

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



Nineteenth meeting of the Plants Committee  
Geneva (Switzerland), 18-21 April 2011

TREE SPECIES: ANNOTATIONS FOR SPECIES INCLUDED IN APPENDICES II AND III  
(PC19 Doc. 11.1 and PC19 Doc. 11.5)

Membership (as decided by the Committee)

Chair: Canada (Mr Ken Far)

Members: Acting representative of Asia (Ms Al-Salem) and alternate representative of Europe (Mr Carmo)

Party observers: Australia, Chile, Guatemala, Mexico, Netherlands, Peru, Republic of Korea, United States

IGOs and NGOs: European Commission, UNEP-WCMC, TRAFFIC International, American Herbal Products Association

Mandate

- a) Consider Annexes 1, 2 and 3 of document PC19 Doc. 11.5;
- b) Consider whether specimens described as "finished products packaged and ready for retail trade", (intended to refer to medicinal plant products), can or should be applied to timber products for species that are used for both purposes and listed with Annotation #2, or can or should be excluded from timber products of *Aniba rosaeodora* listed with Annotation #12;
- c) Consider addressing the increasing number of Appendix-II and Appendix-III tree annotations that reference non-fibre wood products, including essential oil and extracts. It may, for example, be possible to adopt specific HS code definitions for such products as "essential oil" (HS 3301) "gums, resins, and other vegetable saps and extracts" (HS 1301) and "powders" (HS 3304), and to include these definitions in Resolution Conf. 10.13 (Rev. CoP15); and
- d) Assess, based on elements presented in document PC19 Doc. 11.5, the need to amend current annotations relating to tree species.

## Recommendations

Having considered the mandate of the working group and relevant portions of documents PC19 Doc. 11.1 and PC19 Doc. 11.5, the Working Group (WG06) makes the following recommendations, which are intended to inform the Plants Committee's response to Decision 14.148 (Rev. CoP15) and the trade study referenced therein:

1. Regarding Annexes 1, 2 and 3 of document PC19 Doc. 11.5, these annexes are considered to present useful reference material which provides ongoing guidance on differentiating medicinal products and primary and secondary wood products on the basis of recognized Harmonized System (HS) codes.
2. Regarding specimens described as "finished products packaged and ready for retail trade" and application of this distinction to timber products from species used for both purposes and listed with Annotation #2, or its exclusion from timber products of *Aniba rosaeodora* listed with Annotation #12: WG06 considered that the description for finished products was intended only for medicinal products. It should not be applied to timber products from species with Annotation #2, and should be excluded from timber products of *Aniba rosaeodora* listed with Annotation #12.
3. WG6 recommends consideration be given to drafting annotations that clearly differentiate between timber products and medicinal products derived from species that can be used for both purposes. For example, WG6 considered that the intention of annotation #12 was to include "Essential oil (excluding finished products packaged and ready for retail trade), logs, sawn wood, veneer sheets and plywood".
4. Regarding the increasing component of Appendix II and Appendix III tree annotations that reference non-fibre wood products including essential oil and extracts, it would be useful to adopt an adaptive approach to definition of such products in annotations. In that regard, WG6 considers the definitions for "essential oil," "extract" and "powder" proposed by PC19 WG04 (Preparation and Guidance on the Meaning of "packaged and ready for retail trade" and Other Terms Used in the Annotations) to be a very useful addition to the CITES lexicon.
5. WG06 considered that definitions contained in HS codes or ISO standards may be useful, on a case-by-case basis, as supplements to the definitions proposed by WG04, where clear correspondence in scope exists, and provided the use of such codes and standards simplifies CITES implementation. For example, HS code 3301 appears useful for capturing a range of distillates and aqueous solutions of essential oils, but its use in implementation of the Convention for products derived from agarwood was considered problematic by members of the working group.
6. Regarding assessment, based on the elements presented in document PC19 Doc. 11.5 of the need to amend current annotations relating to tree species, WG06 considers such a need does exist and, were amendments to be undertaken, the following observations might serve to inform the process:
  - Rather than focus on differentiation of primary and secondary wood products, annotations should seek to capture the first product of export, regardless of its form. The annotation of *Caesalpinia echinata* illustrates the effectiveness of such an approach;
  - It may be helpful to focus on creating a reduced number of general annotations that correspond to broad product types (e.g. timber, medicinal, edible products) and append relevant HS codes as required for particular species;
  - Guidance from the World Customs Organization as to precise application and interpretation of codes and the extent to which a primary processed wood product must be physically altered to qualify as a secondary processed wood product would assist the annotation drafting process, as would increased emphasis on the responsibility of traders to accurately define and describe products in international trade.
7. Additionally, WG06 notes a need for greater flexibility and adaptability in the annotation drafting process, to allow the Convention to anticipate trade pattern changes and to facilitate enforcement.