

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

Trade control and traceability

PURPOSE CODES ON CITES PERMITS AND CERTIFICATES

1. This document has been prepared by Canada as lead for the Standing Committee on the issue of purpose codes.*
2. At its 14th meeting (The Hague, 2007), the Conference of the Parties adopted Decision 14.54 directed to the Standing Committee. This Decision was revised at the 17th meeting of the Conference of the Parties (Johannesburg, 2016), as follows:

14.54 (Rev.CoP17) Directed to the Standing Committee

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 to encourage their consistent use, and consider the possible elimination of current codes or the inclusion of new ones;*
- c) in evaluating the use and definition of purpose-of-transaction codes, the working group shall 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; and*
- d) the working group shall submit a report and any recommendations for amendments to Resolution Conf. 12.3 (Rev. CoP17) on Permits and certificates, or to any revision thereof, at the 70th meeting of the Standing Committee, which shall report, with its recommendations, at the 18th 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.

Background

3. The working group provided updates to the 66th meeting of the Standing Committee (Geneva, 2016). The strategy for reaching the end goals of the group were outlined, as agreed to by the group members. The working group proposed that the Standing Committee seek the Conference of the Parties permission to continue their discussions and provide their conclusions at the 18th meeting of the Conference of the Parties through a continuation of the existing Decision. The Standing Committee invited the Conference of the Parties at its 17th meeting (Johannesburg, 2016) to adopt the amendments to Decision 14.54, which are shown in paragraph 2.

Progress made since CoP17

4. A progress report was submitted to the 17th meeting of the Conference of the Parties (Johannesburg, 2016) including observations based on the exchanges of ideas within the group, along with input from the Secretariat prior to CoP16 and leading up to CoP17.
5. It has been apparent in past discussions of the purpose-of-transaction codes that different interpretations and points of view cause inconsistencies in understanding of the use and meaning of the codes. A few fundamental elements are important to note:
 - a) The purpose-of-transaction code is present on all CITES permits and certificates. The Management Authority of the Party (with input from the Scientific Authority when necessary) issuing the CITES document makes the decision on the appropriate code for the permit or certificate.
 - b) The purpose-of-transaction code is reported by the parties in the annual report.
 - c) The Trade Database is populated with the purpose-of-transaction code from the annual reports and used for various types of trade analysis by interested parties.
6. Most of the efforts in the Working Group in the past have been on the codes to be used, but agreement from all Parties on the definition of these codes has not been reached. The underlying cause of the lack of agreement stems from the lack of consensus on the specific transaction that is being described with the purpose-of-transaction code. If each Party has a different type of transaction in mind based on the context in which it occurs when determining the purpose-of-transaction code for its permits or certificates, there is a disconnect with other Parties who have their own different frame of reference when looking at those permits or certificates issued. It is important to establish what action or transaction needs to be reflected in the purpose-of-transaction code that is associated with a CITES permit or certificate. This clear definition of the transaction and the context in which it occurs, will help the Parties assessing the purpose-of-transaction code to be used on a permit or certificate utilize compatible decision-making processes and for Parties to arrive at consistent purpose-of-transaction codes
7. Once agreement on the transaction that is to be represented on the permits or certificates can be reached, the determination on the proper set of codes may be a straightforward exercise. A preliminary survey will be sent out to working group members shortly after the 69th meeting of the Standing Committee. The survey will be used to gather information on the interpretation of the group members on transactions, using a set of models of permitting scenarios. The results of the survey will help guide the discussions of the working group moving forward.

Recommendations

8. The Standing Committee is invited to re-establish an intersessional joint working group to review the use of purpose-of-transaction codes by Parties with the Terms of Reference indicated in paragraph 2 of this document and report to the 70th meeting of the Standing Committee.