

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



Seventy-eighth meeting of the Standing Committee
Geneva (Switzerland), 3-8 February 2025

Regulation of trade

PURPOSE OF-TRANSACTION CODES

1. This document has been submitted by Canada as Chair of the Standing Committee working group on purpose-of-transaction codes.*
2. At its 19th meeting; the Conference of the Parties adopted Decision 19.149 directed to the Standing Committee, as follows:

Directed to the Standing Committee

19.149 *The Standing Committee shall re-establish an intersessional joint working group to review the use of purpose-of-transaction codes by Parties, with the following terms of reference:*

- a) *the working group shall be composed of Parties from as many of the six CITES regions as possible, and appropriate intergovernmental and non-governmental organizations, with expertise in the issuance of CITES documents and use of purpose-of-transaction codes for evaluation within the permit issuance process and trade data analysis;*
- b) *the working group shall, communicating through electronic media, focus on clearly defining purpose-of-transaction codes, other than those adopted as of CoP19, to encourage their consistent use, and consider the possible elimination or amendment of current codes or the inclusion of new ones. In particular the working group shall continue the discussions on purpose codes 'P' and 'T' which were reported in document SC74 Doc 43;*
- c) *the working group shall also clarify the overlap between purpose-of-transaction codes that describe physical locations and purpose-of-transaction codes that describe activities, one or more of which may pertain to any given permit;*
- d) *the working group shall also consider any Resolution related to or affected by purpose-of-transaction codes, taking into account document CoP19 Doc. 42, to ensure coherent interpretation; and*
- e) *the working group shall submit a report and any recommendations for amendments to Resolution Conf. 12.3 (Rev. CoP19) on Permits and certificates, or to any revision thereof, and recommendations for amendments to any other Resolution identified under paragraph d) above to the 77th meeting of the Standing Committee, which shall report, with its recommendations, at the 20th meeting of the Conference of the Parties.*

* *The geographical designations employed in this document do not imply the expression of any opinion whatsoever on the part of the CITES Secretariat (or the United Nations Environment Programme) concerning the legal status of any country, territory, or area, or concerning the delimitation of its frontiers or boundaries. The responsibility for the contents of the document rests exclusively with its author.*

3. At SC76, the Standing Committee established an intersessional working group, on purpose-of-transaction codes with a mandate to:
 - a) *focus on clearly defining purpose-of transaction codes, **other than those adopted as of CoP19**, to encourage their consistent use, and consider the possible elimination or amendment of current codes or the inclusion of new ones. In particular, the working group shall continue the discussions on **purpose codes 'P' and 'T'** which were reported in SC74 Doc 43;*
 - b) *clarify the overlap between purpose-of-transaction codes that describe physical locations and purpose-of-transaction codes that describe activities, one or more of which may pertain to any given permit; and*
 - c) *consider any Resolution related to or affected by purpose- of-transaction codes, taking into account document CoP19 Doc. 42, to ensure coherent interpretation; and*
 - d) *submit a report and any recommendations for amendments to Resolution Conf. 12.3 (Rev. CoP19) on Permits and certificates, or to any revision thereof, and recommendations for amendments to any other Resolution identified under paragraph d) above to the 77th meeting of the Standing Committee.*

4. The membership of the intersessional working group on purpose-of-transaction codes was agreed as follows:

Parties: Georgia (Chair), Australia, Austria, Belgium, Botswana, Brazil, Canada, China, Czech Republic, Democratic Republic of Congo, Finland, Germany, Italy, Kenya, Liberia, Namibia, New Zealand, Peru, South Africa, Switzerland, Thailand, Togo, the United Kingdom of Great Britain and Northern Ireland, the United Republic of Tanzania, the United States of America, and Zimbabwe.

Observers: ForestBased Solutions LLC, Parrot Breeders Association of Southern Africa (PASA), European Association of Zoos and Aquaria (EAZA), League of American Orchestras, International Association of Violin and Bow Makers, Lewis and Clark – Global Law Alliance, World Wildlife Fund (WWF), United Nations Environment Programme-World Conservation Monitoring Centre (UNEP-WCMC), Safari Club International, Wildlife Conservation Society, Professional Hunters Association South Africa (PHASA), South African Taxidermy and Tannery Association, Fondation Franz Weber, IWMC World Conservation Trust, IUCN, Species Survival Network, Association of Zoos and Aquariums, Alliance of Marine Mammal Parks and Aquariums, Born Free Foundation, China Biodiversity Conservation and Green Development Foundation (CBCGDF), Environmental Investigation Agency (UK), TRAFFIC, Wildlife Ranching South Africa (WRSA), Centre for International Environmental Law (CIEL), FAO

5. The working group considered paragraph a), b) and c) of its mandate through email exchanges.

Mandate paragraph a)

- a) *focus on clearly defining purpose-of transaction codes, **other than those adopted as of CoP19**, to encourage their consistent use, and consider the possible elimination or amendment of current codes or the inclusion of new ones. In particular, the working group shall continue the discussions on **purpose codes 'P' and 'T'** which were reported in SC74 Doc 43;*

6. In the discussions of the working group, no consensus was reached on either option 1 or 2 for the definition of purpose-of-transaction code 'T', as noted in [SC74 Doc. 43](#) and [CoP19 Doc. 42](#)

Option 1: For the purpose of obtaining economic benefit, whether in cash or otherwise, where the purpose of the transaction is directed toward sale, exchange or provision of a service or any other form of economic use or benefit, including any activity reasonably likely to result in economic use, gain, or benefit.

Option 2: For the purpose of sale or another form of transfer of the ownership of the specimen concerned for economic benefit or any other form of economic use.

7. Similar perspectives on the two options were expressed as in the previous intersessional period. Some wording changes to the proposed options were suggested during exchanges, but the working group did not converge on a final definition.
8. The working group was nearing convergence on a definition for purpose code 'P', using as foundation the draft definition found in document [CoP19 Doc. 42](#).

For the purpose of movement of personal property of the person trading the specimen for personal use, not to be traded commercially (or not for commercial purposes) after the import/export. Not for the initial movement of personal property sold, purchased, or otherwise transferred outside the individual's State of usual residence.

Including non-commercial cross-border movement of a musical instrument being carried or moved by or on behalf of an individual for personal use, paid or unpaid performance, display, or competition by the individual, and where the musical instrument is not to be sold or otherwise transferred outside the individual's State of usual residence.

For cross border movement of personally owned live animals that are based, legally possessed and, where relevant, registered in the owner's State of usual residence.

9. Incorporating the edits suggested by the members of the working group, the following is a proposed draft definition for purpose-of-transaction code 'P'.

For the non-commercial movement of personal property of the person trading the specimen, not intended for commercial trade after the import/export/reexport. Not for the initial movement of personal property sold, purchased, or otherwise transferred outside the individual's State of usual residence.

Including for cross-border movement of a musical instrument in accordance with Resolution Conf. 16.8 (Rev. CoP17) on Frequent cross-border non-commercial movements of musical instruments or for cross border movement of personally owned live animals in accordance with Resolution Conf. 10.20 on Frequent cross-border movement of personally owned live animals.

10. Some members of the working group pointed out that a definition of purpose-of-transaction code 'T' may not be necessary at this time, as [Resolution Conf. 12.3 \(Rev. CoP19\) on Permits and certificates](#) does provide the following in paragraph 3. k)

iv) For transactions whose non-commercial aspects do not clearly predominate, and except where an alternative code more precisely reflects the reason for the transaction, purpose-of-transaction-code T should be used.

v) For transactions that are non-commercial in nature, the most applicable of the codes should be used.

Based on those clauses, 'T' is the purpose-of-transaction code to be used by default. With clear definitions for the other purpose-of-transaction codes, guidance would be that purpose-of-transaction code 'T' should be used for all CITES movements unless another purpose-of-transaction code clearly predominate, the priority should be defining all other purpose-of-transaction codes and re-evaluating the need to define 'T' after.

Mandate paragraph b)

b) clarify the overlap between purpose-of-transaction codes that describe physical locations and purpose-of-transaction codes that describe activities, one or more of which may pertain to any given permit; and

11. The working group had some exchanges about this overlap, and the following purpose-of-transaction codes were identified as cases with some overlap – 'Z', 'G', and 'Q'. Overall, it did not appear to be of high concern for working group members, as most energy was focussed on paragraph a) of mandate. It is not evident that this issue is a priority or would help in reaching goal of defining the purpose-of-transaction codes.

Mandate paragraph c)

- c) *consider any Resolution related to or affected by purpose- of-transaction codes, taking into account document CoP19 Doc. 42, to ensure coherent interpretation; and*

12. The following resolutions were either previously identified or identified by members of the working group as having references or connections to purposes, and therefore should be considered to “ensure coherent interpretation” of purpose of transaction codes:

- [Resolution Conf. 5.10 \(Rev CoP19\) on Definition of ‘primarily commercial purposes’](#)
- [Resolution Conf. 10.20 on Frequent cross-border movement of personally owned live animals](#)
- [Resolution Conf. 12.10 \(Rev CoP15\) on Registration of operations that breed Appendix-I animal species in captivity for commercial purposes](#)
- [Resolution Conf. 13.7 \(Rev CoP17\) on Control of trade in personal and household effects](#)
- [Resolution Conf. 16.8 \(Rev CoP17\) on Frequent cross-border non-commercial movements of musical instruments](#)
- [Resolution Conf. 17.9 on Trade in hunting trophies of species listed in Appendix I or II](#)
- [Resolution Conf. 18.7 \(Rev CoP19\) on Legal acquisition findings](#)

13. No changes to those Resolutions were identified or prepared for consideration by the Standing Committee.

Recommendations

14. The Standing Committee is invited to:

- a) review the progress made by the working group and offer its comments and suggestions on the draft definition for purpose-of-transaction code ‘P’.

Purpose code ‘P’ (personal) should be used for the non-commercial movement of personal property of the person trading the specimen, not intended for commercial trade after the import/export/reexport. Not for the initial movement of personal property sold, purchased, or otherwise transferred outside the individual’s State of usual residence.

Including for cross-border movement of a musical instrument in accordance with Resolution Conf. 16.8 (Rev. CoP17) on Frequent cross-border non-commercial movements of musical instruments or for cross border movement of personally owned live animals in accordance with Resolution Conf. 10.20 on Frequent cross-border movement of personally owned live animals.

- b) offer its comments and recommendations on the interpretation of paragraphs 3. k) iv) & 3. k) v) of Resolution Conf. 12.3 (Rev CoP19) that the default purpose-of-transaction code is ‘T’, unless another purpose-of-transaction code clearly predominates. Therefore, a definition for purpose-of-transaction code ‘T’ may not be required once all other purpose-of-transaction codes are defined.
- c) based on the outcomes of discussions under paragraph a) and b) above, revise and submit amendments to Resolution Conf. 12.3 (Rev. CoP19) for purpose-of-transaction code ‘P’ as new paragraph 3. r) to the 20th meeting of the Conference of the Parties; and
- d) consider that Decision 19.149 has been implemented but further work on purpose-of-transaction code should focus on defining, removing, or replacing the following 4 codes: ‘Q’, ‘B’, ‘G’, and ‘S’. The Annex to the present document has a draft for a decision that could be brought forward to the Conference of the Parties.

DRAFT DECISION ON *PURPOSE-OF-TRANSACTION CODES*

Directed to the Standing Committee

20.XX The Standing Committee shall re-establish an intersessional joint working group to review the use of purpose-of-transaction codes by Parties, with the following terms of reference:

- a) the working group shall be composed of Parties from as many of the six CITES regions as possible, and appropriate intergovernmental and non-governmental organizations, with expertise in the issuance of CITES documents and use of purpose-of-transaction codes for evaluation within the permit issuance process and trade data analysis;
- b) the working group shall, communicating through electronic media, focus on clearly defining purpose-of transaction codes, other than those adopted as of CoP20, to encourage their consistent use, and consider the possible elimination or amendment of current codes or the inclusion of new ones. In particular the working group shall continue the discussions on purpose codes 'Q', 'B', 'G', and 'S';
- c) the working group shall also consider any Resolution related to or affected by purpose- of-transaction codes, to ensure coherent interpretation; and
- e) the working group shall submit a report and any recommendations for amendments to Resolution Conf. 12.3 (Rev. CoP19) on *Permits and certificates*, or to any revision thereof, and recommendations for amendments to any other Resolution identified under paragraph c) above to the 82nd meeting of the Standing Committee, which shall report, with its recommendations, at the 21st meeting of the Conference of the Parties.