

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

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Sixty-first meeting of the Standing Committee  
Geneva (Switzerland), 15-19 August 2011

Interpretation and implementation of the Convention

Species trade and conservation

Rhinoceroses

CONSERVATION OF AND TRADE IN AFRICAN AND ASIAN RHINOCEROSSES

This document has been submitted by Hungary on behalf of the European Union and its Members States\*.

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\* *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.*

# Proposal by the European Union (EU) and its Member States for the 61st meeting of the CITES Standing Committee

## Conservation of and trade in African and Asian rhinoceroses

### Introduction

1. The EU and its Member States would like to draw the attention of the CITES Standing Committee to the recent significant increase in the number of applications for the export and re-export of rhino horn from the Member States of the European Union and the apparent correlation with the increase in the level of rhino poaching over the same period, both driven by increased market demand.
2. As noted by the Secretariat at CoP15, illegal trade in rhinoceros horn is one of the most serious criminal activities currently faced by CITES and this illegal trade shows signs of organised criminal groups, money laundering, corruption of officials and sophisticated smuggling across international borders<sup>1</sup>.
3. Due to the critically endangered status of some rhino populations, the EU and its Member States believe that urgent action is required to ensure that this increase in demand for rhino horn products does not adversely impact the conservation of wild populations. In response to these trends, the EU introduced guidance to Member States to more strictly control trade in rhino horn products (see Appendix I) but considers that a coordinated global response is necessary to effectively counteract them.

### Summary of proposal

4. The EU and its Member States propose that the Standing Committee:
  - i. Urges Parties to urgently introduce precautionary measures to control the trade in rhino horn;
  - ii. Agrees to the establishment of a Working Group to identify measures that can be taken by CITES Parties to reduce the impact of illegal trade on the conservation of rhinos and to enhance existing controls on trade in rhino horn products ;
  - iii. Requests all Parties to provide information on trade in rhinos and their parts or derivatives to IUCN and TRAFFIC ; and
  - iv. Invites the Secretariat and traditional Asian medicine consuming states to launch appropriately targeted awareness raising campaigns about the lack of evidence supporting claims that rhino horn has certain medicinal properties.

### Background

5. All species and populations of rhinoceros have been listed on Appendix I of CITES since 1977 with the exception of the populations of southern white rhino in South Africa and Swaziland which have been listed on Appendix II since 1995 and 2005 respectively for the trade in live animals only to appropriate destinations.
6. Stricter control of the exploitation of rhinoceroses was sought at the third meeting of the Conference of Parties to CITES in 1981 in New Delhi. Resolution Conf. 3.11 was passed, which recommended that all non-Parties to the Convention prevent rhinoceros products from being commercially imported and exported across their international borders. In addition, the Resolution requested all Parties and non-Parties to place a moratorium on the sale of all government and parastatal stocks of rhinoceros products under their control.
7. Concern about continued trade in rhinoceros products saw the adoption of Resolution Conf. 6.10 in 1987 at the 6<sup>th</sup> Conference of Parties held in Ottawa. This Resolution urged a prohibition by all Parties on international and domestic trade in rhinoceros products, improved awareness by law enforcement agencies, higher penalties for dealing in rhinoceros products and effective action against poachers and middlemen. The Resolution recommended that the Parties should apply pressure to those countries which still allowed trade in rhinoceros horn to take action to stop it. The use of substitutes for rhinoceros horn and

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<sup>1</sup> <http://www.cites.org/eng/cop/15/doc/E15-45-01.pdf>

development of national and international rhinoceros conservation strategies were encouraged. All Parties were urged to destroy all government and parastatal stocks of rhinoceros horn with supporting contributory funds from external aid sources.

8. In 1994, at the 9<sup>th</sup> meeting of the Conference of Parties to CITES, Resolution Conf. 9.14 was adopted building upon a draft resolution that had been prepared primarily by the IUCN/SSC African Rhino Specialist Group with additional input from IUCN's Asian Rhino Specialist Group as requested by the Standing Committee. This encouraged Parties to explore alternative approaches and, where appropriate, to develop indicators to evaluate success. In particular it repealed Resolution Conf. 6.10, which eliminated the requirement to destroy stocks of rhinoceros horn as this was not supported by many African range states.
9. Resolution Conf. 9.14 was revised at the 11<sup>th</sup> Conference of Parties urging range states to provide a report on various aspects of rhino conservation, law enforcement and illegal trade prior to each Conference of Parties.
10. At the 13<sup>th</sup> Conference of Parties the Resolution was again revised, this time to remove the range state reporting requirements to the CITES Secretariat; but requesting instead that range states continue to report to the AfRSG and AsRSG and requesting that these two IUCN specialist groups together with TRAFFIC produce a report for the CITES Secretariat prior to CoP14 on African and Asian rhinos and their Status, Conservation and Trade.

Further revisions were agreed at the 14<sup>th</sup> Conference of Parties recommending that range States develop and implement a budgeted conservation and management plan; the IUCN/SSC African and Asian Rhino Specialist Groups and TRAFFIC submit similar reports (as the one to CoP14) to the Secretariat six months before the Conference of Parties; and that the Secretariat consider this report and formulate recommendations for consideration at Conference.

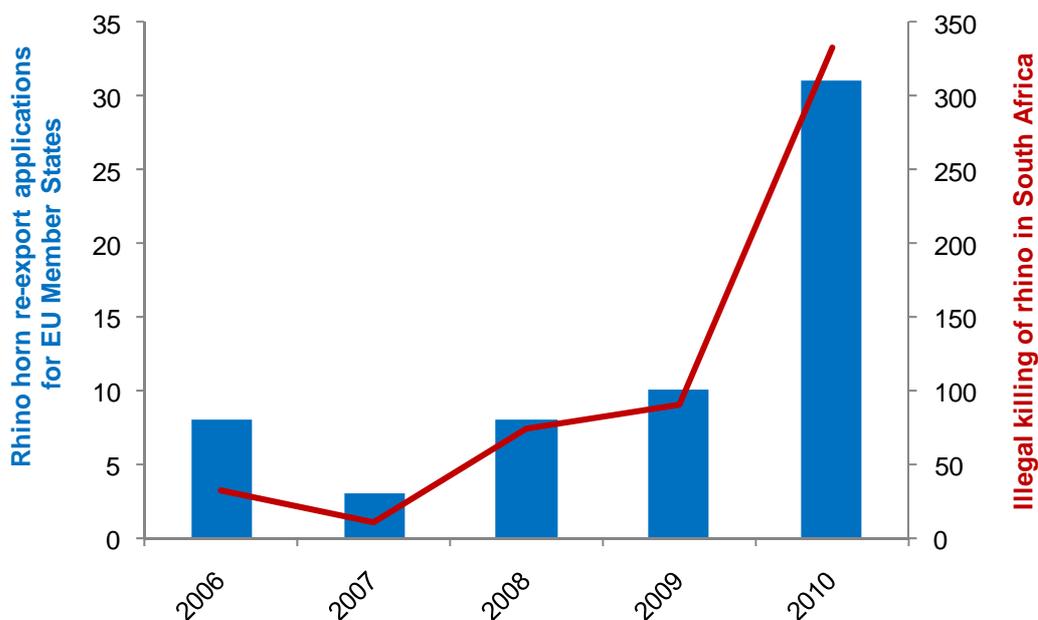
11. The 15<sup>th</sup> Conference of Parties in 2010 further revised Resolution Conf. 9.14 to require greater law enforcement effort between range States and those implicated in illegal trade, together with the application of appropriate penalties to act as an effective deterrent. Implicated States were to report on progress for inclusion in the IUCN/TRAFFIC report.

#### Recent trends in trade in rhino horn products

12. Since 2008 there has been a significant increase in the demand for rhino horn and in the illegal killing of rhinos. The table below shows EU Member State applications for the re-export of rhino horn over the period 2006-2010 against rhino poaching incidents in South Africa<sup>2</sup> over the same timeframe. It could be concluded from these results that there exists a strong positive relationship between market demand and poaching.

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<sup>2</sup> *Figures for all rhino range states over this period are unavailable*



13. This increased demand has led to a rise in the sourcing of pre-Convention specimens of rhino horn from private ownership specimens, and hunting trophies<sup>1,3</sup>. Pre-Convention specimens of rhino horn purchased in the EU typically enter international trade with destinations in east Asia, including China, Thailand and Taiwan (Province of China), often to only a small number of individuals.
14. It is believed that the growing affluence in many traditional consumer States has led to an increase in the prices paid. The scarcity of rhino horn and its intermittent availability drives the price of horn still higher. The retail price, after the horn has been shaved or powdered for sale has at times in certain East Asian markets reached USD 20,000 - \$30,000/kg and information from Viet Nam suggests prices of USD 2000 per 100g<sup>3</sup>. A recent sale of pre-Convention rhino horn in the UK commanded a record price at auction of USD250,000. The increased demand for rhino horn products is also thought to be linked to the belief that rhino horn may prevent people contracting cancer or halt the disease in those already suffering from it<sup>1</sup>. In all cases, prices appear more connected to the weight of the item than any value it may hold as a work of art.
15. The rapid increase in the prices for rhino horn specimens achieved at auctions; the big increase in numbers of applications for re-export certificates, often to a small number of recipients; the high price for shaved or powdered horn; and the corresponding rise in rhino poaching all provide cause for concern that these horns are ground down and enter the illegal medicine market and that the increase in demand and prices could fuel demand for poached rhino horn. To counteract this, the European Union now applies strict criteria when considering the export and re-export of such products and will refuse the necessary certification except where the criteria are met.
16. Appendix II to this document outlines more fully the case for the stricter control of imports, exports and re-exports of worked and un-worked rhino horn.

#### Measures to improve the conservation of rhinoceroses

17. To ensure that this increasing trade does not adversely impact wild populations of rhinoceros in range States we consider it is important that a uniform approach is taken across all CITES Parties and ask the Standing Committee to urge all Parties to adopt, as a matter of priority, precautionary measures to more strictly control the import, export or re-export of all rhino horn specimens except where one of the following conditions applies:

<sup>3</sup> CITES Secretariat. February 2009. Poaching and illegal trade in rhinoceros. Restricted - for government and law enforcement use only. Unpublished document

- i. the individual item is of such artistic value that it exceeds its potential value on the illegal medicine market;
  - ii. the item is part of a genuine exchange of cultural goods between reputable institutions (i.e. museums);
  - iii. the item has not been sold and is an heirloom moving as part of a family relocation or as part of a bequest; or
  - iv. the item is part of a *bona fide* research project;
18. The EU and its Member States also propose that the Standing Committee agrees to establish a Working Group to build on and broaden the work of the Rhino Enforcement Task Force to identify, in consultation with the African and Asian Rhino Specialist Groups, TRAFFIC and ASEAN-WEN, measures that can be taken by CITES Parties to reduce the impact of illegal trade on the conservation of rhinos and to enhance existing controls on trade in rhino horn products. This should include consideration of possible amendments to Conf Res 9.14 (Rev CoP15) and Decisions 15.71-15.73. The Working Group should be asked to report progress to Standing Committee 62 and present recommendations to CoP16.
  19. To support a Working Group, if established, we request that the Standing Committee urges Parties to provide to IUCN and TRAFFIC information on the trade in rhinos and their parts or derivatives, and details of the specimens for which an application to trade was made, and that the Secretariat request UNEP-WCMC in consultation with TRAFFIC to collate this information for consideration by the Working Group.
  20. To reduce demand for rhino horn products and any associated poaching activity, we recommend that the Standing Committee invites the Secretariat and traditional Asian medicine consuming states to launch appropriately targeted educational campaigns to raise awareness about the lack of evidence supporting claims that rhino horn has certain medicinal properties.

## APPENDIX I

### Guidance document on export and re-export of rhinoceros horns 11 February 2011

#### 1. Background information on the conservation of rhinoceros and the threats posed by the recent increase in poaching and illegal trade

Rhinoceros species are included in CITES Appendix I apart from the populations of southern white rhino in South Africa and Swaziland which are listed in Appendix II. Poaching is one of the main threats for the survival of the species.

Ahead of the CITES CoP in March 2010, the CITES Secretariat had already expressed serious concerns about this phenomenon and its link with organised crime, considering that "*the illegal trade in rhinoceros horns is one of the most serious criminal activities currently faced by CITES*". Poaching has considerably increased in Southern African range States over the last months. 333 rhinoceroses were illegally killed in South Africa in 2010<sup>2</sup>, a level nearly 3 times higher than in 2009. It is linked to illegal trade in rhino horns towards some countries in Asia, where they have been traditionally used as a remedy for fever-related illnesses and are now also thought to have curative properties against cancer.

For more information on the status of the species and the impact of poaching and illegal trade, see in Annex II. In recent time, a number of EU Member States have noticed an increase in applications for certificates for intra-EU trade and for re-export of rhino horns presented as "antiques" or "worked specimens". In many cases, investigations showed that the motivation of the buyers had little to do with the artistic nature of the objects. An indication for this was that the prices offered for such products in auction houses were mainly correlated with their weight, rather than with any other element. Those prices reached very high levels, disconnected from their artistic value.

After the UK and Germany adopted a strict reading of the EU legislation on extra-EU trade in such products in September and October 2010, other Member States noticed that they received applications for re-export or request for information on how such applications would be handled by them, suggesting that some traders were trying to escape the UK and German regime and find out the easiest manner to re-export such items from the EU.

Based on all those elements, there is a presumption that rhino horns, notably those presented as antiques or worked specimens, might be re-exported from the EU to fuel the demand for rhino horn for medicine in Asia. This trade could stimulate further the demand for such products in this region and maintain prices at a high level or drive them upwards.

1 Cf. CoP15 Doc. 45.1 (Rev. 1), available under: <http://www.cites.org/eng/cop/15/doc/E15-45-01.pdf>

2 Cf. "media release: 2010 Worst Year for Rhino Poaching" from South African national parks official website (11 January 2011): <http://www.sanparks.org/about/news/default.php?id=1585>

In turn, such large demand for high-valued products represents a lucrative market which is very attractive to poachers and illegal traders. This situation might encourage them to pursue their criminal activities, which would imperil further the conservation of the remaining rhinoceros populations.

The EU regulatory framework on wildlife trade needs to be interpreted in the light of those recent elements. As it seems that in many Member States there are coordinated attempts by some traders to acquire rhino horns within the EU before (re-)exporting them to East Asia, guidance is needed to ensure that a common approach is followed by all EU Member States for export and re-export of such products (see section (2) below). EU Member States are also invited to pay particular attention to applications for intra-EU trade in rhino horns. Basic principles for handling those applications are recalled under section (3) below.

#### 2. Guidance on interpretation of EU rules on export and re-export of rhino horns: applications for permits under Article 5 of Council Regulation 338/97

When assessing applications for export and re-export of rhino horns, and pursuant to Article 5(2)(d), Management Authorities need to be "*satisfied, following consultation with the competent Scientific Authority, that there are no other factors relating to the conservation of the species which militate against issuance of the export permit*". Those provisions apply to applications for export as well as re-export permits of Annex A and Annex B species.

This condition applies to all rhino horns specimens, independently of whether they are considered as "worked specimen" or not.

In the current circumstances (described in section (1) above), Member States should consider that there are serious factors relating to the conservation of rhino species which militate against the issuance of export and re-export permits.

As a consequence, no export or re-export permits should be delivered for rhino horns, except in a very few cases, where:

- The individual item is of such artistic value that it exceeds its potential value on the illegal medicine market (in respect of which Member States may apply a benchmark figure obtained from the CITES Secretariat).
- The item is part of a genuine exchange of cultural goods between reputable institutions (i.e. museums).
- The item has not been sold and is an heirloom moving as part of a family relocation or as part of a bequest.
- The item is part of a bona fide research project.

### **3. Intra-EU trade: basic principles for the implementation of Article 8(3) of Council Regulation 338/97 to rhino horns**

When receiving an application for commercial use of rhino horns within the EU, the Member States should in the first place consider that Article 8(3) does not *require* them to grant a certificate if one of the conditions in Article 8(3) are met, but *authorises* them to do it on a case-by-case basis.

The regime applying to intra-EU trade for rhino horns differs depending on the conditions laid down in subparagraphs (a), (b) and (c) of Article 8(3). The principles governing this regime are laid down below.

It seems that a number of items are presented as "worked specimens", whose commercial use is regulated under Article 8(3)(b) of Council Regulation 338/97 and Article 62(3) of Commission Regulation 865/2006. If an item fulfils the conditions under 2(w) of the Council Regulation to be considered as worked specimen, then no certificate is needed for its commercial use within the EU. Member States are invited to interpret narrowly the definition of "worked specimens". In particular, the fact that a rhino horn is simply mounted on a plaque, shield or other type of base, without any other alteration of its natural state should not be sufficient for considering the product as a "worked specimen" under Article 2(w) of Regulation 338/97.

The guidance document produced by the European Commission (COM 46/9) on worked specimens will be amended accordingly.

In addition, the requirement under Article 2(w) that the alteration was carried out for "*jewellery, adornment, art, utility, or musical instruments*" should also be given strict and thorough consideration, as it appears that in some recent cases the artistic nature of the alteration (such as significant carving, engraving, insertion or attachment of artistic or utility objects, etc) was not obvious, in which case the conditions in Article 2(w) would not be met. When applications for intra-EU trade are made for rhino horns under Article 8(3)(c), Member States are reminded that, as the import of rhino horns (as personal effects, notably hunting trophies) is only possible for non-commercial reasons, there is no possibility for their owners to be granted a certificate for commercial purpose within the EU under Article 8(3)(c).

## APPENDIX II

### Justification for suspending exports of rhino horn (worked and un-worked)

#### Summary

All five species of rhinoceros are listed in the appendices of the Convention on International Trade in Endangered Species (CITES); four of these species are listed as globally threatened with extinction, three critically so, with illegal killing for international trade a major threat to the species. Demand for rhino horn in international trade has recently significantly increased, especially for use in traditional east Asian medicine where recent reports suggest it is effective at preventing and treating cancer. It is believed that increasing affluence of consuming countries has also driven up prices. It is believed that such demand drives illegal killing especially in southern Africa but has also driven providers to source rhino horn in private ownership, typically as antique specimens and hunting trophies which pre-date CITES. A recent sale of pre-Convention rhino horn in the UK commanded a price at auction of £155,000 (approximately US\$250,000). Recent applications for re-export of rhino horns from the UK have significantly increased, often to a small number of recipients, although legislation in some destination countries seems to prohibit possession and any commercial use of rhino parts and derivatives.

#### Rhinoceroses and CITES

There are five species of rhinoceros all of which are listed by CITES as follows:

- white rhinoceros (*Ceratotherium simum*) is known from two sub-species both in sub-Saharan Africa: the northern white rhino *C. s. cottoni* is listed as **critically endangered** in the IUCN Red List; the southern white rhino *C. s. simum* is listed as **near threatened**. All populations of white rhino are listed in Appendix I (Annex A) of CITES apart from the populations of southern white rhino in South Africa and Swaziland which are listed in Appendix II (Annex B);
- black rhinoceros (*Diceros bicornis*) is listed in Appendix I of the Convention (Annex A of the EC CITES Regulation) and is also found in sub-Saharan Africa – **critically endangered** in IUCN Red list;
- great Indian rhinoceros (*Rhinoceros unicornis*) is listed in Appendix I and is only found in Bhutan, India, Myanmar and Nepal – **vulnerable** in IUCN Red List ;
- Javan rhinoceros (*Rhinoceros sondaicus*) is listed in Appendix I and is found only in Indonesia and Malaysia – **critically endangered** in IUCN Red List; and
- Sumatran rhinoceros (*Dicerorhinus sumatrensis*) is listed in Appendix I and is only found in Indonesia, Malaysia, Myanmar, Thailand and Viet Nam – **critically endangered** in IUCN Red List.

The white rhinoceros is split between two sub-species. The southern white rhinoceros (*C. s. simum*) is the most abundant taxon of all rhinoceroses with 17,470 individuals known worldwide of which the majority (16,273) are in South Africa with significant numbers (>300) in Namibia and Kenya<sup>1</sup>. By contrast, the northern white rhinoceros (*C. s. cottoni*) is probably extinct in the wild; 4 individuals were last seen in 2006 in the Garamba National Park in the Democratic Republic of Congo but no further signs have been seen since then despite intensive surveys. A small number (c.4) of northern white rhinos survive in captivity.

#### Uses of rhino horn

All five species of rhinoceros are threatened by the demand for rhino horn which is prized for its beautiful translucent colour when carved and for use in traditional east Asian medicine. Over the centuries, rhino horns have been carved in Asia into ceremonial cups (as well as buttons, belt buckles, hair pins, and paperweights) and, in the Yemen, into dagger handles known as jambiyas. However, the most widespread and pervasive use of rhino horn has been its use as an integral component of traditional medicine in the treatment of fever, rheumatism, gout, and a wide variety of other ailments.

There has been a recent resurgence in the demand for rhino horn which is linked to a rise in illegal killing of rhinos<sup>1</sup>, especially in southern and east Africa, and with an associated rise in, and prices paid for, legitimate trophy hunting of rhinos in southern Africa (but in which the client is less interested in the trophy than in the horn<sup>1</sup>). Such trophy hunts had increased in price from \$19,500 USD in 2005 to \$80,000 in 2008<sup>2</sup>. This increased demand has also led to increased sourcing of rhino horns in private ownership, typically as antique specimens<sup>2,3</sup> and as hunting trophies acquired before CITES came into effect (1975). These horns typically enter international trade with destinations in consuming countries in east Asia. A significant proportion of this

trade is illegal; an estimated minimum of 1,500 rhino horns entered illegal international trade from Africa to Asia from 2006-09<sup>1</sup>. The CITES Secretariat consider that illegal trade in rhinoceros horn is one of the most serious criminal activities currently faced by CITES and that this illegal trade shows signs of organised criminal groups, money laundering, corruption of officials and sophisticated smuggling across international borders<sup>2</sup>.

It is believed this demand for rhinoceros horn is driven by a growing affluence in consuming countries and also to a recent belief that rhino horn may prevent people contracting cancer or halt the disease in those already suffering from it<sup>3</sup>. Any use of antique rhino horn for such purposes brings risks to the eventual consumers of such horns because arsenic was commonly used in taxidermy procedures of the time<sup>2</sup>. This demand persists despite the use of rhino horn having been banned in some consuming countries. There is little current evidence of any significant illegal trade to the Yemen for use as dagger handles even though some demand persists<sup>1,2</sup>.

### ***Value of rhino horn***

The growing affluence in many traditional consumer States appears to have led to a resurgence of trade with some estimating that the price of horns in the black market has increased by 40% in the past five years<sup>2</sup>.

The scarcity of rhino horn and its corresponding intermittent availability drives the price of horn still higher. The wholesale value of Asian rhino horn increased from \$35 USD per kg in 1972 to \$9,000 USD per kilogram in the mid-1980s. The retail price, after the horn has been shaved or powdered for sale has at times in certain East Asian markets reached \$20,000 - \$30,000 USD/kg.

The sale price at auction of antique rhino horn in the UK has risen considerably in recent months and frequently exceeded the guide price by significant margins. A hammer price of £155,000 (weight unknown) was obtained for one specimen in November 2010<sup>4</sup>.

Whilst there is apparently a preference for freshly acquired rhino horn (i.e. horn taken from an animal within a couple of months) over antique horn, this is not reflected in the price (pers. comms. Esmond Martin and Lucy Vigne, March 2010) with recent examples of antique horns being sold for well above the black market price that intelligence suggests is the 'going rate' in Africa (\$10,000 USD/ kg<sup>2</sup>).

<sup>1</sup> <http://www.cites.org/eng/cop/15/doc/E15-45-01A.pdf>

<sup>2</sup> CITES Secretariat. February 2009. Poaching and illegal trade in rhinoceros. Restricted - for government and law enforcement use only. Unpublished document

<sup>3</sup> <http://www.cites.org/eng/cop/15/doc/E15-45-01.pdf>

<sup>4</sup> <http://www.tennants.co.uk/Catalogue/Sale129/Page130.aspx#1306>