

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

Sixty-ninth meeting of the Standing Committee
Geneva (Switzerland), 27 November - 1 December 2017

Interpretation and implementation matters

General compliance and enforcement

IMPLEMENTATION OF THE CONVENTION RELATING
TO CAPTIVE-BRED AND RANCHED SPECIMENS:
REPORT OF THE SECRETARIAT

1. This document has been prepared by the Secretariat.

Background

2. Over the years, the proportion of reported trade in specimens of CITES-listed species taken from the wild has declined, while the proportion from various types of production systems, including captive breeding and artificial propagation, has increased. Today, over half of all reported commercial trade in CITES animal species involves specimens from non-wild sources. This trend is mirrored in relation to natural resources more generally. The Food and Agriculture Organization of the United Nations' (FAO) [State of World Fisheries and Aquaculture 2016](#) states that in terms of food supply, aquaculture provided more fish than capture fisheries for the first time in 2014. This trend is expected to continue.¹ Similarly areas of planted forests are increasing, while those of natural forests are decreasing.²
3. Between the 16th (Bangkok, 2013) and 17th (CoP17, Johannesburg, 2016) meetings of the Conference of the Parties, Decisions 16.63 to 16.66 on *Implementation of the Convention relating to captive-bred and ranched specimens* were completed. Arising from their implementation, the Standing Committee made a number of proposals to the 17th meeting of the Conference of the Parties including the following two Decisions which were adopted by consensus at that meeting:

Decision 17.101 directed to the Secretariat

Subject to available resources, the Secretariat shall review ambiguities and inconsistencies in the application of Article VII paragraphs 4 and 5, Resolution Conf. 10.16 (Rev.) on Specimens of animal species bred in captivity, Resolution Conf. 12.10 (Rev. CoP15) on Registration of operations that breed Appendix-I animal species in captivity for commercial purposes, Resolution Conf. 11.11 (Rev. CoP17) on Regulation of trade in plants, Resolution Conf. 9.19 (Rev. CoP15) on Registration of nurseries that artificially propagate specimens of Appendix-I plant species for export purposes, Resolution Conf. 5.10 (Rev. CoP15) on Definition of 'primarily commercial purposes' and Resolution Conf. 12.3 (Rev. CoP17) on Permits and certificates as it relates to the use of source codes R, F, D, A and C, including the underlying CITES policy assumptions and differing national interpretations that may have contributed to uneven application of these provisions, as well as the captive breeding issues presented in document SC66 Doc. 17 and legal acquisition issues, including founder stock, as presented in document SC66 Doc. 32.4, submit the review to Parties and stakeholders for comments through a notification, and

¹ <http://www.fao.org/docrep/019/i3640e/i3640e.pdf>

² <http://www.fao.org/3/a-i4793e.pdf>

submit its conclusions and recommendations along with the comments of Parties and stakeholders to the Standing Committee.

Decision 17.106 directed to the Standing Committee

The Standing Committee shall review the conclusions and recommendations of the Secretariat under Decision 17.101 and make recommendations to the Conference of the Parties as appropriate.

4. In proposing these two Decisions to CoP17, the Committee noted that more attention needed to be paid to the control of trade in specimens claimed to have been bred in captivity or ranches. Concerns were noted particularly about the confusing and challenging nature of the wording of current CITES Resolutions, about insufficient checks on the legal origin of the breeding stock used in captive-breeding facilities and about the establishment of captive-breeding facilities outside the country of origin of the specimens and species concerned.

Conduct of the Review under Decision 17.101

5. Based on its experiences and interactions with Parties, the Secretariat has prepared a preliminary draft of the Review through a desk study. This can be found in the Annex to the present document and the Secretariat seeks the views of the Standing Committee to ensure that its approach is one that the Committee believes can deliver the desired results.
6. At the present meeting, the Secretariat would appreciate the views of the Committee and observers on the structure of the provisional draft of the review and on the broad subject matters covered and issues raised. At the present stage, the Secretariat does not think it would be a good use of time to explore any of the issues raised in detail or discuss any possible solutions to any problems that may have been identified. The Secretariat believes that such discussions should come after all Parties and stakeholders have had an opportunity to offer comments in response to the draft Review when it is circulated by Notification to the Parties as called for in Decision 17.101.
7. Taking the Committee's views expressed at the present meeting fully into account, the Secretariat will finalize the draft Review and submit it to Parties and stakeholders for comments through a Notification to the Parties.
8. The Secretariat will then revise the draft Review in the light of comments from Parties and stakeholders and submit the final version (with the comments of Parties and stakeholders) to the Standing Committee at its 70th meeting, together with its conclusions and recommendations. The Secretariat intends to focus its conclusions and recommendations on the impact of the controls on the status of the species concerned in the wild and on reducing unnecessary reporting and licensing obligations for Parties in order to focus on the correct application of trade controls required by the Convention and Resolutions.

Recommendation

9. The Standing Committee is invited to take note of the contents of the present document and offer its comments on the structure of the provisional draft Review in the Annex to the present document and on the broad subject matters covered and issues raised in it.

PROVISIONAL DRAFT

REVIEW OF CITES PROVISIONS RELATING TO THE TRADE IN
NON-WILD SPECIMENS OF ANIMALS AND PLANTS

Overall objective: To review the ambiguities and inconsistencies in existing Resolutions relating to specimens not taken from the wild, including the underlying CITES policy assumptions and differing national interpretations that may have contributed to uneven application of these provisions.

Glossary used in this Review

“Artificially-propagated” or “ap”	Specimens of plant species traded using source code A or D
“Bred in captivity”, “captive bred” or “cb”	Specimens of animal species traded using source code C or D.
“Non-wild”	Specimens traded using source codes A, C, F, R, or D.
Source codes	<p>W Specimens taken from the wild;</p> <p>R Ranches specimens: specimens of animals reared in a controlled environment, taken as eggs or juveniles from the wild, where they would otherwise have had a very low probability of surviving to adulthood;</p> <p>D Appendix-I animals bred in captivity for commercial purposes in operations included in the Secretariat's Register, in accordance with Resolution Conf. 12.10 (Rev. CoP15), and Appendix-I plants artificially propagated for commercial purposes, as well as parts and derivatives thereof, exported under the provisions of Article VII, paragraph 4, of the Convention;</p> <p>A Plants that are artificially propagated in accordance with Resolution Conf. 11.11 (Rev. CoP17), as well as parts and derivatives thereof, exported under the provisions of Article VII, paragraph 5 (specimens of species included in Appendix I that have been propagated artificially for non-commercial purposes and specimens of species included in Appendices II and III);</p> <p>C Animals bred in captivity in accordance with Resolution Conf. 10.16 (Rev.), as well as parts and derivatives thereof, exported under the provisions of Article VII, paragraph 5;</p> <p>F Animals born in captivity (F1 or subsequent generations) that do not fulfil the definition of ‘bred in captivity’ in Resolution Conf. 10.16 (Rev.), as well as parts and derivatives thereof</p>

Background

When the Convention was drafted, captive breeding and artificial propagation of wild fauna and flora species were relatively limited and certainly intensive production of many species for commercial purposes was rarely undertaken. As demonstrated by recent work commissioned by the Secretariat³, this is no longer the case. During the period 2000-2012, 56% of all reported commercial trade in CITES animal species involved specimens from non-wild sources. For mammals, 76% of commercial trade was in specimens from these sources. The percentage of trade in animal specimens from non-wild sources is increasing every year and is undoubtedly higher than 56% today.

The Parties' views on the merits or otherwise of captive breeding and artificial propagation have varied over the years and have not always been consistent across different taxa. Resolution Conf. 1.6 (repealed in 2002) urged all contracting Parties to encourage the breeding of animals for the pet trade and the preamble to Resolution Conf. 9.19, agreed in 1994 but still in force, recognizes that the artificial propagation of specimens of plant species included in Appendix I could form an economic alternative to traditional agriculture in countries of origin, and

³ Annex 2 in AC27 Doc. 17 (Rev.1) - <https://cites.org/sites/default/files/eng/com/ac/27/E-AC27-17.pdf>

could also increase conservation interest in the areas of natural distribution. It further recognizes that, by making such specimens readily available, the artificial propagation of specimens of plant species included in Appendix I reduces the collecting pressure on wild populations and thus has a positive effect on their conservation status. To the contrary, Decision 14.69 from 2007 directs Parties, especially Appendix-I Asian big cat range States with intensive operations breeding tigers on a commercial scale, to implement measures to restrict the captive population to a level supportive only to conserving wild tigers, thereby stating that tigers should not be bred in captivity for trade in their parts and derivatives.

While it may relieve the pressure on wild stocks, artificial propagation and captive breeding can have perverse effects. Where CITES plants are grown in plantations (mixed or monoculture), it is worth bearing in mind that natural habitat may have been removed to provide space for such plantations. Maybe the CITES species involved has been 'saved', but the conservation of nature as a whole has suffered. The recent history of trade in sturgeon caviar is also notable. Wild stocks became increasingly depleted in the Caspian Sea, but when supplies of wild caviar were replaced caviar from captive fish, the aquaculture and captive breeding did not generally take place *in situ* in Caspian littoral States, but in other countries outside the natural range of the species concerned. Efforts to rebuild the stocks of sturgeon in the Caspian Sea are faltering and this may be because there is a lack of incentive to undertake this activity as the market demand for caviar is now being met by other countries. The question of who benefits financially from trade in fauna and flora produced outside range States is also pertinent in the light of the preamble to [Resolution Conf. 8.3 \(Rev. CoP13\) on Recognition of the benefits of trade in wildlife](#).

Benefits and disadvantages for the conservation of the species of trade in specimens of CITES-listed species bred in captivity or artificially propagated may vary between species and perhaps depend on whether the activity is conducted *in situ* or *ex situ*. If so, the different approaches to be taken should be clearly agreed by the Parties in order for policies governing the implementation of the Convention to be more targeted and contribute better to the conservation of those species.

As supplies of some species from the wild have become more limited and demand has increased, a new trend has emerged, which may be termed 'assisted wild production'. For fauna, this has been established for some time in the form of ranching and has expanded to include a number of different types of production systems, some of which were summarized in document [AC20 Inf. 15](#). These systems are evolving and developing all the time. Recent examples include fragging and budding of corals in order to increase production. For flora, the trend is often exhibited in the form of mixed or monoculture plantations that are only lightly managed. The harvesting of specimens from such plantations generally has less of an impact on the conservation of the species than harvest directly from the wild – even if the specimens do not meet the definition of 'artificially propagated'. Over the years, various efforts have been made to seek better recognition for these more benign forms of production and harvesting; for animal species, see for instance [AC17 Doc. 14 \(Rev. 1\)](#). For plants, this has taken the form of attempts to widen the definition of the term 'artificially propagated' to allow more specimens to be covered by this term, thus removing the obligation to undertake non-detriment findings for such specimens. In exchanges with the Secretariat, a number of Parties have expressed frustration that trade in specimens derived from more benign forms of production and harvesting are still treated too strictly under current CITES rules.

The question of the linkage between wild stocks on the one side and captive-breeding and artificial propagation operations on the other is a key one. Trade in captive bred/artificially propagated specimens can have a negative impact when wild sourced specimens are passed off as bred in captivity or artificially propagated. Such trade may perhaps also increase demand which may be met by illegal or unsustainable removal of specimens from the wild. On the other hand, it may assist in meeting the demand, which would otherwise be satisfied by specimens removed from the wild. Increased trade in captive bred/artificially propagated specimens may also influence the incentives for the conservation of species in the wild, but such incentives may vary depending on whether the captive breeding/artificial propagation is taking place within or outside the natural range of the species. In this respect, although not mentioned in the terms of reference for this review, the provisions of Resolution Conf. 13.9 on *Encouraging cooperation between Parties with ex situ breeding operations and those with in situ conservation programmes* are significant. These sometimes conflicting and contradictory impacts confound the search for a coherent approach to controlling trade in captive bred and artificially propagated specimens.

The provisions of the Resolutions which guide the application of the Convention to non-wild specimens have barely changed since the period 2000-2002 and need to be adapted to reflect current realities. Such adaptation should:

- have the primary aim of ensuring no adverse effects on the status of the species in the wild;
- be clear and understandable to implementing authorities and those affected by them;

- be sufficiently flexible to facilitate legal trade, but sufficiently robust to prevent illegal trade that could have adverse effects on the status of the species in the wild;
- to the extent possible, reduce unnecessary reporting, licensing and other obligations for Parties; and
- take account of the work load created for the Secretariat and make sure that they can be delivered within the resources available.

1. The application of Article VII paragraphs 4 and 5

Overview

Article VII paragraphs 4 and 5 permit trade in specimens that meet set definitions of 'bred in captivity' and 'artificially propagated' with controls that are not as strict as that for trade in specimens taken from the wild. These are given source code D if they are specimens of Appendix I animal species bred in captivity for commercial purposes in operations included in the Secretariat's *Register*, in accordance with Resolution Conf. 12.10 (Rev. CoP15) or specimens of plant species artificially propagated for commercial purposes in nurseries registered with Management Authorities under Resolution Conf. 9.19 (Rev. CoP15). Specimens of Appendix I species bred in captivity or artificially propagated other than for commercial purposes and specimens of Appendix II species bred in captivity or artificially propagated are given the source code C for animals or A for plants.

Source code D specimens are treated as if they were included in Appendix II. Source codes C or A specimens are to be accompanied by a certificate of captive breeding or artificial propagation instead of CITES Article III or IV permits.

Additionally, two further related non-wild source codes are available for use under Resolution Conf. 12.3 (Rev. CoP17) – R (ranch) and F (specimens bred in captivity, but not to the standards required by Resolution 10.16 (Rev.) to qualify for the use of source code C). However, the permit requirements for such specimens are identical to those for wild specimens.

The following table details the permits or certificates required and some of the consequent obligations required before issuance of such permits or certificates. The significant differences in the obligations for specimens with source code C and A compared with source code W are highlighted.

Source code	App.-	Document(s) required	Non-detriment finding needed?	Legal acquisition finding needed?	Import for primarily commercial purposes allowed?
C/A	I	Certificate of cb/ap	X	X	√
	II	Certificate of cb/ap	X	X	√
D	I = II	Export permit	√	√	√
R	I	Export & Import permit	√	√	X
	II	Export permit	√	√	√
F	I	Export & Import permit	√	√	X
	II	Export permit	√	√	√
W	I	Export & Import permit	√	√	X
	II	Export permit	√	√	√

Ambiguities and inconsistencies

The Secretariat has observed some fundamental differences of views between Parties about the use of Article VII paragraphs 4 and 5 of the Convention and the permits or certificates required. Paragraph 3 i) of Resolution Conf. 12.3 (Rev. CoP17) indicates that the source codes D, A and C should only be used when Article VII paragraphs 4 and 5 are being applied. However, the Secretariat has observed that some Parties are of the view that source codes C and A in particular, can be used in the context of trade under Articles III and IV. Many Parties use the Standard CITES form in Annex 2 of Resolution Conf. 12.3 (Rev. CoP17) for CITES documentation. Because of the way the form is designed, it may not be possible to know whether a document issued is an export permit issued under Article III or IV, or a certificate of captive breeding/artificial propagation issued under Article VII paragraph 5.

Controls of trade under Article VII paragraph 4 are rigorous as the specimens are treated as if they were included in Appendix II; however controls on trade under Article VII paragraph 5 are relatively weak as once a determination has been made that a specimen has been bred in captivity or artificially propagated, only a certificate to that effect is required. This highlights the importance of having clear definitions of bred in captivity and artificially propagation and their careful and accurate application. Current definitions may not be sufficiently clear as explained in paragraphs 4 and 5 below.

Issues that may need attention

There is a need for a clear and shared understanding of which permits and certificates are required in each circumstance under Articles VII paragraphs 4 and 5.

2. Resolution Conf. 12.3 (Rev. CoP17) on *Permits and certificates*

Overview

This Resolution lists the source codes to be used on permits and certificates for non-wild specimens. They are set out in paragraph 3 i) of the Resolution and include R, D, A, C and F which are pertinent to the issue at hand. The precise definition of source code C is found in Resolution Conf. 10.16 (Rev.) and source code A in Resolution Conf. 11.11 (Rev. CoP17). These definitions are discussed in sections 4 and 5. Concerning source code R, the obligations upon Parties are different depending on whether the specimen concerned is from a population transferred from Appendix I to Appendix II under the provisions of paragraph A. 2. b) in Annex 4 of [Resolution Conf. 9.24 \(Rev. CoP17\) on *Criteria for amendment of Appendices I and II*](#) (so called 'ranching downlisting') or not. In both cases, the provisions of Articles III and IV apply to any permits issued, but in the case of specimens of species transferred from Appendix I to Appendix II for ranching purpose, extra monitoring and reporting obligations, described in [Resolution Conf. 11.16 \(Rev. CoP15\) on *Ranching and trade in ranched specimens of species transferred from Appendix I to Appendix II*](#) apply. The Resolution agrees what information should be included in CITES permits and certificates including certificates of captive breeding and artificial propagation. In its Annex 2, it also has a standard form for CITES permits and certificates, the content and (to the extent practicable) the format of which, Parties are recommended to follow.

Ambiguities and inconsistencies

The Standard CITES form in Annex 2 of Resolution Conf. 12.3 (Rev. CoP17) does not distinguish between cases when it is used as an export permit under Article III or IV, or a certificate of captive breeding under Article VII paragraph 5. Paragraph 3 i) indicates that source codes D, C and A are only to be used in the context of the application of Articles VII paragraphs 4 and 5, but this is not applied by all Parties. As mentioned above, some Parties also use source codes C and A on export permits issued under Articles III and IV. The permit requirements for specimens with source codes F and R are identical to those for source code W; this begs the question of the purpose of these codes, as they render the implementation of the Convention more complicated without any discernible benefits.

Issues that may need attention

Consideration might be given to incorporating the definitions of "bred in captivity" and "artificial propagation" into Resolution Conf. 12.3 (Rev. CoP17). The Standard CITES form in Annex 2 of the Resolution could be adapted by the Conference of the Parties to indicate when it is being used as a certificate of captive breeding under Article VII paragraph 5. There may be a case for developing a new 'assisted wild production' source code for more benign forms of harvesting or production with less of an impact on wild populations. Such a new source code (which might include and replace current codes R & F) could require identical permitting obligations to source code W. As the trade in such specimens should have a reduced impact on the species in the wild, while also retaining a link with the populations of such species, it might be considered a more desirable form of trade and means should be found to recognize and facilitate it. Overall, the determination of source codes is complex (pages 6 and 7 of SC69 Inf. 3 - *A guide to the application of CITES source codes*) and could do with simplification.

3. Resolution Conf. 5.10 (Rev. CoP15) on *Definition of 'primarily commercial purposes'*

Overview

Section e) in the examples in the Annex of this Resolution relates to captive-breeding programmes, in particular in relation to the commercial nature of any import of specimens of Appendix-I species. The text confirms that import of specimens bred in captivity (and by extension, plant specimens that have been artificially propagated), should take place under Article VII, paragraphs 4 and 5 and not Article III and IV. The Resolution also provides some general principles and the examples of “primarily commercial purposes” to be used in the context of imports of specimens of Appendix I species.

Ambiguities and inconsistencies

The examples in the Annex of the Resolution raise significant questions.

When they refer to imports of specimens of Appendix-I species for captive-breeding purposes, it is difficult to ascertain if this refers to specimens which themselves are bred in captivity or specimens from the wild which are to be used in captive breeding. The text refers to Resolution Conf. 10.16 (Rev.) which defines the term “bred in captivity” which might imply the former. However, Resolution Conf. 5.10 (Rev. CoP15) then goes on to refer to the import of specimens of Appendix-I species that could be allowed for commercial purposes, provided that any profits are reinvested in the continuation of the captive-breeding programme to the benefit of the species, and here it must be presumed that it refers to trade in specimens of source W traded under Article III because as the text explains, trade in specimens with source code D and C is not undertaken under Article III.

Further, the text attributes requirements to Resolution Conf. 10.16 (Rev.) that are not found in that Resolution e.g. imports must be aimed as a priority at the long-term protection of the affected species.

The Resolution refers to the use of the term “primarily commercial purposes” in relation to Article III. However the similar term 'bred in captivity for commercial purposes' is used in Article VII paragraph 4 and defined in Resolution Conf. 12.10 (Rev. CoP15) in a different way.

Issues that may need attention

The text in this Resolution, relating to the issue at hand, is unclear and erroneous in places and may need revision and correction. Briefly, between CoP11 and CoP12, the definition of 'bred in captivity for commercial purposes' as used in Article VII paragraph 4, was harmonized with the general principle of an activity that can generally be described as 'commercial' given in Resolution Conf. 5.10 (Rev. CoP15) on *Definition of 'primarily commercial purposes'*. Consideration could be given to such harmonization again.

4. Resolution Conf. 10.16 (Rev.) on *Specimens of animal species bred in captivity*

Overview

The Resolution defines the term 'bred in captivity' as used in Article VII paragraphs 4 and 5. In response to concerns about the veracity of some claims that specimens have been bred in captivity and consequently the CITES permits and certificates issued on the basis of such claims, the Parties agreed Resolution Conf. 17.7 on *Review of trade in animal specimens reported as produced in captivity*. This Resolution also reviews trade under source codes R, D and F.

Ambiguities and inconsistencies

As pointed out in document [SC66 Doc. 17](#), Parties have experienced difficulties in proving the legal origin of the breeding stock used to produce the captive bred specimens. This applies particularly where the original breeding stock was acquired many years ago when there may have been no reason to retain documentation confirming the legal origin of specimens. To the contrary, and as highlighted in document [SC66 Doc. 32.4](#), a number of instances have been found where specimens which had been almost certainly been illegally obtained have been incorporated into breeding stocks producing specimens bred in captivity which have subsequently been internationally traded. A lack of a standardized approach in this area is a difficulty. This issue is also to be addressed by the Standing Committee under paragraph c) of Decision 17.66.

Paragraph 2 b) ii) B of the Resolution may warrant attention. This paragraph permits specimens from the wild to be added to the breeding stock, but provides only vague guidance about the circumstances under which this may be warranted. It may be clearer to limit the definition of 'bred in captivity' to those specimens produced in captivity from facilities that are no longer taking further specimens from the wild. Paragraph 2 b) ii) C 2 opens a rather vague exception to the general principle that specimens bred in captivity should be limited to those of generation F2 and beyond. A requirement for all specimens to be demonstrably F2 or beyond may be easier to apply. Generally, the definition of 'bred in captivity' should be made as clear and simple as possible.

Issues that may need attention

Clear guidance on the standards required to define the legal acquisition of the breeding stock producing specimens bred in captivity would be helpful. This issue is also being addressed by the Standing Committee under paragraph c) of Decision 17.66.

Tightening of the definition of 'bred in captivity' to remove exceptions to rules which are difficult to apply and complicate the general principles could be considered. This could be coupled with the creation of a new source code for trade in specimens which, although not meeting the definition of 'bred in captivity' and therefore meriting the application of Article VII paragraphs 4 and 5, do however have less of an impact than specimens removed from the wild (see comments on 'assisted wild production' in section 1 above).

5. Resolution Conf. 11.11 (Rev. CoP17) on *Regulation of trade in plants*

Overview

This Resolution sets out the definition of the term 'artificially-propagated' to be used in the implementation of the special provisions of Article VII paragraphs 4 and 5. Originally, it was the only Resolution in which guidance on this point could be found; however it has subsequently been supplemented by further guidance in Resolutions Conf. 16.10 on *Implementation of the Convention for agarwood-producing taxa* and Conf. 10.13 (Rev. CoP15) on *Implementation of the Convention for timber species*. The fecundity of plants and the ease with which many species can be artificially propagated means that concerns about the impact of false declarations are often less than for animal taxa. However, these do remain, in particular for species such as rare orchid and cactus species. They may also be significant if large scale semi-natural forests for example are considered to be 'under controlled conditions' and specimens originating therefrom are thus treated as if they were artificially-propagated.

Ambiguities and inconsistencies

Examination of the flow diagram on page 7 of document SC69 Inf. 3 - *A guide to the application of CITES source codes*, shows that the definition of the term 'artificially propagated' is very complicated, making its application a challenge for Parties. The fact that it is spread over three different Resolutions is also not conducive to easy application. It seems rather incongruous that paragraph 4 of the Resolution permits specimens taken from the wild to be described as artificially propagated under certain circumstances. As in the case of the definition of 'bred in captivity', guidance on legal acquisition would be beneficial and it may be wise to explore the possibility of simplifying the definition, particularly by removing exceptions from general provisions.

Issues that may need attention

Parties have not seen fit to agree any compliance procedure for claims of artificial propagation, similar to that in Resolution Conf. 17.7 which exists for animals claimed to have been bred in captivity, but if implementation of the latter proves successful, this could be considered.

It should be noted that under Decision 17.177, the Standing Committee is also charged with reviewing a report of the Plants Committee on the applicability and utility of the current definitions of 'artificial propagation' and 'under controlled conditions' in Resolution Conf. 11.11 (Rev. CoP17). The implementation of Decisions 17.106 and 17.177 should be done in tandem by the Committee.

Rationalization of the definition of 'artificially propagated' in a single Resolution should be considered. Generally, the definition of 'artificially propagated' should be made as clear and simple as possible.

6. Resolution Conf. 12.10 (Rev. CoP15) on Registration of operations that breed Appendix-I animal species in captivity for commercial purposes

Overview

For specimens which have been determined to have been bred in captivity under Resolution Conf. 10.16 (Rev.), this Resolution provides guidance on the application of Article VII paragraph 4 as it relates to animals. It restricts the use of the special provisions in relation to specimens covered by this paragraph to those that are from breeding operations which are included in the *Register of operations that breed Appendix-I animal species for commercial purposes* maintained on the CITES website. Registration requires substantial evidential documentation and can be objected to by other Parties. If contested registrations cannot be resolved, including through guidance provided by the Animals Committee, such cases are arbitrated by the Standing Committee. Specimens of Appendix I animal species from duly registered operations may be traded as if they were specimens of species included in Appendix II – i.e. they may be imported for primarily commercial purposes.

Ambiguities and inconsistencies

The procedures for registering facilities such that they may take advantage of the special provisions of Article VII paragraph 4 are rigorous. However, as noted in document SC66 Doc. 17, the Resolution is not applied by many Parties. Some of these Parties have a very large number of commercial captive-breeding facilities in their territory. This leads to an inconsistent approach as many thousands of specimens of Appendix-I animals with source code C are traded internationally from unregistered operations using purpose code 'T' for trade. The main way that these controls seem to be bypassed is that exporting Parties determine that although the export and subsequent import may be commercial in nature, the purpose of the breeding, defined in paragraph 1 of the Resolution, is not commercial and therefore the specimens have not been bred in captivity for commercial purpose and can be exported under Article VII paragraph 5 and not Article VII paragraph 4. Although it is contrary to Resolution Conf. 12.3 (Rev. CoP17), sometimes such specimens are also traded under Article III of the Convention, with the exporting Party claiming that, while the export might be commercial, the subsequent import is not and therefore such trade is allowed.

By contrast, those Parties implementing Resolution Conf. 12.10 (Rev. CoP15) must comply with a complex and bureaucratic process before their facilities are proposed for inclusion in the *Register of operations that breed Appendix-I animal species for commercial purposes*. It is difficult to reconcile the rigorous controls on the registration of operations with the ease with which these controls can be circumvented by Parties which do not wish to be bound by them. This juxtaposition is striking and the Secretariat has long been of the view that the registration process is lengthy, costly and ineffective (see documents [CoP12 Doc. 55.1](#) and [CoP15 Doc. 18 Annex 2. a](#)). Minor changes to Resolution Conf. 12.10 were made at CoP15, but since then the scale of commercial trading of specimens of Appendix I species from unregistered facilities seems to have increased. Additionally, new species have been added to Appendix I, such as the African grey parrot, *Psittacus erithacus*, which is bred in captivity commercially in very large numbers. One Party alone [exported over 42,000 specimens under source code C in 2102](#) with reportedly over 1,630 facilities breeding the species there, almost exclusively for export.

Issues that may need attention

The new compliance controls in Resolution Conf. 17.7 would appear to have alleviated some of the concerns expressed by Parties when significant changes to Resolution Conf. 12.10 have been proposed in the past. As the Secretariat does not have the resources to visit any of the operations wishing to be registered, responsibility for the registration itself could be devolved to the Management Authorities in the Parties where the operations are located – with appropriate ability for other Parties to challenge registrations.

7. Resolution Conf. 9.19 (Rev. CoP15) on Registration of nurseries that artificially propagate specimens of Appendix-I plant species for export purposes

Overview

For specimens which have been determined as artificially propagated under Resolutions Conf. 11.11 (Rev. CoP17), Conf. 16.10 and Conf. 10.13 (Rev. CoP15), this Resolution provides guidance on the application of Article VII paragraph 4 as it relates to plants. Unlike the situation for animals, it leaves the registration up to Management Authorities in the Party where the nursery operation is situated. Other Parties may contest the registration of the operation if they can show that it does not meet the requirements for

registration and it is for the Secretariat to delete the operation from the register after consultation with the Management Authority of the Party in which the nursery is located.

Ambiguities and inconsistencies

The preamble clause:

RECOGNIZING that nurseries that are not registered may still continue exporting artificially propagated specimens of Appendix-I species using the standard procedures for obtaining export permits.

is rather ambiguous and it is not clear what types of 'standard procedures' are referred to. While to the best recollection of the Secretariat, it has not removed any nursery operations from the register at the request of another Party, it would seem more appropriate for any such contested registrations to be judged by the peers in other Parties through the Standing Committee rather than by the Secretariat itself.

Issues that may need attention

The ambiguities and inconsistencies identified above could usefully be reviewed.

8. Conclusions and recommendations

To be elaborated in the final review.

Annex

Comments of Parties and stakeholders in response to Notification to the Parties seeking comments on the draft review

[to be added]