## ANNEX 3

of the Commission Implementing Decision on the Annual Action Programme 2016 (part 2)


| 1. Title/basic act/ CRIS number | Supporting sustainable management of tree species and conservation of the African elephant through the United Nations Environment Programme (UNEP) and the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the African Elephant Fund (AEF)  
CRIS number: DCI-ENV/2016/039-165  
Financed under the Development Cooperation Instrument |
|---|---|
| 2. Zone benefiting from the action/location | Africa, Latin America and Asia.  
The action shall focus on two groups of countries: 1) 25 major exporting range States of CITES-listed tree species; and 2) the 37 African elephant range States. |
| 4. Sector of concentration/ thematic area | Biodiversity and Forest |
| 5. Amounts concerned | Total estimated cost: EUR 8,500,000  
Total amount of EU budget contribution EUR 8,000,000, with:  
This action is co-financed in joint co-financing from African Elephant Fund for the amount of EUR 500,000 |
| 6. Aid modality(ies) and implementation modality(ies) | Indirect management with United Nations Environment Programme (UNEP) represented by CITES Secretariat. |
| 7. DAC code(s) | 31210 (forest policy) and 41030 (biodiversity) |
8. Markers (from CRIS DAC form)

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9. Global Public Goods and Challenges (GPGC) thematic flagships

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**SUMMARY**

This project will contribute to the conservation of global biodiversity and to sustainable development in biodiversity-rich countries. Beneficiary countries will be supported to sustainably manage and use rare and valuable tropical tree species, and effectively conserve African elephants. This action contributes to the achievement of Sustainable Development Goal #15 “Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss” and CBD Aichi Targets 7 and 12 to manage forest sustainably and to halt the loss of endangered species. The project will be implemented by CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora) for the tropical timber component, and UNEP (United Nations Environment Programme) through the AEF (African Elephant Fund) for component 2 on elephant conservation.

**Component 1** will support those countries that implement conservation, management and trade regulations to curb the trend toward extinction of an increasing number of valuable tree species. Today, more than 600 of the most economically valuable tree species in international trade are regulated by CITES. The project will support producing countries complying with the CITES regulatory framework, by producing NDFs (Non Detriment Findings), required to issue a CITES export permit. NDFs shall prove that trade will not be detrimental to the survival of that species, and requires detailed data on each species. Governance and trade are also supported by this action.

**Component 2** will contribute to the African Elephant Fund that has been established to support of the AEAP (African Elephant Action Plan). The AEAP adopted by all 37 range States in 2010 responds to significant increases in poaching of elephants over the past 10 years. There exists a close link between the illegal killing of elephants, human-elephant conflicts, and the poverty of the communities in the elephants’ range. AEAP sets out a list of 8 priorities to reduce poaching and reduce habitat loss, while assisting communities.

1. CONTEXT
1.1 Sector/Country/Regional context/Thematic area

While actions to reverse biodiversity loss are increasing, the Global Biodiversity Outlook reported that biodiversity continues to be rapidly lost and that nations will have difficulty meeting targets. The
Living Planet Report showed that, since 1970, populations of vertebrate species have dropped by 52%. The drivers for loss of species are unsustainable production and consumption, which deplete all types of ecosystems of species and habitats, thereby undermining the foundation for life of many species; regional poverty which leaves people few livelihood options except to exploit natural resources; and market-based exploitation of certain species, such as elephants for ivory and valuable trees illegally harvested for export. The demand for scarce and luxurious tree products and ivory, in part derives from a growing Asian and other middle-classes, which threatens the survival of many species. Among trees, Dalbergia spp. (rosewoods) for example, are in such high demand globally that illegal harvesting has resulted in 28 of 86 species now listed as endangered. To reverse biodiversity loss, sustainable management practices must be fostered so that local populations and developing countries, which directly depend on natural resources, derive fair and long-term benefits from their sustainable use and trade. In Europe, there is also a demand for tropical hardwoods for forest products manufacturing industries, which are committed to sourcing timber from sustainably managed forests. In 2013, Europe imported 5 million m³ of tropical wood worth approximately €3.1billion (including furniture manufacturing)¹. Less than 10% of tropical forests are sustainably managed, making assurances that wood supplies come from legally sourced wood difficult. For elephants, data from CITES-MIKE (Monitoring of Illegal Killing of Elephants) and the Elephant Trade Information System (ETIS) in 2012 showed that elephant poaching is recently the worst in a decade, with the greatest volumes of seized ivory in 2009-2011. The analysis also shows that poaching is highest where livelihoods are most insecure under weak governance structures.²

1.1.1. Public Policy Assessment and EU Policy Framework
The UN Convention on Biological Diversity (CBD), through the Aichi Targets, has committed Parties to prevent the extinction of known threatened species and improve their status (Target 12), and to sustainably manage natural resources (Target 7). UN CITES is a ‘species-based’ Convention, with 182 Parties (including the EU), that regulates international trade in wild animals and plants, listed on its Appendices. It is an important instrument that aims to sustainably and legally use natural resources and ensure traceability in markets. Both components of this action will contribute to UN Sustainable Development Goal 15 “Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss” and to the Goals relating to education, ecosystem management, economic development, sustainability, climate and governance. Illegal logging and poor forest practices continue to have a huge impact on global tropical forests, resulting in loss of valuable biodiversity and preventable emissions of greenhouse gases. In addition to environmental degradation, direct impacts of illegal harvesting on people include conflicts with indigenous and other local populations, lack of security, human rights abuses, weak governance, and corruption that exacerbate poverty and broadly impoverish developing countries through the loss of natural resources. Governments lose substantial revenue and responsible private industry cannot compete on equal terms, resulting in lack of investment in legal forestry. The situation is driven, in large part, by international, regional and domestic markets. Strengthening governance in producing countries is a critical element in the transforming supply chains for legal and sustainable use of tropical timber.

In its Priority Objective 9, of the Environment Action Programme to 2020 ‘Living Well, Within the Limits of Our Planet’, the EU committed to increase the Union’s effectiveness in addressing international environmental and climate-related challenges. In particular, they committed to contribute a fair share to halt biodiversity loss, as set out in the Aichi Targets and the SDGs, including to the doubling of total biodiversity-related international resources to developing countries by 2015, and maintaining this level until 2020. In COM (2014) 64 on the ‘EU Approach against Wildlife Trafficking’, the Commission reports on its support of CITES, implemented through the EU Wildlife Trade Regulation 338/97 and the Timber Regulation 995/2010 (EUTR). In the same Communication, the Commission also recalls the EU Forest Law Enforcement, Governance and Trade (FLEGT) Action

Plan, supplemented by the EUTR, to ensure that timber and timber products in the EU market are of legal origin. The EU FLEGT Action Plan sets out measures to reduce illegal logging by combining measures in producing and consuming countries. CITES export permits are accepted as proof of legal origin for timber under the EUTR, and this proposed Action will assist countries to obtain the required permits.

The EU and its trade partners have made specific commitments in Trade and Sustainable Development Chapters of recent Free Trade Agreements to effectively implement Multilateral Environmental Agreements, including the CITES and the Convention on Biological Diversity, as well as to combat illegal logging.

The EU Programme on ‘Global Public Goods and Challenges’, 2014-2017, attempts to achieve sustainable management of natural resources to contribute to poverty reduction through the goods and services that these resources can provide. The Programme maintains a Resource Transparency Initiative to achieve, for example, improved mobilization, use and monitoring of domestic revenues from logging activities in developing countries, and an increased role of markets in proper valuation natural resources. The FLEGT Action Plan is supported by this Programme.² through various activities and two dedicated facilities³ Here, this action is proposed for funding under the EU’s Development Cooperation Instrument³, which is dedicated to wise resource stewardship and use of legally derived income to reduce poverty.

1.1.2. Stakeholder analysis
Both components of the project involve several African countries, many of which supply timber to the EU, including all 37 African elephant range States for component 2; and possibly Burundi, Cameroon, Congo, Cote d’Ivoire, DRC, Equatorial Guinea, Gabon, Kenya, Madagascar, Senegal for component 1). For the latter component 1, focus will be on major trading partners with the EU including Cameroon, DRC, Congo and Madagascar. Component 1 also involves developing countries in Southeast and Central Asia (Cambodia, Indonesia, Myanmar, Vietnam) and in Latin America (Bolivia, Brazil, Peru, Guatemala, Honduras, Nicaragua, Paraguay), both regions where the EU has partnered for ODA and where FLEGT is active. Component 1 The activities implemented under this component are intended to benefit major exporting countries of CITES timber and NTFPs (Non Timber Forest Products), and, wherever possible, countries exporting to the EU. Activities will involve a range of specific stakeholders, including Government authorities in charge of implementing CITES in their countries, non-CITES Government officials working in the forestry sector, forestry private sector entities (small and medium enterprises), civil society organizations, and international organizations. The action will support the implementation of CITES convention, benefitting also to consumer countries, including EU, for importing more legal and sustainable timber. Component 2 The activities of the AEAP will be implemented in all 37 African elephant range States. Activities can involve multiple stakeholders, including local communities, Government authorities in charge of wildlife, forests and environment in general, CITES national authorities, national parks, wildlife conservation societies, national and international non-Governmental Organizations, private sector entities and educational institutions.

1.1.3. Priority areas for support/problem analysis
Component 1: Two priority areas are proposed to be addressed, building on a previous collaboration between CITES and the International Tropical Timber Organisation (ITTO): (1) improved knowledge, conservation, and sustainable management of endangered and traded tree species; and (2) strengthening of forest governance, including improving community awareness and improved market transparency. With regard to priority area 1, CITES and ITTO collaborated over 10 years to build capacity to implement CITES listings for tropical tree species through a successful programme

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³ EU FAO Forest Law Enforcement, Governance and Trade Programme, FLEGT Facility housed in the European Forest Institute (EFI)
primarily funded by the EU. This work has helped 12 countries implement their commitments to CITES and the CBD, while also contributing to ITTO’s mandate to promote sustainable tropical forest development. More countries have asked to participate in the programme owing its success and to major declines in valuable tree species, often from illegal logging, and new tree species have been listed by CITES over the past decade.

Under the CITES Convention, an exporting State can issue an export permit for tree species included in Appendices I or II, only if the appointed Scientific Authority of that State has produced a ‘non-detriment finding’ (NDF), i.e. advice that the proposed trade will not be detrimental to the survival of a species in the wild. The necessary data for NDFs are often lacking or imprecise. Range States usually require assistance with data collection on species’ populations, identification training, planning, inventory, and tracking systems. Often, information on the silvics of endangered tree species is required for proper management. Agencies need support to develop innovative techniques for identification, monitoring, and timber tracking. The programme could support the Global Timber Tracking Network (GTTN) and other timber identification/tracking initiatives in facilitating access to existing data from project countries and improving identification tools (e.g., the portable spectrophotometer developed by the ITTO-CITES project in Brazil), and other innovations (e.g., DNA fingerprinting). Finally, the timber industry often views CITES listings as a constraint on their business, rather than appreciating that the principles of sustainability and transparency are critical for the future of the forest industry. Effective regulatory systems require involvement and cooperation of the industry, which can be accomplished by building trust between the private sector and the CITES authorities, as has been a key outcome of the programme to date (e.g., for *Prunus africana*, where the European pharmaceutical industry is a partner). Many developing countries lack the level of governance for VPAs with the EU nor do they meet requirements on legal compliance and sustainability of tropical timber products traded, including CITES requirements. National situations vary, but the following areas are identified for support under this action: 1) establishment of monitoring systems providing evidence on compliance with legality and sustainability criteria to increase transparency and tracking, 2) collection of data on the status of tree species, and 3) improving and disseminating information on markets, cross-border trade, and the transaction costs of both legal and illegal trade.

**Component 2:** The AEAP and African Elephant Fund (AEF), were recognized in 2013 under CITES through the adoption of Resolution Conf. 16.9 on *African Elephant Action Plan and African Elephant Fund*. Nevertheless, illegal killing continues, human-wildlife conflicts are rising and elephant habitat is declining. The reasons lie not just in weak law enforcement and lack of political commitment in range States, but also in the insufficient conservation measures, which include local communities. Poverty, the lack of alternative livelihoods, and exclusion from management of and decision-making pertaining to natural resources all result in local communities over-exploiting wildlife species. The problem of weak governance is complex with a multitude of direct and underlying causes. The priority areas for support to African elephant range States through this action lie in assisting States to establish mechanisms that involve local communities. This could include assistance in granting local communities property rights; establishing local governance systems for sustainable wildlife management with the participation of local communities, including establishment of ranger systems and management of livestock and grazing; and establishing economic incentives for wildlife conservation through linking wildlife protection to educational grants and creating markets for livestock to reduce pressure on common wildlife-livestock habitat.

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6 Cf. e.g., ITTO-FAO. 2010. Forest law compliance and governance in tropical countries.
2. **RISKS AND ASSUMPTIONS**

### Component 1: Endangered tree conservation

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<th>Risk</th>
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<td>M</td>
<td>Engagement of decision-makers in implementation; targeted international and regional activities to raise awareness of programme benefits</td>
</tr>
<tr>
<td>Vested interests block forest governance and undermine sustainability.</td>
<td>M</td>
<td>Transparency; demonstration of long-term socio-economic benefits through sustainable legal practices; disclosure of losses from illicit actions</td>
</tr>
<tr>
<td>Differing legal requirements making compliance difficult for exporters</td>
<td>H</td>
<td>Promotion of harmonized requirements and approaches for legal tropical timber supplies</td>
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<tr>
<td>Large number of species requiring information for management</td>
<td>H</td>
<td>Development of screening criteria</td>
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<tr>
<td>Limited capacity to carry out or sustain improvements</td>
<td>H</td>
<td>Targeted capacity-building and effective training of personnel; VPAs that include access to markets</td>
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### Component 2: Elephant conservation

| Lack of commitment to take effective elephant conservation actions   | L    | Commitments through partnerships from Range States to implement AEAP activities     |
| Lack of knowledge and capacity to fight poaching or implement actions | M    | Development of activities that will build capacity of wildlife authorities          |
| Lack of awareness of the most appropriate measures to address the African elephant conservation crisis | H    | Development of a global communication strategy; coordination with Interpol and other international enforcement agencies, |
| Inadequate responses to address the elephant poaching crisis         | H    | Involvement of source, transit and consumer States in the implementation of the AEAP |
| Continued loss of habitat and connectivity                          | H    | Fostering cross-sectoral policies and recognition by all government agencies of the value of biodiversity |

### Assumptions:

**Component 1: Tree conservation**
- Demand for products continues and consumer countries do not take unilateral measures suspending otherwise legitimate trade in CITES timbers and non-timber forest products (NTFPs).
- Unsustainable or illegal operations are contained through the activities and enforcement.
- Effective collaboration is established between complementary initiatives, including EU FLEGT.
- Range States submit good quality proposals in a timely manner, in partnerships with industry and/or EU agencies as warranted, and effectively implement those that are supported.
- Government agencies support training programmes for regional/provincial staff.
- Governments are willing to alter policies based on project outcomes.
- Local industry is willing to collaborate on programme activities with government agencies.

**Component 2: Elephant conservation**
- All countries involved in the AEAP fully engage and commit to the actions.
- Range States are stable and secure, with no political crisis and no natural disasters.
- Range States submit quality proposals in a timely manner, and effectively implement those that are supported through the AEF.
- Effective communication and collaboration is established between parallel and complementary initiatives and cooperation with relevant organizations and stakeholders is actively maintained, especially with respect to transboundary aspects of elephant conservation.
3. LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

3.1. Lessons learnt

Component 1: The proposed project builds on the outcomes and lessons learned during two previously funded and highly successful EU interventions between CITES and ITTO. Lesson learnt were:

- Partnering of expert forest organizations, local communities and industry is beneficial to success.
- The past programme with ITTO has been nationally demand-driven and this has led to success.
- Demand for support from timber producing countries has increased constantly over time. 1) The number of countries involved increased from 8 to 14. 2) The first intervention (2006-2011) dealt with 5 taxa (34 species) and the second (2012-2015) targeted 7 with 340 species. 3) The number of activities increased from 34 during the first intervention to 42 for the second intervention.
- Projects designed to improve legislation and policy have a high impact by producing specific recommendations for the required changes with adequate indicators to measure progress.
- Direct involvement of EU or other donor staff, where in-country, especially EU-FLEGT, can assist activity planning by helping to ensure the relevance of activities to the EU and other donors.
- Strong regional coordination has aided the programme success immeasurably.
- National strategic planning for species under consideration is critical for long-term sustainability.
- Special attention paid to outreach activities ensures that national and international stakeholders are kept abreast of the impacts and outputs of the interventions.
- The criteria for activity selection should include aspects of scientific content, forest management applicability, and probability of sustainability.

Component 2:
This project component benefits from several years of experience of implementation of the AEF and AEAP, and functional steering committee under UNEP that meets annually. Lessons learnt are:

- The AEAP objectives and activities are the outcome of a 2-year consultation between range States and the International Union for Conservation of Nature and Natural Resources (IUCN) African Elephant Specialist Group, organised under the auspices of the CITES Secretariat for MIKE. This level of consultation is necessary to obtain continental-wide support.
- The AEF Steering Committee is driven by the range States and key donors, which is vital for ensuring ownership of the AEF. The rotating presence of donor countries in the AEF ensures quality and satisfactory progress.
- This project is important for the AEF and the implementation of the AEAP, as it envisages a proportion of funds to be used to further build the capacity of range States to develop worthwhile projects that can be selected for support by the AEF Steering Committee.
- Strong scientific support is essential to broad programme success.

3.2 Complementarity, synergy and donor coordination

UNEP and the CITES and AEF Secretariats continuously consult and work with their Parties, the private sector and civil society, as well as with international organizations such as FAO, ITTO, INTERPOL, UNODC, UNDP (see footnote for acronyms7), the World Bank (WB), and IUCN, and with national and international NGOs in the implementation of its objectives and resolutions. This means that all aspects of its policy direction, ranging from wildlife management and trade monitoring to law enforcement, poverty alleviation and community participation, can be addressed comprehensively.

Component 1: Cooperation with international organizations on forest issues include ITTO (a main project collaborator), the World Customs Organization (WCO), relevant members of the Collaborative Partnership on Forests, EU/FLEGT, FAO, as well as initiatives such as the Global Timber Tracking Network (GTTN). ITTO can provide tropical timber trade related expertise to assist in sustainable forest management and by sharing these experiences at training courses and meetings. An important

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7FAO, UN Food and Agriculture Organisation, UNODC, UN Office on Drugs and Crime, UNDP, UN Development Programme, IUCN, International Union for the Conservation of Nature.
comparative advantage of this action is an approach that focusses on CITES compliance, governance, and trade and markets represents an integrated strategic intervention to support the implementation of the EU FLEGT Action Plan and other EU policies. Donor coordination is expected to be facilitated through an Advisory Committee to ensure strategic advice and guidance. During the previous phase, the ITTO-CITES project had one third of its budget co-financed with other donors. This new phase is expected to attract a similar share of co-financing (but not estimated in the present budget).

Component 2: There already exists strong coordination among countries involved with African elephants under UNEP and CITES. The majority of the 37 African elephant range States participate in the CITES-MIKE Programme and many are also on Steering Committee for the AEF. Eight have been selected to participate in the more comprehensive MIKES (Minimizing the Illegal Killing of Endangered Species) pilot programme, under which they receive support from the EU. All 182 Parties to CITES are invited to contribute to ETIS (Elephant Trade Information System). Since 2013, 11 of the range States have been instructed under CITES to develop and implement National Ivory Action Plans (NIAPs), of which many activities fall within the objectives of the AEAP. They are also able, for certain activities, to rely on support from the International Consortium to Combat Wildlife Crime (ICCWC) that brings together CITES, INTERPOL, UNODC, WB, and World Customs Organisation(WCO). This project provides an opportunity to realize further cooperation and synergy between the AEF and the above agencies and processes.

3.3. Cross-cutting and other issues

The project will address key environmental issues linked to biodiversity and the conservation of threatened tree species as well as African elephants. It will also contribute to sustainable forest management and thus to EU and global objectives to reduce deforestation in the context of climate change mitigation. In strengthening sustainable forest management and trade, the project will help to create livelihood opportunities for local populations, thereby furthering the right to development. It seeks to improve local and national forest governance and resource management systems, which allow local stakeholders to access resources, retrieve public information, and take part in public decision-making processes. By fostering transparency in resource management and the chain of custody of traded forest products, the project furthers accountability and access to legal services. Attention will be paid to ensure the equal participation of women in management and decision-making processes, with equal access to resources, information and justice. Effective operational coordination mechanisms between the proposed action and the EU-FLEGT Facilities can be established to enhance synergies and avoid overlap and to increase understanding of the issues. For component 2, projects previously developed under the AEAP are encouraged to address cross-cutting issues, such as the evaluation of the causes and socio-economic consequences of human elephant interactions (activity 3.1.5), the investigation of impacts of climate change on elephant habitat and elephant populations through appropriate research (activity 2.4.5), the use of existing political and economic platforms to promote cooperation on elephant conservation and management, e.g., AU, ECOWAS, SADC, EAC and COMIFAC (activity 6.6.2, see footnote for acronyms8) or the improvement and implementation of sustainable incentive schemes to benefit local communities (strategy 7.1).

4. DESCRIPTION OF THE ACTION

4.1 OBJECTIVES/RESULTS

The overall objective of the project is to contribute to the conservation of global biodiversity. The specific objectives of component 1 are to: 1.) ensure the sustainable management of rare and valuable tree species and their products through improved technical and technological capacity, 2.) contribute to legal and traceable trade in products from these tree species including technological advances in identification, and 3.) improve and strengthen forest governance, policies for forest management, and enforcement capacity and ensure benefit from long-term support for forest

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8 AU, African Union, ECOWAS, Economic Community of West African States, SADC, South African Development Community, EAC, East African Community, COMIFAC, Commission des Forêts d’Afrique Centrale
management in areas with CITES species. These first three objectives will help objective 4.) to promote rural development in often remote areas, sustainable economic growth at country level, a healthy private sector, and long-term poverty alleviation.

**Expected results of Component 1:**

a) Improved technical and technological capacity for development of NDFs including: forest inventory, distributional mapping, and technical guidance for species specific management plans.
b) Improved silvicultural and ecological knowledge for management of CITES-listed tree species.
c) Successful capacity building for timber and NTFP identification, effective information and tracking systems, sustainable management of and trade in selected tree species.
d) Identification tools for CITES-listed tree species improved and developed using IT applications and other training support to identify and follow CITES-listed species tree products.
e) Market studies produced and forest product information systems in place.
f) Establishment and support of national fora, regional and international working groups, effective outreach.
g) Stable or increased employment in the forest sector.
h) Long-term support for sustainable forest and tree management in key range States (for consideration at the 18th meeting of the CITES Conference of Parties in 2019).

The specific objective of **Component 2** is to secure and restore sustainable elephant populations on their African range, recognizing their potential to provide ecological, socio-cultural and economic benefits by supporting selected activities (under the AEAP). This is expected to be accomplished by 1.) reducing illegal killing of elephants and illegal trade in elephant products; 2.) maintaining elephant habitats and restoring connectivity; 3.) reducing human-elephant conflicts; 4.) increasing awareness and collaboration on elephant conservation and management of key stakeholders that include policy-makers and local communities, among other interest groups; and 5.) strengthening range States’ knowledge on African elephant management, and improving cooperation among Range States.

**Expected results from Component 2**

a) Reduced illegal killing of Elephants, and reduced trade of products such as ivory.
b) More elephant habitat and improved landscape connectivity, across elephant range.
c) Increased knowledge and understanding of elephant populations.
d) Improved governance, enforcement efforts, and transboundary cooperation.
e) Less conflict between elephants and rural people through improved management.
f) Increased public and policy-maker awareness of elephants.

### 4.2 Main Activities

**Component 1:** The project will build on the experiences gained over the past 10 years in working with 14 countries under a previous Action under ITTO-CITES. Specifically, the project will focus on a selected small number of highly important (to local economies) priority CITES-listed tree species in key areas of their ranges. The following activities will be considered for funding under the programme:

a) Support for developing NDFs through inventory design and implementation, management planning, and silvicultural improvements.
b) Support the development of common guidelines, innovative techniques, and standards for cost-effective and credible timber identification and timber forensic work, as well as relevant capacity building activities and the development and implementation of timber tracking systems for enforcement and monitoring purposes.
c) Promotion of sustainable trade in CITES-listed tree and NTF products through support to national fora, regional working groups and international meetings; production of guidelines and outreach material (website, newsletter, etc.) on timber and NTFP in CITES.
d) Support to range States for the implementation of recommendations or decisions concerning CITES-listed tree species emanating from the Conference of the Parties, the Standing Committee or the Plants Committee.
e) Support for regional capacity building for improved governance, policy development, and enforcement through direct training and the development of shared information systems on illegal activities as a means to work towards improved regional cooperation, in collaboration with other relevant initiatives.

f) Market studies to understand available markets and to help provide incentives for VPA agreements and their implementation.

Component 2: The main activities for the implementation of this project are indicative and derived from the AEAP. Project proposals will be prioritized according to the Steering Committee’s agreed selection criteria:

a) Reviewing and/or enacting national legislation to provide for adequate penalties to deter illegal killing of elephants, and illegal trade in elephant ivory and other elephant products;

b) Undertaking assessments to identify gaps and overlaps of different policies and laws of the range States;

c) Equipping wildlife authority enforcement staffs with appropriate tools to carry out their mission as safely and effectively as possible;

d) Undertaking feasibility studies to determine ways to maintain connectivity between elephant populations within, between and among range States;

e) Identifying and prioritizing opportunities for range expansion, and identifying rehabilitation and creation of corridors within the context of broader land use planning;

f) Establishing a database using existing and new data on the types, extent, causes and impacts of human elephant conflict and mitigation measures and guidelines for such conflicts;

g) Training and equipping wildlife officers and local communities to ensure that appropriate human-elephant conflict management approaches are implemented;

h) Compiling and disseminating information on human-elephant conflict mitigation measures; harnessing traditional/indigenous knowledge and other deterrent methods for human elephant conflict, including emerging technologies;

i) Developing and implementing awareness raising programmes targeting schools, local communities, policy makers, NGO’s, business sectors, etc.;

j) Developing and disseminating information, education and communication strategies on the conservation of the African elephant; and a protocol for information sharing among stakeholders within and between range States.

4.3 Intervention logic

Component 1: This action responds to the need for strengthening international dialogue and cooperation for global sustainable forest management towards the long-term conservation and management of high-value tree species, as a contribution to stopping losses of biodiversity while improving local livelihoods. A balanced participation of concerned key stakeholders, implementing activities on capacity building, improved knowledge through scientific research, improved management, technological solutions, market assessments, and cooperation among forensic laboratories, are the main expected outputs to affect the overall objective of this programme.

Component 2: The suite of activities at the national and local levels, focusing on improvement of laws and policies combined with practical support to wildlife authorities through the provision of equipment and the introduction of measures that will reduce human elephant conflict, as well as awareness-raising activities, will lead to better governance systems and greater participation of stakeholders in elephant conservation activities. Through these resulting structural changes it is envisaged that elephant populations can be stabilised and their habitats protected and restored.

5 IMPLEMENTATION

5.1 Financing agreement

In order to implement this action, it is not foreseen to conclude a financing agreement with the partner country, referred to Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.
5.2. **Indicative implementation period**

The indicative operational implementation period of this action, during which the activities described in Section 4.1 will be carried out and the corresponding contracts and agreements implemented, is 60 months from the date of entry into force of the financing agreement between the EC and CITES.

Extensions of the implementation period may be agreed by the Commission’s authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute technical amendments in the sense of point (i) of the Article 2(3)(c) of Regulation (EU) No 236/2014.

5.4 **Implementation modalities**

5.4.1.4 **Indirect management with an international organisation**

This action, will be implemented in indirect management with the CITES Secretariat / UNEP, in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012. This implementation, aiming at conserving endangered trees and African Elephants, is justified because no other organization has the specific legally binding mandates and experience relevant to this project across a large number of countries (182 parties to CITES, including the EU).

The entrusted entity would carry out the following budget-implementation tasks for component 1: contract regional coordinators and implementing staff, conduct meetings, contract with government agencies (see 1.1.2) to develop NDFs, contract with implementing partners, conduct training and studies, and develop programs to protect tree species listed in CITES appendices.

The entrusted entity would carry out the following budget-implementation tasks for component 2: management of a Multi-donor Trust Fund and allotment of funds to various activities based on decisions from a steering committee.

The CITES Secretariat is hosted and administered by UNEP and is fully integrated in the administrative structure of UNEP (CITES Secretary General benefits from a Delegation of Authority from UNEP Executive Director). CITES Secretariat and UNEP are both subject to the UN rules and procedures of accounting, audits, internal control and procurement. Within UNEP, the budget system of “cost centers” allows to channel the funds of the project to the two different components managed by the CITES Secretariat and the AEF Secretariat.

UNEP is currently undergoing the ex-ante assessment (which will apply to the CITES Secretariat) in accordance with Article 61(1) of Regulation (EU, Euratom) No 966/2012. The Commission’s responsible authorising officer deems that, based on the compliance with the ex-ante assessment based on Regulation (EU, Euratom) No 1605/2002 and long-lasting problem-free cooperation, the international organisation can be entrusted with budget-implementation tasks under indirect management.

5.5 **Scope of geographical eligibility for procurement and grants**

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

In accordance with Article 16 of Regulation (EU) No 232/2014 and with regard to the aim of ensuring of coherence and effectiveness of EU financing fostering regional and trans-regional cooperation, the Commission decides that natural and legal persons from the following countries, territories or regions shall be eligible for participating in procurement and grant award procedures: countries named in section 1.1.2 and Europe. The supplies originating there shall also be eligible.
The Commission’s authorising officer responsible may extend the geographical eligibility in accordance with Article 9(2)(b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

5.6 Indicative budget

<table>
<thead>
<tr>
<th>Item</th>
<th>EU contribution (Euro)</th>
<th>African Elephant Fund / Other donors (Euro)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indirect management with UNEP represented by CITIES including:</td>
<td>8,000,000</td>
<td></td>
</tr>
<tr>
<td>Component 1 (trees)</td>
<td>6,900,000</td>
<td></td>
</tr>
<tr>
<td>Component 2 (elephant)</td>
<td>950,000</td>
<td>500,000</td>
</tr>
<tr>
<td>Evaluation</td>
<td>150,000</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>8,000,000</td>
<td>500,000</td>
</tr>
</tbody>
</table>

Co-funding for component 1 is expected from the ITTO-CITES Project but formal pledges have not as yet been received.

5.7 Organisational set-up and responsibilities

The CITES Secretariat will directly implement Component 1 of the project. To this effect, it will establish a small team at its headquarters in Geneva to administer and manage the project, and oversee and coordinate the implementation of the work programme.

Component 1: The CITES Secretariat will administer this component and lead its implementation. To allow the timely delivery of all the expected outputs to professional standards, the Secretariat will therefore:

1. Establish an Advisory Committee comprised of scientists, key stakeholders (including range States) and organizations (e.g., ITTO, EU FLEGT facilities), and the CITES Secretariat. It will convene on the sidelines of official CITES meetings or during other international meetings, however, intersessional work will be required to contribute to the development of plans for the implementation of the project activities.

2. Appoint three regional coordinators to work closely with national CITES authorities, forest management agencies, and other stakeholders in the key countries to identify activities and capacity building needs that will assist in ensuring the sustainable management of CITES listed tree species, and trade in such species in compliance with the Convention.

3. Contract relevant technical support (ITTO or other timber specialist), for the following Programme aspects: i) collaborate with CITES to select key tree species and key areas and countries in which to focus this project, ii) assist in project evaluations and recommend projects, iii) co-chair and select membership to the Advisory Committee, iv) coordinate and oversee regional meetings through the regional coordinators, v) assist in the dissemination of information of project results, and vi) fund-raise as appropriate.
4. Final activity selection will be done by CITES project staff based on a series of weighted criteria (Appendix III), with recommendations from ITTO staff and the regional coordinators. Projects will form a logical suite of measures that focus on a limited number of priority species to advance their ecological knowledge, sustainable management, forest governance, and/or trade.

Component 2: The UNEP will supervise this component through the AEF. The current organisational set-up under the AEF is as follows:

A Steering Committee with one group of representatives of the African range States regions, one group of donor countries representatives, and ex-officio members. All project proposals must be submitted to the AEF Steering Committee by the Competent Authority of African elephant range States. The AEF Steering Committee comprises 8 range States (two from each of the four geographic regions); 3 donor States (currently three European country donors); and the UNEP and CITES Secretariats as ex-officio members. The Committee’s membership rotates every 3 years (for the European Union to become a member of the Steering Committee, some changes in the current Rules of Procedure are required). The Committee reviews and selects project proposals against established criteria that ensure the project’s relevance to the African Elephant Action Plan. Funds for activities are (and will be) disbursed through legal agreements between the UNEP Secretariat and the project focal point in the respective country/region.

5.8 Performance monitoring and reporting

Day to day technical and financial monitoring of the implementation of this action will be the responsibility of CITES. CITES applies the UN financial monitoring system that will be implemented. Projects will be monitored on a 6-month basis by the regional coordinators, who at the 6 month intervals will report to the CITES project coordinator. A formal progress report will be required annually from each regional coordinator and made available to the CITES programme authority and presented at annual meetings of the Advisory Committee that evaluates project progress against milestones. The Advisory Committee will evaluate the report along with the CITES programme authority and provide the necessary changes or instructions, if any, back to the regional coordinators. This will occur for the life of each activity. These reports will provide an accurate account of implementation of the action, difficulties encountered, changes introduced, costing, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation. The project coordinator will bring to the attention of relevant CITES meetings the progress and recommendations from the implementation of the project.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

5.9 Evaluation

Having regard to the importance of the action, a mid-term and a final evaluation will be carried out for this action via an independent consultant contracted by CITES/UNEP for each of the components. These will be carried out with respect to evaluating progress towards outcomes in case problem solving is needed, as well as to learn how the programme reflects its mandate. The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project and activities.
5.10 Audit
For both components, the provisions of the EU-UN financial and administrative framework agreement (FAFA, as revised in May 2014) will apply. Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements. The financing of the audit shall be covered by another measure constituting a financing decision.

5.11 Communication and visibility
Communication and visibility of the EU is a legal obligation for all external actions funded by the EU. This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation and supported with the budget indicated in section 5.6 above. In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements. The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

Both CITES and ITTO maintain and publish websites, newsletters, and Facebook accounts that will all be used to communicate results. ITTO is publishing a newsletter on the current ITTO-CITES project, in which the donors (first being the EU) are clearly identified. Same kind of publication will be made under the future CITES project. Translation into local languages will be done for important technical outputs. The CITES Programme Authority will develop and implement a formal communications plan to include all of the measures possible to demonstrate value of the programme to clients and to the EU. This plan will be presented to the Advisory Committee for comment and revised accordingly.
ANNEX I - LOGFRAME MATRIX

Component 1 – endangered trees

<table>
<thead>
<tr>
<th>Results chain (Intervention logic)</th>
<th>Indicators</th>
<th>Baseline* (reference year 2016)</th>
<th>Target value (reference year 2020)</th>
<th>Sources and means of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overall objective: Impact</strong></td>
<td>G1. Contribute to the conservation of global biodiversity, by conserving CITES listed tree species.</td>
<td>Values of legal and illegal timber products and NTFPs produced and traded in international, regional and local markets.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Specific objectives</strong></td>
<td>SO1. Ensure the sustainable management of rare and valuable tree species and their products through improved technical and technological capacity.</td>
<td>Number of tree species listed in CITES Appendix II with commercial wild populations.</td>
<td>7 countries with improved capacity and reliable inventories</td>
<td>12 countries with improved capacity and reliable inventories</td>
<td>Project monitoring and evaluation reports; CITES Appendix II; Government reports, forest company data.</td>
</tr>
<tr>
<td><strong>Outputs</strong></td>
<td>1.1 NDF reports produced for key CITES-listed tree species.</td>
<td>Number of NDF reports with reliable population inventories.</td>
<td>CITES taxa with NDF reports from 7 countries</td>
<td>CITES taxa with NDF reports from 12 countries.</td>
<td>NDF reports available to CITES</td>
</tr>
<tr>
<td><strong>Specific objective 2: Outcome(s)</strong></td>
<td>SO2. Contribute to legal and traceable trade in products from CITES tree species including technological</td>
<td>Number of range States with capacity to identify CITES listed and look-alike taxa.</td>
<td>7 countries</td>
<td>12 countries</td>
<td>Programme monitoring and evaluation reports</td>
</tr>
<tr>
<td>Outputs</td>
<td>Specific objective 3: Outcome(s)</td>
<td>2.1 Capacity building on timber and NTFP identification and terminology for CITES listed tree species improved and developed.</td>
<td>Number of new technologies developed and/or compiled new manuals.</td>
<td>2 new technologies</td>
<td>4 new technologies and 3 guidelines developed</td>
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<tr>
<td>SO3. Improve and strengthen forest governance, policies for forest management, and enforcement capacity and ensure benefit from long-term support for forest management in areas with CITES species.</td>
<td>Number of countries participating in CITES implementation for tree species with policy improvements.</td>
<td>14 countries</td>
<td>20 countries</td>
<td>Agreement documents, government policy documents, project evaluations.</td>
<td>Political will to implement CITES requirements; Stakeholder group willingness to participate; Transparency; Demonstration of long-term socio-economic benefits through sustainable legal practices.</td>
</tr>
<tr>
<td>Outputs</td>
<td>Specific objective 4: Outcome(s)</td>
<td>3.1 Establishment and support to national fora, regional and international working groups and improved outreach</td>
<td>Number of countries with national fora and/or working groups in operation and number with technical guidance materials</td>
<td>7 countries</td>
<td>12 countries</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3.2 Enforcement staff trained in CITES regulations and compliance, and use of modern, effective forest information and wood tracking systems.</td>
<td>Number of staff newly trained on CITES regulations</td>
<td>200 staff</td>
<td>400 staff</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3.4 Contribute to rural development in often remote areas, sustainable</td>
<td>Number of enterprises and employment by gender for wood, wood products, and Baseline data are required by country</td>
<td>Baseline data are required by country</td>
<td>To be set following baseline study</td>
</tr>
</tbody>
</table>
economic growth at country level, a healthy private sector, and long-term poverty alleviation.

NTFP sector that harvest CITES species. allows populations in the wild are viable and commercial in the long term.

| Outputs | 4.1 Market studies produced for key CITES species | Number of market studies available on CITES tree species | 3 studies | 4 new market studies available | Market study reports to the CITES Plants Committee | Market studies made available to local enterprises | Government and private sector cooperation in data collection can be ensured. Targeted capacity-building and effective training of personnel; VPAs that include access to markets. |

* Baseline value refers to results from past ITTO-CITES Program to 2016 (i.e., these are action funded results not global capacity).

**Component 2 - Elephants**

<table>
<thead>
<tr>
<th>Results chain (Intervention logic)</th>
<th>Indicators</th>
<th>Baseline (reference year 2016)</th>
<th>Target value (reference year 2020)</th>
<th>Sources and means of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overall objective:</strong> Impact</td>
<td>G1a. Contribute to the conservation of global biodiversity, specifically by conserving African elephants.</td>
<td>Size of elephant populations by range state and number with positive growth.</td>
<td></td>
<td>Project evaluation, government reports, MIKE reports; AEF Reports</td>
<td>Stakeholders develop a long term commitment to AEAP implementation, with the international community and local communities; Decision makers recognize the value of AEAP and are willing to invest in order to further its implementation.</td>
</tr>
<tr>
<td>Specific objectives 1: Outcome(s)</td>
<td>SO1. Reduced Illegal Killing of elephants and illegal trade in elephant products</td>
<td>Number of African elephants killed</td>
<td>13,600 (2012)</td>
<td>&lt;10,000</td>
<td>Project evaluation, government reports, MIKE reports.</td>
</tr>
<tr>
<td>Outputs</td>
<td>Specific objectives 2: Outcome(s)</td>
<td>Number of enforcement staff</td>
<td>Baseline required</td>
<td>10% more rangers trained in 37 range states</td>
<td>CITES reporting; MIKE reporting;</td>
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<td>-----------------------------</td>
</tr>
<tr>
<td>1.1</td>
<td>Improved national legislation, policies and enforcement capacity.</td>
<td>Baseline required</td>
<td>5</td>
<td></td>
<td>Wildlife and elephant issues are given prominence at national, regional and international levels.</td>
</tr>
<tr>
<td>SO2</td>
<td><em>Maintain elephant habitats and restore connectivity</em></td>
<td>Number of rehabilitated migration corridors and dispersal areas.</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1</td>
<td>New monitoring systems developed for tracking of the African forest elephant that accurately estimate populations and amount of habitat change</td>
<td>Number of new monitoring systems developed.</td>
<td>0</td>
<td>3 new systems completed</td>
<td>CITES reports; MIKES reports; National reports</td>
</tr>
<tr>
<td>Outputs</td>
<td>Specific objectives 3: Outcome(s)</td>
<td>Baseline needed for number of conflicts.</td>
<td>10% reduced number of conflicts</td>
<td></td>
<td>CITES reports; MIKES reports; National reports</td>
</tr>
<tr>
<td>3.1</td>
<td>Improved technologies employed to reduce elephant encroachment on crops.</td>
<td>Number of new technologies adopted.</td>
<td>0</td>
<td>3 new technologies implemented</td>
<td></td>
</tr>
<tr>
<td>Specific objectives 4:</td>
<td>Outcome(s)</td>
<td>Specific objectives 5:</td>
<td>Outcome(s)</td>
<td></td>
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<tr>
<td><strong>SO4. Increased awareness on elephant conservation and management of key stakeholders that include policy makers and local communities among other interest groups</strong></td>
<td><strong>4.1 Fora created for information and data sharing, either electronic or new technologies.</strong></td>
<td><strong>SO5. Strengthen range States knowledge on African elephant management, and improve cooperation among Range States</strong></td>
<td><strong>5.1 Meetings and joint actions supported between and among governments to share knowledge.</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Number of initiatives and programme within the local communities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Number of new fora created and electronic data resources</td>
<td>Number of bilateral and multilateral initiatives supporting cooperation among Range States.</td>
<td>Number of multilateral meetings</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>55 village initiatives</td>
<td>Baseline needed</td>
<td>Baseline needed</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>80 village initiatives</td>
<td>10% increased numbers of meetings and/or joint actions.</td>
<td>10% increase in meetings and actions</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Meeting reports; Reports from international conferences; Reports on joint activities.</td>
<td>Meeting reports</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Willingness of the regional institutions/governments to participate in the sharing of information and lessons learned on elephant conservation.</td>
<td>Willingness of the regional institutions/governments to participate in the sharing of information and lessons learned on elephant conservation.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Elephant data from MIKES and AEF websites.**