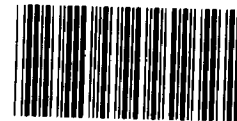


GAO

October 1986

**INTERNATIONAL
ORGANIZATIONS:**

**Private Funding of
Delegate Travel**



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**Resources, Community, and
Economic Development Division****B-222777**

October 6, 1986

The Honorable John B. Breaux
Chairman
The Honorable Don Young
Ranking Minority Member
Subcommittee on Fisheries and
Wildlife Conservation and the
Environment
Committee on Merchant Marine and
Fisheries
House of Representatives

Your November 1, 1985, letter requested that we examine various issues concerning the operations of the International Whaling Commission (IWC), which regulates whaling worldwide, and the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), which regulates international trade in animals, plants, and their products.

You requested that we examine the participation of nongovernmental organizations in conventions of the IWC and CITES and their influence on delegates to these meetings.¹ You were concerned about (1) reports that some delegates to IWC and CITES conventions were affiliated with nongovernmental organizations and were not residents of the countries they represented and (2) the payment of CITES delegates' travel expenses by nongovernmental organizations. You asked us to investigate how delegates are chosen to attend these conventions and how delegates' expenses are paid. And you were concerned about the possible adverse impact of using secret ballots at the last CITES meeting.

In a briefing of the Subcommittee staff on June 17, 1986, we noted that, at past IWC meetings, several countries were represented by nonresidents. However, over the years these delegates were replaced by residents and, according to a State Department official, the principal delegate from each country attending the 1986 IWC meeting was a resident of that country. Nonresidents have very rarely been the principal delegates for countries attending CITES meetings. The principal delegate from each country attending the 1985 CITES meeting was a resident, according to CITES and U.S. Department of the Interior officials.

¹The term "nongovernmental organization" is applied to private groups of national or international scope which are concerned with wildlife management and are not associated with any governmental entity.

Several secret ballots were taken at the most recent CITES meeting. However, U.S. government and various nongovernmental organization officials told us that the secret ballot does not generally give a tactical advantage to either conservation or commercial interests—interests that are sometimes arrayed on opposite sides of CITES issues. Because the secret ballot is time-consuming and can restrict the public's knowledge of actions taken by government representatives, CITES officials are considering proposals to limit its use.

Because the use of nonresident delegates has declined and the use of secret ballots appears to be a less significant issue, we are limiting this report, as requested by your staff, to a discussion of the funding of travel expenses of delegates representing foreign countries at CITES conventions.

In summary, we found the following:

- Four nongovernmental organizations, one private citizen, and the U.S. Fish and Wildlife Service (FWS) provided about \$57,000 for airline tickets and per diem expenses to delegates from 24 member countries and 1 observer country for travel to the most recent CITES general meeting, held in Buenos Aires, Argentina, in 1985.
- Nongovernmental organizations, the United Nations Environment Programme, and FWS have also paid the travel expenses of many foreign delegates to previous CITES meetings.
- Nongovernmental organizations were asked to provide travel funds for the 1985 CITES meeting by the administrative arm of CITES—the Secretariat—when funds could not be obtained from member governments, the United Nations Environment Programme, or other international organizations.
- The CITES Secretary General, although requesting donations from nongovernmental organizations in the past, believes that private funding of delegate travel creates an appearance of improper influence. In October 1985, he recommended to the CITES Standing Committee—a committee of selected member nations, including the United States, responsible for CITES general management operations—that a trust fund be established to help fund CITES projects and pay for delegate travel. At present, CITES operates under a voluntary dues system and constantly faces financial shortages. Private funds would be solicited for this fund, but direct sponsorship of specific delegates by particular nongovernmental organizations would be avoided. We contacted 11 nongovernmental organizations that participate in CITES, and they all generally approved of using a

trust fund to support delegate travel. The CITES Standing Committee is scheduled to vote on the fund proposal in October 1986.

We agree with the CITES Secretary General that establishing a trust fund is more desirable than the direct funding of delegate travel by nongovernmental organizations. The trust fund could eliminate the sponsorship of selected delegates by particular nongovernmental organizations and avoid the appearance of undue influence that direct payments can create. In addition, the trust fund would foster participation in CITES of countries which cannot afford to fund delegate travel themselves. We recommend that the Department of the Interior, which represents the United States in CITES, support the creation of a trust fund for delegates whose countries cannot afford to pay travel expenses.

Our work, which was done between March and June 1986, was performed in accordance with generally accepted government audit standards. The views of responsible officials were sought during our work and are incorporated in the report where appropriate. As agreed with your offices, we did not request the CITES Secretariat, the Department of State, the United Nations Environment Programme, or FWS to review and comment officially on this report.

Copies of this report are being sent to appropriate House and Senate committees; the Secretaries of the Interior and State; the Administrator, National Oceanic and Atmospheric Administration; the Secretary General of the Convention on International Trade in Endangered Species of Wild Fauna and Flora; the Secretary of the International Whaling Commission; and other interested parties.



J. Dexter Peach
Assistant Comptroller General

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Abbreviations

CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
FWS	U.S. Fish and Wildlife Service
GAO	General Accounting Office
IWC	International Whaling Commission
NGOs	nongovernmental organizations

Funding of Foreign Delegate Travel to Meetings of the Convention on International Trade in Endangered Species of Wild Fauna and Flora

Operation and Organization of CITES

CITES was created in 1973 under an agreement of 24 countries, including the United States. CITES was established because of international concern that over-exploitation of many animals and plants threatened their survival. CITES members meet biennially to establish, as appropriate, lists of endangered or threatened species whose commercial import and export the members agree to control. CITES now has 92 member countries and regulates trade in thousands of plant and animal species.

The day-to-day work of coordinating CITES internationally is conducted by a permanent staff of six professionals called the Secretariat, whose head is the Secretary General. The Secretariat's duties include arranging for meetings of member nations, reviewing trade data, studying conservation issues, and recommending changes in CITES regulations to the members. The Secretariat, located in Lausanne, Switzerland, operates under the United Nations Environment Programme and is funded by member nations' dues. The CITES agreement provides that the Secretary General may be assisted by nongovernmental organizations (NGOs) "technically qualified in the protection, conservation and management of wild fauna and flora." NGOs have become increasingly active in CITES; 116 groups attended the last CITES general meeting.

United States' Role in CITES

The United States was among the original members of the CITES agreement. After ratification by the Senate, the provisions of the CITES agreement were implemented by the Endangered Species Act of 1973.

Each member of CITES is required to establish management authorities and scientific authorities. The United States has one management authority and one scientific authority, both of which are located in FWS.

The management authority, located in FWS' Federal Wildlife Permit Office, has three basic functions: (1) interpreting the terms, conditions, rules, etc., of the CITES agreement, (2) issuing permits that allow actions to take place under CITES that would otherwise be prohibited, such as the import of species listed by CITES, and (3) representing the United States at CITES meetings and serving on committees.

The scientific authority, located in FWS' Office of Scientific Authority, has two functions: (1) developing recommendations as to whether the United States should propose or support proposals to ban or limit trade in animal or plant species and (2) advising the management authority on requests for trade permits.

Primary responsibility for enforcing CITES regulations has been delegated to FWS' Division of Law Enforcement. The Division operates an inspection service for imported and exported wildlife species and their derivatives at certain ports of entry throughout the United States. In addition, FWS special agents located throughout the country investigate violations of CITES regulations.

The Department of Agriculture, through the Animal and Plant Health Inspection Service, is responsible for enforcing regulations related to the import and export of plants or plant derivatives at designated ports.

Funding of Delegate Travel by NGOs and Others

Prior to each of the last three CITES plenary meetings, it came to the attention of the Secretariat that certain member countries needed financial assistance to send delegates to the meetings. The Secretary General told us that CITES' effectiveness depends largely on the participation of as many countries as possible at the meetings. According to the Secretary General, a country which participates in CITES decisions at its meetings is more likely to assist in implementing these decisions. Therefore, he sought financial assistance from the United Nations and other international organizations, member countries, and private organizations to pay travel expenses of delegates whose countries indicated they were unable to fund such expenses.

Before the 1985 CITES meeting in Buenos Aires, the Secretariat determined that 35 member countries needed financial aid to pay for their delegates' travel expenses. After unsuccessful attempts to obtain funds from the United Nations Environment Programme, the European Economic Community, the U.S. Department of State, and FWS, the Secretary General asked the World Wildlife Fund for assistance in getting travel funds from NGOs. According to an official of the World Wildlife Fund-U.S., the Fund raised enough money from its own resources and from other NGOs to support the travel of delegates from 24 member countries and 1 observer country. Appendix II lists the countries which received funds, and the sources and amounts of such funds.

FWS also contributed about \$6,000 for delegates from Pakistan to attend the 1985 CITES meeting. The FWS contribution was foreign currency received for sales of food to developing countries under the Agricultural Trade Development and Assistance Act of 1954, known as Public Law 480. The Endangered Species Act of 1973 authorizes the use of Public

Law 480 funds to assist foreign governments in developing and managing endangered species programs. According to an FWS official, Pakistan was the only country requesting assistance for delegate travel in which Public Law 480 funds were available.

Financial Support for Travel to Earlier CITES Meetings

The travel expenses of foreign delegates to CITES meetings before 1985 were also paid by the U.S. government, the United Nations, and NGOs. Complete records are not available at the CITES Secretariat showing the sources and amount of these payments, but through discussions with the CITES Secretary General and officials of the United Nations Environment Programme, FWS, and various NGOs, we noted that

- FWS helped pay the travel expenses of 17 Asian, African, and South American delegates to the 1981 CITES meeting in New Delhi, India. FWS was able to provide support for travel to this meeting because it was held in a country where Public Law 480 funds were available.
- The United Nations Environment Programme paid travel expenses of about \$12,000 to delegates from five countries to attend the 1981 CITES meeting and about \$11,600 to help delegates from four countries attend the 1983 meeting. A United Nations Environment Programme official said that the Programme did not fund delegate travel to the 1985 CITES meeting because it is against United Nations policy to fund delegate travel to plenary meetings of intergovernmental organizations. In fact, this official said that the Programme violated this policy by funding delegate travel to earlier CITES plenary meetings.
- An official of the Tinker Center for Coastal Studies in Latin America, an institute for the study of the Latin American marine environment that was formerly part of the University of Miami, coordinated the collection of funds from various NGOs to help Latin American delegates attend the 1981 and 1983 CITES meetings.

Concern About Private Funding of Delegate Travel

Although the Secretary General of CITES has solicited funds from NGOs to assist foreign countries in sending delegates to the CITES meetings, he is concerned that these payments create the appearance of undue influence on the delegations of countries receiving such funds.

A report prepared by the CITES Secretariat following the Buenos Aires meeting stated that

“In the view of the Secretariat unless steps are taken to reduce the possibility of undue influence from any non-governmental quarter CITES runs a serious risk of

**Appendix I
Funding of Foreign Delegate Travel to
Meetings of the Convention on International
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and Flora**

losing credibility particularly with developing nations and its conservation aims being stultified. It, therefore, becomes all the more necessary to

- a) Ensure that funds are made available to obtain the most unassailable data either to support or dismiss proposals.
- b) Provide funds to participate from a central source to governments that need them (rather than from outside organizations)¹

The Secretariat's report proposed that each member country's delegation to future plenary meetings consist of two people, "one capable of speaking for his government on policy and administrative issues and one scientifically or practically qualified in wildlife matters." The report stated that, "In many cases [the support of two delegates] can only be done by the provision to some governments of additional funds which we believe must be provided from a central CITES fund, not directly by individual organizations, if undue influence is to be avoided."

Some NGOs we contacted also said they were concerned about the direct funding of delegate travel by private groups. Officials of three NGOs representing commercial interests believed that the payment of travel expenses could affect delegates' votes. The General Counsel for the Pet Industry Joint Advisory Council, a trade association with an interest in CITES decisions, said that he had been contacted by the World Wildlife Fund-U.S. before the Buenos Aires meeting with a request to fund delegate travel. He said the Council decided not to provide funds because it was concerned about being accused of trying to influence delegates. The General Counsel of the World Wildlife Fund-U.S., which assisted delegates to attend the Buenos Aires meeting, said that the Fund did not take public positions on the issues to be discussed at the meeting because it was concerned that its role as a sponsor of delegate travel and an advocate on issues would conflict.

NGO officials who funded the travel of delegates to the Buenos Aires meeting told us they made no effort to use their contributions to gain support for their positions. The NGOs made their own decisions about which needy countries to support, but told us that they selected countries for assistance on the basis of the country's importance as a trader in species on the CITES agenda, their own involvement with conservation projects in the country, or the cost of the delegates' travel (i.e., preference was given to countries located closer to Buenos Aires).

¹Work Programme of the Secretariat, Additional Work Programme 1986/87, Position Statement and Proposals, CITES Document SC. 13.4, p. 2. Presented at Standing Committee meeting held 28 October to 1 November 1985.

For example, an official of the Center for Environmental Education, an NGO, said that the Center supported delegates from countries it had assisted with conservation projects. The Executive Director for this NGO acknowledged that while the NGO would be reluctant to sponsor a country which consistently opposed its views, no strings were attached to its sponsorship.

The CITES Secretariat told us that, reportedly, some NGOs were telling delegates they had paid their expenses when this was not accurate. As a result, the Secretariat wrote letters to all delegates explicitly identifying the NGO that paid their travel expenses.

Proposal to Support Delegate Travel Through a CITES Fund

After the Buenos Aires meeting, the Secretary General of CITES proposed to the CITES Standing Committee (a group of member nations—including the United States—which oversees CITES operations between the biennial meetings of the full membership) that a fund be established to support CITES projects and delegate travel. The Secretary General told us that he would attempt to raise capital from private companies and foundations and use the interest on the capital to support delegate travel and other CITES activities not covered by member nations' regular contributions. According to the Secretary General, his proposal would not prohibit direct payment of delegate expenses by NGOs but would make it unnecessary. The Standing Committee is scheduled to rule on this proposal in October 1986.

The 11 NGOs we contacted during our review, including those that contributed money for delegate travel to Buenos Aires, generally supported the concept of a trust fund.

The Deputy Assistant Secretary General of the United Nations Environment Programme told us that he supports the trust fund idea. He said that delegates feel some obligation to the NGOs which fund their travel. He believes that this sense of obligation would not exist if funding were given through a trust fund.

The Acting Chief of FWS' Wildlife Permit Office told us he sees merit in establishing a fund. However, he said that FWS will not take an official position on the fund until it consults with officials of other federal agencies and NGOs. He said that the FWS position will be formulated shortly before the Standing Committee's scheduled meeting in late October 1986.

**Appendix I
Funding of Foreign Delegate Travel to
Meetings of the Convention on International
Trade in Endangered Species of Wild Fauna
and Flora**

Conclusion

The use of a trust fund, as suggested by the CITES Secretary General, to support the travel expenses of delegates from countries which cannot pay these expenses themselves would be an improvement over the direct payment of these expenses by NGOs. Although private interest groups might contribute to this fund, the direct sponsorship of selected delegates by particular groups could be reduced or eliminated. Thus, the appearance of undue influence, which direct payments by NGOs to delegates could create, would be avoided. At the same time, the goal of participation in CITES by all affected countries would be advanced.

**Recommendation to the
Secretary of the
Interior**

We recommend that the Secretary of the Interior support the creation of a trust fund to finance the travel to CITES meetings of delegates whose countries cannot afford to pay these expenses.

Objectives, Scope, and Methodology

Our objectives were to

- determine the source and amount of money provided to support delegate travel to the past three CITES meetings, i.e., 1981, 1983, and 1985, and
- obtain the views of governmental and private organizations on the private funding of delegate travel to CITES meetings.

To determine CITES policies on the support of delegate travel expenses, we reviewed the CITES agreement and discussed these matters with the CITES Secretary General at the organization's headquarters in Lausanne, Switzerland.

We obtained information on the source and amount of travel expense donations from the CITES Secretariat, FWS, the United Nations Environment Programme, and various NGOs. We did not independently verify the amounts reported.

We discussed the subject of direct funding of delegate travel expenses by private interest groups with officials of the Departments of State and the Interior, the United Nations, and NGOs representing both conservation and industry interests.

We also obtained information on the representation of foreign countries at the IWC by nonresidents and on the uses of the secret ballot at CITES meetings—subjects covered at our briefing of Subcommittee staff but not discussed in this report.

Our work regarding IWC delegates included discussions with the Secretary of the IWC in Cambridge, England; various NGOs concerned with whaling issues; and officials of the National Oceanic and Atmospheric Administration and the Department of State who deal with IWC issues. We also held discussions with delegates to past IWC meetings from countries in which they were not residents to determine why and how they were selected and how they were compensated. We discussed the use of secret ballots at CITES with the CITES Secretary General, FWS officials, and representatives of various NGOs concerned with CITES issues.

Our work, which was done between March and June 1986, was performed in accordance with generally accepted government audit standards. The views of responsible officials were sought during our work and are incorporated in the report where appropriate. As agreed with the requesters' office, we did not request the CITES Secretariat, the

Appendix II
Objectives, Scope, and Methodology

Department of State, the United Nations Environment Programme, or
FWS to review and comment on this report.

Countries Receiving Funds From FWS and NGOs to Assist Delegate Travel to 1985 CITES Meeting

Country	Donor(s) ^a	Amount
Benin	World Wildlife Fund-International	\$1,629
Bolivia	World Wildlife Fund-U.S.	420
Columbia	World Wildlife Fund-U.S.	420
	Animal Protection Institute	1,014
Costa Rica	World Wildlife Fund-U.S.	450
	Animal Protection Institute	1,400
Ecuador	World Wildlife Fund-U.S.	390
	Center for Environmental Education	883
Gambia	World Wildlife Fund-International ^b	2,257
Kenya	World Wildlife Fund-U.S.	2,684
	African Wildlife Foundation	3,106
Madagascar	World Wildlife Fund-U.S.	2,837
Malawi	World Wildlife Fund-International	3,492
Nepal	World Wildlife Fund-Japan	3,247
Nicaragua	World Wildlife Fund-U.S.	450
	Center for Environmental Education	1,152
Pakistan	World Wildlife Fund-Japan	725
	FWS	6,000
Panama	World Wildlife Fund-U.S.	510
	Center for Environmental Education	1,000
Papua New Guinea	World Wildlife Fund-Japan	580
	Center for Environmental Education	3,000

**Appendix III
Countries Receiving Funds From FWS and
NGOs to Assist Delegate Travel to 1985
CITES Meeting**

Country	Donor(s)^a	Amount
Paraguay	World Wildlife Fund-U.S.	734
Peru	World Wildlife Fund-U.S.	420
	Animal Protection Institute	668
Saint Lucia	World Wildlife Fund-U.S.	510
	Center for Environmental Education	1,262
Sri Lanka	World Wildlife Fund-Japan	3,661
Suriname	World Wildlife Fund-U.S.	1,565
Tanzania	World Wildlife Fund-U.S.	450
	African Wildlife Foundation	1,750
Togo	World Wildlife Fund-U.S.	390
Uganda	World Wildlife Fund-U.S.	3,272
Uruguay	World Wildlife Fund-U.S.	600
Zaire	World Wildlife Fund-U.S.	470
	African Wildlife Foundation	3,549
Zambia	World Wildlife Fund-International	480
Total		\$57,427

^aSee page 16 for a description of the donor organizations.

^bA private citizen provided \$1,500 in a personal donation to World Wildlife Fund-International to help pay the travel expenses of the delegate from Gambia.

Source: GAO-derived, based on discussions with officials from the World Wildlife Fund-U.S., the Animal Protection Institute, the Center for Environmental Education, the African Wildlife Foundation, and FWS.

Profile of U.S. NGOs Which Donated Funds for Delegate Travel to 1985 CITES Meeting

African Wildlife Foundation,
Washington, D.C.

Provides scholarships for African students in wildlife management training at colleges of wildlife management in Africa; finances and operates wildlife conservation projects in Africa in cooperation with African government ministries; maintains an international office in Nairobi, Kenya, which includes wildlife management, and scientific and education experts; provides technical assistance to national parks and carries out conservation education programs in schools.

Animal Protection Institute of America,
Sacramento, Calif.

A nonprofit organization whose goal is to eliminate or alleviate fear, pain, and suffering among all animals—domestic livestock, pets, and native and exotic wildlife—through humane education and membership action. Membership: 180,000. Founded: 1968.

Center for Environmental Education, Inc.,
Washington, D.C.

A nonprofit, tax-exempt organization dedicated to conservation of endangered and threatened species and their marine habitats. The Center sponsors several special programs: The Whale Protection Fund, The Seal Rescue Fund, and The Sea Turtle Rescue Fund. Program efforts focus on research, policy analysis, education, and public information and involvement. Founded: 1972.

World Wildlife Fund - U.S.,
Washington, D.C.

Principal private group in the United States that finances conservation projects around the world. Associated with The Conservation Foundation and World Wildlife Funds in 22 other countries. Supports and receives scientific guidance from the International Union for Conservation of Nature and Natural Resources. Since 1961, the fund has allocated more than \$85 million to 3,800 scientific research, education, and wildlife and habitat preservation projects in over 130 countries; has assisted in creating over 260 national parks and reserves on five continents; and, has helped save many endangered species from extinction. A primary collaborator in the World Conservation Strategy. Members: 172,000. Founded: 1961.

Source: Conservation Directory 1986 (Washington, D.C.: National Wildlife Federation, 1986)

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