

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

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Thirteenth meeting of the Conference of the Parties  
Bangkok (Thailand), 2-14 October 2004

Interpretation and implementation of the Convention

Trade control and marking issues

ELECTRONIC PERMITTING SYSTEMS FOR CITES SPECIMENS

1. This document has been submitted by Ireland (on behalf of the Member States of the European Community).

Background

2. Resolution Conf. 12.3 on Permits and certificates sets out the format for export and import permits, re-export and pre-convention certificates, certificates of origin and certificates of captive breeding and artificial propagation. It also sets out the minimum information that should be contained within such documents and the preferred numbering systems and security methods. Finally it lists the codes to be used to identify the source of the specimens concerned and the purpose for which they will be used.
3. The current assumption is that all certificates will be in paper format and will physically travel with the specimen concerned. As such, they form the principal means whereby Customs officials are able to verify that the trade in any CITES controlled specimens is in accordance with the Convention. However, the volume and intensity of the trade in CITES specimens is developing constantly and it is becoming increasingly difficult for Customs officials to ensure that all permits are appropriately endorsed. In addition, the advances in computer technology mean that many applicants for CITES documents are less willing to accept that paper-based procedures should dictate the speed at which processing of CITES documents and Customs clearance should take place.
4. Some preliminary work has already been done to enable CITES Parties to take advantage of these advances in computer technology. For example Resolution Conf. 11.17 (Rev. CoP12) on Annual reports and monitoring of trade encourages Parties to make use of computers to assist in the preparation of CITES reports and to consult with each other on the development of computer programmes for licensing and reporting trade. Decision 12.76 on CITES permits and certificates also directs the Secretariat to study and evaluate the possibility of creating a centralized system that would enable the CITES website to be used to check the validity of permits and certificates issued by the Parties. However, initial consultations suggest that further analysis is needed of what is desirable and feasible within CITES before work could begin on developing such a system.
5. In Notification to the Parties No. 2003/084 of 16 December 2003, Parties were also asked to provide information on their experience of using computer software to issue permits and report trade. The results of this survey were reported at the 50th meeting of the Standing Committee (Geneva, March 2004) in document SC50 Inf. 15.
6. Decision 12.87 on Reporting requirements also directs the Standing Committee to review the reporting requirements under the Convention. The working group set up to look into this considered, amongst other things, the implications of technological developments such as electronic permitting. It also looked at the desirability and feasibility of developing a coordinated global system for the issuance and monitoring of CITES permits and certificates. The working group reported its findings at the 50th meeting of the Standing Committee and its recommendations in paragraph 25 of document SC50 Doc. 26.2 were approved. Foremost amongst these was the recommendation to instruct the

Secretariat, in consultation with UNEP-WCMC and interested Parties, to develop and test simple software and Internet-based modules for permit issuance and trade reporting, provided the necessary funding can be found. If adopted at the 13th meeting of the Conference of CITES Parties, this will give the Secretariat the mandate it needs to continue to investigate the feasibility of electronic permitting.

### Consideration

7. Most CITES Parties have access to computer technology in some form and the cost of introducing the necessary hardware is continuing to fall. The development of electronic handling systems would help Parties to expedite the CITES licensing and reporting process in a number of ways as follows:
  - a) Simplify the licensing process – applications for permits and certificates could be made via the Internet thereby saving time and improving customer service. It would also be of particular assistance to those applicants not based in the same state as the management authority to which the application is to be made.
  - b) Improve the security of the licensing process – by ensuring that the Management Authority of the importing or exporting Party is sent an authenticated electronic copy of any documentation, independently of the applicant
  - c) Ensure a more efficient service – by allowing Management Authorities to despatch permits directly to the Customs officials and the Management Authorities of other Parties.
  - d) Improve the service provided to applicants – allowing applications and permits to be dealt with electronically would remove the need to rely on the postal service.
  - e) Ensure the enforcement of CITES – by enabling information to be handled and disseminated by the enforcement agencies more efficiently.
  - f) Improve the monitoring of CITES trade – by enabling trade reports to be assembled more quickly and efficiently.

### Conclusions

8. CITES relies on the active cooperation of all Parties to achieve its overall objectives. It is accepted that not all Parties, or their enforcement agencies and Management Authorities, will have equal access to common computer systems, or operate with the same degree of automation and computer support. It is therefore recognized that a phased and planned approach to electronic licensing is needed, with a trial project (possibly on a bilateral basis) being a necessary precursor to build up the relevant information on cost and benefits. This information could then be used to inform any future decisions on the development of an electronic licensing system that could be used by all CITES Parties.
9. There is no doubt that the development of an electronic licensing system would greatly assist in the handling and processing of CITES applications, the issue of non-paper permits and the collation and dissemination of CITES trade information. It would enable CITES trade to be monitored more effectively and reports to be assembled more easily. It would also assist in the enforcement of CITES by helping to improve the flow of information between Parties.
10. It is recognized, however, that not all Parties will be able to proceed at the same pace and that a parallel paper based licensing system will need to be retained for many years to come. It is also recognized that in order to avoid confusion and the development of incompatible systems, Parties will need to agree on a common system for handling and exchanging information electronically. This is not to say that Parties need to adopt identical hardware or software systems, merely that they need to agree ways of formatting, verifying and exchanging information via electronic media.
11. The Secretariat therefore needs to build on the work it has already done and map out a strategy for developing recommendations on guidelines and capacity building for the use of electronic permitting systems in the future.

## Recommendation

12. Ireland (on behalf of the Member States of the European Community), therefore recommends that the Conference of Parties adopt the draft decisions outlined in the Annex.

### COMMENTS FROM THE SECRETARIAT

- A. The Secretariat agrees, in principle, with many of the observations made by Ireland (on behalf of the Member States of the European Community) and the Secretariat has made similar comments in the past at meetings of the Standing Committee and the Conference of the Parties. However, the Secretariat does not believe it has either the expertise or resources to undertake the specialized research or preparation of guidance relating to computerized systems envisaged in this document.
- B. Consequently, it agrees that funding should be sought to enable such work to be conducted but suggests that it may be more appropriate for consultants, or perhaps UNEP-WCMC, to be contracted to undertake research and the preparation of guidance. The results could be considered by the Standing Committee.

DRAFT DECISIONS OF THE CONFERENCE OF THE PARTIES

Directed to the Secretariat

- 13.xx Subject to the provision of appropriate funding, the Secretariat should:
- a) advise the Parties on the work done by UNEP-WCMC in the development of simple Internet-based software tools and provide recommendations based on experience and testing by Parties;
  - b) evaluate the experience of other permit-based agreements or conventions, such as CCAMLR, in using electronic permitting systems;
  - c) provide guidance to the Parties on the extent to which it may be practicable to make use of computerized systems to meet their obligations under CITES and on the extent to which this would be consistent with the obligations set out in the Convention and related Resolutions and Decisions of the Parties and subject to the direction of the Standing Committee; and
  - d) prepare recommendations on a strategy for developing standards, guidelines and capacity-building options for the use of electronic permitting systems in the future.

Directed to the Standing Committee

- 13.xx Based on the information provided by the Secretariat, the CITES Standing Committee shall:
- a) agree and adopt guidelines for the electronic processing and handling of CITES permits and trade reports that will ensure that the principles of consistency and compatibility are adhered to in the management of international trade in CITES specimens via electronic media; and
  - b) set up a working group to pilot the development of a paper-free permitting system that would provide a model that could, in the longer term, be taken up by all CITES Parties.