Wildlife

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

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We would like to thank Ximporae. Ut aut fugitis resti ut atia nobit ium alici bla cone consequam cus aci oditaquates Investigatio Agency (UK) Ltd. Company Number: 7752350 VAT Number: 440569842. Registered in England and Wales

Environmental Investigation Agency (UK) Ltd. Company Number: 7752350 VAT Number: 440569842. Registered in England and Wales

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 environmental crime and abuse.

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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 2002. 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 2000, and this figure likely represents a fraction of leopard parts being trafficked. Trade in their bones, primarily to meet demand from Chinese consumers, is 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 online 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 1,230.6 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 Jiaoq, 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 leopards. 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 Tourism.

When China revised its Wildlife Protection Law in 2016, EIA raised concerns 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’. This case
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 SF A, as opposed to provincial authorities, is responsible for approval of permits for sale, purchase or utilisation under Article 27 of the Wildlife Protection Law. This list, published in August 2017, uses the generic term 豹, 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). 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.

Appendix I – permit issued by the State Forestry Administration, 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
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.

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