

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

TRACEABILITY: REPORT OF THE SECRETARIAT

1. This document has been prepared by the Secretariat, in collaboration with Mexico and Switzerland.

Background

2. At its 17th meeting (CoP17, Johannesburg, 2016), the Conference of the Parties adopted Decisions 17.152-17.155 on traceability as follows:

***Directed to the Standing Committee***

17.152 *The Standing Committee shall, at its 68th meeting, establish a working group on traceability, which will work in collaboration with the Secretariat to:*

- a) *recommend a working definition of 'traceability' to assist Parties in work related to the implementation of traceability systems;*
- b) *encourage Parties that are developing traceability systems to ensure they are complementary, mutually supportive and standardized, as appropriate, and that they are adapted to the unique conditions relating to trade in CITES-listed species;*
- c) *provide general guidance on a mechanism to coordinate and oversee the development of traceability systems using lessons learned from the development of the global CITES permits and certificates system, global information and traceability systems, and other relevant initiatives;*
- d) *subject to the availability of external resources, and as appropriate, develop and make use of umbrella guidelines, and recommend standards, to develop traceability systems for different species that are mutually supportive and that generate standardized data;*
- e) *subject to the availability of external resources, analyse examples that describe CITES supply chains, including but not limited to those using Unified Modelling Language, and identify points throughout the supply chain where specimens should be located, verified, and its application defined, bearing in mind a wide range of production systems and life forms;*
- f) *take into account the work on e-permitting to ensure links between CITES permits and certificates and traceability identifiers;*
- g) *collaborate with United Nations and other relevant organizations that have experience in the development and use of traceability standards and systems; and*

- h) draft a resolution on traceability, as deemed necessary, to be submitted to the Standing Committee, taking into account any relevant conclusions and recommendations of the report resulting from Decision 17.154, as appropriate, for consideration at the 18th meeting of the Conference of the Parties.*

**Directed to the Parties**

17.153 *Parties are invited to:*

- a) support the working group in its work on traceability;*
- b) inform the working group on the development of projects and on new information related to traceability in response to the Notification issued by the Secretariat under Decision 17.154;*
- c) adhere, as appropriate, to international standards and norms related to traceability systems in the development of these systems;*
- d) use data generated from traceability systems, as appropriate, in activities related to non-detriment findings and monitoring programmes; and*
- e) collaborate in the provision of capacity-building programmes that promote South-South and North-South cooperation in the development of traceability systems.*

**Directed to the Secretariat**

17.154 *The Secretariat shall issue a Notification, requesting Parties to provide information on the development of projects related to traceability.*

17.155 *Subject to the availability of external funding, the Secretariat shall:*

- a) develop a portal on the CITES website on traceability, to make available:*
  - i) recommendations by the working group on a definition of 'traceability', general traceability guidelines, and other relevant information;*
  - ii) information on new and ongoing projects, as well as existing systems, on traceability, including lessons learned;*
  - iii) information on global organizations working on traceability standards and systems; and*
  - iv) relevant documents, research papers and guidelines on traceability; and*
- b) in collaboration with the Standing Committee working group established under Decision 17.152 and UN/CEFACT, commission a report by a global organization or expert with experience in the development of standards related to traceability, to:*
  - i) describe a possible governance model (or models) for use in CITES traceability systems;*
  - ii) describe the CITES supply chain using Unified Modelling Language or a similar tool;*
  - iii) identify and recommend appropriate information exchange protocols and standards for use in CITES traceability systems;*
  - iv) describe a generic CITES traceability standard for use as a common model; and*
  - v) report to the Standing Committee on the conclusions of the report.*

3. The Secretariat notes that, at CoP17, the Conference of the Parties adopted a number of other Decisions referring to traceability. Annex 3 of this document contains a compilation of these decisions.
4. The Secretariat further would like to draw the attention of the Standing Committee to the pertinent elements of the SC69 document on Sharks and rays (Elasmobranchii spp.) relating to traceability.

#### Draft work programme for the working group on traceability (Decision 17.152)

5. In compliance with Decision 17.152, the Standing Committee agreed at its 68th meeting (SC68, Johannesburg, October 2016) that the working group on traceability would be led by Mexico and Switzerland. The membership of the working group will be established at the 69th meeting of the Standing Committee.
6. In order to progress on the implementation of Decision 17.152, the Secretariat in collaboration with Mexico and Switzerland prepared a draft work programme which is provided as Annex 1 of this document.

#### Collaboration with standard-setting organizations on traceability [(Decision 17.152, paras f) and g)]

7. In support of the working group on traceability, and as envisaged in Decision 17.152, paragraphs f) and g), the Secretariat participated in the meetings of the expert group on agriculture trade of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) of the United Nations Economic Commission of Europe (UNECE) during the 29<sup>th</sup> UN/CEFACT Forum (Geneva, Switzerland, 27-31 March 2017).
8. The UN/CEFCAT expert group developed a traceability standard for *Traceability of Animals and Fish* which has been extended to include agriculture produce in general. The UN/CEFACT traceability standard is compatible with the CITES standard for electronic permits<sup>1</sup>. The UN/CEFACT expert group has agreed to include requirements for traceability of CITES-listed species in its traceability standard.

#### Notification to the Parties on information on projects related to traceability (Decision 17.154)

9. In Notification to the Parties No. 2017/38 of 15 May 2017, the Secretariat requested Parties to provide information on the development of projects related to traceability for consideration at the present meeting. The Secretariat received submissions from Mexico, Switzerland, the United States of America and Viet Nam. Additionally, the United Nations Conference on Trade and Development (UNCTAD) provided the Secretariat with studies on traceability for CITES-listed species. Information submitted by the three Parties, as well as the studies provided by UNCTAD, are available on the CITES portal for traceability (see paragraph 10 below).

#### CITES portal on traceability [Decision 17.155, a)]

10. The Secretariat developed a CITES web portal which provides relevant information on traceability projects and the work of global organizations working on traceability. The working programme and outputs of the working group on traceability will be made available in a dedicated section on this portal.

#### Consultancy to support the working group on traceability [Decision 17.155, b)]

11. The UNCTAD Biotrade initiative has indicated its readiness to provide funds for a consultancy to support deliverables of the working group on traceability. The consultancy will analyse the information on planned and ongoing traceability projects, identify best practices and lessons learned, and draft recommendations and guidelines for CITES traceability systems for consideration by the working group. UNCTAD coordinated the Terms of Reference of this consultancy with Mexico and Switzerland. The Secretariat worked with UNCTAD in the preparation of this consultancy and will support the delivery of the outputs.

---

<sup>1</sup> The CITES ePermitting toolkit is based on the UN/CEFACT Core Component Library. The UN/CEFACT standard for traceability of animals and fish is designed to exchange information objects described by the CCL. This allows, for example, traceability of electronic CITES permits in traceability systems that use the UN/CEFCAT traceability standard.

## Recommendations

12. The Standing Committee is invited to:
  - a) take note of this document and its annexes;
  - b) establish the membership of the working group on traceability; and
  - c) consider the suggested work plan provided in Annex 1 to this document.

## Work programme of the Standing Committee working group on traceability

Based on the mandate of Decision 17.152

I. Standardized definition for traceability subparagraph a

The Secretariat shall compile a comprehensive set of definitions on traceability, taking in to account submissions of the working group and other relevant existing definitions of international organizations. Based on this input, the working group on traceability shall identify or develop the definition most appropriate to the specific conditions relating to trade in CITES-listed species for submission of the working group to SC70;

II. Standard Traceability Framework for CITES subparagraphs b, c, and g

The Secretariat shall prepare a set of ongoing initiatives on traceability including, but not limited to, work undertaken in UNECE. The working group on traceability shall identify the most appropriate framework to the specific conditions relating to trade in CITES-listed species for submission of the working group to SC70;

III. Development of umbrella guidelines for traceability in CITES subparagraph d

Based on progress above, the Secretariat shall propose a set of generic *guidelines, and recommend standards, to develop traceability systems for different species that are mutually supportive and that generate standardized data* for consideration by the working group on traceability with the intention of the working group providing a report on progress made to SC71;

IV. Develop further support elements for traceability subparagraphs e and f

Based on the progress made above, the working group shall *identify points throughout the supply chain where specimens should be located, verified, and its application defined, bearing in mind a wide range of production systems and life forms taking also into account the work on e-permitting to ensure links between CITES permits and certificates and traceability identifiers* with the intention to provide a report on progress made to SC71;

V. Draft Resolution on Traceability subparagraph h

Depending on the progress made and *as deemed necessary taking into account any relevant conclusions and recommendations of the report resulting from Decision 17.154*, the working group shall *consider to drafting a resolution on traceability for consideration at the 18th meeting of the Conference of the Parties*.

## Responses submitted by Parties to Notification to Parties No. 2017/38 b)

### Response submitted by Mexico

#### 1. Traceability system to be used on the pilot project on Morelet's crocodile (*Crocodylus moreletii*) in Mexico

At the 17th meeting of the Conference of the Parties (CoP17; Johannesburg 2016), Mexico submitted document CoP17 Doc. 46 (<https://cites.org/sites/default/files/eng/cop/17/WorkingDocs/E-CoP17-46.pdf>), which provided an update on the global traceability information system for reptile skins that will be used, in collaboration with the *Responsible Ecosystem Sourcing Platform* (RESP), as the traceability mechanism for crocodile skins obtained under the pilot project described in sections 2 and 3 of this document.

Annex 2 of document CoP17 Doc. 46 (also attached as an annex hereto, in PDF format) describes the general scheme and the main elements for pilot testing the traceability system for reptile skins, which could potentially be linked to other aspects of implementation of the Convention such as:

- a) Non-detriment findings;
- b) Use of source codes;
- c) Electronic permits and certificates; and
- d) Further, the system could potentially contribute to enhanced supply chain management, informed decision-making, and to certain aspects of animal welfare.

In addition to the information reported in the CoP17 document, it should also be noted that RESP has made progress with regard to the traceability system, as follows:

- a) In 2016, twenty-four Morelet's crocodile skins (*Crocodylus moreletii*) were correctly identified, ranging from raw skins to end products.
- b) The BETA version of the application for the capture and verification of Morelet's crocodile skins has now been developed.
- c) RESP is currently completing a technical report on the results of the testing carried out in 2016, including recommendations for the next phase.

A detailed update on the progress mentioned in paragraphs a) to c) will be submitted, before the deadline for the submission of working documents, for consideration at the 69th meeting of the Standing Committee.

Further, in the following sections 2 and 3, we have summarized the context of the pilot project in which the traceability system will be implemented, and in section 4, we provide contact information for the main focal points for the project in Mexico.

#### 2. Pilot project on sustainability, production systems, and traceability of Morelet's crocodile skins in Mexico.

The distribution of *Crocodylus moreletii* in Mexico is located in the slopes of the Gulf of Mexico and the Yucatan Peninsula. During the 20th century, the populations in Mexico diminished due to hunting and unregulated skin trade. Consequently, the Mexican government prohibited harvesting of the species, which was listed in CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora) Appendix I in 1975. At its 15th meeting (CoP15; Doha, March 2010), the Conference of the Parties adopted the proposal submitted by Mexico and Belize to transfer their populations of Morelet's crocodile from Appendix I to Appendix II, with a zero quota for wild specimens for commercial purposes (CoP15 Prop. 8; CoP15 Inf. 34). At the 17th meeting of the Conference of the Parties to CITES (CoP17; Johannesburg, South Africa, 2016), Mexico submitted a proposal to amend the Appendices (CoP17 Prop. 22) and eliminate the zero harvesting quota for wild specimens of Morelet's crocodile. The proposal was accepted by consensus, thus permitting the sustainable use of wild-sourced specimens.

Since 2013, the Responsible Ecosystems Sourcing Platform (RESP) has been working with several countries to develop pilot projects linked to international companies. RESP has four international working groups, including the *International Working Group on Reptile Skins* (IWG-RS) with which Mexico is collaborating on the implementation of a pilot project on *C. moreletii*, considering that, based on available data, the conservation status of wild populations is good and there is potential for developing projects for sustainable production that will benefit local communities and enhance conservation of the species.

The objective of the “Pilot project on sustainability, production systems, and traceability of Morelet's crocodile skins in Mexico”, which is coordinated by the Mexican CITES Authorities (DGVS-SEMARNAT, CONABIO and PROFEPA) in collaboration with RESP, is to involve local communities in the conservation of the species and its habitat through ranching (UMAs in the wild), based on sustainable harvest rates and non-detriment findings (NDFs), in compliance with national law and CITES legislation. Any hatchlings obtained will be sold to farms (intensive UMAs) for harvesting high quality skins for export, in collaboration with fashion companies. All of which will include ensuring a fair share of benefits for stakeholders in the production chain, and will be based on a traceability system that guarantees that the skins were obtained from a legal, sustainable source.

The project will be implemented over a 3-year period (2017-2019), although planning began in 2014. It is hoped that the results can be replicated in other local communities and farms within the species' range in order to enhance the long-term impact of the project at a national level, and that the results will prove useful for similar projects in other countries.

### 3. Progress

The project will be implemented at selected pilot sites, based on the following criteria: presence of populations and nests; an existing, intensive UMA (Wildlife Management Unit, in its Spanish acronym); communities that are interested in engaging in ranching and habitat conservation by establishing a UMA in the wild and, likewise, in contributing to the traceability system, production systems, and communication.

On this basis, two communities met the established criteria and were selected to start the pilot project: Ejido Chacchoben (Bacalar, Quintana Roo) with the intensive UMA “Cocodrilia”, and Ejido Santa Isabel (Palizada, Campeche) with the intensive UMA “Cocodrilos de Palizada”.

Implementation of the project will rely on the "Protocol for ranching Morelet's crocodile (*Crocodylus moreletii*) in Mexico", the final report on capacity-building and the monitoring of habitats, populations, and nests of Morelet's crocodile (*Crocodylus moreletii*) at the sites pertaining to the “Pilot project on sustainability, production systems, and traceability of Morelet's crocodile skins in Mexico”, and each UMA having its own Management Plan and population studies endorsed by the CITES Scientific Authority.

This year (2017), the first nests and eggs will be harvested in Mexico at Ejido Chacchoben in Chetumal, Quintana Roo. This is the start of the project, and it is hoped that these sustainable actions will be subsequently replicated in other parts of the natural range of Morelet's crocodile at a national level, thereby increasing the number of hectares of habitat under management and protection.

### 4. Contacts in relation to the traceability system for Morelet's crocodile in Mexico:

- CITES Scientific Authority in Mexico (CONABIO):
  - o Hesiquio Benítez Díaz ([hbenitez@conabio.gob.mx](mailto:hbenitez@conabio.gob.mx)), Director of International Cooperation and Implementation
  - o Paola Mosig Reidl ([pmosig@conabio.gob.mx](mailto:pmosig@conabio.gob.mx)), Coordinator – Mexican Scientific Authority
- RESP: Eduardo Escobedo ([eduardo.escobedo@resp.ch](mailto:eduardo.escobedo@resp.ch))

## Response submitted by Switzerland

In response to Notification 2017/08 b) Switzerland submitted a report on *Standards for Pythons Traceability* published in AC29 Doc31.3. The report is a follow-up to the UNCTAD and CITES Secretariat co-commissioned study on Python Skin Traceability (Traceability Systems for a Sustainable International Trade in South-East Asian Python Skins, 2013). The report was written by GS1 Switzerland. The research and preparation of the report was funded by Kering, with technical input from experts working on the python skin trade.

The goal of the report is to inform how the implementation of management and traceability of python skin supply chains could be improved by using standards, in combination with taking other measures, in particular

- Compare different scenarios in consideration of CoP17
- Estimate the minimum requirements for the system to be most successful and the ratio cost/benefits of such a system.
- Focus the efforts of the CITES community on those factors most important for ensuring the effective implementation of traceability systems for pythons.

The report aimed to achieve these goals by describing typical python skin supply chains, and examining two scenarios for traceability of python skins: (1) tracing batches of skins destined for export, and (2) marking and tracing individual skins destined for export. The report compares the applicability of GS1 standards to these two different scenarios, and identifies supply chain issues where the CITES community can focus effort to ensure adherence to the GS1 traceability standards – and hence assurance of python skin traceability.

Implementing a traceability system within a supply chain requires all parties involved to systematically link the physical flow of materials and products with the flow of information about them. This requires a holistic view of the supply chain, which is best attained by deploying a common business language. While businesses recognise the value of traceability, they do not want multiple, potentially conflicting traceability systems, and they do not want to increase costs unnecessarily. Businesses also recognise that an individual company is only one partner in the supply chain, and that a chain is only as strong as its weakest link.

## Recommendations

The report recommends that the first and most important step is for the CITES community to

- examine the drivers of illegal trade. Range states are encouraged to amend management protocols to mitigate circumvention of any traceability systems that are implemented.
- establishing a holistic traceability and authenticity approach focused on batch traceability and a limited number of identification keys and technologies,
- CITES Parties should describe the logic components of planned traceability systems to have a synthetic view of objectives of the traceability system, its implementation steps and the control and operation of the system to facilitate collaboration between stakeholders including information exchange,
- deepen relationship with WCO to design better connections between traceability standards and Single Window and electronic permit approach

## Response submitted by the United States of America

We wish to inform the Secretariat about the Seafood Import Monitoring Programme that will come into effect in the United States in January 2018. The National Marine Fisheries Service (NMFS) published regulations establishing the Seafood Import Monitoring Program (SIMP) on December 9, 2016. A copy of the final rule is available at: <https://www.federalregister.gov/documents/2016/12/09/2016-29324/magnuson-stevens-fishery-conservation-and-management-act-seafood-import-monitoring-program>. The Program establishes, for import of certain seafood products, the reporting and recordkeeping requirements needed to prevent illegal, unreported and unregulated (IUU)-caught and/or misrepresented seafood from entering the U.S. commerce, thereby providing additional protections for our national economy, global seafood security and the sustainability of our shared ocean resources. This is the first phase of a risk based traceability programme – requiring the U.S.



importer of record to file an electronic report on the origin of the fish at the time of entry and to maintain records from the point of harvest to the point of entry into the U.S. commerce – on an initial list of imported fish and fish products identified as particularly vulnerable to IUU fishing and/or seafood fraud, including sharks. The mandatory effective date is January 1, 2018. More information can be found at: <http://www.iuufishing.noaa.gov/RecommendationsandActions/RECOMMENDATION1415/FinalRuleTraceability.aspx>

### **Response submitted by Viet Nam**

Information to be submitted by Viet Nam for the 69th meeting of the Standing Committee (in accordance to Notification No. 2017/038 -b)

Traceability

Parties are requested to provide information on the development of projects related to traceability, in particular:

- Traceability project

Decree no.01/2012/TT-BNNPTNT dated 4th January 2012 of Ministry of Agriculture and Rural Development regulates the portfolio of legal forest product and inspection on the origin of forest products, in which wildlife farming and trading must retain origin traceability records with any changes occurred such as number of hatched eggs, dead offspring, and individuals surviving to adulthood, etc. The local forest protection officers record those changes. All changes must be recorded in writing and certified by the local forest protection officers throughout the supply chain.

At the moment, Viet Nam has yet to have any independent traceability project. The origin verifications are conducted through the wildlife registration record of the Forest Protection Department for certain species.

A focal point of the Forest Protection Department to provide further information on the project can be contacted by email with address: [fpd@kiemlam.org.vn](mailto:fpd@kiemlam.org.vn)

### Decisions of CoP17 with reference to traceability<sup>2</sup>

On Electronic systems and information technologies directed to the Standing Committee

17.157 *The Standing Committee shall re-establish the Working Group on Electronic Systems and Information Technologies to work in collaboration with the CITES Secretariat to undertake the following tasks:*

- e) *to monitor and advise on Parties' work related to the development of traceability systems for specimens of CITES-listed species to facilitate their harmonization with CITES permits and certificates.*

On Sharks and rays (Elasmobranchii spp.) directed to the Standing Committee

17.216 *On the basis of information provided by the Secretariat and the Animals Committee, the Standing Committee shall consider issues concerning the conservation and management of sharks and rays, and provide guidance as appropriate, pertaining to:*

- b) *identification and traceability, taking into consideration requirements that have been developed for the trade in specimens of other Appendix-II species, and their applicability to specimens of CITES-listed sharks and rays in trade;*

On African cherry (*Prunus africana*) directed to the Secretariat

17.250 *The Secretariat shall:*

- a) *organize, subject to available resources, an International Workshop on the sustainable use and the control of international trade in *Prunus africana* with the participation of all relevant Parties, including exporting and importing countries, forestry experts and stakeholders with a view to producing recommendations, among others, on methodologies to be used for inventories (including regarding the sampling design and the inventory data set), sustainable harvesting techniques, monitoring and traceability systems, and perspectives in terms of developing plantations or agroforestry systems as a possible complementary mean of producing bark of *Prunus africana* in a sustainable manner, as well as any other relevant issues;*

On African cherry (*Prunus africana*) directed to exporting and importing Parties of African cherry (*Prunus africana*)

17.251 *Exporting and importing Parties of *Prunus africana* shall cooperate with the Secretariat in the organization of the International Workshop by providing expertise, among others, on methodologies to be used for inventories, sustainable harvesting techniques, monitoring and traceability systems, perspectives in terms of developing plantations or agroforestry systems and funding on a voluntary basis.*

On Queen conch (*Strombus gigas*) directed to the range States of *Strombus gigas*

17.285 *The range States of *Strombus gigas* shall:*

- d) *continue to collaborate in exploring ways to enhance the traceability of specimens of *S. gigas* in international trade, including, but not limited to, catch certificates, labelling systems and the application of genetic techniques, and consider sharing relevant experiences with the Secretariat, Parties and the Standing Committee, as appropriate, in the context of discussions on traceability systems for trade in CITES-listed species;*

On Queen conch (*Strombus gigas*) directed to the Standing Committee

---

<sup>2</sup> Decision 17.156 to 17.159 are listed on the first page of this document.

17.286 *On the basis of reporting by the Secretariat in compliance with Decision 17.289, the Standing Committee shall review enforcement and traceability issues concerning international trade in queen conch, and make recommendations as appropriate.*

On Queen conch (*Strombus gigas*) directed to the Secretariat

17.289 *The Secretariat shall, pending the availability of external funding:*

- b) *monitor the development of traceability systems for queen conch; provide assistance, as appropriate, to FAO, the CFMC/OSPESCA/WECAFC/CRFM Working Group on Queen Conch and others in reviewing options for the development of an auditable "chain of custody" procedure; and report relevant developments to the Standing Committee;*

On Annotations for Appendix II orchids directed to the Plants Committee

17.318 *The Plants Committee shall:*

- a) *re-establish a working group on Annotations for Appendix II Orchids. The working group shall be chaired by a member of the Plants Committee and work on the basis of the following terms of reference:*
  - i) *The working group shall develop a questionnaire taking into consideration previous discussions and work on this topic, to seek information on the trade in orchid parts and derivatives (wild and artificially propagated) in consideration of the potential conservation impact of exempting orchid products from CITES controls.*
  - A) *The questionnaire should invite Parties to provide available information on: the trade in orchid products from source to final product, including the identification of the major industry sectors involved in the trade; how NDFs are made; traceability along the trade chain; and trade reporting. It should also request information on orchid parts and derivatives used in products, sectors involved (cosmetics, nutritional supplements, traditional medicine, foodstuffs – in particular flours -etc.), and conservation concerns for wild populations.*