management Authorities and the Customs so that the
automated Customs risk management systems become highly sensitive to illegal trade in wildlife and to initiate targeted CITES controls for these consignments.