



ENVIRONMENTAL
INVESTIGATION
AGENCY

Wildlife

**Chinese Government
agency issuing permits
for commercial trade
in bone of hundreds of
leopards**

June 2018





ABOUT EIA

We investigate and campaign against environmental crime and abuse.

Our undercover investigations expose transnational wildlife crime, with a focus on elephants and tigers, and forest crimes such as illegal logging and deforestation for cash crops like palm oil. We work to safeguard global marine ecosystems by addressing the threats posed by plastic pollution, bycatch and commercial exploitation of whales, dolphins and porpoises. Finally, we reduce the impact of climate change by campaigning to eliminate powerful refrigerant greenhouse gases, exposing related illicit trade and improving energy efficiency in the cooling sector.

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Summary

Leopards (*Panthera pardus*) have been listed on CITES Appendix I since 1975. They are listed as Vulnerable on the IUCN Red List, having been upgraded from Near Threatened in 2008, and Least Concern in 2002¹. Illegal killing for their body parts is one of the main threats to the species' survival.

Leopards are Asia's most traded big cat, with more than 4,900 leopards having been seized from illegal trade in Asia since 2000², and this figure likely represents a fraction of leopard parts being trafficked. Trade in their bones, primarily to meet demand from Chinese consumers, is a one of the drivers of this trade.

Leopard bone is consumed in similar ways to tiger bone, steeped in rice wine to produce health tonics and used in production of traditional medicines. Leopard bone has long been used as an ingredient in traditional Chinese medicine, including in mass-produced and packaged medicines. Since the 1993 State Council ban on domestic trade in tiger bone, leopard bone has also been widely used in production of products similar to those that would traditionally have contained tiger. Based on testimony from individuals engaged in illegal trade, consumers in China also illegally purchase leopard bone that has been sold to them as tiger.

A copy of a permit posted online³ appears to show that, on 16 March 2018, China's State Forestry Administration gave permission for an individual acting on behalf of one pharmaceutical company, Sichuan Qianfang Chinese Medicine Stock Co. Ltd, to sell 1,230.5 kg of leopard bone to a second company, Inner Mongolia Hongmao Pharmaceutical Co. Ltd, for use in production of Chinese medicine products (see Appendices I and II).

The authenticity of the permit appears to be confirmed by the SFA's own website, which shows that a permit with the same identification number was indeed issued to the company in question in March (see Appendix III).

Hongmao Pharmaceutical Co. manufactures a widely-available 'tonic' wine, Hongmao Yaojiu, which includes leopard bone on its list of ingredients. Based on figures declared by the company, they may be using the bones of 90 to 130 of leopards every year

in production of this product.

Given the amount of leopard bone involved in this transaction, the small size of China's leopard population and the fact that leopards have been listed on CITES Appendix I since 1975, it appears likely that the bone in question was sourced illegally from leopards killed outside China.

The likelihood that illegally sourced bone is being used was substantiated by EIA in 2008, when a director of Qianfang Traditional Chinese Medicine Co. Ltd. showed EIA investigators a fresh clouded leopard (*Neofelis nebulosa*) skeleton, claiming that it was leopard. While the permit issued in March 2018 specifies *Panthera pardus*, the generic term 豹骨 [baogu], which could refer to the bones of leopard, snow leopard or clouded leopard, is used in government notifications regarding issuance of permits, and on the lists of ingredients for products containing leopard bone. Chinese pharmaceutical companies further obfuscate the exact species used by listing non-taxonomic terms such as *Os pardus* and *Os leopardi*. It is therefore possible that some proportion of the bones involved in this permitted transaction could derive from poached and trafficked specimens of these threatened big cat species.

The recipe for producing Hongmao Yaojiu has been included on an official Chinese Government list of 'intangible cultural heritage' – a list of cultural forms or skills which the government deems worthy of protection – since 2014. This was confirmed in a recent response to a Beijing-based lawyer's request by China's Ministry of Culture and Tourism⁴.

When China revised its Wildlife Protection Law in 2016, EIA raised concerns⁵ around loopholes which allowed legal trade in protected species for the purpose of "scientific research, captive breeding, public exhibition or performances, heritage conservation or other special purposes"⁶. This case

1. IUCN Red List of Threatened Species: *Panthera pardus*. Available from: <http://www.iucnredlist.org/details/15954/0>

2. Source EIA and Wildlife Protection Society of India data, submitted to IUCN Consultant to CITES Secretariat in March 2018

3. 个有点理想的记者 [Weibo account]. 2018. 是谁卖给鸿茅药酒一吨豹骨. Available from: https://m.weibo.cn/status/4235316129070162?sourceType=weixin&from=1084395010&wm=9006_20018&featurecode=newtitle

4. Fengmian News. 2018. 文化和旅游部: 鸿茅药酒非遗申报和认定合规. 18 May. Available from: <https://3g.163.com/all/article/D13C22360001899N.html>

5. EIA. China's Wildlife Protection Law. Available from: <https://eia-international.org/our-work/wildlife/tigers/tiger-farming/chinas-wildlife-protection-law>

6. See Article 27 of the Wildlife Protection Law of the People's Republic of China (unofficial EIA translation). Available from: https://eia-international.org/wp-content/uploads/WPL-Final-Law_translation_July-5-2016.pdf

appears to demonstrate how the heritage conservation loophole is now being used to sanction large-scale, commercial trade in leopard products.

Leopards are included on a short list of protected wildlife for which the SFA, as opposed to provincial authorities, is responsible for approval of permits for sale, purchase or utilisation under Article 27 of the Wildlife Protection Law⁷. This list, published in August 2017, uses the generic term 豹 [bao], which could also refer to snow leopards and clouded leopards. The list also includes tiger, elephant and rhino, indicating that the same permitting system and legislative loopholes described in this document, with permits for commercial trade issued under Article 27, could be used to permit commercial trade in these species.

Hongmao Pharmaceutical Co. Ltd

Hongmao Pharmaceutical Co. Ltd was registered in 2002, and is based in Ulanqab, Inner Mongolia. The company produces Hongmao Medicinal Wine, a widely available product which openly lists "leopard bone" as an ingredient on its packaging.

According to a statement from the company, production of 187 kg of Hongmao Medicinal Wine requires 15 g of leopard bone, and in 2017 sales of the product came to 5 billion yuan (550 million GBP)⁸. According to a Chinese news report, based on production volumes and prices, production of this amount of the product may have used the bones of 90 to 130 adult leopards in the year 2017 alone.

Qianfang Traditional Chinese Medicine Co. Ltd

Qianfang Traditional Chinese Medicine Co. Ltd was registered in 2002, and is based in the Xindu area of Chengdu, Sichuan province.

In 2008, the director of the company offered investigators the skeleton of a clouded leopard, claiming it was leopard. The skeleton still had some tissue and fur attached, indicating that it was recently killed and not from an old stockpile. During the meeting, it was suggested to EIA that more leopard bone was available.

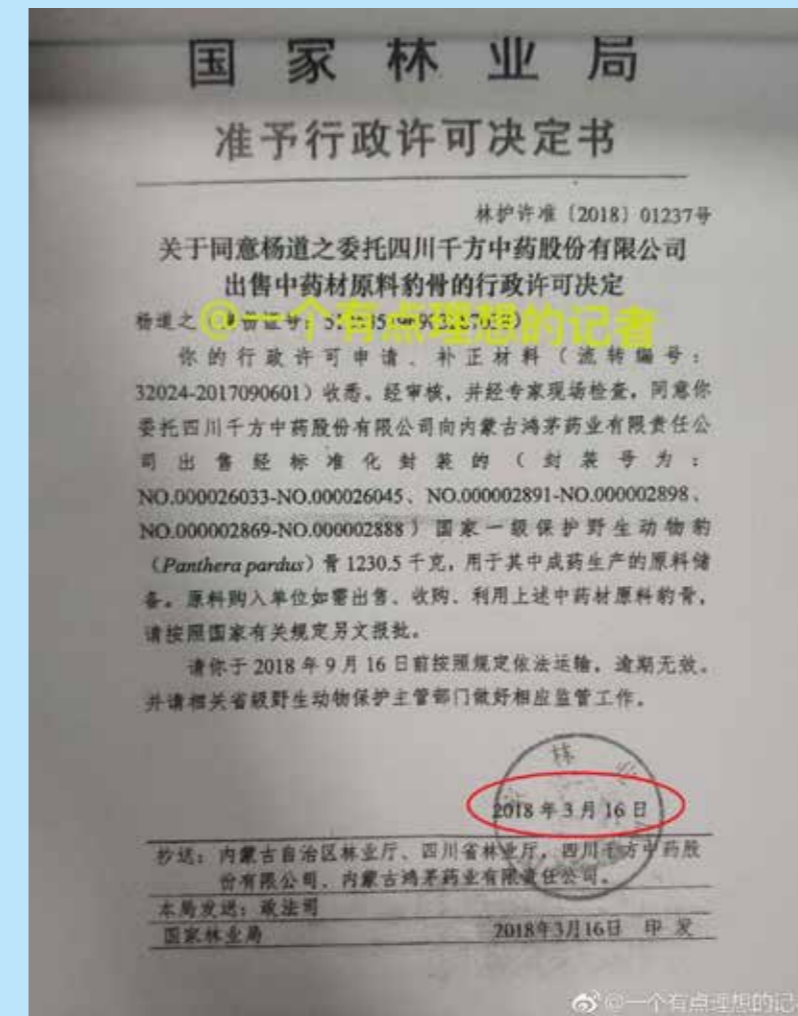


Hongmao Medicinal Wine. The characters for 'leopard bone' (豹骨) are displayed on the product packaging (circled in black). Image source: J1.com.



Clouded leopard skeleton offered as leopard bone to EIA investigators in 2008

Appendix I – permit issued by the State Forestry Administration, 16 March 2018



The date in the red circle reads "16 March 2018"

Appendix II – English translation of permit

State Forestry Administration
Certificate of Approval

Forestry Protection Permit No. 01237, 2018

Administrative permit relating to the agreement for Yang Daozhi on behalf of Sichuan Qianfang Chinese Medicine Stock Co. Ltd to sell raw leopard bone as a pharmaceutical ingredient

Yang Daozhi, ID number [unclear]

Your application for an administrative permit and supplementary materials (circulation code 32024-2017090601) were received. Following consideration, and following expert on-site inspection, it is agreed that you, on behalf of Sichuan Qianfang Chinese Medicine Stock Co. Ltd, may sell 1,250.5 kg of bone of the leopard (*Panthera pardus*), a species under first class special state protection, packaged in a standardised way (package nos. NO.000026033-NO.000026045, NO.000002891-NO.000002898, NO.000002869-NO.000002888) to Inner Mongolia Hongmao Pharmaceutical Co. Ltd, for use as an ingredient in their production of patent medicine. If the purchasing party wishes to sell, purchase or utilise the aforementioned leopard bone medicine ingredients, please apply for approval in accordance with relevant national regulations.

Please transport [the items] by 16 September 2018, in accordance with regulations; failing to meet this deadline voids the agreement. Please would relevant departments of wildlife protection at the provincial level conduct corresponding inspection and supervision.

CC: Inner Mongolia Special Administrative Region Forestry Office, Sichuan Province Forestry Office, Sichuan Qianfang Chinese Medicine Stock Co. Ltd, Inner Mongolia Hongmao Pharmaceuticals. Co. Ltd.
Issued by: Legal Office
State Forestry Administration, 16 March 2018

7. SFA announcement No. 14, 2017 (informal EIA translation). Available from: <https://eia-international.org/wp-content/uploads/SFA-announcement-No.-14-2017.pdf>
8. Zhu, F. 2018. 就非处方药鸿茅药酒监管问题致国家药品监督管理局的第二封公开信. Available from: http://www.sohu.com/a/228486402_110618

Appendix III – Screenshot of SFA website showing approval of the permit above

The SFA website includes a database of decision outcomes relating to applications for permits. In the screenshot below, a decision to issue a permit “to buy, sell and/or utilise terrestrial wildlife under first-class state protection or the products thereof” to Inner Mongolia Hongmao Pharmaceutical Co. Ltd is posted. The number of the permit given, (2018) 01237, matches the copy of the permit above.

国家林业局网上行政审批平台

2018年05月18日 星期五

结果公示

许可项目： 企业名称/申请人： 申报号：

办理状态： 许可日期： 至

申报号	许可项目	企业名称/申请人	省市区	许可文号	司局	许可日期	办理状态
32024-2018031207	出售、收购、利用国家...	上海野生动物园发展...	上海市	林护许准【2018】01282号	保护司	2018-03-22	送达阶段
32024-2018030802	出售、收购、利用国家...	天津中新药业集团股...	天津市	林护许准【2018】01274号	保护司	2018-03-22	送达阶段
32024-2018030602	出售、收购、利用国家...	常熟市虞山动物园	浙江省	林护许准【2018】01266号	保护司	2018-03-22	送达阶段
32024-2018022308	出售、收购、利用国家...	上海野生动物园发展...	上海市	林护许准【2018】01262号	保护司	2018-03-22	送达阶段
32024-2018031203	出售、收购、利用国家...	洛阳市王城公园	湖南省	林护许准【2018】01281号	保护司	2018-03-22	送达阶段
32024-2018031202	出售、收购、利用国家...	福建闽台农产品市场...	福建省	林护许准【2018】01280号	保护司	2018-03-22	送达阶段
32024-2018030903	出售、收购、利用国家...	中国野生动物保护协...	河北省	林护许续【2018】01002号	保护司	2018-03-22	送达阶段
32024-2018030902	出售、收购、利用国家...	齐齐哈尔龙沙动植物...	黑龙江	林护许准【2018】01278号	保护司	2018-03-22	送达阶段
32024-2018030201	出售、收购、利用国家...	黑龙江东北虎林园台...	黑龙江	林护许准【2018】01264号	保护司	2018-03-22	送达阶段
32024-2018030603	出售、收购、利用国家...	北京华益药业有限公...	北京市	林护许准【2018】01267号	保护司	2018-03-22	送达阶段
32024-2018030211	出售、收购、利用国家...	杭州野生动物世界有...	浙江省	林护许准【2018】01265号	保护司	2018-03-22	送达阶段
32024-2018022307	出售、收购、利用国家...	广东长隆集团有限公...	广东省	林护许准【2018】01246号	保护司	2018-03-16	送达阶段
32024-2018013103	出售、收购、利用国家...	江苏皇家鼯猫驯养基...	江苏省	林护许准【2018】01244号	保护司	2018-03-16	送达阶段
32024-2018022802	出售、收购、利用国家...	北京龙富藤动植物有...	北京市	林护许准【2018】01247号	保护司	2018-03-16	送达阶段
32024-2017090601	出售、收购、利用国家...	内蒙古鸿茅药业有限...	内蒙古	林护许准【2018】01237号	保护司	2018-03-16	送达阶段

共407条记录 第5页 首页 上一页 下一页 末页

国家林业局行政许可受理中心 010-84239631 010-84239632 010-84239633
 主办：国家林业局 承办：国家林业局办公室 国家林业局信息化管理办公室
 京ICP备10047111

Text in the red circle reads “Forestry Protection Permit No. 01237, 2018”, the same permit number as in the document above.