1. This document has been submitted by the United States of America.

Introduction

2. At the second meeting of the Mahogany Working Group (MWG2), held from 6 to 8 October 2003, in Belem, Brazil, the United States expressed concerns about the absence of certain information on CITES export documents that accompany shipments of regulated articles of *Swietenia macrophylla* (bigleaf mahogany). Among those concerns, and of importance to enforcement personnel regulating trade in CITES timber species in importing countries, is the absence of bill of lading numbers on CITES export documents and the presentation of what appear to be retrospectively-issued CITES export permits.

3. The United States has learned from Management Authorities in certain *Swietenia macrophylla* range States, and from commercial traders of CITES-regulated timber products, that export bills of lading are often not available at the time shipments receive their export inspection and CITES document endorsement. In these situations, export bill of lading numbers are not available until after the exporting vessel has departed the port. This results in CITES export documents being issued either without bill of lading numbers, or being issued and/or endorsed retrospectively. Under either scenario, officials in the importing country are faced with an enforcement dilemma that can result in a shipment being refused, seized or detained while further information is obtained from the Management Authority of the exporting country.

4. The United States believes a useful alternative to the bill of lading or air waybill number exists which could be used on CITES export documents for timber products such as logs, sawn wood, veneer sheets and plywood. The United States proposes that Section XI of Resolution Conf. 12.3 on Permits and certificates be amended to allow marks and numbers which uniquely identify a timber shipment to be included on a CITES export document when the export bill of lading number is not available. The marks and numbers used for these shipments are created and used by the exporter or importer and typically consist of letters and/or a range of numbers. On some shipments, the marks and numbers are painted or stencilled onto the bundles. In others, the marks and numbers may appear on materials that are affixed to the bundles or pallets.

5. Under this proposal, when a bill of lading number is not available to the official responsible for inspecting the shipment and endorsing the CITES export or re-export document, the identifying marks and numbers found on the shipment are to be placed in the area of the CITES export or re-export document that is designated for that purpose (e.g. block 9 of the standard CITES permit/certificate form). Also, the CITES document should have, in the space dedicated for the bill of lading/air waybill number (e.g. block 15 of the standard CITES form), a declaration from the endorsing official that the “marks and numbers were confirmed at the time of export in lieu of the bill of lading/air waybill number”.

1. This document has been submitted by the United States of America.
6. The Annex that follows contains a draft revision to Section XI of Resolution Conf. 12.3 to reflect the changes proposed above.

7. It should be noted that, in addition to proposed revisions to Section XI of Resolution Conf. 12.3 related to timber marks and numbers, the United States has also proposed a revision to the title of Section XI to reflect the fact that the term ‘plywood’ is now included in the annotation for *Swietenia macrophylla*.

### COMMENTS FROM THE SECRETARIAT

A. Annex 1 to Resolution Conf. 12.3 requires in paragraph g) that “the numbers of the marks appearing on the specimens” be included in the permit. There is therefore no need to repeat this in a separate section of Resolution Conf. 12.3, as the United States of America proposes in paragraph b) i) under FURTHER RECOMMENDS.

B. Presumably it is intended that the marks or numbers should be included in the export permit by the Management Authority. If they were included by another body at the time of export, then the permit could not be accepted for import because it would contain changes that were not endorsed by the issuing Management Authority (unless the information were only included in box 15).

C. Regarding the issue of the bill of lading number not being available when shipments receive their export inspection, and the apparent enforcement problems resulting from this, it is not clear why that number is often only available after the ship has sailed. The most important point is that at the time of the inspection at export the permit should also be endorsed, after the quantities and the marks have been verified. The absence of the bill of lading number does not make the permit invalid and should not cause any enforcement problems at the point of export or import.

D. If endorsement of export permits is a significant problem in countries of export, these countries could take appropriate measures, such as improving the provision of information to the inspecting authorities. It is unlikely that amending Resolution Conf. 12.3 would solve this problem.

E. For the above reasons the Secretariat believes that the proposed changes to the substance of Resolution Conf. 12.3 do not seem necessary.

F. The proposed change to the title of Section XI of the Resolution is appropriate however, because it correctly reflects the current annotation to *Swietenia macrophylla*. 
DRAFT RESOLUTION OF THE CONFERENCE OF THE PARTIES

Revision of Resolution Conf. 12.3

Permits and certificates

NB: Proposed deleted text is crossed out and proposed new text is underlined.

The United States proposes the following changes to Section XI of Resolution Conf. 12.3:

XI. Regarding permits and certificates for timber species included in Appendices II and III with the annotation ‘Designates logs, sawn wood and veneer sheets’ or the annotation ‘Designates logs, sawn wood, veneer sheets and plywood’

RECOMMENDS that the validity of the export permit or re-export certificate may be extended beyond the normal maximum of six months after the date of issue, on the condition that:

a) the shipment has arrived in the port of final destination before the date of expiration indicated on the permit or certificate and is being held in Customs bond (i.e. is not considered as imported);

b) the time extension does not exceed six months from the date of expiration of the permit or certificate and no previous extension has been granted;

c) the appropriate enforcement personnel has included the date of arrival and the new date of expiration in the box relating to special conditions, or an equivalent place, on the export permit or re-export certificate, certifying the modification with an official stamp or seal and signature;

d) the shipment is imported for consumption from the port where it was located when the extension was approved and before the new date of expiration; and

e) a copy of the export permit or re-export certificate as amended in accordance with sub-paragraph c) above is sent to the country of export or re-export, allowing it to amend its annual report, and to the CITES Secretariat; and

FURTHER RECOMMENDS that:

a) any permit or certificate that indicates the complete names and addresses of the (re-)exporter and importer, in conformity with Annex 1, paragraph d), to this Resolution, not be accepted for import into a country other than the one for which it was issued, except under the following conditions:

ai) the actual quantity of specimens exported or re-exported is included in the designated box on the permit or certificate, certified by the stamp or seal and signature of the authority that carried out the inspection at the time of export or re-export;

bii) the exact quantity referred to under ai) is imported;

ciii) the number of the bill of lading of the shipment is included on the permit or certificate;

div) the bill of lading of the shipment is presented to the Management Authority together with the original of the permit or certificate at the time of import;

ev) the import takes place within six months after the issue of the export permit or re-export certificate or within 12 months after the issue of a certificate of origin;

fv) the period of validity of the permit or certificate has not already been extended;
gvi) the Management Authority of the importing country includes on the permit or certificate, in the box relating to special conditions, or an equivalent place, the following text, certified by its stamp or seal and signature:

"import into [name of country] permitted in accordance with Resolution Conf. 12.3 (section XI) on [date]"; and

hviii) a copy of the permit or certificate as amended in accordance with sub-paragraph gvi) above is sent to the country of export or re-export, allowing it to amend its annual report, and to the CITES Secretariat; and

b) when the bill of lading or air waybill for a shipment is not available at the time of export or re-export endorsement:

i) the marks and numbers found on the bundles, pallets, or individual pieces of logs, sawn wood, veneer sheets or plywood be included on the permit or certificate under the description of specimens; and

ii) the permit or certificate include, in place of the bill of lading or air waybill number, a declaration from the endorsing official that the “marks and numbers were confirmed at the time of export in lieu of the bill of lading/air waybill number”.