

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



Fifty-eighth meeting of the Standing Committee
Geneva (Switzerland), 6-10 July 2009

Interpretation and implementation of the Convention

Trade control and marking

PURPOSE CODES ON CITES PERMITS AND CERTIFICATES

1. This document has been prepared by the United States of America as Chair of the Standing Committee working group reviewing the implementation and interpretation of Purpose-of-Transaction codes by Parties on CITES documents *.
2. The working group was formed at the 57th meeting of the Standing Committee in response to Decision 14.54, adopted at the 14th meeting of the Conference of Parties, which states:

The Standing Committee shall 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:*
 - i) *determine the extent to which the use of the current purpose-of-transaction codes gives rise to difficulties of interpretation by Parties;*
 - ii) *identify the purpose and assess possible benefit for the use of such codes for all trade involving Appendix-I, -II and -III specimens; and*
 - iii) *focus on defining and/or clarifying purpose-of-transaction codes to encourage consistent utilization of the codes, including the possible elimination of current codes or the inclusion of new codes;*
- c) *in evaluating the use and definition of purpose-of-transaction codes, the working group should take into account any difficulties of implementation by Parties and the potential resource implications of inclusion of any new codes or deletion of current purpose-of-transaction codes;*

* *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.*

d) *the working group should submit a report and any recommendations for amendments to Resolution Conf. 12.3 (Rev. CoP14) at the 58th meeting of the Standing Committee, for consideration at the 15th meeting of the Conference of the Parties; and*

e) *the working group should carry out the majority of its work via email to keep costs to a minimum.*

3. A forum to facilitate the intersessional discussion of the working group was established on the CITES On-Line Discussion Forum page (www.cites.org/forum). Although participation in the discussion was limited to a few Parties and NGOs, the working group was able to make significant progress. When the question was asked whether there has been inconsistent use of the current purpose-of-transaction codes by Parties, the working group agreed that in the absence of clear definitions, it did not appear that the Parties were using the codes consistently. The working group agreed that any purpose-of-transaction codes to be used by the Parties should have clear definitions to describe the purposes for which that code should be used.
4. On the question of whether the purpose-of-transaction code on an import permit must match the code used on the corresponding export document, the majority of the working group participants agreed that they did not have to match, although most of the participants did not believe there would be many cases where the two codes did not match. The majority of the working group agreed that, when issuing a CITES document, the issuing Management Authority should consider the purpose for which the permitted activity was occurring, whether it was the purpose of the export for the exporting Party or the purpose of the import for the importing Party. As long as the issuing Party only considered the purpose for which it was issuing the document, the true nature of the overall transaction would be captured.
5. The working group also debated whether purpose-of-transaction codes should be used on CITES documents for specimens listed in all of the Appendices or just for those species in Appendix I. While there was not consensus on this issue, the majority of the participants recognized the value of having the purpose-of-transaction codes on documents for species in all three Appendices. It was noted that virtually all annual report data (98% of all transactions) submitted to UNEP-WCMC for 2006 recorded purpose-of-transaction codes. While Parties may feel an obligation to include purpose-of-transaction codes on all documents, it does not appear that the inclusion of this information has created a burden on Parties. In addition, a number of the participants in the working group felt that having the purpose of transaction identified on all documents provided the opportunity for further analysis of the nature of trade of CITES-listed species that would not be available if the codes were not included.
6. Finally, the working group discussed the definitions of purpose-of-transaction codes and whether the number of codes and their uses could be simplified and/or clarified to ensure greater consistency among Parties. Using the proposed revision to Resolution Conf. 12.3 (Rev. CoP13) submitted by the United States at CoP14 (CoP14 Doc. 39) as a starting point, a compromise proposal was made by one working group participant to reduce the number of codes from the current 12 to six, with clear definitions describing when the codes should be used. Although the working group lacked sufficient time to fully consider this proposal before the deadline for submission of documents for the meeting, the proposal was consistent with the working group's previous discussions. Therefore, the working group Chair is putting forward this proposal for the Standing Committee's consideration.

T Commercial trade – Trade in live or dead specimens, parts or derivatives, for economic benefit, including, but not limited to sale, establishing breeding or artificial propagation operations for the sale of progeny, commercial zoological or botanical display, and medical use and biomedical research for intended economic benefit.

Q Commercial exhibition – Exhibition of live or dead specimens, parts or derivatives, for economic benefit, with the intent of returning to the country of origin at the completion of exhibition (this code should also be used in connection with trade authorized under Article VII, paragraph 7).

- N Non-commercial Trade** – Non-commercial trade in live or dead specimens, parts or derivatives, including trade for non-commercial scientific, diagnostic, or medical activities; non-commercial educational, zoological, or botanical exhibition; captive breeding or artificial propagation for introduction, reintroduction or conservation purposes.
- H Hunting trophies** – Personally sport-hunted trophies transported by the hunter or their legal representative.
- P Personal** – Personal, non-commercial activities involving personally owned live or dead specimens, parts or derivatives (not including specimens covered under H).
- L Law enforcement/judicial/forensic** – Live or dead specimens, parts or products transported for governmental law enforcement, judicial or forensic purposes, including the return of confiscated specimens to the country of origin.

7. The elimination of several of the current codes and improved definitions of the remaining ones will provide better and more consistent use of the purpose-of-transaction codes. Most of the proposed codes are the same or similar to the existing codes, however there are a few exceptions. The code "Q" is being proposed for use for all commercial exhibitions when the specimens are being returned to the country where the exhibition originated. This code would also be used on documents that are issued under Article VII, paragraph 7 for travelling exhibitions. The revised use of code "N" that is being proposed would cover most non-commercial trade. With the exception of hunting trophies ("H") and personally owned specimens ("P") that will remain with the owner once the trade occurs, this code would be used for any type of non-commercial trade where there is not an economic benefit to the exporter or importer (if an import permit was being issued). The code "H" would be retained for sport-hunted trophies so that trade can be related to specific annotations that allow for trade in hunting trophies. The code "P" would be retained to facilitate several resolutions that address trade in personally owned specimens. Lastly, the code "L" would be retained to distinguish trade in specimens that are being used for law enforcement or judicial purposes, forensic analysis, or the return of confiscated specimens to their country of origin.
8. As stated above, the working group did not come to consensus on all issues. However, there was consensus on some items and general agreement on the other issues. While further discussion by the working group may be warranted, in response to paragraph d) of Decision 14.54, the working group Chair is putting forward the recommendation that Resolution Conf. 12.3 (Rev. CoP14) Section I, paragraph f) under RECOMMENDS be amended by replacing the current purpose-of-transaction codes and replaced with fewer codes with better definitions. The Annex contains proposed changes, with additions indicated as underlined text and with deletions struck through.

CONF. 12.3

Revision of Resolution Conf. 12.3 (Rev. CoP14) on *Permits and certificates*

NB: Text to be deleted is ~~crossed out~~. Proposed new text is underlined.

1. Proposed changes to Resolution Conf. 12.3 (Rev. CoP14), Section I, paragraph f) under RECOMMENDS:

Regarding standardization of CITES permits and certificates

RECOMMENDS that:

- f) Parties state, on each of their permits and certificates, the purpose for which the document is being issued (i.e., the purpose of the transaction) using the following codes (Note: the purpose-of-transaction codes on import and export documents do not need to be identical):

T Commercial trade - Trade in live or dead specimens, parts or derivatives, for economic benefit, including, but not limited to sale, establishing breeding or artificial propagation operations for the sale of progeny, commercial zoological or botanical display, and medical use and biomedical research for intended economic benefit

~~Z-Zoo~~

~~G-Botanical gardens~~

~~Q-Circuses and travelling exhibitions~~ **Q** Commercial exhibition - Exhibition of live or dead specimens, parts or derivatives, for economic benefits, with the intent of returning to the country of origin at the completion of exhibition (this code should be used in connection with trade authorized under Article VII, paragraph 7).

~~S-Scientific~~

N Noncommercial trade – Noncommercial trade in live or dead specimens, parts or derivatives, including trade for non-commercial scientific, diagnostic, or medical activities; noncommercial educational, zoological, or botanical exhibition; captive breeding or artificial propagation for introduction, reintroduction or conservation purposes.

H Hunting trophies – Personally sport-hunted trophies transported by the hunter or their legal representative.

P Personal – Personal, non-commercial activities involving personally owned live or dead specimens, parts or derivatives (not including specimens covered under H).

~~M-Medical (including biomedical research)~~

~~E-Educational~~

~~N-Reintroduction or introduction into the wild~~

~~B-Breeding in captivity or artificial propagation~~

L Law enforcement/judicial/forensic - Live or dead specimens, parts or products transported for governmental law enforcement, judicial or forensic purposes, including the return of confiscated specimens to the country of origin.

2. Proposed changes to Annex 1 of Resolution Conf. 12.3 (Rev. CoP14):

Information that should be included in CITES permits and certificates

- a) The full name and the logo of the Convention
- b) The complete name and address of the Management Authority issuing the permit
- c) A unique control number
- d) The complete names and addresses of the exporter and importer
- e) The scientific name of the species to which the specimens belong (or the subspecies when it is relevant in order to determine in which Appendix the taxon concerned is included) in accordance with the adopted standard nomenclature
- f) The description of the specimens, in one of the Convention's three working languages, using the nomenclature of specimens distributed by the Secretariat
- g) The numbers of the marks appearing on the specimens if they are marked or if a Resolution of the Conference of the Parties prescribes marking (specimens from ranches, subject to quotas approved by the Conference of the Parties, originating from operations which breed animals included in Appendix I in captivity for commercial purposes, etc.)
- h) The Appendix in which the species or subspecies or population is listed
- i) The source of the specimens
- j) The purpose of the transaction
- jk) The quantity of specimens and, if appropriate, the unit of measure used
- kl) The date of issue and the date of expiry
- lm) The name of the signatory and his/her handwritten signature
- mn) The embossed seal or ink stamp of the Management Authority
- no) A statement that the permit, if it covers live animals, is only valid if the transport conditions comply with the *CITES Guidelines for transport and preparation for shipment of live wild animals and plants (CITES Guidelines for transport)* or, in case of air transport, with the *IATA Live Animals Regulations*
- op) The registration number of the operation, attributed by the Secretariat, when the permit involves specimens of a species included in Appendix I that originate from an operation practicing breeding in captivity or artificial propagation for commercial purposes (Article VII, paragraph 4), and the name of the operation when it is not the exporter
- oq) The actual quantity of specimens exported, certified by the stamp or seal and signature of the authority that carried out the inspection at the time of the exportation
- or) When specimens are marked with microchip transponders, all microchip codes, together with the trade mark of the transponder manufacturer, and, where possible, the location of the microchip in the specimen

To be included in certificates of origin only

- rs) A statement that the specimens originate in the country that issued the certificate

3. Finally, proposed changes to paragraph 5a of the 'Instructions and explanations' section of Annex 2 (Standard CITES form) of Resolution Conf. 12.3 (Rev. CoP14):

STANDARD CITES FORM

Instructions and explanations

(These correspond to block numbers on the form)

- 5a. The following codes should be used to identify the purpose of the import, export or re-export for which a CITES document is being issued: **T** for commercial trade, **Z** for zoos, ~~**G** for botanical gardens~~, **Q** for circuses and travelling exhibitions, **S** for scientific purposes, **H** for hunting trophies, **P** for personal use, ~~**M** for medical~~, **E** for educational exhibition, **N** for reintroduction or introduction into the wild, and ~~**B** for breeding in captivity or artificial propagation~~, and **L** for law enforcement/judicial/forensic as defined in Section I, paragraph f) of Resolution Conf. 12.3 (Rev. CoP15).