

ITTO takes a stand on forest law enforcement

ITTO member countries have agreed to work together to strengthen the capacity of tropical countries to combat forest crime

IN A decision hailed by some members as 'historic', the International Tropical Timber Council recently launched a series of initiatives to strengthen forest law enforcement and combat the illegal trade of timber.

The decision, one of seven substantive decisions taken at the 31st Session of the Council, held in Yokohama, Japan on 29 October–3 November 2001, recognised that all countries and the ITTO have a role to play in combating activities that undermine sustainable forest management. It stressed the linkage between sustainable forest management and market access for tropical timber products and recognised the need to promote "adequate access to consumer markets, aiming at a significant increase in the revenues and benefits for governments, forest owners, industry and local communities".

The decision provides financial resources to assist countries, upon request, to address unsustainable timber harvesting, forest law enforcement and illegal trade in tropical timber. In addition, the Organization will undertake a study to investigate trade statistics' reporting systems in selected countries to identify problems and

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recommend actions to strengthen these systems and to deal with apparent instances of illegal trade; *see box* for the terms of references for this study. Another study will report on relevant issues affecting market access for tropical timber.

ITTO gets new action plan

Also during the session, the Council finalised a document dubbed the Yokohama Action Plan, which charts the Organization's course for the next five years.

Terms of reference for export/import data studies

1. Review trade statistics for selected countries available from ITTO and other sources.
2. Prepare a brief report for each country outlining the nature and magnitude of discrepancies found from this initial review.
3. On the basis of the initial review, undertake missions to selected countries to investigate trade statistics reporting systems. These missions should involve:
 - overall review of trade statistics reporting system(s) used, including the level of reporting detail;
 - review of individual products where substantial discrepancies discovered, including analysis of individual customs records/reports;
 - research on the effects of different measurement standards and reporting formats (eg scaling systems, notation systems, reporting periods, etc);
 - research on mis-classification by product and within product codes (eg sawnwood-mouldings, coniferous, non-coniferous);
 - research on possible 'triangular' trade, where the destination on bill of lading and/or customs report differs from actual destination;
 - identification of possible transfer pricing through analysis of average unit values for shipments and other relevant data;
 - comparison of conversion factors (weight/area/pieces → volume); and
 - identification of areas for further research.
4. Prepare a report summarising the problems identified and recommending actions to be undertaken by countries and ITTO to strengthen statistical reporting systems and deal with apparent instances of illegal trade.
5. Present the report to the Council at its Thirty-third Session (in November 2002).

The Plan, which spans 2002–2006, was developed after wide consultation between member governments, environmental non-governmental organisations, the timber trade and industry, and other international organisations. Its aim is to accelerate progress towards achieving exports of tropical timber and timber products from

sustainably managed sources and it sets six major goals;

- improving the transparency of the international timber market;
- promoting tropical timber from sustainably managed sources;
- supporting activities to secure the tropical forest estate;
- promoting the sustainable management of tropical forests;

ITTO Mission 'recommended Indonesian log export ban'

Indonesia instituted an indefinite ban on the export of logs last October in line with a recommendation made by an ITTO Mission in the country.

According to Dr. Untung Iskandar, spokesman for the Government of Indonesia, the decree outlining the ban was signed on 8 October after a meeting between Mission Leader Dr. B.C.Y. Freezailah and the Minister of Forestry, Dr. Prakoso, and will continue indefinitely, although it will be kept under review.

Dr. Iskandar was speaking during the 31st session of the International Tropical Timber Council, following presentation of the Mission's report by Dr. Freezailah and Mission rapporteur, Dr. Cherukat Chandrasekharan.

The Mission, which was authorised by the Council in November 2000, reported on a wide range of issues relevant to forest management in Indonesia. These included ways of minimising illegal logging and proposals to restructure the forest industry.

It found that the most devastating form of illegal logging was driven by those wanting to convert forest into mainly oil-palm plantations, causing the total destruction of forest biodiversity. Although illegal, the Mission reported, there is often "an implied or misplaced acceptance of the legality of such conversions". Another form of illegal logging is direct timber theft for commercial purposes, which is often conducted "with the backing of rogue elements of the enforcement apparatus (army, navy, police and forestry officials)".

The Mission also found considerable problems in the country's forest industries. For example, there is a huge over-capacity for plywood processing: demand for logs to feed local mills is now more than double the annual allowable cut from the natural forests. Moreover, the conversion efficiency of most processing facilities is low compared to world standards, reducing the ability of such facilities to compete in the world market when "no longer protected from market forces". This situation has created a strong demand for illegal timber, which, unless corrected, will ultimately "lead to both destruction of the forests and collapse of the industries".

Some Council members queried the mission's proposal for a log export ban on the grounds that it would be counter-productive to the development of an efficient timber processing sector in the country. However, according to Dr. Freezailah, the current situation in Indonesia is "extraordinary" and required "extraordinary measures". The ban could be lifted later as conditions improve.

In addition to the log ban, the Mission made a wide range of other recommendations that aim to find short-, medium- and long-term solutions to forest sector problems in Indonesia.

The Council agreed to help publicise the Mission's findings throughout Indonesia and encouraged the government to submit project proposals to implement the recommendations, including those to help curb illegal logging.

For a copy of the Mission report contact: Mr Collins Ahadome, Information Officer, at itto@itto.or.jp or go to www.itto.or.jp/ittcdd_ses/thirty_first_sessions.html

- promoting the increased and further processing of tropical timber from sustainable sources; and
- improving industry's efficiency of processing and utilisation of tropical timber from sustainable sources.

According to Council Chair, Dr Josefina Takahashi, the new Action Plan reflects the broad scope of the Organization.

"We have set a challenging agenda," she said. "But achieving sustainable tropical forest management and a sustainable timber trade requires nothing less".

According to Dr Takahashi, member countries will need to increase their efforts if they are to make more rapid progress.

"Producer members will need to work harder to raise their capacity to manage their forests sustainably and to develop sustainable and profitable forest industries," she said. "Consumer members will need to increase their support for these efforts, both through direct assistance and through facilitating the trade of timber from sustainable sources. And the Organization itself will need to be highly energetic if it is to maintain its high standards in the face of what will undoubtedly be an increased workload".

Projects funded for US\$9 million

Also during the session, the Council agreed to fund 17 projects, twelve pre-projects and nine other activities worth US\$8.96 million. Among the projects financed was one designed to support a national forest inventory and forest monitoring program in Bolivia. Another will establish a

transboundary gorilla sanctuary on the border between Cameroon and Gabon. And another will continue a long-running project in Sarawak to improve timber harvesting practices and to test the feasibility of sustainable forest management.

The financial contributions made at this Session by the governments of Japan, Switzerland, the United States, Australia, the Republic of Korea and Sweden, as well as through the Bali Partnership Fund, bring the total funding provided by the Organization for project and other work to about US\$230 million. ITTO projects are mostly carried out in countries with significant areas of tropical forest with the aim of raising the capacity of such countries to manage their forests on a sustainable basis, to assist local people to pursue sustainable livelihoods, and to develop a sustainable forest industry and trade.

In other decisions, the Council agreed to support a workshop to further develop a workplan for mangrove forest ecosystems, while countries will be given assistance to develop credible systems for auditing the implementation of ITTO's criteria and indicators for sustainable forest management.